

Bravura Solutions Limited

ASX Half-year information - 31 December 2012

Lodged with the ASX under Listing Rule 4.2A.
This information should be read in conjunction with the
30 June 2012 Annual report

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For the half-year ended 31 December 2012
(Previous corresponding period: half-year ended 31 December 2011)
Results for announcement to the market
31 December 2012

Revenue from ordinary activities	up	7.15%	to	\$'000 64,197
Profit / (loss) from ordinary activities after tax attributable to members	down	125.80%	to	(558)
Net profit / (loss) for the period attributable to members	down	125.80%	to	(558)

This half-year financial report does not include all the notes generally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report. 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 the company during the half-year reporting period in accordance with the continuous disclosure requirements of ASX Listing Rules.

Dividends

No dividends were paid or declared during the half-year ended 31 December 2012 (2011: nil).

Comments

The consolidated entity net loss after tax for the half-year ended 31 December 2012 was \$0.56 million (2011: profit of \$2.167 million).

NTA backing

	2012	2011
	December	December
Net tangible asset backing per ordinary security:	(1.04) cents	(2.08) cents

Dividends / distributions

	Amount per security	Franked amount per security
Final dividend (<i>Prior year</i>)	-	-
Interim dividend	-	-

Dividend reinvestment plans

The following dividend or distribution plans are in operation: None

The last date(s) for the receipt of election notices for the dividend or distribution plans: None

Loss of control over entities

Control gained or lost over entities during the year: None

Details of associates and joint venture entities

None

Foreign entities

Origin of accounting standards for foreign entities used in compiling the report: Not Applicable

Audit qualification or review

The accounts were subject to a review by the auditors and the review report is attached.

Attachments

The Report for the half-year ended 31 December 2012 for Bravura Solutions Limited is attached.

Signed:



Brian Mitchell

Director

Sydney

Date: 14 February 2013

Bravura Solutions Limited

ABN 15 111 148 826

Financial statements for the half-year ended 31 December 2012

Financial statements - for the half-year ended 31 December 2012

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Directors' Report

Your directors present their report on the consolidated entity consisting of Bravura Solutions Limited ("Bravura") and the entities it controlled at the end of, or during, the half-year ended 31 December 2012, (referred to hereafter as the consolidated entity).

Directors

The following persons were directors of Bravura during the whole of the half-year and up to the date of this report, unless otherwise disclosed below:

Brian Mitchell
Trevor Perry
Neil Broekhuizen
Rebecca Norton
Tony Klim

Principal activities

During the half-year the principal continuing activities of the consolidated entity consisted of the provision of professional consulting services and the development, licensing and maintenance of highly specialised administration and management applications for the financial services industry.

Review of operations

Revenue for the H1 was \$64.2 million, an increase of 7.15% over the prior corresponding period resulting from an increase in business from existing clients, including extensive wealth management programs of work for two significant EMEA based customers.

The company continued investing in the build out of the development centres in India and Poland with overall headcount increasing by 100% over the last 12 months. The use of these development centres has assisted Bravura in reducing the cost per head overall whilst still delivering high level of service to its customer base.

NLAT for H1FY13 was \$558k compared to a profit in the prior corresponding period of \$2.2m. The deterioration in profit was predominantly due to an increase in costs relating to the establishment of the new data centre in the UK, increase in operational headcount brought on board to deliver new programs of work and exchange losses on intercompany loan transactions. Bravura is extremely pleased to now have the data centre in the UK live with the support of C&W and believes this strategic move will reap numerous benefits for both the organisation and the customers.

In addition to the pleasing operating results the company's focus on cash flow enabled the collection of all significant outstanding receivables as at June and saw an operating cash flow for the H1 period of \$20m. The balance sheet remains strong with an improved net current asset position following the refinancing of all debt facilities with the Commonwealth Bank of Australia. Overall net assets remains at \$106.9m with a minor reduction in equity following the completion of the share buy back in September 2012.

