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ANNUAL REPORT 2012

CERTAINTY | INGENUITY | ADVANTAGE

Computershare

This financial report covers the consolidated entity consisting of Computershare Limited and its controlled entities.

The financial report is presented in United States Dollars (USD), unless otherwise stated.

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

Computershare Limited,
Yarra Falls,
452 Johnston Street, Abbotsford,
Victoria 3067 Australia.

The financial report was authorised for issue by the directors on 24 September 2012. The company has the power to amend and reissue the financial report.

A separate notice of meeting, including a proxy form is enclosed with this financial report.

Contents

Financial Highlights

The financial report is presented in United States (US) dollars, unless otherwise noted.

	JUNE 2012	JUNE 2011	% CHANGE
STATUTORY RESULTS			
Total revenue	**1,807.2 million**	1,604.3 million	13%
Net profit after non-controlling interests (NCI)	**156.5 million**	264.1 million	-41%
Statutory earnings per share	**28.16 cents**	47.53 cents	-41%
MANAGEMENT ADJUSTED RESULTS			
Total revenue*	**1,807.2 million**	1,604.3 million	13%
Management EBITDA*	**459.0 million**	493.6 million	-7%
Management net profit after NCI*	**272.8 million**	309.3 million	-12%
Management earnings per share*	**49.09 cents**	55.67 cents	-12%
BALANCE SHEET			
Total assets	**3,681.7 million**	2,873.2 million	28%
Total shareholders' equity	**1,176.5 million**	1,245.5 million	-6%
PERFORMANCE INDICATORS			
Free cash flow	**294.5 million**	296.2 million	-1%
Net debt to management EBITDA*	**2.86 times**	1.35 times	
Return on equity*	**22.30%**	26.90%	
Staff numbers	**13,909**	11,491	

For a reconciliation between statutory and management adjusted results, refer to note 6 in the Notes to the Financial Statements.

* These financial indicators are based on management adjusted results. 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. Management adjustment items that were income to the Group are included in statutory results as other income and therefore management total revenue is consistent with statutory total revenue.

Financial Calendar

2012

20 AUGUST Books closed for final dividend

11 SEPTEMBER Final dividend paid

14 NOVEMBER The Annual General Meeting of Computershare Limited ABN 71 005 485 825

LOCATION: Computershare Conference Centre
Yarra Falls, 452 Johnston Street
Abbotsford Victoria 3067

TIME: 10.00am

2013

13 FEBRUARY Announcement of the financial results for the half year ending 31 December 2012

"The economic climate this past twelve months has been similar to FY2011 as transactional revenues continued to fall but recurring revenue lines held up better. Our people have been working tremendously hard, integrating recent acquisitions, extracting synergies and focusing on cost control across the board. In this testing environment we have put in a great deal of effort simply to maintain our market-leading position. That said, our newest businesses – loan servicing and utility back office – offer material growth, while our more traditional businesses remain very well positioned to recover strongly when conditions improve."

Stuart Crosby, President and CEO

Computershare's 2012 annual report outlines a creditable result in what continues to be a very challenging environment. Statutory earnings per share fell 41% versus our FY2011 result. Management earnings per share fell 12% versus our FY2011 result. In similar circumstances to last year, Computershare's recurring revenue lines held up while transactional revenue lines remained well below previous highs. This lack of corporate activity continued to put pressure on our businesses' operating margins. However, we did make some material acquisitions this year that immediately contributed to earnings. In light of current conditions management remain focused on enterprise costs. We do not anticipate a material improvement in the current difficult operating environment for our market-related businesses. As stated in our annual results announcement, we expect management earnings per share in FY2013 to be between 10% and 15% higher than in FY2012.

THE YEAR IN REVIEW

Year on year, Computershare experienced a fall in statutory basic earnings per share, which decreased by 41% to 28.16 cents in FY2012. Management earnings per share decreased by 12% to 49.09 cents in FY2012. Likewise, statutory net profit after Non-Controlling Interests (NCI) fell 41% to $156.5 million. Management adjusted net profit after NCI fell 12% to $272.8 million. Underpinned by acquisitions during the year our total management revenues grew 12.4% to $1,818.7 million, while operating cash flows also increased by 4.7% to $334.6 million.

Australia and New Zealand

Revenue in Australia and New Zealand increased 13.9% on FY2011 to $407.2 million, although management EBITDA was down materially, dropping 12.0% to $76.9 million. Revenues were bolstered by the acquisition of the Serviceworks Group and a stronger AUD relative to last year. Our employee plans business also produced revenue growth. In contrast, decreases in transaction activity significantly influenced corporate actions and, to a lesser extent, register maintenance revenue streams. Competition and lower volumes for our communication services business have also affected earnings. Margin income deteriorated as balances and interest rates declined. Our New Zealand business also suffered from reduced corporate activity.

Asia

Revenue in the Asian region dropped 14.5% on the prior corresponding period (pcp) to $106.8 million, and management EBITDA fell 29.0% to $34.3 million. Weak investor sentiment has had a significant impact on the IPO market in Hong Kong, resulting in an overall drop in issuer IPO activity as well as shareholder participation. On the other hand, register maintenance revenue has grown, as we have benefited from prior period capital raisings. Assets under management in our Indian mutual fund business have fallen resulting in a commensurate impact on revenues and earnings.

United Kingdom, Channel Islands, Ireland and Africa

Revenues in the UCIA region grew 1.2% on pcp to $293.4 million, while management EBITDA dropped 10.5% to $104.1 million. Corporate actions revenue was significantly lower than FY2011. Our employee plans business delivered outstanding results, generated by revenue growth and expense control achieved through continued synergy benefits derived from the integration of the HBOS EES business. Our Channel Islands business, which services both plans and investor services clients and is significantly larger since our HBOS EES acquisition, exceeded expectations.

Continental Europe

Revenue in the region grew 19.2% on pcp to $113.4 million, while management EBITDA increased 7.7% to $15.0 million. This increase was primarily driven by the full year contribution of Servizio Titoli (acquired in May 2011) and solid growth in the client base of our Russian businesses. The region remains affected by the Eurozone crisis, as demonstrated by the impairment of Continental Europe's intangible assets outlined in our 13 June 2012 market announcement.

USA

US revenue grew 28.2% on FY2011 to $654.4 million and management EBITDA increased 0.2% to $125.0 million. The primary driver behind the revenue uplift was our acquisition of Specialized Loan Servicing in November 2011 and Shareowner Services in December 2011. Although it remains subdued, transactional revenue was higher than FY2011 as a result of our Shareowner Services business increasing our issuer client base. Bankruptcy and class action administration, mutual fund solicitation and post-merger clean-up activities remain well below previous highs. Margin income grew substantially due to the contribution of Shareowner Services' balances.

Canada

Canadian revenue grew marginally compared to FY2011, increasing 1.9% to $208.5 million, while management EBITDA increased by 1.8% to $95.6 million. Employee plans revenue benefited from increased transactional activity and corporate proxy revenue also grew. Our small shareholder programs/post-merger clean-up business could not match record FY2011 earnings. An increase in client balances offset the negative impact of maturing hedges, with margin income moderately higher year on year.

GLOBAL SERVICES

In FY2012 the Global Capital Markets Group (GCM) met the increased client demand for innovative cross-border solutions and processed more than 39,000 transactions worldwide. Despite subdued trading conditions for many market participants GCM had to increase its operational footprint to keep up with demand. Our US, UK and German-based businesses delivered a cross-border solution for Johnson & Johnson's complex USD 21 billion acquisition of Swiss-listed Synthes Inc. GCM also started to develop a 'first of its kind' solution to enable certain UK public companies to list their shares directly on US equity markets.

CAPITAL MANAGEMENT

The Company's issued capital did not change during the year. There were 555,664,059 issued ordinary shares outstanding as at 30 June 2012. Since 30 June 2011 our total assets grew by $808.5 million to $3,681.7 million. Shareholders' equity decreased $69.0 million to $1,176.5 million over the same period.

Since 30 June 2011 our net borrowings have increased to $1,313.0 million from $666.3 million. Debt facilities maturity averages 5.6 years following the $550.0 million private placement facility executed in February 2012.

DIVIDENDS

A final dividend of AUD 14 cents per share (60% franked) was paid on 11 September 2012. This followed an interim dividend of AUD 14 cents per share (60% franked) paid on 23 March 2012.

TECHNOLOGY PRIORITIES

Computershare's total technology spend for FY2012 increased by 32.8% to $212.5 million, while the ratio of technology expenditure to sales revenue increased to 11.7%. The total technology spend included an expensed amount of $57.7 million investment in R&D, compared to $55.4 million in FY2011.

Our technology teams' major focus has been preparing to integrate Computershare Shareowner Services. As is typical with such projects, this integration has required an investment in infrastructure to handle the enlarged business, in addition to the creation of a number of development streams as we prepare to move records to Computershare platforms. Our technology teams have a great depth of knowledge in this area and a number of experienced senior staff have relocated to the US for the duration of the project. Running the same platforms for all our major business lines allows us to call on resources from all over the world. A significant amount of the expected synergies will be realised by our Technology Group.

