

## APPENDIX 4D HALF-YEAR REPORT

### 1. Company details

Name of entity:	<b>Bravura Solutions Limited</b>
ABN:	15 111 148 826
Reporting period:	<b>Half-year ended 31 December 2007</b>
Previous corresponding period:	Half-year ended 31 December 2006

### 2. Results for announcement to the market

Revenues from operating activities	up	111.4%	to	\$ 67,602,000
Net profit from ordinary activities after tax attributable to members	down	54.9%	to	\$ 1,594,000
Net profit for the period attributable to members	down	54.9%	to	\$ 1,594,000

#### *Dividends*

	Amount per security	Franked amount per security
Final dividend paid on 16 October 2007	0.900 cents	0.900 cents

On 25 February 2008 the directors declared a fully franked dividend of 0.60 cents per ordinary share with a record date of 7 March 2008 to be paid on 3 April 2008.

#### *Comments*

The consolidated entity net profit after tax for the half year ended 31 December 2007 was \$1.594 million (2006: \$3.537 million). Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) was \$9.634 million (2006: \$5.154 million) as a result of 111% increase in revenue to \$67.602 million. The revenue result reflects the continued success of core wealth management products and the contribution of UK acquisition Rufus, resulting in UK revenues increasing from \$16.475 million to \$44.242 million.

While EBITDA of \$9.634 million increased 87% on the corresponding period the net profit was impacted by increased amortisation associated with acquisition intangibles of \$2.667 million, interest expense relating to debt used to finance Rufus and AB Prodata acquisitions of \$3.181 million, and an unrealised net loss on derivatives \$0.939 million associated with deferred settlement amounts of Rufus.

**3. NTA backing**

	Reporting period	Previous corresponding period
Net tangible asset backing per ordinary security	(18.38) cents	(43.82) cents

**4. Control gained over entities**

Name of entities (or group of entities)	N/A	
Date control gained		
Contribution of such entities to the reporting entity's profit/(loss) from operating activities during the period (where material)		\$ -
Profit/(loss) from operating activities after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period (where material)		\$ -

**5. Loss of control over entities**

Name of entities (or group of entities)	N/A	
Date control lost		
Contribution of such entities to the reporting entity's profit/(loss) from operating activities during the period (where material)		\$ -
Profit/(loss) from operating activities after tax of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material)		\$ -

**6. Dividends**

	Amount per security	Franked amount per security
<i>Current period</i>		
Final dividend paid on 16 October 2007	0.900 cents	0.900 cents

On 25 February 2008 the directors declared a fully franked dividend of 0.60 cents per ordinary share with a record date of 7 March 2008 to be paid on 3 April 2008.

<i>Previous corresponding period</i>		
Final dividend paid on 3 July 2006	3.600 cents	3.600 cents

**7. Dividend reinvestment plans**

*The following dividend or distribution plans are in operation:*

N/A

The last date(s) for receipt of election notices for the dividend or distribution plans: N/A

8. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to net profit/(loss) (where material)	
	Current period	Previous corresponding period	Current period	Previous corresponding period
N/A				
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>				
Profit(loss) from operating activities before income tax				
Income tax on operating activities				

9. Foreign entities

*Details of origin of accounting standards used in compiling the report:*

10. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

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

11. Attachments

*Details of attachments (if any):*

The Report for the half-year ended 31 December 2007 for Bravura Solutions Limited is attached.

12. Signed

Signed: 

Date: 25-2-08

Jonathan Kenny  
Company Secretary  
Sydney

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**Bravura Solutions Limited**

**ABN 15 111 148 826**

**Report for the half-year ended 31 December 2007**

**Bravura Solutions Limited**  
**Contents**  
**For the half-year ended 31 December 2007**

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**General information**

The financial report covers Bravura Solutions Limited as a consolidated entity consisting of Bravura Solutions Limited and the entities it controlled for the half-year ended 31 December 2007. The financial report is presented in Australian currency.

Bravura Solutions Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 2  
345 George Street  
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities is included in the directors' report.

The financial report was authorised for issue by the directors on 25 February 2008.

**Bravura Solutions Limited**  
**Directors' report**  
**31 December 2007**

The directors present their report on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Bravura Solutions Limited and the entities it controlled for the half-year ended 31 December 2007.