As at 31 December 2012, Bravura employed 715 staff on a permanent or contractor basis staffing 15 offices around Australia, New Zealand, United Kingdom, Europe, Bermuda, South Africa, Asia and India.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

Rounding of amounts

Bravura is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar, in accordance with that Class Order.

Auditor

Ernst and Young continue in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors.

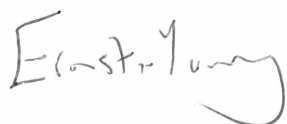


Brian Mitchell, Director

Sydney, 14 February 2013

Auditor's Independence Declaration to the Directors of Bravura Solutions Limited

In relation to our review of the financial report of Bravura Solutions Limited for the half-year ended 31 December 2012, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'E A Lang'.

E A Lang
Partner
14 February 2013

Bravura Solutions Limited
Consolidated Statement of Comprehensive Income
For the half-year ended 31 December 2012

Half-year

		31 December 2012 \$'000	31 December 2011 \$'000
Revenue from continuing operations	3	64,197	59,909
Other income	4	-	1,607
Employee benefits expense	5	(35,259)	(30,657)
Depreciation and amortisation expense		(8,288)	(6,890)
Travel and entertainment costs		(1,932)	(1,512)
Occupancy costs		(2,638)	(2,581)
Telecommunications costs	5	(7,263)	(9,100)
Research and development	5	(1,399)	(1,929)
Fair value loss on derivatives		-	(39)
Other expenses	5	(6,089)	(4,566)
Finance costs	5	(1,207)	(1,195)
		<hr/>	<hr/>
Profit before income tax		122	3,047
		<hr/>	<hr/>
Income tax expense		(680)	(880)
		<hr/>	<hr/>
(Loss)/profit for the half-year after income tax expense attributable to members of Bravura		(558)	2,167
		<hr/>	<hr/>
Other comprehensive income will be reclassified subsequently to profit or loss when specific conditions are met			
Exchange differences on translation of foreign operations		1,264	(1,642)
		<hr/>	<hr/>
Total comprehensive income for the half-year		706	525
		<hr/>	<hr/>
		Cents	Cents
Earnings per share for (loss)/profit from continuing operations attributable to the ordinary equity holders of the parent entity:			
Basic earnings per share		(0.09)	0.34
Diluted earnings per share		(0.09)	0.34

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Bravura Solutions Limited
Consolidated Statement of Financial Position
As at 31 December 2012

	31 December 2012 \$'000	30 June 2012 \$'000
ASSETS		
Current assets		
Cash and cash equivalents	17,050	4,591
Trade and other receivables	20,668	35,259
Other current assets	2,374	2,761
Total current assets	40,092	42,611
Non-current assets		
Receivables	94	1,252
Property, plant and equipment	14,385	13,003
Deferred tax assets	9,037	8,485
Intangible assets	113,308	114,946
Total non-current assets	136,824	137,686
Total assets	176,916	180,297
LIABILITIES		
Current liabilities		
Trade and other payables	4,730	7,402
Borrowings	6,193	23,338
Derivative financial instruments	-	211
Current tax liabilities	1,216	785
Provisions	4,490	4,437
Deferred revenue	15,310	16,682
Other current liabilities	7,944	8,405
Total current liabilities	39,883	61,260
Non-current liabilities		
Borrowings	22,906	5,080
Deferred tax liabilities	5,663	5,839
Provisions	1,336	1,236
Other liabilities	223	258
Total non-current liabilities	30,128	12,413
Total liabilities	70,011	73,673
Net assets	106,905	106,624
EQUITY		
Contributed equity	9	133,377
Reserves	10(a)	(2,728)
Accumulated losses	(24,583)	(24,025)
Total equity	106,905	106,624

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Bravura Solutions Limited
Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2012