Elsewhere, Computershare continued to invest in new and enhanced operational platforms, helping to reduce costs and increase the efficiency of our workforce.

INVESTMENT ANALYSIS

Capital expenditure for FY2012 was up 92.9% on FY2011 to $62.1 million; recent acquisitions and associated integration activities affected expenditure.

We continued our strategy of consolidating businesses around the world and pursuing diversified revenue sources. Acquisitions included:

> 100% of the Serviceworks Group, comprising three businesses – Serviceworks Management (a provider of solutions to the Australian utilities sector), ConnectNow (a provider of specialist home moving utility connection services across Australia) and Switchwise (a provider of electricity and gas supplier comparisons for Australian consumers). Serviceworks Management and ConnectNow were acquired on 31 August 2011 and Switchwise was acquired on 1 February 2012.

> 100% of Specialized Loan Servicing LLC – a provider of primary and special fee-based services of residential mortgage loans based in Colorado, USA. Acquired 30 November 2011.

> 100% of Mellon Investor Holdings LLC (renamed Computershare Shareowner Services LLC) – the shareowner services business of The Bank of New York Mellon Corporation and a leading provider of transfer agency and employee equity plan services to publicly listed US companies. Acquired 31 December 2011.

OUTLOOK

Computershare will continue to focus on:

- Driving operational quality and efficiency through improved measurement, benchmarking and technology
- Improving front office skills to protect and drive revenue
- Seeking acquisition and other growth opportunities where they will add value and enhance returns for Computershare shareholders

In addition, we are committing priority resources to:

- Integration of recent acquisitions
- Continued improvement of our market position
- Engagement with regulatory developments and market structure change across jurisdictions

Computershare has a strong operational and financial platform from which to execute these strategies.

CONCLUSION

We would like to acknowledge and applaud the work done by Computershare employees all over the globe and would also like to express our gratitude to our fellow directors for their ongoing guidance and advice. We also extend our thanks to our shareholders and clients, we value your continued support and appreciate the trust you place in Computershare. Together, we will embrace the challenges and rewards of the year ahead.

CJ Morris
Chairman

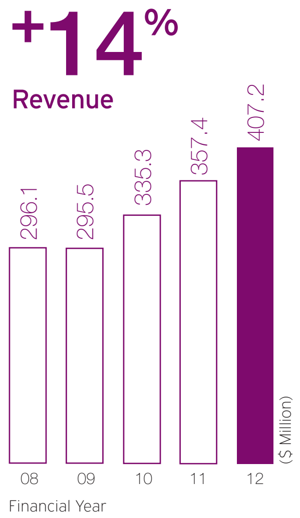
WS Crosby
Chief Executive Officer

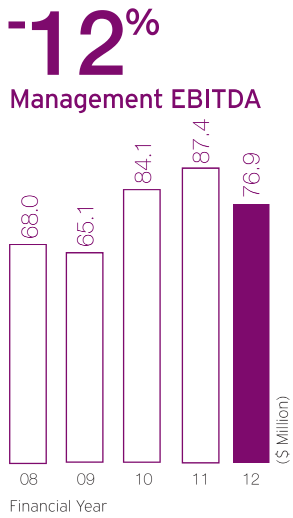
Australia and New Zealand Regional Overview

Despite subdued market conditions, Computershare has experienced significant wins and maintained market leading positions across the business in Australia and New Zealand. Strategic acquisitions and partnerships have put the region in a position to deliver enhanced services to our clients and their customers.

2012 HIGHLIGHTS

- Winning the contract with New Zealand Treasury to manage the high profile IPOs associated with the sale of state owned enterprises
- Using our experience in effectively communicating with employees to help BHP Billiton and Fletcher Building win accolades at the 2012 Employee Ownership Australia Awards
- Winning the contract for all of Superpartners' inbound and outbound requirements, one of the most significant new business appointments in Communication Services' history
- Launch of our joint venture Digital Post Australia, which will give every Australian the opportunity to receive mail via a secure online post box
- Acquisition of the Serviceworks Group





YEAR IN REVIEW

Our Investor Services businesses in the region maintained their market leading positions with Australia and New Zealand both winning a number of significant corporate actions during the year, despite M&A conditions remaining weak.

Ahead of schedule, Communication Services migrated substantial volumes of work on to our recently acquired continuous colour technology. We won an important long-term contract to provide inbound and outbound services to Superpartners.

Plan Managers experienced a 12th consecutive year of growth and continued to lead the market in complex global plan administration.

During the year we made two significant strategic investments in the region:

1. In August 2011 Computershare acquired the Serviceworks Group, which includes the Serviceworks Management, ConnectNow and Switchwise businesses. Serviceworks works with the Australian retail utilities sector providing solutions that range from consulting services to end-to-end back office administration. ConnectNow delivers home utility connection services and Switchwise is a price comparison website for retail users of gas and electricity.
2. In March 2012 Computershare launched Digital Post Australia, a joint venture with Salmat BPO and Zumbox. Digital Post Australia is a communication delivery service that can provide a secure digital post box for every Australian.

ACHIEVEMENTS

Investor Services continued to lead the market, and was rated number one by clients in the Australian Registry Service Provider Survey 2012. Despite a subdued M&A market, we achieved significant corporate action wins, including Barrick Gold Corporation's acquisition of Equinox Minerals Limited and a number of hybrid issues. Investor Services continued to provide thought leadership to clients and the broader market during the 2011 AGM season, with particular emphasis on the 'two strikes' rule and other reforms.

During FY2012 the New Zealand Treasury announced their Mixed Ownership Model (sale of State Owned Enterprise) program. Investor Services New Zealand was chosen to manage the IPO work that will form part of this multi-year program.

In Melbourne and Sydney the Communication Services print volumes were successfully migrated, ahead of schedule, onto the continuous inkjet printers that we acquired in 2011. Our inbound offering continued to resonate in the market place, as highlighted by winning the Superpartners inbound work. We also experienced sustained growth in locked box receivable processing for clients of leading banks.

In FY2012 Plan Managers continued to be the market leader in Australia resulting in another year of sustainable growth. Our reputation for successfully rolling out global plans was enhanced by the accolades received by BHP Billiton and Fletcher Building at the 2012 Employee Ownership Australia Awards, after Computershare Plan Managers had worked side by side with both clients to support the roll out of their respective plans.

Fund Services' focus during FY2012 was on-boarding the significant work won as a result of the growing relationships with key custodians and fund managers.

Notwithstanding the slow M&A market, Georgeson remained the market leader in the region for proxy solicitation services, working on deals such as SAB Miller's takeover of Fosters.

OUTLOOK AND PRIORITIES

Computershare will continue to focus on delivering exceptional client service and quality across all of the service lines in the region, while striving at the same time to achieve operational efficiencies. This should ensure that we are well placed to benefit from the anticipated turnaround in market activity.

In the coming year Computershare will look to finalise the integration of the Serviceworks Group and maximise our growth opportunities in both the Australian and overseas markets. We will also focus on making digital mail available to Australian households through our investment in Digital Post Australia.

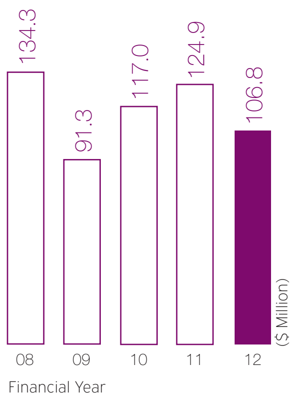
Asia Regional Overview

Computershare's registry-related, Plan Managers and Georgeson businesses in Asia continued to grow during the financial year. However, overall revenue was down due to the low number of IPOs and large fund raising activities.

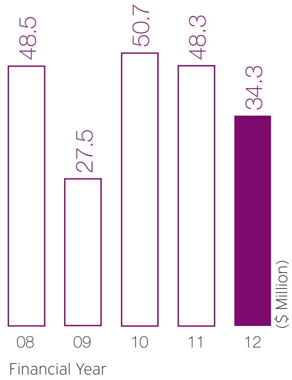
2012 HIGHLIGHTS

- 38% increase in revenue for Plan Managers business
- New Trust business launched to support a one-stop solution for employee share plan management
- Tripled the number of shareholder identification service clients
- Continued increase in recurring registry revenue in both Hong Kong and India

-14%
Revenue



-29%
Management EBITDA



YEAR IN REVIEW

The Plan Managers business achieved significant market penetration, with a 38% increase in revenue over the last financial year, due to growing market demand and our competitive one-stop solution.

Georgeson continued to experience growth, with 42 new clients for Shareholder Identification and continued success with Proxy Solicitation mandates.

Although IPO activity decreased further as a result of the global economic downturn, Computershare maintained the leading position in the Hong Kong registry market, managing 74% of all capital raised and capturing 49 new floats.