**Directors**

The following persons were directors of Bravura Solutions Limited during the financial half-year and up to the date of this report:

Christopher J. Ryan  
Iain M. Dunstan  
Simon K. Woodfull  
James A. C. MacKenzie  
Elana Rubin  
John Loebenstein (appointed on 29 November 2007)

**Principal activities**

During the financial 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**

The consolidated entity net profit after tax for the half year ended 31 December 2007 was \$1.594 million (2006: \$3.537 million). Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) was \$9.634 million (2006: \$5.154 million) as a result of 111% increase in revenue to \$67.602 million. The revenue result reflects the continued success of core wealth management products and the contribution of UK acquisition Rufus, resulting in UK revenues increasing from \$16.475 million to \$44.242 million.

While EBITDA of \$9.634 million increased 87% on the corresponding period the net profit was impacted by increased amortisation associated with acquisition intangibles of \$2.667 million, interest expense relating to debt used to finance Rufus and AB Prodata acquisitions of \$3.181 million, and an unrealised net loss on derivatives \$0.939 million associated with deferred settlement amounts of Rufus.

**Auditors' independence declaration**

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

**Rounding of amounts**

The company 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. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars.

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

On behalf of the directors



Iain Maxwell Dunstan  
Director

Dated this 25<sup>th</sup> day of February 2008  
Sydney

**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 2007, 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.

*Ernst & Young*

Ernst & Young

*J K Haydon*

J K Haydon  
Partner  
25 February 2008

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**Bravura Solutions Limited**  
**Income statement**  
**For the half-year ended 31 December 2007**

		<b>Consolidated Half-year</b>	
	<b>Note</b>	<b>2007 \$'000</b>	<b>2006 \$'000</b>
<b>Revenue from continuing operating activities</b>	3	67,602	31,977
Other income	4	14	-
<b>Expenses</b>			
Employee benefits expense		(41,436)	(16,369)
Depreciation and amortisation expense		(3,501)	(1,023)
Travel and entertainment costs		(1,887)	(1,369)
Occupancy costs		(2,254)	(1,117)
Telecommunications costs		(4,220)	(1,274)
Research and development		(4,734)	(4,920)
Other expenses		(4,177)	(1,253)
Finance costs		(3,224)	(352)
<b>Profit before income tax expense</b>		2,183	4,300
Income tax expense		(589)	(763)
<b>Profit after income tax expense attributable to members of Bravura Solutions Limited</b>		<u>1,594</u>	<u>3,537</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share		1.12	2.88
Diluted earnings per share		1.12	2.88

*The above income statement should be read in conjunction with the accompanying notes*

**Bravura Solutions Limited**  
**Balance sheet**  
**As at 31 December 2007**

		<b>Consolidated</b>	
		<b>31 December</b>	<b>30 June</b>
	<b>Note</b>	<b>2007</b>	<b>2007</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>Current assets</b>			
Cash and cash equivalents		16,439	7,320
Trade and other receivables		41,616	41,967
Other		3,776	3,965
<b>Total current assets</b>		<u>61,831</u>	<u>53,252</u>
<b>Non-current assets</b>			
Other financial assets		-	5
Property, plant and equipment		8,074	3,843
Intangibles		116,359	115,838
Deferred tax		5,387	4,183
Other		158	-
<b>Total non-current assets</b>		<u>129,978</u>	<u>123,869</u>
<b>Total assets</b>		<u>191,809</u>	<u>177,121</u>
<b>Current liabilities</b>			
Trade and other payables		15,365	14,900
Borrowings		735	366
Derivative financial instruments		997	-
Income tax		3,209	2,122
Provisions		20,427	19,323
Other		8,628	14,023
<b>Total current liabilities</b>		<u>49,361</u>	<u>50,734</u>
<b>Non-current liabilities</b>			
Borrowings		34,529	19,417
Deferred tax		2,513	2,989
Provisions		15,149	13,682
<b>Total non-current liabilities</b>		<u>52,191</u>	<u>36,088</u>
<b>Total liabilities</b>		<u>101,552</u>	<u>86,822</u>
<b>Net assets</b>		<u>90,257</u>	<u>90,299</u>
<b>Equity</b>			
Contributed equity	6	85,565	85,565
Reserves		(348)	10
Retained profits		5,040	4,724
<b>Total equity</b>		<u>90,257</u>	<u>90,299</u>

*The above balance sheet should be read in conjunction with the accompanying notes*

