

ASX PRELIMINARY HALF-YEAR REPORT

Computershare Limited

ABN 71 005 485 825

31 December 2012

Lodged with the ASX under Listing Rule 4.2A.3.

This information should be read in conjunction with the 30 June 2012 Annual Report.

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This half-year report covers the consolidated entity consisting of Computershare Limited and its controlled entities. The financial statements are presented in United States dollars (unless otherwise stated).

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
HALF-YEAR ENDED 31 DECEMBER 2012
(Previous corresponding period half-year ended 31 December 2011)
RESULTS FOR ANNOUNCEMENT TO THE MARKET

\$000

Revenue from ordinary activities <i>(Appendix 4D item 2.1)</i>	up	26.1%	to	976,862
Profit/(loss) after tax attributable to members <i>(Appendix 4D item 2.2)</i>	down	15.2%	to	94,587
Net profit/(loss) for the period attributable to members <i>(Appendix 4D item 2.3)</i>	down	15.2%	to	94,587
Dividends <i>(Appendix 4D item 2.4)</i>	Amount per security		Franked amount per security	
Final dividend (prior year)	AU 14 cents		60%	
Interim dividend	AU 14 cents		20%	
Record date for determining entitlements to the interim dividend <i>(Appendix 4D item 2.5)</i>			25 February 2013	

Explanation of Revenue *(Appendix 4D item 2.6)*

Total revenue for the half-year is USD 976,861,844, an increase of 26.1% over the corresponding period.

The Specialized Loan Servicing LLC (US), Serviceworks Group (Australia) and Shareowner Services LLC (US) acquisitions during the half year ended 31 December 2011 drove the material uplift in revenue. The increase was also generated by growth in the UK plans business, UK deposit protection scheme, Indian mutual fund business, US corporate actions and US bankruptcy administration businesses. Margin income was substantially higher as a result of increased client balances, underpinned by balances inherited with the Shareowner Services acquisition. Conversely, lower revenues were seen in the Australian and Canadian registry businesses, Hong Kong corporate actions, UK voucher services and US class actions business.

Explanation of Profit/(loss) from ordinary activities after tax *(Appendix 4D item 2.6)*

Net profit after tax attributable to members is USD 94.6 million, a decrease of 15.2% over the last corresponding period.

Positive earnings contributions came predominantly from the Specialized Loan Servicing LLC, Serviceworks Group and Shareowner Services LLC acquisitions as well as the Indian and Russian businesses, UK plans business and legacy US registry business. In contrast, the Hong Kong, Irish and Canadian registry businesses reported weaker earnings. The significant increase in intangible amortisation as a result of the acquisitions along with the Shareowner Services integration costs contributed to the fall in earnings versus the last corresponding period.

The Group's effective tax rate is negative 2.5% for the half-year ended 31 December 2012. The Group's effective tax rate for the comparative six month period was 20.8%. Deductible interest expense and intangible asset amortisation has increased in the US as a result of its major acquisitions (which were debt funded) in November and December 2011. Consequently, the US is anticipated to be in a tax loss position which gives rise to a negative tax expense. As the US has a relatively higher statutory tax rate compared to other countries, the credit has the impact of reducing the Group's overall effective tax rate.

Explanation of Net Profit/(loss) *(Appendix 4D item 2.6)*

Please refer above.

Explanation of Dividends *(Appendix 4D item 2.6)*

The company has announced an interim dividend for the 2012/13 financial year of AU 14 cents per share. This dividend is franked to 20%.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES

INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 December 2012

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

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES DIRECTORS' REPORT

The Board of Directors of Computershare Limited (the Company) has pleasure in submitting its report in respect of the financial half-year ended 31 December 2012.

DIRECTORS

The names of the directors of the Company in office during the whole of the half-year and up to the date of this report, unless otherwise indicated, are:

Non-executive

Christopher John Morris (Chairman)

Simon David Jones

Dr Markus Kerber

Gerald Lieberman (resigned 23 July 2012)

Penelope Jane MacLagan

Arthur Leslie Owen

Nerolie Phyllis Withnall

Executive

William Stuart Crosby (Managing Director and Chief Executive Officer)

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the course of the half-year were the operation of Investor Services, Plan Services, Communication Services, Business Services, Shareholder Relationship Management Services and Technology Services.

- The Investor Services operations comprise the provision of registry and related services.
- The Plan Services operations comprise the provision and management of employee share and option plans.
- The Communication Services operations comprise laser imaging, intelligent mailing, scanning and electronic delivery.
- The Business Services operations comprise the provision of bankruptcy and class action administration services, voucher services, meeting services, corporate trust services, loan servicing activities and utility services.
- The Stakeholder Relationship Management Services group provides investor analysis, investor communication and management information services to companies, including their employees, shareholders and other security industry participants.
- Technology Services include the provision of software specialising in share registry and financial services.

