

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

**HALF-YEAR INFORMATION  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2006  
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 2006.**

# Appendix 4D

## Half Year Report for the six months to 31 December 2006

Name of entity

Hansen Technologies Ltd and its Controlled Entities
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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 2006
	The previous corresponding periods are the financial year ended 30 June 2006 and the half year ended 31 December 2005.

### 2. Results for announcement to the market

Revenues from ordinary activities	Up	4%	to	24,361
Profit (loss) from ordinary activities after tax attributable to members	Up	202%	to	792
Net profit (loss) for the period attributable to members	Up	202%	to	792
<b>Dividends</b>		<b>Amount per security</b>		<b>Franked amount per security</b>
Interim dividend		0¢		0¢
Previous corresponding period – Interim Dividend		0¢		0¢
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>We are pleased to confirm that the forecasted improved performance advised at the AGM has come to fruition.</p> <p>Our results for the half year ended 31 December 2006 were:</p> <ul style="list-style-type: none"> <li>Profit after tax of \$791,902, representing a \$1.6 million improvement over the loss in the corresponding period last year.</li> <li>Earnings Before Interest Tax, Depreciation and Amortisation (EBITDA) of \$A2.83 million representing a 123% increase on the corresponding period in the previous year.</li> </ul>				

**3. Net tangible assets per security**

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	6.0 cents	6.0 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 – half-year ended 31 Dec 2006	N/A	\$0

**Amount per security**

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

**Total dividend on all securities**

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

**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), which has been prepared in accordance with Australian equivalent to International Financial Reporting Standards (AIFRS).**

**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 2006**

**HANSEN TECHNOLOGIES LTD AND CONTROLLED ENTITIES**  
**FINANCIAL REPORT FOR THE HALF-YEAR ENDED**  
**31 DECEMBER 2006**

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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 2006 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:

<b>Name</b>	<b>Period of Directorship</b>
<b>Mr Kenneth Hansen</b>	Chairman since 2000
<b>Mr Andrew Hansen</b>	Managing Director since 2000
<b>Mr Bruce Adams</b>	Director since 2000
<b>Mr David Osborne</b>	Director since March 2006

### **Review of Operations**

We are pleased to confirm that the forecasted improved performance advised at the AGM has come to fruition.

Our results for the half year ended 31 December 2006 were:

- Profit after tax of \$791,902, representing a \$1.6 million improvement over the loss in the corresponding period last year.
- Earnings Before Interest Tax, Depreciation and Amortisation (EBITDA) of \$A2.83 million representing a 123% increase on the corresponding period in the previous year.

Our performance for the first half of this fiscal year represents an encouraging start. The initiatives begun in the second half of last fiscal year have continued into the first half of this year.

We have completed a number of structural changes to our organization which have improved internal operational efficiencies. We are growing our UK operations and increasing our capacity to respond to the opportunities we are seeing in that market space. Furthermore we are generating new interest in our HUB energy billing products and responding to enquiries from both existing as well as new customers in Australia and the UK.

There are a number of new energy and telecommunications billing projects expected to be awarded early in 2007 and our full year's performance will be dependent upon our success with these tenders as well as the timing of the start of the new projects. It is pleasing to report, as announced on 19th February 2007, that the first of these projects has been awarded to Hansen by a subsidiary of the Australian Pipe Line Trust for the supply of Hansen's proprietary HUB Network billing solution for their Queensland Gas Distribution business.

We are confident of maintaining the momentum we have built up in the first half of this year and looking forward to a solid second half performance.

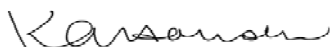
### **Auditor's Independence Declaration**

A copy of the auditor's independence 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 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:



Kenneth Hansen  
Director



Andrew Hansen  
Director

Dated at Melbourne this 20th day of February 2007.

**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 2006, 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 20th day of February 2007.



Pitcher Partners  
D B RANKIN

**Hansen Technologies Ltd and Controlled Entities**  
**Condensed Consolidated Income Statement**  
**For the Half Year Ended 31 December 2006**

	Half-year	
	2006	2005
	\$'000	\$'000
Revenue from rendering of services	24,361	23,446
Other revenues	825	885
<b>Total revenue</b>	<b>25,186</b>	<b>24,331</b>
Employee expenses	(13,080)	(12,937)
Depreciation and amortisation expenses	(2,645)	(2,508)
Impairment of non-current assets	0	0
Finance costs	255	(118)
Operating lease rental expenses	(1,663)	(1,682)
Contractor and consultant expenses	(657)	(1,872)
Software licence expenses	(131)	(131)
Hardware and software expenses	(2,440)	(2,479)
Transportation expenses	(87)	(93)
Travel expenses	(728)	(477)
Data communication expenses	(1,611)	(1,597)
Legal, settlement and liquidation costs	(112)	(22)
Other expenses	(1,669)	(1,679)
	(24,568)	(25,595)
<b>Profit (loss) before income tax</b>	<b>618</b>	<b>(1,264)</b>
Income tax (expense) benefit	174	488
<b>Profit (loss) from continuing operations</b>	<b>792</b>	<b>(776)</b>
<b>Profit (loss) for the half-year</b>	<b>792</b>	<b>(776)</b>
<b>Profit (loss) attributable to the members of the parent</b>	<b>792</b>	<b>(776)</b>
Basic earnings / (loss) per share	\$0.005	(\$0.006)
Diluted earnings / (loss) per share	\$0.005	(\$0.006)

**Hansen Technologies Ltd and Controlled Entities**  
**Condensed Consolidated Balance Sheet**  
**As at 31 December 2006**