**Bravura Solutions Limited**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2007**

	<b>Contributed equity \$'000</b>	<b>Reserves \$'000</b>	<b>Retained profits \$'000</b>	<b>Total equity \$'000</b>
<b>Consolidated</b>				
Balance 1 July 2006	47,090	641	828	48,559
Foreign currency translation	-	(431)	-	(431)
Net income/(expense) recognised directly in equity	-	(431)	-	(431)
Profit after income tax expense	-	-	3,537	3,537
Total recognised income/(expense) for the half-year	-	(431)	3,537	3,106
Share issue transaction costs	(265)	-	-	(265)
Balance 31 December 2006	<u>46,825</u>	<u>210</u>	<u>4,365</u>	<u>51,400</u>
<b>Consolidated</b>				
Balance 1 July 2007	85,565	10	4,724	90,299
Foreign currency translation	-	(963)	-	(963)
Net income/(expense) recognised directly in equity	-	(963)	-	(963)
Profit after income tax expense	-	-	1,594	1,594
Total recognised income/(expense) for the half-year	-	(963)	1,594	631
Employee share options	-	601	-	601
Increase in other reserves	-	4	-	4
Dividends paid	-	-	(1,278)	(1,278)
Balance 31 December 2007	<u>85,565</u>	<u>(348)</u>	<u>5,040</u>	<u>90,257</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Bravura Solutions Limited**  
**Cash flow statement**  
**For the half-year ended 31 December 2007**

	Note	Consolidated Half-year	
		2007 \$'000	2006 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		74,532	19,007
Payments to suppliers (inclusive of GST)		(68,191)	(20,905)
		<u>6,341</u>	<u>(1,898)</u>
Interest received		231	521
Interest and other finance costs paid		(1,560)	(643)
Income taxes paid		(594)	(511)
		<u>4,418</u>	<u>(2,531)</u>
<b>Net cash inflow/(outflow) from operating activities</b>			
<b>Cash flows from investing activities</b>			
Payment for purchase of business, net of cash acquired		-	(50,140)
Payment for purchase of subsidiary, net of cash acquired		(1,957)	(7,693)
Payments for property, plant and equipment		(5,420)	(315)
Payments for intangibles		(2,405)	-
Proceeds from monies withdrawn from deposit		58	169
		<u>(9,724)</u>	<u>(57,979)</u>
<b>Net cash inflow/(outflow) from investing activities</b>			
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		16,155	43,266
Dividends paid	7	(1,278)	(2,200)
Repayment of borrowings		(183)	(210)
Payment for share issue costs		(135)	(1,100)
		<u>14,559</u>	<u>39,756</u>
<b>Net cash inflow/(outflow) from financing activities</b>			
Net increase/(decrease) in cash and cash equivalents		9,253	(20,754)
Cash and cash equivalents at the beginning of the financial half-year		7,320	27,767
Effects of exchange rate changes on cash		(134)	-
		<u>16,439</u>	<u>7,013</u>
<b>Cash and cash equivalents at the end of the financial half-year</b>			

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

**Bravura Solutions Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2007**

**Note 1. Significant accounting policies**

This general purpose financial report for the half-year reporting period ended 31 December 2007 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This half-year financial report does not include all the notes of the type normally 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 2007 and any public announcements made by the company during the half-year reporting period in accordance with the continuous disclosure requirements of the ASX Listing Rules.

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

**Changes in accounting policy**

New and / or revised standards and interpretations applicable for the year commencing 1 July 2007 have been reviewed and it was determined that changes were not required to the existing accounting policies adopted by Bravura Solutions Limited. The major new standards are AASB 7 and AASB 7-4 which will impact the year end disclosures in the financial statements. Certain Australian Accounting Standards and UIG Interpretations have recently been issued or amended but are not yet effective and have not been adopted by Bravura Solutions Limited for the interim reporting period. The directors have not yet assessed the impact of these new or amended standards and interpretations to the extent relevant to Bravura Solutions Limited.

**Note 2. Segment information**

*Primary reporting - geographical segments*

The consolidated entity operates in four geographical areas: Australia, Europe, New Zealand and Asia. These geographical areas are the basis on which the consolidated entity reports its primary segment information.

<b>Half-year 2007</b>	Australia \$'000	Europe \$'000	New Zealand \$'000	Asia \$'000	Intersegment eliminations / unallocated \$'000	Consolidated \$'000
Sales to external customers	16,626	44,242	3,321	3,213	-	67,402
Total sales revenue	16,626	44,242	3,321	3,213	-	67,402
Other income	165	49	-	-	-	214
Total segment revenue	16,791	44,291	3,321	3,213	-	67,616
Segment result	(996)	2,001	505	673	-	2,183
Profit before income tax expense						2,183
Income tax expense						(589)
Profit after income tax expense						1,594