Specific Computershare entities are registered securities transfer agents. In addition, certain controlled entities are trust companies whose charters include the power to accept deposits, primarily acting as an escrow and paying agent on behalf of customers. In certain jurisdictions the Group is subject to regulation by various federal, provincial and state agencies and undergoes periodic examinations by those regulatory agencies.

REVIEW OF OPERATIONS

Statutory basic earnings per share have decreased by 15.2% to 17.02 cents (comparatives restated, refer to note 2). The Group has recorded an operating profit before tax of USD 94.0 million for the half-year ended 31 December 2012 (2011 restated: USD 142.6 million – refer to note 2). Total revenue has increased to USD 976.9 million (2011 restated: USD 774.4 million) and operating cash flows have decreased by 8.9% to USD 133.3 million (2011: USD 146.4 million).

Positive earnings contributions came predominantly from the Specialized Loan Servicing LLC, Serviceworks Group and Shareowner Services LLC acquisitions as well as the Indian and Russian businesses, UK plans business and legacy US registry business. In contrast, the Hong Kong, Irish and Canadian registry businesses reported weaker earnings. The significant increase in intangible amortisation as a result of the acquisitions along with the Shareowner Services integration costs contributed to the fall in earnings versus the last corresponding period.

CONSOLIDATED PROFIT

The profit of the consolidated entity for the half-year was USD 94.6 million after adding back income tax and deducting non- controlling interests.

DIVIDENDS

The following dividends of the consolidated entity have been paid, declared or recommended since the end of the preceding financial year:

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES DIRECTORS' REPORT

Ordinary shares

- A final dividend in respect of the year ended 30 June 2012 was declared on 8 August 2012 and paid on 11 September 2012. This was an ordinary dividend of AU 14 cents per share, franked to 60%, amounting to AUD 77,792,968 (USD 80,500,412).
- An interim ordinary dividend declared by the directors of the Company in respect of the current financial year, to be paid on 19 March 2013, of AU 14 cents per share, franked to 20% and amounting to AUD 77,792,968 based on shares on issue as at 31 December 2012. The dividend was not declared until 13 February 2013 and accordingly no provision has been recognised at 31 December 2012.

ROUNDING OF AMOUNTS

The parent entity is a company of the kind specified in Australian Securities and Investments Commission Class Order 98/0100. In accordance with that class order, amounts in the consolidated financial statements and the Directors' Report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's signed independence declaration as required under section 307C of the *Corporations Act 2001* is provided immediately after this report.

Signed in accordance with a resolution of the Directors.



CJ Morris
Chairman



WS Crosby
Director

13 February 2013



Auditor's Independence Declaration

As lead auditor for the review of Computershare Limited for the half year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Computershare Limited and the entities it controlled during the period.

A handwritten signature in cursive script, appearing to read 'Chris'.

Christopher Lewis
Partner
PricewaterhouseCoopers

Melbourne
13 February 2013

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COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Note	Half-year 2012 \$000	2011 \$000 restated
Revenue from continuing operations			
Sales revenue		974,676	771,990
Other revenue		2,186	2,443
Total revenue from continuing operations		976,862	774,433
Other income		10,715	12,886
Expenses			
Direct services		704,814	509,256
Technology costs		141,982	100,726
Corporate services		15,085	16,416
Finance costs		33,083	18,371
Total expenses		894,964	644,769
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method		1,432	58
Profit before related income tax expense		94,045	142,608
Income tax expense/(credit)	3	(2,393)	29,643
Profit for the half year		96,438	112,965
Other comprehensive income that may be reclassified to profit or loss:			
Available-for-sale financial assets		(155)	(320)
Cash flow hedges		(388)	(454)
Income tax relating to components of other comprehensive income		158	167
Exchange differences on translation of foreign operations		27,821	(57,388)
Total other comprehensive income for the half year, net of tax		27,436	(57,995)
Total comprehensive income for the half year, net of tax		123,874	54,970
Profit for the half year is attributable to:			
Members of Computershare Limited		94,587	111,490
Non-controlling interests		1,851	1,475
		96,438	112,965
Total comprehensive income for the half year is attributable to:			
Members of Computershare Limited		121,298	56,392
Non-controlling interests		2,576	(1,422)
		123,874	54,970
Basic earnings per share (cents per share)	8	17.02 cents	20.06 cents
Diluted earnings per share (cents per share)	8	16.95 cents	20.00 cents