	Consolidated	
	Dec-06	Jun-06
	\$'000	\$'000
<b>Current Assets</b>		
Cash and cash equivalents	6,418	6,895
Trade receivables	8,403	7,934
Other current assets	2,574	1,838
<b>Total Current Assets</b>	<b>17,395</b>	<b>16,667</b>
<b>Non-Current Assets</b>		
Receivables	174	243
Plant and equipment	4,424	4,700
Intangible assets	21,456	21,952
Deferred tax assets	3,007	2,728
<b>Total Non-Current Assets</b>	<b>29,061</b>	<b>29,623</b>
<b>Total Assets</b>	<b>46,456</b>	<b>46,290</b>
<b>Current Liabilities</b>		
Trade and other payables	3,732	4,245
Short-term borrowings	569	835
Current tax payable	31	0
Short-term provisions	3,983	4,100
Other current liabilities	3,826	3,399
<b>Total Current Liabilities</b>	<b>12,141</b>	<b>12,579</b>
<b>Non-Current Liabilities</b>		
Long-term borrowings	160	330
Long-term provisions	504	555
<b>Total Non-Current Liabilities</b>	<b>664</b>	<b>885</b>
<b>Total Liabilities</b>	<b>12,805</b>	<b>13,464</b>
<b>Net Assets</b>	<b>33,651</b>	<b>32,826</b>
<b>Equity</b>		
Share capital	49,958	49,958
Foreign currency translation reserve	(414)	(425)
Options granted reserve	113	91
Retained earnings (accumulated losses)	(16,006)	(16,798)
<b>Total Equity</b>	<b>33,651</b>	<b>32,826</b>

Hansen Technologies Ltd and Controlled Entities  
Condensed Consolidated Statement of Changes in Equity  
For the Half Year Ended 31 December 2006

	Half-year	
	2006	2005
	\$'000	\$'000
<b>Total Equity at the Beginning of the Half-Year</b>	32,826	25,749
Exchange differences on translation of foreign operations	11	(150)
<b>Net income (loss) recognised directly in equity</b>	11	(150)
<b>Profit (loss) for the half-year</b>	792	(776)
<b>Total recognised income and expense for the period</b>	803	(926)
<b>Transactions with equity holders in their capacity as equity holders:</b>		
Contributions	0	6,409
Options granted	22	20
Dividends provided for or paid	0	0
	22	6,429
<b>Total Equity at the End of the Half-Year</b>	33,651	31,252

Attributable to:  
Members of the parent

33,651	31,252
33,651	31,252

**Hansen Technologies Ltd and Controlled Entities  
Condensed Consolidated Statement of Cash Flows  
For the Half Year Ended 31 December 2006**

	Half-year	
	2006	2005
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Receipts from customers	25,006	24,837
Payments to suppliers and employees	(24,943)	(25,480)
Interest received	176	92
Borrowing costs	256	(118)
Income tax paid	0	0
<b>Net cash provided by (used in) operating activities</b>	<b>495</b>	<b>(669)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of plant and equipment	3	12
Proceeds from sale of intellectual property	1,333	0
Payment for plant and equipment	(862)	(353)
Payment for:		
Capitalised research and development	(1,009)	(2,061)
<b>Net cash used in investing activities</b>	<b>(535)</b>	<b>(2,402)</b>
<b>Cash flows from financing activities</b>		
Proceeds from share issue	0	6,396
Finance and hire purchase lease payments	(437)	(476)
<b>Net cash provided by (used in) financing activities</b>	<b>(437)</b>	<b>5,920</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(477)</b>	<b>2,849</b>
Cash and cash equivalents at beginning of half-year	6,895	887
<b>Cash and cash equivalents at end of the half-year</b>	<b>6,418</b>	<b>3,736</b>

**Notes to the Half-Year Financial Statements**  
**31 December 2006**

**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 financial report be read in conjunction with the financial report for the year ended 30 June 2006 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.

**(a) 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*.

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.

**(b) Summary of significant accounting policies**

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2006.

**(c) 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.

**(d) 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 Subsequent Events**

There were no material events subsequent to the period ending 31 December 2006 that has significantly affected or may significantly affect the consolidated entity.

**3 Significant Items**

**Revenue:**  
 Sale of intellectual property

**Total significant items**

Half-year	
2006	2005
\$'000	\$'000
1,333	0
<b>1,333</b>	<b>0</b>

**4 Dividends**

Number of ordinary shares  
 Dividends provided for or paid during the half-year

Half-year	
2006	2005
149,421,445	148,625,440
0	0

## 5 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

Half-year	
2006	2005
\$'000	\$'000
10,378	10,041
10,863	11,382
3,120	2,023
24,361	23,446
825	886
25,186	24,332
(363)	(224)
737	1,013
1,420	188
(1,176)	(2,241)
618	(1,264)

## 6 Contingent Liabilities

There were no contingent liabilities disclosed in the financial report as at 30 June 2006.

There has been no change in the contingent liability position since then.

**Hansen Technologies Ltd**  
**Directors Declaration**

The directors declare that the financial statements and notes set out on pages 5 to 10 in accordance with the *Corporations Act 2001*:

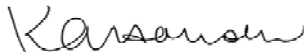
- (a) Comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*, and
  
- (a) Give a true and fair view of the financial position of the consolidated entity as at 31 December 2006 and of its performance as represented by the results of its operations 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 20th day of February 2007.

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**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Hansen Technologies Ltd, which comprises the condensed balance sheet as at 31 December 2006, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the end of the half-year or from time to time during the half-year.

*Directors' Responsibility for the Half-Year Financial Report*

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

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2006 and its performance for the half-year ended on that date; and complying with Accounting Standard.

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*.

*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 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 2006 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.

**PITCHER PARTNERS  
Melbourne**



**D B RANKIN**  
Date 20/02/2007