**Bravura Solutions Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2007**

**Note 2. Segment information (continued)**

<b>Half-year 2006</b>	Australia \$'000	Europe \$'000	New Zealand \$'000	Asia \$'000	Intersegment eliminations / unallocated \$'000	Consolidated \$'000
Sales to external customers	12,606	16,475	1,851	524	-	31,456
Total sales revenue	12,606	16,475	1,851	524	-	31,456
Other income	502	-	19	-	-	521
Total segment revenue	13,108	16,475	1,870	524	-	31,977
Segment result	974	3,082	429	(185)	-	4,300
Profit before income tax expense						4,300
Income tax expense						(763)
Profit after income tax expense						3,537

**Note 3. Revenue**

	<b>Consolidated Half-year</b>	
	<b>2007 \$'000</b>	<b>2006 \$'000</b>
<b>From continuing operations</b>		
<i>Sales revenue</i>		
Maintenance income	22,206	9,587
Professional services income	30,131	12,127
New licence fees	14,811	9,351
Other income	254	391
	<u>67,402</u>	<u>31,456</u>
<i>Other revenue</i>		
Interest received	200	521
	<u>200</u>	<u>521</u>
Revenue from continuing operations	<u>67,602</u>	<u>31,977</u>

**Note 4. Other income**

	<b>Consolidated Half-year</b>	
	<b>2007 \$'000</b>	<b>2006 \$'000</b>
Foreign exchange gain	14	-
Other income	14	-

**Bravura Solutions Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2007**

**Note 5. Expenses**

	<b>Consolidated Half-year</b>	
	<b>2007</b>	<b>2006</b>
	<b>\$'000</b>	<b>\$'000</b>
Profit before income tax includes the following specific items:		
<b>Expenses</b>		
<i>Finance costs</i>		
Interest and finance charges paid/payable	3,224	337
Exchange losses on foreign currency borrowings	-	15
Finance costs expensed	<u>3,224</u>	<u>352</u>
<i>Unrealised loss on derivatives</i>		
Unrealised loss on derivatives	939	-
<i>Rental expense relating to operating leases</i>		
Minimum lease payments	<u>2,029</u>	<u>1,041</u>
Total rental expense relating to operating leases	<u>2,029</u>	<u>1,041</u>
<i>Defined contribution superannuation expense</i>		
Defined contribution superannuation expense	2,094	842
<i>Research and development</i>		
Research and development	4,734	4,920

**Note 6. Equity - contributed**

	<b>Consolidated</b>		<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June</b>	<b>31 December</b>	<b>30 June</b>
	<b>2007</b>	<b>2007</b>	<b>2007</b>	<b>2007</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$'000</b>	<b>\$'000</b>
Ordinary shares - fully paid	<u>142,008,658</u>	<u>142,008,658</u>	<u>85,565</u>	<u>85,565</u>

*Ordinary shares*

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

**Note 7. Equity - dividends**

	<b>Consolidated Half-year</b>	
	<b>2007</b>	<b>2006</b>
	<b>\$'000</b>	<b>\$'000</b>
Final ordinary dividend for the year ended 30 June 2007 of 0.9 cents (2006: 3.6 cents) per fully paid share paid on 16 October 2007	<u>1,278</u>	<u>2,200</u>

**Bravura Solutions Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2007**

**Note 8. Events occurring after balance date**

On 25 February 2008 the directors declared a fully franked dividend of 0.60 cents per ordinary share to be paid on 3 April 2008, a total distribution of \$852,052.

Apart from the dividend declared discussed above, no other matter or circumstance has arisen since 31 December 2007 that has significantly affected, or may significantly affect the consolidated entity's operations in future financial years, the results of those operations in future financial years, or the consolidated entity's state of affairs in future financial years.

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**Bravura Solutions Limited**  
**Directors' declaration**

In accordance with a resolution of the directors of Bravura Solutions Limited, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
- (i) giving a true and fair view of the financial position as at 31 December 2007 and the performance for the half-year ended on that date of the consolidated entity; and
  - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; 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.

On behalf of the Board,



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Iain Maxwell Dunstan  
Director

Dated this 25<sup>th</sup> day of February 2008  
Sydney

To the members of Bravura Solutions Limited

## Report on the Half-Year Financial Report

We have reviewed the accompanying financial report of Bravura Solutions Limited, (the “company”) and the entities it controlled during the half-year, which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors’ declaration.

### *Directors’ Responsibility for the Half - Year Financial Report*

The directors of the company 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 establishing and maintaining internal controls 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 2007 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* and other mandatory financial reporting requirements in Australia. 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 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 interim financial report of Bravura Solutions Limited 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 2007 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*.

*Ernst + Young*

Ernst & Young

*J K Haydon*

J K Haydon  
Partner  
Sydney  
25 February 2008