	Contributed equity \$'000	Options reserve \$'000	Foreign currency translation reserve \$'000	Total Reserves \$'000	(Accumulated losses)/ retained earnings \$'000	Total equity \$'000
Balance at 1 July 2011	137,775	8,652	(9,964)	(1,312)	(29,458)	107,005
Profit for the period					2,167	2,167
Other comprehensive income			(1,642)	(1,642)		(1,642)
Total comprehensive income for the half-year	-	-	(1,642)	(1,642)	2,167	525
Transactions with owners in their capacity as owners:						
Transaction costs, net of tax	(11)	-	-	-	-	(11)
Issue of shares	4,333	-	-	-	-	4,333
Share buy back	(7,888)	-	-	-	-	(7,888)
Balance at 31 December 2011	134,209	8,652	(11,606)	(2,954)	(27,291)	103,964
Balance at 1 July 2012	133,377	8,654	(11,382)	(2,728)	(24,025)	106,624
Loss for the period					(558)	(558)
Other comprehensive income			1,264	1,264		1,264
Total comprehensive income for the half-year	-	-	1,264	1,264	(558)	706
Transactions with owners in their capacity as owners:						
Transaction costs, net of tax	(5)	-	-	-	-	(5)
Share base payment	-	193	-	193	-	193
Share buy back	(613)	-	-	-	-	(613)
Balance at 31 December 2012	132,759	8,847	(10,118)	(1,271)	(24,583)	106,905

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Bravura Solutions Limited
Consolidated Statement of Cash Flows
For the half-year ended 31 December 2012

Half-year

	31 December 2012 \$'000	31 December 2011 \$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	84,372	69,613
Payments to suppliers and employees (inclusive of goods and services tax)	<u>(62,833)</u>	<u>(57,105)</u>
	21,539	12,508
Interest received	158	147
Interest paid	(842)	(804)
Income taxes paid	<u>(871)</u>	<u>(463)</u>
Net cash inflow from operating activities	<u>19,984</u>	<u>11,388</u>
Cash flows from investing activities		
Payments for acquisitions - Mutual Fund Technologies Limited	-	(1,530)
Payments for property, plant and equipment	(1,805)	(2,326)
Payments for intangibles	<u>(3,835)</u>	<u>(1,869)</u>
Net cash outflow from investing activities	<u>(5,640)</u>	<u>(5,725)</u>
Cash flows from financing activities		
Proceeds from share issue	-	4,333
Buy back of shares	(613)	(7,888)
Payments for share issue costs	(5)	(70)
Proceeds from borrowings	27,939	5,117
Payments for derivative financial instrument	(143)	(249)
Finance lease payment	(953)	(114)
Repayment of borrowings	<u>(28,000)</u>	<u>(5,121)</u>
Net cash outflow from financing activities	<u>(1,775)</u>	<u>(3,992)</u>
Net increase/(decrease) in cash and cash equivalents	12,569	1,671
Cash and cash equivalents at the beginning of the half-year	4,591	3,744
Effects of exchange rate changes on cash and cash equivalents	<u>(110)</u>	<u>(213)</u>
Cash and cash equivalents at end of the half-year	<u>17,050</u>	<u>5,202</u>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

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1 Summary of significant accounting policies

(a) Basis of preparation of half-year financial report

These general purpose financial statements for the interim half-year reporting period ended 31 December 2012 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. 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 Bravura Solutions Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year.

Bravura Solutions Limited has adopted the following new and amended Australian Accounting Standards and AASB interpretations as of 1 July 2012:

- AASB 2011-9 *Amendments to Australian Accounting Standards – Presentation of Other Comprehensive Income*

The adoption of these standards has not impacted the financial position or performance of Bravura Solutions Limited.

(b) Going concern

The consolidated entity has net current assets of \$209k (30 June 2012: net current liabilities of \$18.649 million). The net current position includes \$3.355million of new banking facilities and \$15.310 million of deferred revenue relating to maintenance contracts that are billed annually in advance with no early termination rights.

The directors continue to be of the opinion that the solid operating performance as shown in these results in addition to continued focus on cash flows in the 6 months ended 31 December 2012 provide sufficient funds to support the consolidated entity. The directors are therefore confident that the consolidated entity will be able to meet its debts as and when they fall due. Accordingly, no adjustments have been made to the financial statements relating to the recoverability and classification of the carrying amounts of assets or the amounts and classification of liabilities.