ACHIEVEMENTS

We added new clients to our Plan Managers' portfolio, including Sun Hung Kai Properties, Li & Fung Limited and MGM China Holdings Limited.

Plan Managers also launched a series of educational seminars about all employee share plans in Mainland China and Hong Kong, focusing on the practical aspects of introducing a plan and providing useful training for HR, Tax and Finance teams. Over 100 attendees are regularly taking part.

A series of webinars on subjects that are important to issuers have been introduced for our registry clients and have attracted an average of 100 attendees per session.

Karvy Computershare successfully supported a new Government Identification project, designed to provide Indian citizens with secure ID cards as part of a national register.

OUTLOOK AND PRIORITIES

Computershare will continue to explore further growth opportunities in new markets and services within the region, and will seek to further cement our position as a trusted partner of our clients in order to expand the uptake of our product portfolio. We also seek to assist authorities with market structure changes.

United Kingdom, Channel Islands, Ireland & Africa Regional Overview

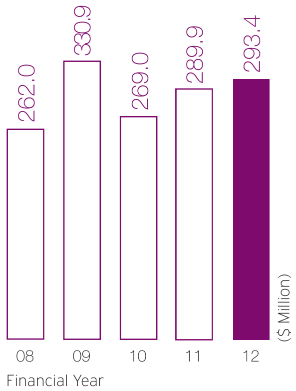
Plan Managers, Business Services and Offshore all performed strongly in FY2012 and helped to largely offset the negative impact of the subdued M&A and corporate actions markets in the UK, Ireland and South Africa. Other business lines remained resilient despite operating in a challenging market. Investor Services and Voucher Services maintained high levels of customer satisfaction.

2012 HIGHLIGHTS

- The successful consolidation of our Plan Managers business in the UK and Offshore, with more than 90% of clients now migrated to our SCRIP system and no client losses
- The Deposit Protection Service, now in its fifth year, experienced steady growth in the number of tenancies registered, and completed its millionth deposit repayment in February 2012
- Our clients voted us 'Number 1 Registrar' for the fifth year running in Capital Analytics' FY2012 survey

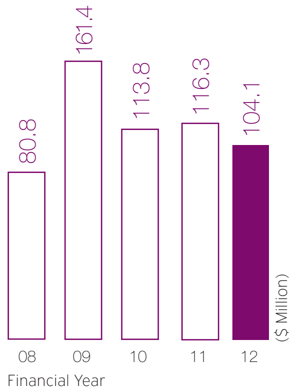
+1%

Revenue



-10%

Management EBITDA



YEAR IN REVIEW

The economic environment remained challenging, with subdued IPO and M&A activity. However, our diverse range of business lines operating in different markets, together with a focus on cross-selling and maintaining excellent client relationships, has helped to mitigate the impact of macro economic conditions.

ACHIEVEMENTS

In July 2012, for the fifth year running, clients voted Investor Services as the 'Number 1 Registrar' in Capital Analytics' FY2012 survey of FTSE 350 companies.

Our Investor Services business has proved to be resilient and is meeting expectations. During the year we completed a number of high-profile projects including Glencore International plc, Polyus Gold International Ltd and Evraz plc's successful IPOs, and the exchange tender offer for Bank of Georgia Holdings PLC.

Our Plan Managers business experienced broad-based growth. The Employee Equity Solutions acquisition and its continued integration brought many benefits, including a larger client base. Client retention and contract renewal rates have been very high. During the year, we were appointed to administer the Rio Tinto Group's global employee stock purchase plan, as well as Virgin Media Inc.'s all-employee Share Incentive Plan.

Business Services performed well, with The Deposit Protection Service maintaining a strong contribution due to growth in the number of tenancies registered.

Market conditions continue to be highly competitive for our Voucher Services business, but we have benefited from deploying new streamlined web services and carefully managing costs.

Computershare Offshore performed strongly. Our offshore registry business won 90% of the requests for tender we responded to in FY2012, including Polymetal International PLC, whilst Plan Managers won 86%, including African Barrick Gold plc and Randgold Resources Ltd. Existing Offshore Plan Managers' clients, Rolls-Royce PLC and John Wood Group PLC, were both successfully migrated.

Our Communication Services business continues to service the region internally as well as expanding our external offering.

Georgeson UK saw increased demand for support as issuers faced greater shareholder activism. We continue to maximise cross-selling opportunities.

OUTLOOK AND PRIORITIES

This coming year we will finalise all the migration and integration activities associated with the acquisition of Employee Equity Solutions. We have already enjoyed significant benefits from the new larger Plan Managers business and we expect these to increase in due course.

We will launch the Letting Protection Service Scotland (LPS Scotland), a custodial tenancy protection scheme that will build on the extensive experience we have already gained from delivering deposit protection services in England and Wales.

We are well positioned to leverage our global capabilities, as London continues to attract issuers from around the world despite the challenging economic environment.

Continental Europe Regional Overview

Growth in Continental Europe remains subdued as Computershare's businesses in the region continue to feel the impact of the uncertain outlook for the Eurozone. In the face of these difficult conditions no acquisition opportunities were realised in FY2012 and efforts were instead focused on the integration of Servizio Titoli and on generating revenue by exploiting the synergies between the different markets within the region.

2012 HIGHLIGHTS

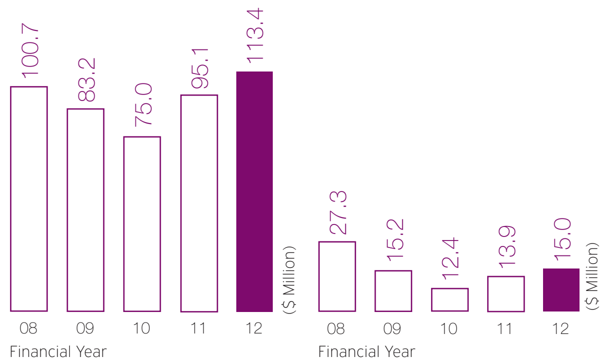
> Our client base grew by 200

> VEM Aktienbank AG continues to be a market leader in rights issues and admissions

> Servizio Titoli is now fully integrated with Computershare and has performed well, with the business achieving record revenue and profitability

+19%
Revenue

+8%
Management EBITDA



YEAR IN REVIEW

Continental Europe remains a very weak market, with the lowest levels of corporate activity since 2003. FY2012 saw no IPO activity in Denmark and only two IPOs in Germany, one of which was managed by VEM Aktienbank AG. Although opportunities for corporate development have been identified and analysed, we remain cautious given the macro-economic insecurity in the region.

ACHIEVEMENTS

The position of our Russian registry business within the market remains solid. We have experienced significant growth in our client base and we have supported major corporate actions including share buy-backs for both Baltika Breweries and the Norilsk Nickel Group.

Computershare's Russian registry business now holds the largest market share in the country. Further integration of our operational services and functions are well underway and in FY2012 we launched an enhanced package of online services for issuers and investors.

Computershare Russia and our Global Capital Markets Group are actively involved in the discussions around the European Commission's new Central Securities Depository (CSD) regulations and the way market participants, including Registrars, should work together for the benefit of issuers and investors.

We continue to maintain market share in both Sweden and Denmark despite strong competition from local central securities depositories. In Sweden we developed a new proxy tabulation service to help issuers manage foreign investors' proxy votes more securely and efficiently and in Denmark we have steadily grown our Plan Manager clients and have remained the market leader in Long Term Incentive Plans (LTIPs).

FY2012 saw the completion of the full migration of Servizio Titoli's services into Computershare, with the newly integrated business already performing well and contributing to the region.

Computershare's product and service offerings were combined with Georgeson Italy to provide a unique and integrated portfolio to the market. Activities, such as EGMs and rights issues at the end of 2011, had a very positive impact on our performance.

In FY2012 we won our first DAX mandate, K+S AG, and provided support during this German client's first AGM since it switched from bearer to registered shares in 2011.

Our Meetings Services business continues to dominate the DAX, where we retained 26 out of the DAX top-30 index. VEM Aktienbank AG acted as an integral part of Computershare's offering of cross-border transactions between North America and Continental Europe.

Our Corporate Proxy business in Southern Europe remained strong throughout the year, with Italy performing especially well under legislative changes that now allow the 'proxy fights' typical in other European countries.

OUTLOOK AND PRIORITIES

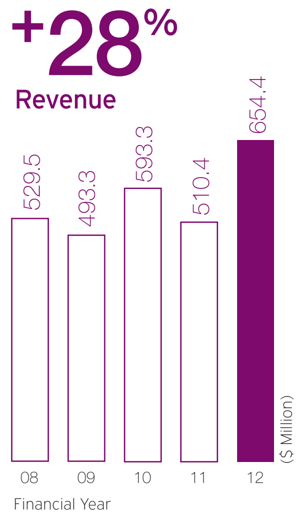
We will continue to identify and selectively pursue growth and acquisition opportunities in all major European markets but remain cautious while the economic outlook remains subdued and uncertain. We will focus on looking for ways to harmonise products, services, systems and procedures to drive organic growth in the region.