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes. Restatement of prior year comparative numbers is detailed in note 2.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	31 December 2012 \$000	30 June 2012 \$000 restated
CURRENT ASSETS		
Cash and cash equivalents	442,428	441,391
Receivables	318,122	332,978
Financial assets held for trading	2,280	2,764
Available-for-sale financial assets at fair value	1,488	635
Other financial assets	156,198	106,966
Inventories	8,166	9,268
Current tax assets	23,105	29,765
Derivative financial instruments	3,961	961
Other current assets	36,225	31,914
Total current assets	991,973	956,642
NON-CURRENT ASSETS		
Receivables	7,443	6,395
Investments accounted for using the equity method	34,355	27,178
Available-for-sale financial assets at fair value	10,900	6,339
Property, plant and equipment	199,600	190,910
Deferred tax assets	124,717	81,267
Derivative financial instruments	31,972	33,529
Intangibles	2,350,677	2,379,408
Total non-current assets	2,759,664	2,725,026
Total assets	3,751,637	3,681,668
CURRENT LIABILITIES		
Payables	392,584	383,797
Interest bearing liabilities	267,128	69,242
Current tax liabilities	17,718	20,399
Provisions	51,685	33,438
Derivative financial instruments	10,439	69
Deferred consideration	4,645	21,812
Other	22,911	22,117
Total current liabilities	767,110	550,874
NON-CURRENT LIABILITIES		
Payables	3,923	4,324
Interest bearing liabilities	1,504,140	1,685,149
Deferred tax liabilities	184,532	179,310
Provisions	45,162	41,123
Derivative financial instruments	-	341
Deferred consideration	50,355	53,338
Other	8,127	12,866
Total non-current liabilities	1,796,239	1,976,451
Total liabilities	2,563,349	2,527,325
Net assets	1,188,288	1,154,343
EQUITY		
Contributed equity	29,943	29,943
Reserves	104,124	83,189
Retained earnings	1,042,495	1,028,408
Total parent entity interest	1,176,562	1,141,540
Non-controlling interests	11,726	12,803
Total equity	1,188,288	1,154,343

The above statement of financial position should be read in conjunction with the accompanying notes. Restatement of prior year comparative numbers is detailed in note 2.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Attributable to members of Computershare Limited				Non-controlling Interests	Total Equity
	Contributed Equity \$000	Reserves \$000	Retained Earnings \$000	Total \$000	\$000	\$000
Total equity at 1 July 2012 as previously reported	29,943	90,749	1,042,965	1,163,657	12,803	1,176,460
Adjustments (refer to note 2)		(7,560)	(14,557)	(22,117)		(22,117)
Total equity at 1 July 2012 restated	29,943	83,189	1,028,408	1,141,540	12,803	1,154,343
Profit for the half-year	-	-	94,587	94,587	1,851	96,438
Available-for-sale financial assets	-	(155)	-	(155)	-	(155)
Cash flow hedges	-	(388)	-	(388)	-	(388)
Exchange differences on translation of foreign operations	-	27,096	-	27,096	725	27,821
Income tax (expense)/credits	-	158	-	158	-	158
Total comprehensive income for the half-year	-	26,711	94,587	121,298	2,576	123,874
Transactions with owners in their capacity as owners:						
Dividends provided for or paid	-	-	(80,500)	(80,500)	(2,120)	(82,620)
Transactions with non-controlling interests	-	(2,697)	-	(2,697)	(1,533)	(4,230)
On market cash purchase of shares	-	(13,977)	-	(13,977)	-	(13,977)
Share based remuneration	-	10,898	-	10,898	-	10,898
Balance at 31 December 2012	29,943	104,124	1,042,495	1,176,562	11,726	1,188,288

	Attributable to members of Computershare Limited				Non-controlling Interests	Total Equity
	Contributed Equity \$000	Reserves \$000	Retained Earnings \$000	Total \$000	\$000	\$000
Total equity at 1 July 2011 as previously reported	29,943	152,081	1,048,403	1,230,427	15,029	1,245,456
Adjustments (refer note 2)		(7,560)	(30,921)	(38,481)		(38,481)
Total equity at 1 July 2011 restated	29,943	144,521	1,017,482	1,191,946	15,029	1,206,975
Profit for the half-year restated	-	-	111,490	111,490	1,475	112,965
Available-for-sale financial assets	-	(320)	-	(320)	-	(320)
Cash flow hedges	-	(454)	-	(454)	-	(454)
Exchange differences on translation of foreign operations	-	(54,491)	-	(54,491)	(2,897)	(57,388)
Income tax (expense)/credits	-	167	-	167	-	167
Total comprehensive income for the half-year	-	(55,098)	111,490	56,392	(1,422)	54,970
Transactions with owners in their capacity as owners:						
Dividends provided for or paid	-	-	(81,265)	(81,265)	(1,614)	(82,879)
On market cash purchase of shares	-	(20,738)	-	(20,738)	-	(20,738)
Share based remuneration	-	12,299	-	12,299	-	12,299
Balance at 31 December 2011 restated	29,943	80,984	1,047,707	1,158,634	11,993	1,170,627