(c) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2012 reporting periods. The consolidated entity has not adopted these new standards and interpretations and it is not expected that their adoption will have a material impact on future financial statements.

- AASB 2011-4 *Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements*: This amendment deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies.
- AASB 1053 *Application of Tiers of Australian Accounting Standards* - This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.

(d) Comparative Information

Certain comparatives have been reclassified to conform with the presentation requirements adopted in these financial statements.

2 Segment information

(a) Description of segments

Management has determined the operating segments based on reports received by the board of directors that are used to make strategic decisions.

The board of directors considers the business from a product group perspective and has identified two reportable segments. Transfer Agency consists of the Rufus, GTAS, Babel and GFAS products with revenues and earnings concentrated within Europe, Middle East and Africa. Wealth Management consists of the Sonata, Talisman, Garradin, ePASS, SuperB and SAS products providing software solutions for the life insurance, superannuation and private wealth and portfolio administration sectors with revenue and earnings across Australia, New Zealand, Asia and the United Kingdom.

(b) Segment information provided to the board of directors

The segment information provided to the board of directors for the reportable segments for the half year ended 31 December 2012 and 31 December 2011 is as follows:

Half-year 2012	Wealth Management \$'000	Transfer Agency \$'000	Total continuing operations \$'000	Unallocated \$'000	Consolidated \$'000
Maintenance revenue	11,953	20,645	32,598	-	32,598
Professional services revenue	9,269	18,139	27,408	-	27,408
Licence fee revenue	3,933	53	3,986	-	3,986
Other sales revenue	31	16	47	-	47
Total segment external revenue	25,186	38,853	64,039	-	64,039
Trading EBITDA (segment result)	4,472	12,157	16,629	-	16,629
Reconciliation to profit before income tax:					
Research and development					(1,399)
Corporate costs					(4,671)
Group EBITDA					10,559
Interest income					158
Foreign exchange loss (net)					(1,093)
Depreciation and amortisation expense					(8,288)
Finance costs					(1,209)
Other expenses (corporate transaction costs)					(5)
Profit before income tax expense					122
Income tax expense					(680)
(Loss)/Profit after income tax expense					(558)
Segment assets	55,926	113,601	169,527	9,037	178,564
Total assets					178,564
Segment liabilities	26,766	39,230	65,996	5,663	71,659
Total liabilities					71,659
Acquisitions of property, plant and equipment, intangibles and other non-current segment assets	4,647	906	5,553	87	5,640
Total acquisitions					5,640
Depreciation and amortisation expense	1,904	6,323	8,227	61	8,288
Total depreciation and amortisation					8,288

2 Segment information (continued)

(c) Other segment information (continued)

Half-year 2011	Wealth Management \$'000	Transfer Agency \$'000	Total continuing operations \$'000	Unallocated \$'000	Consolidated \$'000
Maintenance revenue	11,152	20,793	31,945	-	31,945
Professional services revenue	8,936	16,436	25,372	-	25,372
Licence fee revenue	1,282	1,038	2,320	-	2,320
Other sales revenue	125	-	125	-	125
Total segment external revenue	21,495	38,267	59,762	-	59,762
Trading EBITDA (segment result)	4,132	11,434	15,566	-	15,566
Reconciliation to profit before income tax:					
Research and development					(1,929)
Corporate costs					(4,233)
Group EBITDA					9,404
Interest income					147
Foreign exchange gains (net)					1,607
Fair value loss on derivatives					(39)
Depreciation and amortisation expense					(6,890)
Finance costs					(1,195)
Impairment of intangible assets					-
Other expenses (corporate transaction costs)					13
Profit before income tax expense					3,047
Income tax expense					(880)
Profit after income tax expense					2,167
Segment assets	45,086	117,041	162,127	8,016	170,143
Total assets					170,143
Segment liabilities	22,270	37,608	59,878	6,301	66,179
Total liabilities					66,179
Acquisitions of property, plant and equipment, intangibles and other non-current segment assets	2,666	1,501	4,167	70	4,237
Total acquisitions					4,237
Depreciation and amortisation expense	1,471	5,383	6,854	36	6,890
Total depreciation and amortisation					6,890