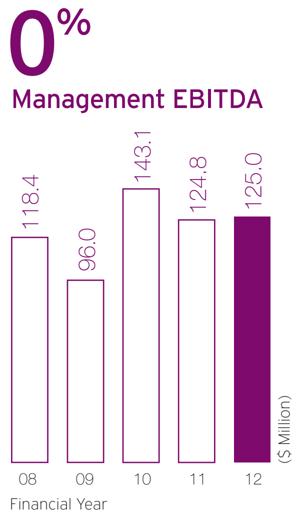
USA Regional Overview

Weak economic conditions continued into FY2012 and had a negative impact on regional results. Despite these challenges, we generated positive momentum through cross-sell opportunities and operational efficiencies driven by strategic acquisitions and partnerships, which have positioned the region to deliver a deeper product offering and enhanced services to the market place.

2012 HIGHLIGHTS

- The successful completion of the acquisition of our largest US competitor – the shareowner services business of The Bank of New York Mellon Corporation
- The acquisition of Specialized Loan Servicing, LLC (SLS), a primary and special fee-based servicer of residential mortgage loans, which complements our core communication and financial transaction processing infrastructure





YEAR IN REVIEW

Low interest rates and minimal issuer activity continued to have a negative impact on the region's performance. Positive news came from the cross-sell and efficiency opportunities gained through Computershare's US acquisitions.

ACHIEVEMENTS

Despite low levels of corporate activity, effective collaborations between Computershare Investor Services and Shareowner Services resulted in our appointment to a range of high profile corporate actions. Computershare facilitated Facebook's transition from private to public, moving nearly two billion shares. We also won the business related to the United Technology Corporation's USD 16.4 billion acquisition of the Goodrich Corporation. Client retention has been very strong even though we have faced significant competitive pressure from other transfer agents.

The decision to grow our Shareowner Services' stock options administration business will provide US clients with a complete employee plan solution and adds to Computershare's global plans offering. In the three months since we affirmed our commitment to the options space, our sales pipeline revenue has increased by 100%.

KCC's production hubs in El Segundo, CA and Memphis, TN have been converted to Computershare Communication Services' sites, and all the Communication Services facilities in the US have been certified to ISO 9001:2008 standard again, increasing revenue opportunities across our client base.

Georgeson Corporate Proxy achieved significant business wins by leveraging access to the Shareowner Services client base. Transatlantic Holdings, Inc. selected Georgeson to manage one of the largest and most complex solicitations of the year.

Despite the slow market, we have seen a recent increase in important deals won by our Fund Services business, including contracts with MetLife, Inc. and Invesco Ltd.

Through KCC, Computershare continue to be the number one provider of bankruptcy claims administration in the market. In the first six months of 2012 we managed three of the largest bankruptcies filed so far this year – Hostess Brands, Inc., Eastman Kodak Company and Residential Capital, LLC. Our class action administration business continues to reach significant milestones including being named 'Best Claims Administrator' by the *New York Law Journal*, the *National Law Journal* and *The Recorder*.

In the seven months since Computershare acquired Specialized Loan Servicing, LLC (SLS), the company has experienced tremendous growth. SLS received ratings upgrades from both Moody's and Fitch early in 2012, following the announcement of the acquisition.

OUTLOOK AND PRIORITIES

We will continue to make the best use of cross-sell opportunities as we migrate all of the clients from the recently acquired Shareowner Services business onto Computershare's record keeping system.

Our Communication Services business will capture all the business that was previously outsourced by Shareowner Services in the region, as well as bringing the work previously outsourced by SLS in house.

Computershare's SLS business recently received the necessary approvals to begin servicing mortgages for the three major government-sponsored entities. Continued investment in infrastructure and ongoing leverage of Computershare's banking relationships will help identify additional opportunities for government, prime and commercial loan servicing.

Our KCC Class Action business will look to continue its upward trend in the number of proposals and wins. FY2013 priorities include developing further technology enhancements, delivering identified revenue opportunities and extending the marketing of our class action escrow product and service.

The bankruptcy market is expected to be challenging in FY2013 as case volumes have dropped to pre-financial crisis levels. Our KCC business will focus on retaining market share in the face of increased competition and best positioning ourselves to benefit from any rebound in Chapter 11 filing activity.

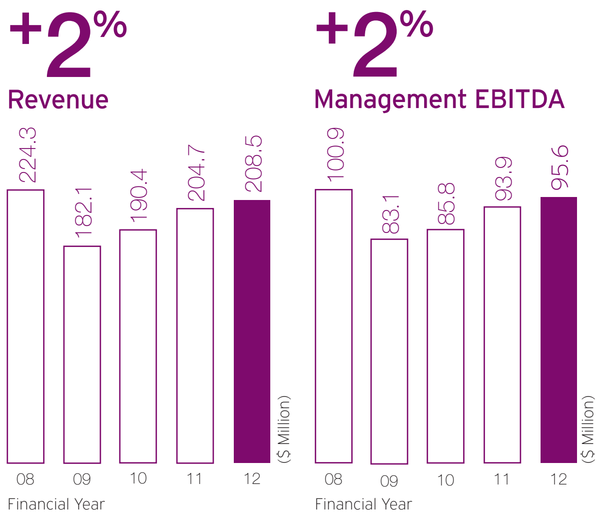
The US market and business environment will continue to present challenges in FY2013. To maximise efficiencies, we plan to make the most significant consolidations to date in relation to our operations and facilities. The long-hoped-for recovery will be linked, in part, with the outcome of the US Presidential elections in November 2012.

Canada Regional Overview

In spite of ongoing soft global markets, Computershare Canada continued to lead the market and deliver strong returns. In FY2013 the region will remain focused on client retention and will continue to develop the skills of back office and client-facing representatives to ensure quality.

2012 HIGHLIGHTS

- Investor Services successfully retained key clients on long-term mandates and were once again engaged in the majority of Canada's significant corporate actions
- Acting as paying agent for the National Housing Act Mortgage-Backed Securities and Canada Mortgage Bond programs, Computershare Canada managed the distribution of guaranteed payments to investors in excess of CAD 33 billion
- Plan Managers continued to absorb large increases in activity while also driving cost base reductions through ongoing process improvements and technology enhancements



ACHIEVEMENTS

Investor Services continued to enhance the client experience by introducing products that have made proxy voting even simpler for our clients and their shareholders. Through involvement in various working groups and in liaison with regulators working on changes to existing legislation, we continue to be a leader in proxy reform in Canada.

Computershare managed several large corporate actions including:

- The restructure of Newmont Mining Corporation
- The merger of Provident Energy Ltd. and Pembina Pipeline Corporation
- The scheme arrangement and reincorporation of Centamin Egypt Limited
- The spinoff of NovaCopper Inc. by NovaGold Resources Inc.
- Notable asset reunifications for Teck Resources Limited and Rio Tinto Alcan

Plan Managers retained top ten client National Bank of Canada, through a successful RFP response.

Our Corporate Trust business had another strong year. We acted as the subscription receipt agent for Caisse de Dépôt et Placement du Québec's CAD 1 billion investment in CGI Group Inc. and also as the debt trustee in National Bank of Canada's CAD 1 billion Medium Term Notes issued on 12 April 2012. We continued to win a number of mandates on P3 offerings and Oil Royalties, and we experienced ongoing Broker Registered Products growth.

Georgeson worked on several high-profile and contentious shareholders meetings including providing solicitation services for the friendly offer for the VenGrowth Funds and the contested shareholder meetings of Canadian Pacific Railway Ltd. and CV Tech Group Inc. to replace their respective board of directors.

OUTLOOK AND PRIORITIES

Client retention, together with generating new revenue from existing relationships, will continue to be our priority in FY2013. High quality service from our back office and client-facing staff will be a major focus in the coming year. Through an ongoing commitment to technology enhancements and product development we will continue to prioritise client needs and satisfaction.

Technology Overview

Computershare continues to invest in technology to lower costs and drive efficiencies across our global operations. We constantly enhance our products with upgrades and new features in response to client feedback, regulatory changes and industry-wide initiatives.

HIGHLIGHTS

- Mobilisation of our technology teams to achieve cost synergies from acquisitions
- The appointment of senior staff in IT Vendor Management and a Chief Information Security Officer
- Preparation of processes and systems to support Digital Post Australia
- Deployment of first mobile applications

YEAR IN REVIEW

Computershare's total technology spend for FY2012 increased by 32.8% to $212.5 million, while the ratio of technology expenditure to sales revenue increased to 11.7%. The total technology spend included an expensed $57.7 million investment in R&D, compared to $55.4 million in FY2011.

Our technology teams' major focus has been preparing to integrate Computershare Shareowner Services. As is typical with such projects, this integration has required an investment in infrastructure to handle the enlarged business, in addition to the creation of a number of development streams as we prepare to move records to Computershare platforms. Our technology teams have a great depth of knowledge in this area and a number of experienced senior staff have relocated to the US for the duration of the project. Running the same platforms for all our major business lines allows us to call on resources from all over the world. A significant amount of the expected synergies will be realised by our Technology Group.