The above statement of changes in equity should be read in conjunction with the accompanying notes. Restatement of prior year comparative numbers is detailed in note 2.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Note	Half-year	
		2012	2011
		\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,050,654	891,217
Payments to suppliers and employees		(812,236)	(682,371)
Loan servicing advances (net)		(37,155)	(1,648)
Dividends received		7	56
Interest paid and other finance costs		(33,714)	(21,671)
Interest received		2,179	2,387
Income taxes paid		(36,455)	(41,593)
Net operating cash flows	9	133,280	146,377
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of controlled entities and businesses, net of cash acquired		(24,136)	(649,950)
Payments for investments in associates and joint ventures		(4,920)	(1,014)
Dividends received		181	290
Proceeds from sale of assets		603	1,839
Payments for investments		(6,142)	(891)
Payments for property, plant and equipment		(23,557)	(9,996)
Proceeds from sale of subsidiaries and businesses, net of cash disposed		-	1,338
Net investing cash flows		(57,971)	(658,384)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for purchase of ordinary shares		(13,977)	(20,738)
Proceeds from borrowings		488,411	796,834
Repayment of borrowings		(486,378)	(70,615)
Loan servicing borrowings (net)		11,165	(952)
Dividends paid - ordinary shares		(80,500)	(81,265)
Dividends paid to non-controlling interests in controlled entities		(2,120)	(1,614)
Repayment of finance leases		(5,651)	(4,210)
Net financing cash flows		(89,050)	617,440
Net increase in cash and cash equivalents held		(13,741)	105,433
Cash and cash equivalents at the beginning of the financial year		441,391	347,225
Exchange rate variations on foreign cash balances		14,778	(19,530)
Cash and cash equivalents at the end of the half-year		442,428	433,128

The above cash flow statement should be read in conjunction with the accompanying notes.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

The general purpose financial statements for the interim half-year reporting period ended 31 December 2012 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The half-year financial statements of Computershare Limited and its controlled entities also comply with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board.

The interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2012 and any public announcements made by Computershare Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the Australian Securities Exchange Listing Rules.

The financial report, comprising the financial statements and notes of Computershare Limited and its controlled entities, complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Where necessary, comparative figures have been adjusted to comply with the changes in presentation in the current period.

The principal accounting policies adopted in the preparation of the financial statements are consistent with those of the previous financial year and corresponding interim reporting period.

2. PRIOR PERIOD RESTATEMENT

As a result of the Karvy Computershare Private Limited acquisition, completed in the year ended 30 June 2004, Computershare owns 50% of Karvy Computershare Private Limited. The remaining 50% is owned by Karvy Consultants Limited (Karvy). Computershare has a 'first right of refusal' or 'call' option to purchase the remaining 50% of the joint venture from Karvy, and Karvy has a 'put' option to sell the remaining 50% to Computershare.

The Group identified during the current half year period that the 'put' option (being over its non controlling interest) has not been correctly accounted for under Australian Accounting Standards requirements since the transition to International Financial Reporting Standards as at 1 July 2005. From this date the accounting requirement was that the 'put' option must be recognised as a liability even though the payment is conditional on the option being exercised.

The incorrect treatment meant that the put option liability was omitted and therefore understated by USD 22,116,615 at 30 June 2012 and USD 38,481,056 at 1 July 2011. The details of these are tabled below.

Going forward, as changes in the measurement of the liability do not change the relative interests in the subsidiary, the put option liability will be remeasured through profit and loss at each reporting period. The liability changes are due to a variable option exercise price and foreign exchange revaluation (from Indian Rupees into US dollars). The impact on the consolidated statement of comprehensive income was to increase other income by USD 16,364,441 in the year ended 30 June 2012, being USD 5,911,088 in the six months ending 31 December 2011 and USD 10,453,354 in the six months ending 30 June 2012. Re-measurement of the put option liability is included as a management adjustment item. There are no corresponding tax entries required.

All affected balances and amounts have been restated in these financial statements and are set out below.

Impact on profit and loss for the half-year ended 31 December 2011

	\$000
Increase in other income	5,911
Increase/(decrease) in profit for the half year attributable to:	
Members of Computershare Limited	5,911
Non-controlling interests	-

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

Impact on net assets and equity as at 1 July 2011

	As at 1 July 2011 as previously reported	Recognition of put option liability increase/(decrease) in other current liabilities	As at 1 July 2011 restated
	\$000	\$000	\$000
Total current liabilities	538,456	38,481	576,937
Net assets	1,245,456	(38,481)	1,206,975
Retained earnings	1,048,403	(30,921)	1,017,482
Reserves	152,081	(7,560)	144,521
Total equity	1,245,456	(38,481)	1,206,975

At 30 June 2011 (and 1 July 2011) the 'put' option liability was valued at \$38,481,056.