2 Segment information (continued)

(c) Other segment information (continued)

(c) Other segment information

(i) Segment revenue

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

	Half-year	
	31 December 2012 \$'000	31 December 2011 \$'000
Total segment revenue	64,039	59,762
Other revenue	<u>158</u>	<u>147</u>
Total revenue from continuing operations (note 3)	<u>64,197</u>	<u>59,909</u>

(ii) Trading EBITDA

The board of directors assesses the performance of the operating segments based on a measure of trading EBITDA. This measurement basis excludes segment expensed research and development costs and the consolidated entity's corporate costs. Furthermore, the measure excludes the effect of gains and losses on foreign exchange and on derivative instruments which are managed centrally.

3 Revenue

	Half-year	
	31 December 2012 \$'000	31 December 2011 \$'000
From continuing operations		
<i>Sales revenue</i>		
Maintenance income	32,598	31,945
Professional services income	27,408	25,372
Licence fees	3,986	2,320
Other sales revenue	<u>47</u>	<u>125</u>
	<u>64,039</u>	<u>59,762</u>
<i>Other revenue</i>		
Interest received	<u>158</u>	<u>147</u>
	<u>158</u>	<u>147</u>
	<u>64,197</u>	<u>59,909</u>

4 Other income

	Half-year	
	31 December 2012 \$'000	31 December 2011 \$'000
Foreign exchange gains (net)	<u>-</u>	<u>1,607</u>

5 Profit for the half-year

Half-year

	31 December 2012 \$'000	31 December 2011 \$'000
Profit before income tax includes the following specific expenses:		
<i>Research and development</i>		
R&D internal and external charges	1,399	1,929
Total research and development	1,399	1,929
<i>Employee benefits expense</i>		
Wages and salaries*	32,137	27,042
Termination payments	358	56
Share based payments	193	-
Defined contribution superannuation expense*	2,384	2,345
Other employee related costs	187	1,214
Total employee benefits	35,259	30,657
*\$1.5m expense has been reclassified from defined contribution superannuation to wages and salaries in the comparative numbers to better reflect the nature of national insurance contributions paid in the UK.		
<i>Finance costs</i>		
Interest and finance charges paid/payable	842	1,003
Borrowing costs and other	365	192
Finance costs expensed	1,207	1,195
<i>Telecommunication costs</i>		
Telecommunication and computer costs	7,263	9,100
Total telecommunication costs	7,263	9,100
<i>Other expenses</i>		
Printing and stationery costs	911	710
Marketing and conference costs	540	468
Professional fees	1,686	1,879
Bad and doubtful debts	29	49
Third party costs	1,408	813
Foreign exchange loss (net)	1,093	-
Other	422	647
Total other expenses	6,089	4,566

6 Current liabilities – Borrowings

	31 December 2012 \$'000	30 June 2012 \$'000
Secured		
Bank Loan	3,355	21,187
Current portion of finance lease Liability	2,637	1,709
	5,992	22,896
Unsecured		
Other loans	201	442
Total current liabilities - borrowings	6,193	23,338

Further information relating to loans is set out in note 8.

7 Current liabilities - Other current liabilities

	31 December 2012 \$'000	30 June 2012 \$'000
Accrued expenses	7,944	8,405
	7,944	8,405

8 Non-current liabilities – Borrowings

	31 December 2012 \$'000	30 June 2012 \$'000
Secured		
Bank Loan	17,885	-
Finance Lease Liability	5,021	5,080
	22,906	5,080

(a) Secured liabilities and assets pledged as security

The total secured liabilities (current and non-current) are as follows:

	31 December 2012 \$'000	30 June 2012 \$'000
Bank overdrafts and bank loans	21,240	21,187

The bank loans are secured by a deed of charge and mortgage over Bravura and certain wholly-owned subsidiaries.