Another major focus has been completing the re-write of our Investor Centre website, which gives shareholders direct access to their portfolio and enables them to quickly and securely update their details and download important information.

Elsewhere, Computershare continued to invest in new and enhanced operational platforms, helping to reduce costs and increase the efficiency of our workforce.

Cost control and effective vendor management have been priorities within our Technology Group during FY2012, and we have taken the opportunity to negotiate more favorable terms on a number of key contracts.

ACHIEVEMENTS

- We successfully prepared systems and infrastructure for the Computershare Shareowner Services integration
- We delivered our Mobile Device Proxy Voting Application in multiple jurisdictions
- In the US we met Cost Basis Regulatory Requirements
- We enhanced our multi-channel inbound communications platform
- Building on existing technology deployed in England and Wales, we launched our Letting Protection Service in Scotland

OUTLOOK AND PRIORITIES

During the next 12 months a significant proportion of our Global Technology Team will be focused on the integration work associated with recent acquisitions to achieve projected synergy targets.

We will also continue to invest in infrastructure in many areas. Initiatives include deploying multi-tiered storage strategies to save costs, rolling out virtual desktops to keep data securely within data centres while also delivering green IT benefits, as well as further increasing our level of virtualisation.

Collaboration tools, such as our BoardWorks iPad application will be used to help teams around the world benefit from best practice and the ability to share ideas and initiatives quickly. We also plan to deploy a full VOIP network with video, chat and IM services to assist with this.

We will deliver additional features for our mobile applications, as well as investing in our governance frameworks.

Information security is an ongoing focus for our teams. Globally there has been increased public awareness of corporate use of personal information, which has been accompanied by legislation and regulations intended to strengthen data protection, information security and consumer privacy. Computershare has invested over $80 million to date and will continue to invest heavily in this space across multiple programs to provide assurance to our customers.

In FY2012 business demand for innovative cross-border solutions continued to grow and transaction processing volumes held up, despite subdued trading conditions for many market participants. In line with demand, the Global Capital Markets (GCM) Group's operational footprint expanded to increase capabilities.

HIGHLIGHTS

- Our US, UK and German-based businesses' efficient delivery of a cross-border solution for Johnson & Johnson's complex USD 21 billion acquisition of Swiss-listed Synthes Inc.
- Successfully processing more than 39,000 cross-border transactions around the world
- Developing a 'first of its kind' solution to enable certain UK public companies to list their shares directly on US equity markets

YEAR IN REVIEW

Services and Solutions

Clients with cross-border listings increased by 4% in FY2012; new client listings were largely offset by natural attrition, due principally to M&A activities and a number of small-cap issuers de-listings from the London Stock Exchange's Alternative Investment Market.

During the year we were engaged in various cross-border projects, where issuers and advisers benefited from our expertise in managing complex transactions. Notable examples included Johnson & Johnson's USD 21 billion acquisition of Swiss-listed Synthes Inc. for which our US, UK and German-based businesses delivered an integrated cross-border solution.

Innovation was a prominent feature in FY2012. This was largely driven by the re-domestication of some US companies to the UK, necessitating the unprecedented direct listing of UK ordinary shares on the NYSE. This enabled the UK Plc issuers to participate in the S&P500 Index. Historically (since 1927) UK Plc issuers have listed, traded, and settled in the US via ADRs (American Depositary Receipts). Working in collaboration with clients and their advisers, we developed a direct listing solution to allow the ordinary shares of these UK companies to be declared eligible for settlement at the Depository Trust & Clearing Corporation in New York. We delivered this solution for Aon Plc, Rowan Companies Plc and Ensco Plc, and we expect that other issuers will show interest in this model over time.

Global Transactions: cross-border settlements

Despite reduced trading volumes our Global Transactions Group, based in locations that span all the major time zones, still processed over 39,000 cross-border transactions (only 3,000 less than last year) for brokers, custodian banks and institutional investors. In FY2012, we expanded our Global Transactions Team's operations to Jersey (Channel Islands), further extending the geographic coverage for market participants, and successfully building on the group's expansion into Hong Kong during the first half of 2011.

Market Development

GCM continued to participate in and influence regulatory policy discussions in Canada, the European Union, Hong Kong, Russia, the UK and the US, helping regulators, market infrastructure providers and other stakeholders consider potential changes to national market regulations, structures and operations. To promote the interests of issuers and their shareholders, Computershare made key policy submissions and/or actively engaged in regulatory and market dialogues on the following matters in FY2012:

- The European Commission's proposed legislation to regulate the functions of Central Securities Depositories (CSDs), including rules relating to settlement discipline, the dematerialisation of securities and ongoing market harmonisation initiatives
- EU-level consultations on corporate governance, proxy voting issues and the future of EU company law
- The Kay Review of UK equity markets and long-term decision-making
- The proposed introduction of industry standards for a range of corporate action processes in European markets
- Reform of the Canadian shareholder communications framework and the 'notice and access' service for shareholder communications expected for the 2013 proxy season
- The Securities and Futures Commission led a market initiative to create a dematerialised environment in Hong Kong
- Changes to the Russian market that will result in the introduction of its proposed CSD in 2013

OUTLOOK AND PRIORITIES

Our pipeline looks promising, provided that market conditions do not deteriorate further and proposed transactions materialise. Some Exchange Traded Funds (ETFs) are actively planning to cross-list their products on key international markets including Australia, Germany and Hong Kong. Interest in our cross-border services indicates that issuers continue to look for innovative services to access global markets. We plan to remain best placed to deliver innovative cross-border solutions, especially as issuers and market participants increasingly recognise the benefits of dealing with an international service provider.

Supported by our proprietary platform, xSettle, we expect to benefit from any increase in cross-border trading volumes and new cross-border listings during the next 12-24 months as new opportunities emerge.

Engaging in market structure initiatives in key global markets will continue to be a high priority for our Market Development Group. These initiatives are expected to include significant changes to European settlement infrastructure, proposed dematerialisation initiatives in Europe, Hong Kong and potentially the US, and proposed improvements to shareholder communications and proxy voting in a range of markets, including the US and Canada. We also plan to engage in market stakeholder and regulatory discussions regarding the launch of the new CSD structure in Russia.

Computershare is committed to conducting business in ways that produce social, environmental and economic benefits for communities around the world.

During FY2012, Computershare had a global focus on reducing paper usage in our day-to-day activities around the world, with some fantastic results. We also rolled out an environmental data management platform named 'Impact Management System', for capturing, evaluating and reporting on our environmental performance.

OUR APPROACH

Computershare understands the importance of responsible citizenship, governance and transparency. We have a long history of active engagement with our workforce, communities and marketplace. We are committed to a transparent, accountable approach to business and to recognising the legitimate interests of all stakeholders.

Sustainability is a key focus across Computershare and we actively work towards managing and reducing our long-term impact on the environment. In addition, Computershare continues to develop a range of services that assist clients to achieve their own sustainability objectives.

ACHIEVEMENTS

In an industry that traditionally relies on paper, we are striving to reduce our usage. In FY2012 we introduced the PaperLESS Challenge – a global competition between Computershare offices to reduce paper usage. Our employees shared ideas on how to do this via message boards and print statistics were collected each month.

Globally, we reduced paper usage by 2.7 million printed pages during the six month challenge – a 10% reduction, which is equivalent to saving more than 300 trees. This achievement was the direct result of a company-wide change in behaviour and the implementation of our PaperLESS Challenge ideas.

The reduction of paper usage has continued since the end of the challenge. In our North American offices, the total number of printed pages was reduced by 750,000 for March 2012 (compared to the same period in 2011). This 30% reduction equates to a stack of paper the height of a 25-storey building. In the UK, print output has reduced year on year by over 655,000 pages following the introduction of environmentally friendly swipe-activated printers.

Whenever we refurbish an office anywhere around the globe we take the opportunity to make our work spaces more sustainable. For example, we installed a more efficient air conditioning system in Bristol, which has saved an average of 40,000 kWh per month; and introduced built-in recycling bins in Hong Kong, which have reduced unnecessary waste.

We have systemised the recording and measurement of our impact on the environment across our offices globally, as well as capturing historical data. We use this information to track our performance.

Staff Engagement

We undertook many staff engagement initiatives in FY2012, including quarterly Green Days and seasonal activities, such as an Advent Calendar containing environmental tips. A highlight was the introduction of a sustainability course for employees, which encourages the adoption of economically and environmentally friendly practices in the workplace. Currently available in English and French, the course focuses on everyday scenarios to help and motivate employees to make green decisions in relation to a range of issues, including:

- Printing habits
- Energy consumption
- Water usage
- Purchases that include plastic components
- Commuting and transportation

Hundreds of staff have completed the course and we are planning to translate it into other languages to make it accessible to more of our employees. The course is compulsory for all new starters who speak English or French.