Impact on net assets and equity as at 30 June 2012

	As at 30 June 2012 as previously reported	Recognition of put option liability increase/(decrease) in other current liabilities	As at 30 June 2012 restated
	\$000	\$000	\$000
Total current liabilities	528,757	22,117	550,874
Net assets	1,176,460	(22,117)	1,154,343
Retained earnings	1,042,965	(14,557)	1,028,408
Reserves	90,749	(7,560)	83,189
Total equity	1,176,460	(22,117)	1,154,343

At 30 June 2012 the 'put' option liability had decreased in value to \$22,116,615 (from \$38,481,056 at 1 July 2011, a reduction of \$16,364,441). The reduction in value of \$16,364,441 is recorded as other income in the profit and loss for the year ended 30 June 2012.

The effect on the basic earnings per share and diluted earnings per share for the half year ended 31 December 2011 is an increase of 1.06 cents per share and 1.06 cents per share respectively. The effect on the basic earnings per share and diluted earnings per share for the year ended 30 June 2012 is an increase of 2.94 cents per share and 2.94 cents per share respectively. There is no effect on management basic or diluted earnings per share.

3. RECONCILIATION OF INCOME TAX EXPENSE

Numerical reconciliation of income tax expense to prima facie tax payable

	Half-year	
	2012	2011
	\$000	\$000
		restated
Profit before income tax expense	94,045	142,608
The tax expense for the half-year differs from the amount calculated on the profit. The differences are reconciled as follows:		
Prima facie income tax expense thereon at 30%	28,214	42,782
Tax effect of permanent differences:		
Variation in tax rates of foreign controlled entities	(13,222)	(7,935)
Prior year tax (over) / under provided	(3,193)	394
Research and development allowance	(1,221)	(415)
Net other deductible	(12,971)	(5,183)
Income tax expense/(credit)	(2,393)	29,643

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

4. DIVIDENDS

	2012	2011
	\$000	\$000
Ordinary shares		
Dividends provided for or paid during the half-year	80,500	81,265

Dividends not recognised at the end of the half-year

In addition to the above dividends, since the end of the half-year the directors have declared the payment of an interim dividend of AU 14 cents per fully paid ordinary share, franked to 20%. As the dividend was not declared until 13 February 2013, a provision has not been recognised as at 31 December 2012.

5. BUSINESS COMBINATIONS

There were no businesses/entities acquired by Computershare during the period. In accordance with the accounting policy, the acquisition accounting for Serviceworks Group, Specialized Loan Servicing LLC, Shareowner Services LLC (previously called Mellon Investor Holdings LLC) and Bahrain Shares Registering Company W.L.L has been finalised. This resulted in a decrease in goodwill recognised on Shareowner Services LLC acquisition of USD 6.2 million.

6. SEGMENT INFORMATION

The operating segments presented reflect the manner in which the Group has been internally managed and the financial information reported to the chief operating decision maker (CEO) in the current financial year. Management has determined the operating segments based on the reports reviewed by the CEO that are used to make strategic decisions and assess performance.

There are seven operating segments. Six of them are geographic: Asia, Australia and New Zealand, Canada, Continental Europe, UCIA (United Kingdom, Channel Islands, Ireland & Africa) and the United States of America. In addition, Technology and Other segment comprises the provision of software specialising in share registry, employee plans and financial services globally, as well as the production and distribution of interactive meeting products. It is also a research and development function, for which discrete financial information is reviewed by the CEO.

In each of the six geographic segments the consolidated entity offers its core products and services: Investor Services, Business Services, Plan Services, Communication Services and Stakeholder Relationship Management Services. Investor Services comprise the provision of register maintenance, company meeting logistics, payments and full contact centre and online services. Business Services comprise the provision of voucher administration, bankruptcy administration services, meeting services, corporate trust services, loan servicing activities and utility services. Plan Services comprise the administration and management of employee share and option plans. Communication Services comprise laser imaging, intelligent mailing, scanning and electronic communications delivery. Stakeholder Relationship Management Services comprise the provision of investor analysis, investor communication and management information services to companies, including their employees, shareholders and other security industry participants.