	31 December 2012 \$'000	30 June 2012 \$'000
Current		
Cash and cash equivalents	17,050	4,591
Receivables	20,668	35,259
Other current assets	2,374	2,761
	40,092	42,611
Non-current		
Receivables - non-current	94	1,252
Intangible assets	113,308	114,946
Plant and equipment	14,385	13,003
	127,787	129,201
Total assets pledged as security under fixed and floating charges	167,879	171,812

(b) Financing arrangements

	31 December 2012 \$'000	30 June 2012 \$'000
Bank loan facilities		
Total facilities	33,857	35,121
Used at balance date	25,488	21,483
Unused at balance date	8,369	13,638

8 Non-current liabilities – Borrowings (continued)

The bank loans as at 31 December 2012 stated in the statement of financial position included unamortised transaction costs of \$667,000 (June 2012: \$ 296,000) which were offset in the statement of financial position but not in the table above to reflect the amount used at balance date.

The financing arrangements impose certain covenants on the consolidated entity that, if breached, the financiers may at any time declare that the loans become immediately due and payable. The financial covenants that must be met are as follows:

- The debt service cover ratio of the consolidated entity must not be less than 1.2:1;
- The leverage ratio (debt/adjusted EBITA) of the consolidated entity must not be greater than 2.5:1; and
- The net assets of the consolidated entity must not be less than A\$65 million.

There were no breaches of banking covenants during the financial period.

(c) Finance lease liability

	31 December 2012 \$'000	30 June 2012 \$'000
Finance lease liabilities of the group are payable as follows:		
Gross lease liabilities:		
Within one year	3,008	2,068
Between 2 and 5 years	5,275	5,420
	8,283	7,488
Future interest	(625)	(699)
Present value of minimum lease payments	7,658	6,789
Present value of minimum lease payments is included in the statement of financial position as follows:		
Current	2,637	1,709
Non-current	5,021	5,080
Total	7,658	6,789

9 Contributed equity

	31 December 2012 Shares	30 June 2012 Shares	31 December 2012 \$'000	30 June 2012 \$'000
(a) Share capital				
Ordinary shares				
Fully paid	616,648,048	619,747,153	132,759	133,377

(b) Movements in ordinary share capital:

	Date	Details	Number of shares	Issue price \$'000
	1 July 2012	Opening balance	619,747,153	133,377
		Issue of shares	-	-
		Buy back and cancellation of shares	(3,099,105)	(613)
		Transaction costs incurred	-	(5)
	31 December 2012	Balance	616,648,048	132,759

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the consolidated entity in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value.

10 Reserves

	31 December 2012 \$'000	30 June 2012 \$'000
(a) Reserves		
Options reserve	8,847	8,654
Foreign currency translation reserve	(10,118)	(11,382)
	(1,271)	(2,728)

11 Contingencies

Contingent liabilities

Bank guarantees

Guarantees given in respect of bank overdrafts and loans of subsidiaries amounting to \$4,041,000 (30 June 2012: \$857,000) for consolidated entity.

12 Events occurring after the reporting period

There have been no significant events occurring after the balance date which may affect either the Company's operations or results of those operations or the Company's state of affairs.

In the directors' opinion:

- (a) the financial statements and notes set out on pages 3 to 18 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; 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.

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



Brian Mitchell
Director

Sydney
14 February 2013

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Bravura Solutions Limited, which comprises the statement of financial position as at 31 December 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

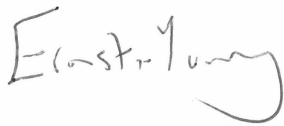
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the half-year financial report.

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 Bravura Solutions Limited 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 2012 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive style.

Ernst & Young

A handwritten signature in black ink that reads 'E A Lang' in a cursive style.

E A Lang
Partner
Sydney
14 February 2013