Green IT

Supporting Computershare's overall sustainability goals, Computershare Technology Services strives to maintain a balance between providing outstanding service to our ever expanding business units and stabilising or reducing power consumption requirements.

Power reduction has been a priority for the team working on our global storage solutions. Projects to archive our massive volumes of inactive data more efficiently have reduced power consumption for our storage hardware. Our Canton data centre in the US continues to excel in power saving initiatives including the installation of under-floor air movers to assist the efficient segregation of cold air from hot air within the data centre. This has considerably reduced our cooling requirements and overall power requirements. Energy and hardware savings have also been achieved via our ongoing global server virtualisation project. So far, over 80% of servers have been moved from physical to virtual environments.

As well as saving paper, our UCIA region's printer refresh and reduction project is already delivering significant power savings.

In addition to these new projects, we continued to implement many other sustainability initiatives including our e-Waste landfill diversion program, desktop power management, LCD monitor replacements and printer rationalisations.

Change a Life

Computershare's Change a Life initiative has continued to fund projects that address poverty and empower communities to effect change around the world. Computershare matches all employee payroll contributions to Change a Life globally and has invited its securityholders to donate their dividends to the cause. To date, the foundation has distributed more than AUD 6 million.

Change a Life currently supports the Sunrise Children's Village orphanage project in Cambodia and three World Vision community learning centres in Kenya. Construction of Computershare's Sunrise 3 Village, located near Sihanoukville on the coast of Cambodia, was completed in July 2012 and a number of children moved in immediately. Local children will be taught English in the new centre's classroom and the local community will be engaged in the project to foster stronger relationships for many years to come.

In November 2011, 30 Computershare employees undertook an eight-day, 450km bike ride across Cambodia. They survived extreme humidity and encounters with rabid monkeys to raise AUD 160,000 to fund the specialist medical clinic that serves the children with HIV/AIDS living in Sunrise 3.

A regular fixture in the South African charity fundraising calendar, Computershare's fourth annual Change a Life bike ride saw 72 business leaders and employees cycle over 500km across Namibia, raising a remarkable AUD 1.5 million.

To find out more about Change a Life, please visit www.changealife.com.au

eTree®

The past year has seen almost 30,000 new registrations for electronic communications through our global eTree programme. Overall donations surpassed AUD 2.5 million during the year and nearly 4.8 million trees have now been planted as a result, including over 17,000 in Thomson Creek, Victoria, Australia, which will help to preserve 17 hectares of local fauna and flora.

Products and Services

Our UCIA region introduced a Sustainable Registry Management package for their clients, designed to complement the issuers' Corporate Social Responsibility practices. This suite of electronic documents and websites provides direct cost savings for issuers and delivers a better customer experience.

Our US business is working towards the implementation of Zumbox, a digital electronic mailbox service designed to eliminate physical documents and to make it easier to reduce paper usage in the billing chain, while our joint venture, Digital Post Australia, has announced the planned introduction of the same technology to the Australian market.

1. COMPUTERSHARE'S APPROACH TO CORPORATE GOVERNANCE

Effective corporate governance is important to Computershare, and the Board is committed to maintaining high standards of corporate governance by overseeing the implementation of a sound governance framework for the management and conduct of its business. A description of Computershare's main corporate governance practices is set out in this corporate governance statement. All practices were in place for the entire year ended 30 June 2012, unless otherwise stated. References in this statement to the 'Group' refer to Computershare Limited and its controlled entities.

2. BOARD RESPONSIBILITIES

The Board is responsible for the corporate governance of the Group and is governed by the principles set out in the Board Charter. A copy of this Charter is available from the corporate governance section of the Computershare website: www.computershare.com.

The principal role of the Board is to ensure the long-term prosperity of the Group and, in doing so, to determine the Group's strategic direction. The Board also sets broad corporate governance principles, which govern the Group's business operations and accountability, and ensures that those principles are effectively implemented by management.

Other responsibilities of the Board are set out below.

> Overseeing the Group and its global operations.
> Appointing and removing, where appropriate, the senior executives of the Group.
> Providing input into and approving the corporate strategy for the Group, and the related performance objectives, developed by management.
> Monitoring management's implementation of, and performance with respect to, the agreed corporate strategy.
> Reviewing and ratifying the system of governance, including the Group's risk management practices and internal compliance and controls, to ensure an appropriate governance framework is in place and operating effectively.
> Approving budgets and monitoring progress against them.
> Ensuring executive remuneration is appropriate and consistent with guidance provided by the Board's Remuneration Committee.

In addition, the Board has delegated to senior management responsibility for certain matters, including those set out below.

> Managing the Group's day-to-day operations in accordance with Board-approved authorisations, policies and procedures.
> Developing the Group's annual budget, recommending it to the Board for approval and managing the Group's day-to-day operations within that budget.
> Implementing the agreed corporate strategy and making recommendations on significant strategic initiatives.

3. COMPOSITION OF THE BOARD OF DIRECTORS

Computershare's Constitution provides that the Board must have a minimum of three directors and a maximum of ten directors, with at least two directors being required to retire from office at each Annual General Meeting. Re-appointment is not automatic and if retiring directors would like to continue to hold office they must submit themselves for re-election by Computershare's shareholders at the Annual General Meeting. No director (other than the Managing Director) may be in office for longer than three years without facing re-election.

THE DIRECTORS

The Board has an appropriate mix of the skills, knowledge and experience necessary to govern the Group and understand the markets and challenges that the Group faces. As at the date of this Annual Report, the Board composition (with details of the professional background of each director) is as follows.

Christopher John Morris

Position: Chairman
Age: 64
Independent: No

Term of Office:

Chris Morris and an associate established Computershare in 1978. He was appointed Chief Executive Officer in 1990 and oversaw the listing of Computershare on the ASX in 1994. Chris became the Computershare Group's Executive Chairman in November 2006 and relinquished his executive responsibilities in September 2010. Chris was last re-elected in 2010.

Skills and Experience:

Chris has worked across the global securities industry for more than 30 years. His knowledge, long-term strategic vision and passion for the industry have been instrumental in transforming Computershare from an Australian business into a successful global public company.

Other Directorships and Offices (current and recent):

Non-Executive Chairman of Car Parking Technologies Limited (appointed in March 2009)
Non-Executive Director of Webfirm Group Limited (appointed in September 2010)

Board Committee Memberships:

Chairman of the Nomination Committee
Chairman of the Acquisitions Committee
Member of the Remuneration Committee

W. Stuart Crosby

Position: Chief Executive Officer
Age: 56
Independent: No

Term of Office:

Stuart Crosby was appointed Chief Executive Officer and President of Computershare in 2006. He has been with Computershare for over 10 years.

Skills and Experience:

Stuart was National Head of Listings at the Australian Stock Exchange and held senior roles with the Hong Kong Securities and Futures Commission before joining Computershare in 1999. He played a key role in building Computershare's interests in Asia and continental Europe and spent several years managing the company's operations in Australia, New Zealand, India and Hong Kong. Before being appointed Chief Executive Officer and President of Computershare, Stuart was the Group's Chief Operating Officer.

Computershare Board Committee Membership:

Member of the Nomination Committee
Member of the Acquisitions Committee

Penelope Jane Maclagan
BSc (Hons), DipEd

Position: Non-Executive Director
Age: 60
Independent: No

Term of Office:

Penny Maclagan joined Computershare in 1983 and was appointed to the Board as an Executive Director in May 1995. Penny relinquished her executive responsibilities in September 2010. Penny was last re-elected in 2009.

Skills and Experience:

Penny has over 30 years of experience and knowledge in the securities industry. Having led Computershare's Technology Services team until 2008, Penny has a very deep understanding of Computershare leading proprietary technology that contributes to its competitive advantage in the global marketplace.

Other Directorships and Offices (current and recent):

Non-Executive Director of Car Parking Technologies Limited (appointed in February 2011)

Board Committee Membership:

Member of the Nomination Committee
Member of the Remuneration Committee

Dr Markus Kerber
Dipl.OEC, Dr. Rer. Soc.

Position: Non-Executive Director
Age: 49
Independent: Yes

Term of Office:

Markus Kerber was first appointed to the Board as a Non-Executive Director in August 2004. In November 2009 he was required to retire due to his appointment as the Head of the Planning Department in the German Treasury. Markus was re-elected to the Board in 2011.

Skills and Experience:

Markus is Managing Director of the German Federation of Industries. Markus has worked as an investment banker in London in the equity capital markets divisions of Deutsche Bank AG and S.G. Warburg & Co Limited. Prior to his appointment to the German Treasury, Markus was the Director General at the German Ministry of the Interior from 2006 until 2009. Between 1998 and 2005 he was Chief Financial Officer, Chief Operating Officer and Vice Chairman of the Supervisory Board of GFT Technologies AG.

Other Directorships and Offices (current and recent):

Member International Institute for Strategic Studies (IISS) (London)
Member of the German Council on Foreign Relations (DGAP) (Berlin)

Board Committee Membership:

Member of Acquisitions Committee
Member of Remuneration Committee
Member of Nomination Committee

Simon Jones
M.A.(Oxon), A.C.A.