None of the corporate entities have been allocated to the operating segments. The main purpose of these corporate entities is to hold intercompany investments and conduct financing activities.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

OPERATING SEGMENTS

	Asia	Australia & New Zealand	Canada	Continental Europe	Technology & Other	UCIA	United States	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
December 2012								
Total segment revenue	57,344	228,079	96,493	45,287	118,539	145,665	397,147	1,088,554
External revenue	57,324	226,989	95,751	45,231	18,382	144,074	395,910	983,661
Intersegment revenue	20	1,090	742	56	100,157	1,591	1,237	104,893
Management adjusted EBITDA	16,843	47,935	41,094	3,602	10,689	53,340	71,985	245,488
December 2011								
Total segment revenue	55,500	209,004	98,882	45,767	110,186	144,868	209,835	874,042
External revenue	55,114	208,178	98,130	45,764	16,540	143,499	209,277	776,502
Intersegment revenue	386	826	752	3	93,646	1,369	558	97,540
Management adjusted EBITDA	19,376	46,128	46,809	2,043	5,296	53,360	37,684	210,696

Segment revenue

The revenue reported to the CEO is measured in a manner consistent with that of the statement of comprehensive income. Sales between segments are included in the total segment revenue, whereas sales within a segment have been eliminated from segment revenue. Sales between segments are at normal commercial rates and are eliminated on consolidation.

Segment revenue reconciles to total revenue from continuing operations as follows:

	Half-year	
	2012	2011
	\$000	\$000
Total operating segment revenue	1,088,554	874,042
Intersegment eliminations	(104,893)	(97,540)
Corporate revenue and other	(6,799)	(2,069)
Total revenue from continuing operations	976,862	774,433

Management adjusted EBITDA

Management adjusted results are used, along with other measures to assess operating business performance. The Group believes that exclusion of certain items permits better analysis of the Group's performance on a comparative basis and provides a better measure of underlying operating performance.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

A reconciliation of management adjusted EBITDA to operating profit before income tax is provided as follows:

	Half-year	
	2012	2011
	\$000	\$000
		restated
Management adjusted EBITDA - operating segments	245,488	210,696
Management adjusted EBITDA - corporate	(4,082)	850
Management adjusted EBITDA	241,406	211,546
Management adjustment items (before amortisation and income tax expense):		
Gain/(loss) on disposals	-	5,291
Provision for tax liability	(762)	(12,300)
Restructuring provisions	-	(588)
Acquisitions related	(36,473)	(7,345)
Put option liability re-measurement	(794)	5,911
Market to market adjustments - derivatives	616	(126)
Intangible assets amortisation	(53,482)	(21,380)
Total management adjustment items (note 8)	(90,895)	(30,537)
Finance costs	(33,083)	(18,371)
Other amortisation and depreciation	(23,383)	(20,030)
Profit before income tax from continuing operations	94,045	142,608

7. EQUITY SECURITIES ISSUED

There has been no issue of ordinary shares, nor shares bought back on market and cancelled during the half-year ended 31 December 2012.

8. EARNINGS PER SHARE

	Basic EPS	Diluted EPS	Management Basic EPS	Management Diluted EPS
	\$000	\$000	\$000	\$000
Half-year ended 31 December 2012				
Earnings per share (cents per share)	17.02 cents	16.95 cents	26.87 cents	26.76 cents
Profit for the half-year	96,438	96,438	96,438	96,438
Non-controlling interest (profit)/loss	(1,851)	(1,851)	(1,851)	(1,851)
Add back management adjustment items (see below)	-	-	54,714	54,714
Net profit attributable to the members of Computershare Limited	94,587	94,587	149,301	149,301

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

555,664,059

555,664,059

Weighted average number of ordinary and potential ordinary shares used as denominator in calculating diluted earnings per share

557,875,270

557,875,270

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Basic EPS	Diluted EPS	Management EPS	Management Diluted EPS
	\$000	\$000	\$000	\$000
	restated	restated	restated	restated
Half-year ended 31 December 2011				
Earnings per share (cents per share)	20.06 cents	20.00 cents	23.09 cents	23.01 cents
Profit for the half-year	112,965	112,965	112,965	112,965
Non-controlling interest (profit)/loss	(1,475)	(1,475)	(1,475)	(1,475)
Add back management adjustment items (see below)	-	-	16,800	16,800
Net profit attributable to the members of Computershare Limited	111,490	111,490	128,290	128,290
Weighted average number of ordinary shares used as denominator in calculating basic earnings per share	555,664,059		555,664,059	
Weighted average number of ordinary and potential ordinary shares used as denominator in calculating diluted earnings per share		557,522,764		557,522,764

For the half-year ended 31 December 2012 management adjustment items include the following:

	Gross \$000	Tax effect \$000	Net of tax \$000
Provision for tax liability	(762)	323	(439)
Put option liability re-measurement	(794)	-	(794)
Acquisitions related	(36,473)	15,590	(20,883)
Marked to market adjustments - derivatives	616	(185)	431
Intangible assets amortisation	(53,482)	20,453	(33,029)
Total management adjustment items	(90,895)	36,181	(54,714)

For the half-year ended 31 December 2011 management adjustment items include the following:

	Gross \$000	Tax effect \$000	Net of tax \$000
	restated	restated	restated
Gain/(loss) on disposals	5,291	(1,477)	3,814
Provision for tax liability	(12,300)	5,412	(6,888)
Restructuring provisions	(588)	184	(404)
Acquisitions related	(7,345)	2,939	(4,406)
Marked to market adjustments - derivatives	(126)	37	(89)
Intangible assets amortisation	(21,380)	6,642	(14,738)
Put option liability re-measurement	5,911	-	5,911
Total management adjustment items	(30,537)	13,737	(16,800)

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

Management Adjustment Items

Management adjustment items net of tax for the half-year ended 31 December 2012 were as follows:

- Provision of USD 0.4 million for a potential tax liability associated with prior year business activities.
- Put option liability re-measurement expense of USD 0.8 million related to the Karvy acquisition in India (refer to note 2).
- Integration costs of USD 20.9 million related to the Shareowner Services acquisition.
- Derivatives that have not received hedge designation are marked to market at reporting date and taken to profit and loss in the statutory results. The valuations, resulting in a gain of USD 0.4 million relate to future estimated cash flows.
- Customer contracts and other intangible assets are recognised separately from goodwill on acquisition and amortised over their useful life in the statutory results. The amortisation of these intangibles for the 6 months ended 31 December 2012 was \$33.0 million.

9. RECONCILIATION OF NET PROFIT AFTER TAX TO CASH FLOWS FROM OPERATING ACTIVITIES

	Half-year 2012 \$000	2011 restated \$000
Net profit after income tax	96,438	112,965
Adjustments for non cash income and expense items:		
Depreciation and amortisation	76,865	41,410
Net (gain)/loss on sale of assets	722	(1,171)
Share of net (profit)/loss of associates and joint ventures accounted for using equity method	(1,432)	(58)
Employee benefits – share based expense	11,393	11,306
Financial instruments – fair value adjustments	1,419	(4,633)
Changes in assets and liabilities:		
(Increase)/decrease in receivables	21,440	62,610
(Increase)/decrease in inventories	1,413	541
(Increase)/decrease in other financial assets and other current assets	(40,992)	3,786
Increase/(decrease) in payables and provisions	4,862	(68,429)
Increase/(decrease) in tax balances	(38,848)	(11,950)
Net cash and cash equivalents from operating activities	133,280	146,377

10. CONTINGENT LIABILITIES

(a) Guarantees, indemnities and other contingent liabilities

There have been no material changes to guarantees, indemnities and other contingent liabilities since the last reporting date.

(b) Legal and regulatory matters

Due to the nature of operations, certain commercial claims in the normal course of business have been made against the consolidated entity in various countries. An inherent difficulty in predicting the outcome of such matters exists, but in the opinion of the Group, based on current knowledge and in consultation with legal counsel, we do not expect any material liability to the Group to eventuate. The status of all claims is monitored on an ongoing basis, together with the adequacy of any provisions recorded in the Group's Financial Statements.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

11. IMPAIRMENT TEST FOR GOODWILL

The Group has updated impairment testing of goodwill and concluded that no impairment charge arises in the half year ending 31 December 2012 as the recoverable amount of each cash generating unit (CGU) exceeds its carrying amount. As impairment testing is based on assumptions and judgments, the Group has considered changes in key assumptions that they believe to be reasonably possible. For all CGUs, the recoverable amount exceeds the carrying amount when testing for reasonably possible changes in key assumptions.

The Group is cognisant of the ongoing uncertainty surrounding the economic environment in Continental Europe and any potential impact of this situation on our business. If the discount rate for the Continental Europe CGU were to increase to 9.8% from the currently applied 8.9%, or the terminal growth rate decrease to 1.8% from 3%, the recoverable amount of this CGU would equal the carrying amount.

12. SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

No matter or circumstance has arisen since the reporting date which is not otherwise reflected in this report that has significantly affected or may significantly affect the operations of the consolidated entity.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' DECLARATION

Directors' Declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 2 to 17 are in accordance with the *Corporations Act 2001*, including:

- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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



CJ Morris

Chairman



WS Crosby

Director

Melbourne

13 February 2013

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES STATEMENTS OF THE CEO AND CFO

Statement to the Board of Directors of Computershare Limited

The Chief Executive Officer and Chief Financial Officer state that:

- (a) the financial records of the consolidated entity for the half-year ended 31 December 2012 have been properly maintained in accordance with section 286 of the *Corporations Act 2001*; and
- (b) the financial statements, and the notes to the financial statements, of the consolidated entity, for the half-year ended 31 December 2012:
 - (i) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) give a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of their performance for the half-year ended on that date.