Position: Non-Executive Director
Age: 56
Independent: Yes

Term of Office:

Simon Jones was appointed to the Board in November 2005 as a Non-Executive Director. Simon was last re-elected in 2011.

Skills and Experience:

Simon is a chartered accountant with extensive experience in investment advisory, valuations, mergers and acquisitions, public offerings, audit and venture capital. Simon was previously a Managing Director of N.M. Rothschild and Sons (Australia) and Head of Audit and Business Advisory (Australia & New Zealand) and Corporate Finance (Melbourne) at Arthur Andersen.

Other Directorships and Offices (current and recent):

Director at Canterbury Partners
Non-Executive Director (since 2003) and Chairman (appointed in November 2009) of Melbourne IT Limited
Chairman of the Advisory Board of MAB Corporation Pty Ltd

Board Committee Membership:

Chairman of the Risk and Audit Committee
Member of the Nomination Committee
Member of the Remuneration Committee
Member of the Acquisitions Committee

Arthur Leslie (Les) Owen
BSc, FIA, FIAA, FPMI

Position: Non-Executive Director
Age: 63
Independent: Yes

Term of Office:

Les Owen was appointed to the Board on 1 February 2007 as a Non-Executive Director. Les was last re-elected in 2010.

Skills and Experience:

Les is a qualified actuary with over 35 years' experience in the financial services industry. He held Chief Executive Officer roles with AXA Asia Pacific Holdings and AXA Sun Life plc and was a member of the Global AXA Group Executive Board. He was also a member of the Federal Treasurer's Financial Sector Advisory Council.

Other Directorships and Offices (current and recent):

Non-Executive Chairman of the Jelf Group Plc (appointed July 2010)
Non-Executive Director of CPP Group Plc (appointed September 2010)
Non-Executive Director of Discovery Holdings Limited (a South African-listed health and life insurer)
Non-Executive Director of the Royal Mail Group Plc
Non-Executive Director of Just Retirement (Holdings) Limited

Board Committee Membership:

Member of the Risk and Audit Committee
Member of the Remuneration Committee
Member of the Nomination Committee

Nerolie Phyllis Withnall
BA LLB FAICD

Position: Non-Executive Director
Age: 68
Independent: Yes

Term of Office:

Nerolie Withnall was Chairman of QM Technologies Limited until its acquisition by Computershare Communication Services Limited in March 2008. Nerolie was appointed to the Board as a Non-Executive Director on 1 July 2008. Nerolie was re-elected to the Board in 2011.

Skills and Experience:

Nerolie was a commercial lawyer with specialist skills in the areas of corporate advice, capital raisings, securities and corporate trusts. She was a Corporate Partner with Minter Ellison Lawyers until she retired in 2001. She practised law for more than 30 years.

Other Directorships and Offices (current and recent):

Non-Executive Director, Deputy Chairman and appointed Chairman in July 2012 of ALS Limited (formerly Campbell Brothers Limited) (Director since 1994)
Non-Executive Director of PanAust Limited (Director since 1996)
Director of Alchemia Limited (Director since 2003)
Chairman of QM Technologies (2003 – 2008)
Director of Redcape Property Fund Limited (2007 – November 2010)

Board Committee Membership:

Chairman of the Remuneration Committee
Member of the Risk and Audit Committee
Member of the Nomination Committee

Gerald (Jerry) Lieberman, who was appointed to the Board as a Non-Executive Director on 1 August 2010 and remained on the Board for the entire reporting period, resigned as a director with effect from 23 July 2012. Prior to being appointed to the Board, Jerry was President and Chief Operating Officer of AllianceBernstein L.P, a United States-based global investment management firm. During the reporting period, Jerry was also a Non-Executive Director of Forest Laboratories, Inc. a New York Stock Exchange listed company (appointed in August 2011).

4. BOARD INDEPENDENCE

The Board has considered each of the seven directors in office as at the date of this Annual Report and has determined that a majority (four out of seven) are independent, and were so throughout the reporting period. The three directors who are not considered to be independent are Chris Morris, Stuart Crosby and Penny Maclagan due to their past or present involvement in the senior management of the Company and, in the case of Chris Morris, his substantial shareholding in the Company.

To determine the independence of a director, the Board has to consider a number of different factors, including those set out below.

> Whether the director acts (or has recently acted) in an executive capacity with the Company.

> The materiality of the director's shareholding in the Company (if any).

> The existence of any other material relationship between the director and a member of the Group (for example, where the director is or has been an officer of a significant adviser, supplier or customer).

> The ability of the director to exercise their judgement independently.

The Board notes that the ASX Corporate Governance Council's recommendations include a recommendation that the Chairman be an independent director. Chris Morris is Chairman of the Board, although, as previously mentioned, he is not an independent director. Having founded Computershare with an associate over 30 years ago, Chris Morris has an intimate knowledge of the Company and an in depth understanding of the securities industry in which the Company operates. Through his leadership of the Company, he was intricately involved in Computershare's expansion into a successful global public company. The Board believes it is important that Chris Morris remains actively engaged with Computershare and that this requirement is best met by Chris holding the position of Chairman.

The Board is of the view that it is capable of making, and does make, independent decisions with regard to the best interests of the Company, even though the Chairman is not independent. Simon Jones has been appointed Lead Independent Director and, as such, his duties are to assume the role of Chairman, where the Chairman is unable to act in that capacity due to unavailability or lack of independence, and to act as a liaison point for the independent non-executive directors when required. The Lead Independent Director's duties also include conferring with the Chairman on any issues raised by the non-executive independent directors in connection with the discharge by the Chairman of his responsibilities.

In addition to ensuring the Board has the mix of skills, knowledge and experience necessary to govern the Group, and that it understands the markets and challenges the Group faces, the Board believes its membership should represent an appropriate balance between directors with experience and knowledge of the Group and directors with an external or 'fresh' perspective. The Board also considers its size should be conducive to effective discussion and efficient decision making. The Board believes its current composition meets these requirements.

5. BOARD MEETINGS AND REPORTS

The Board officially convenes in person at least three times each year, both as a Board and in conjunction with senior management in order to discuss the results, the prospects and the short and long-term strategy of the Group, as well as other matters, including operational performance and legal, governance and compliance issues. The Board also convened three formal meetings by telephone during the reporting period to review recent Board reports, discuss matters of importance with senior management, make recommendations to senior management and discuss strategy.

Senior management provides monthly reports to the Board detailing current financial information concerning the Group and each of the regions in which it operates. Management also provides additional information on matters of interest to the Board, including operational performance, major initiatives and the Group's risk profile, as appropriate.

The Committees of the Board also meet regularly to dispatch their duties, as discussed further below.

6. BOARD COMMITTEES

The Board has established four Committees to assist the Board in discharging its responsibilities.

The Risk and Audit Committee

The Risk and Audit Committee is governed by a Board-approved Charter. A copy of this Charter is available from the corporate governance section of the Computershare website: www.computershare.com.

The principal function of the Risk and Audit Committee is to provide assistance to the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reporting, internal control structure, risk management systems and internal and external audit functions.

The Risk and Audit Committee is chaired by Simon Jones. The Committee currently has two other permanent non-executive members, Nerolie Withnall and Les Owen. Each member of this Committee is considered by the Board to be independent.

The Board considers that these members have the required financial expertise and an appropriate understanding of the markets in which the Group operates. The Chief Executive Officer, the Chief Financial Officer, the Global Enterprise Risk and Audit Manager and the Company's external auditors are invited to meetings of the Risk and Audit Committee at the Committee's discretion.

The Nomination Committee

The Nomination Committee is governed by a Board-approved Charter. A copy of this Charter is available from the corporate governance section of the Computershare website: www.computershare.com.

The main functions of the Nomination Committee are to review the competence, expertise, performance, constitution and succession of the Board, as well as the performance of individual directors.

The Nomination Committee will generally meet on each occasion that the Board meets in person. All current directors are members of the Nomination Committee and it is chaired by Chris Morris as Chairman of the Board. Although he is not an independent director, for the reasons set out above in Section 4 (Board Independence), including Chris' extensive knowledge of the Company, the Board believes it is appropriate for him to chair the Nomination Committee.

The Nomination Committee's policy for the appointment of directors is to select candidates whose skills, expertise, qualifications, networks and knowledge of the markets in which Computershare operates (and other markets into which it may expand) complement those of existing Board members so the Board as a whole has the requisite skills and experience to fulfil its duties.

The Remuneration Committee

The Remuneration Committee is governed by a Board-approved Charter. A copy of this Charter is available from the corporate governance section of the Computershare website: www.computershare.com.

The Remuneration Committee's primary function is to advise the Company on matters relating to the remuneration of its key management personnel and specifically to consider, review and make recommendations to the Board about the following matters.