WS Crosby

Chief Executive Officer



PA Barker

Chief Financial Officer

13 February 2013



Independent auditor's review report to the members of Computershare Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Computershare Limited, which comprises the statement of financial position as at 31 December 2012, and the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, selected explanatory notes and the directors' declaration for the Computershare Limited Group (the consolidated entity). The consolidated entity comprises both Computershare Limited (the company) and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error. In note 1, the directors also state that the consolidated financial statements, comply with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Computershare Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

PricewaterhouseCoopers, ABN 52 780 433 757

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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 Computershare Limited:

- (a) is not in accordance with the *Corporations Act 2001* including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of 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*.
- (b) does not comply with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board as disclosed in note 1.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script that reads 'Chris'.

Christopher Lewis
Partner

Melbourne
13 February 2013

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES

SUPPLEMENTARY APPENDIX 4D INFORMATION

NTA Backing *(Appendix 4D item 3)*

	31 December 2012	31 December 2011 restated
Net tangible asset backing per ordinary share	(2.34)	(2.37)

Controlled entities acquired or disposed of *(Appendix 4D item 4)*

There were no businesses/entities acquired or disposed of by Computershare during the period.

Additional dividend information *(Appendix 4D item 5)*

Details of dividends declared or paid during or subsequent to the half-year ended 31 December 2012 are as follows:

Record date	Payment date	Type	Amount per security	Total dividend (AUD)	Franked amount per security	Conduit foreign income amount per security
20 August 2012	11 September 2012	Final	AU 14 cents	77,792,968	AU 8.4 cents	AU 5.6 cents
25 February 2013	19 March 2013	Interim	AU 14 cents	77,792,968	AU 2.8 cents	AU 11.2 cents

Dividend reinvestment plans *(Appendix 4D item 6)*

The Group introduced a dividend reinvestment plan on 18 January 2013.

Eligible shareholders may elect to take all or part of future dividends in the form of cash or shares in accordance with the plan rules. Shares are provided under the plan free of brokerage and other transaction costs.

Applications or notices to participate or withdraw from the dividend reinvestment plan received after 5.00pm (Melbourne time) on 25 February 2013 will not be effective for the interim dividend in respect of the current financial year but will be effective for future dividends.

Associates and joint venture entities *(Appendix 4D item 7)*

Name	Place of incorporation	Principal activity	Ownership interest		Consolidated carrying amount	
			Dec	Jun	Dec	Jun
			2012	2012	2012	2012
			%	%	\$000	\$000
Joint Ventures						
Japan Shareholder Services Ltd	Japan	Technology Services	50	50	1,886	1,651
Computershare Pan Africa Holdings Ltd	Mauritius	Investor Services	60	60	-	-
Computershare Pan Africa Ghana Ltd	Ghana	Investor Services	60	60	-	-
Computershare Pan Africa Nominees Ghana Ltd	Ghana	Investor Services	60	60	-	-
Asset Checker Ltd	United Kingdom	Investor Services	50	50	-	-
VisEq GmbH	Germany	Investor Services	66	66	344	324
Digital Post Australia Pty Limited*	Australia	Technology Services	80	40	3,339	278

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES

SUPPLEMENTARY APPENDIX 4D INFORMATION

Associates

Chelmer Limited	New Zealand	Technology Services	50	50	-	-
Expandi Ltd	United Kingdom	Investor Services	25	25	-	-
On Channel Ltd	United Kingdom	Investor Services	25	25	-	-
Netpartnering Ltd	United Kingdom	Investor Services	25	25	4,361	3,634
Milestone Group Pty Ltd	Australia	Technology Services	20	20	7,847	7,627
Janosch Film & Medien AG	Germany	Investor Services	27	27	-	-
Fonterelli GmbH & Co. KGaA	Germany	Investor Services	49	49	528	515
Reach Investor Solutions Pty Ltd	Australia	Investor Services	49	35	1,468	755
Solium Capital Inc	Canada	Plan Services	20	20	14,584	12,394
					34,357	27,178

*Digital Post Australia Pty Limited is a joint venture with an ownership interest of 80% as decisions about the relevant activities require unanimous consent of the parties sharing control.

The share of net profit of associates and joint ventures accounted for using the equity method for the half-year ended 31 December 2012 is a gain of USD 1.43 million (31 December 2011: USD 0.06 million gain).

Foreign Entities

All foreign entities reports have been prepared under International Financial Reporting Standards.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES

SUPPLEMENTARY APPENDIX 4D INFORMATION

CORPORATE DIRECTORY

DIRECTORS

Christopher John Morris
(Chairman)
William Stuart Crosby
(Managing Director and
Chief Executive Officer)
Simon David Jones
Dr Markus Kerber
Penelope Jane MacLagan
Arthur Leslie Owen
Nerolie Phyllis Withnall

COMPANY SECRETARY

Dominic Matthew Horsley

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