- Managing Director's remuneration policy recommendations.
- Remuneration and contract terms for the Managing Director and key management personnel.
- Terms and conditions of long-term incentive plans, short-term incentive plans, share rights plans, performance targets and bonus payments for the Managing Director and key management personnel.
- Terms and conditions of any employee incentive plans.
- Remuneration of non-executive directors.
- Content of the remuneration report to be included in the Company's Annual Report.

The Committee is chaired by an independent non-executive director, Nerolie Withnall, and currently consists of all Directors, except Stuart Crosby. Pursuant to its Charter, the Committee must always comprise of a majority of independent directors.

The Remuneration Committee meets at least once a year, with additional meetings convened as required. The Committee has access to the Group's senior management and, where necessary, may consult independent experts to discharge its responsibilities effectively.

The Acquisitions Committee

The Board established the Acquisitions Committee in 2006. The Committee receives reports from senior management on acquisition opportunities and meets as necessary to consider those opportunities. The Committee is chaired by Chris Morris and also comprises Simon Jones, Markus Kerber, Stuart Crosby and Peter Barker (the Group's Chief Financial Officer). The Acquisitions Committee meets by conference call when required.

For details of director attendances at Committee meetings, see the Directors' Report.

7. EQUITY PARTICIPATION BY NON-EXECUTIVE DIRECTORS

The Board encourages non-executive directors to own shares in the Company, but the Company has not awarded shares to non-executive directors. As at 30 June 2012, all non-executive directors owned shares in the Company.

8. REMUNERATION

For information relating to the Group's remuneration practices, and details relating to the directors' and executives' remuneration during FY2012, see the Remuneration Report, which starts on page 30 and is incorporated into this corporate governance statement by reference.

In addition to the disclosures contained in the Remuneration Report, it should be noted that the Board is keen to encourage equity holdings by employees with a view to aligning staff interests with those of shareholders. Many employees have participated (and continue to participate) in the various share and option plans offered by the Company, and the directors believe that, historically, this has been a significant contributing factor to the Group's success.

The Board considers that, as a general rule, the composition of executive remuneration and equity-related employee incentive plans are the domain of the Board, subject to meeting the Company's statutory and ASX Listing Rule obligations.

9. ANNUAL REVIEW OF BOARD AND EXECUTIVE PERFORMANCE

A review of the Board took place during the reporting period in accordance with Computershare's performance evaluation process for directors. This was an informal review whereby the Nomination Committee which consists of all members of the Board, considered the performance of the Board and any steps that could be taken to maintain its effectiveness.

The Board annually reviews the performance of the senior management group.

10. IDENTIFYING AND MANAGING BUSINESS RISKS

There are a variety of risks that exist in the markets in which Computershare operates, as well as a range of other factors that may have an impact on the Group's performance, some of which are beyond Computershare's control.

The Board is ultimately responsible for ensuring that Computershare's risk management practices are sufficient to mitigate, as cost-effectively as possible, the risks present in the Group's business operations. The Board delegates some of this responsibility to the Risk and Audit Committee. The Board has approved a Risk Management Policy, a summary of which is available from the corporate governance section of the Computershare website: www.computershare.com. The policy is designed to ensure that strategic, operational, legal, reputational and financial risks are identified, evaluated, monitored and mitigated to facilitate the achievement of the Group's business objectives.

The Chief Executive Officer and senior management team are responsible for implementing appropriate risk management strategies, including the adoption of an internal control system and a procedure for identifying business risks and methods to control their financial impact on the Group. Senior management is also required to regularly report to the Board and the Risk and Audit Committee on developments related to risk and to suggest to the Board new and revised strategies for mitigating risk.

In respect of the reporting period, the Board received a report from the Chief Executive Officer and the Chief Financial Officer confirming, among other things, the following.

> The 'Statement to the Board of Directors of Computershare Limited' (a copy of which is on page 98 of this Annual Report), as required by section 295A of the Corporations Act 2001, is founded on a sound system of risk management and internal control and that this system operated effectively in all material respects in relation to financial reporting risks.

> The Group's material business risks have been managed effectively.

The Global Enterprise Risk and Audit Manager (GERAM) is a senior role with responsibility for providing counsel and direction on risk management practices across the Group. This includes counsel on the refinement, implementation and monitoring of a comprehensive and integrated risk management framework based on unit manager ownership of risk with independent monitoring. The GERAM reports directly to the Group's Chief Executive Officer, with a dotted line to the Chairman of the Risk and Audit Committee.

The role of Internal Audit, as part of the Group's risk management framework, is to understand the key risks of the organisation and to examine and evaluate the adequacy and effectiveness of the system of risk management and the internal controls used by management. Internal Audit carries out regular systematic monitoring of control activities and reports to relevant business unit management and the Risk and Audit Committee.

Typically, the audit methodology includes performing risk assessments of the area under review (including an analysis of the likelihood of a particular risk occurring and the likely consequences if that risk does occur), undertaking audit tests (including selecting and testing audit samples), reviewing progress made on previously reported audit findings, discussing internal control or compliance issues with line management and reaching agreement on the actions to be taken.

11. DIVERSITY

Policy

Computershare's philosophy on diversity is practical – it makes good business sense to leverage the diverse skills and talents of our global workforce regardless of their gender, age, race, origin, ethnicity, cultural background, disability, sexual orientation and religious beliefs.

Computershare's Board and management believe that the Group should hire, develop, reward, promote and retain people strictly on the basis of their talents, commitment, and the results they achieve. They will never recruit or promote on anything other than the basis of merit, competence and potential.

Computershare's approach to diversity is underpinned by practical objectives to ensure that all of its employees have equal opportunities to demonstrate their talents, commitment and results. The Company and its management will measure themselves against these objectives, and these objectives will also be the primary external reporting metrics. The Board will assess the objectives and the progress that has been made annually.

Measurable objectives for achieving gender diversity

Computershare's approach to managing diversity is to create and maintain a 'level playing field' for all employees, rather than escalate the progress of any one particular group through targets and quotas. In order to validate the success of our approach Computershare has established gender diversity measurable objectives.

A report is provided to the Board annually outlining performance against these measurable objectives and recommendations will be provided for new initiatives, as required.

It is important to note that the objectives outlined below do not exclude male employees' participation in any programs.

Gender Diversity Statistics

Objectives	Measurement	FY2012 Results
1) Recognised Opportunity Culture		
Our employees believe that Computershare has an equal opportunity culture where men and women are able to demonstrate equally their talent, commitment and results.	Via the annual Global Staff Survey, the majority of employees agree that men and women at Computershare have equal opportunity to demonstrate their talent, commitment and results.	Annual Global Staff Survey demonstrates that 6.7 out of 10 employees believe that Computershare exemplifies an equal opportunity culture.
2) Development of High Potential Women		
As part of the company's succession planning process, high potential women are identified and developed for career progression.	All high potential women are identified and are actively developed for career progression. Their development is reviewed by the CEO annually.	Initiative will commence in FY13.
3) Mentoring & Networking Women		
Where identified as valuable, mentoring and/or networking programs are implemented to develop women in our business.	Program implementation and program results are reviewed by the CEO annually.	Mentoring and/or networking programs are available globally and available for all staff to participate in. The average female participation in such initiatives exceeds 50%.
4) Improve Support for Pregnancy & Maternity Leave		
Programs are implemented that provide better support for pregnant women in the workplace, and for women commencing or returning from maternity leave.	Over 80% of women return to the workforce after maternity leave. Annual report to the CEO monitors progress.	Duration of maternity leave varies across Computershare's footprint. The current percentage of women who return to work exceeds 83% globally.
5) Flexible Working Arrangements Implemented		
Flexible working initiatives are supported by management and where appropriate, made available to employees to achieve improved business outcomes and support work/life balance.	Flexible working arrangements are defined in the appropriate workplace policies and/or are actively utilised as an engagement tool by management. Management feedback on usage and effectiveness is provided to the CEO annually.	Flexible working arrangements are available to our employees globally. Each request for a flexible arrangement is assessed by Human Resources and the business unit involved.

Gender Diversity Statistics

Role category	Female	Male	Total	%F	%M
Board	2	5	7	29%	71%
CEO Direct Report	2	9	11	18%	82%
Company Executive	23	82	105	22%	78%
Senior Manager	108	222	330	33%	67%
Manager	428	566	994	43%	57%
Specialist	1169	887	2056	57%	43%
Supervisor	308	345	653	47%	53%
Non-Manager	3716	2912	6628	56%	44%
Totals	**5756**	**5028**	**10784**	**53%**	**47%**

Data valid as at June 2012. Joint ventures where Computershare is not the active manager (e.g. Japan and India) are excluded.

Board skills and diversity

The Board will be of a size and composition that does not hinder effective decision-making, with an appropriate range of skills, experience and expertise to complement the Company's businesses. Since 2008, Computershare's Board has had, at different times, 29% female representation (2 out of 7 members) or 25% female representation (2 out of 8 members). Currently, Computershare's Board has 29% female representation (2 out of 7 members).

12. SECURITIES TRADING POLICY

The Company has a Securities Trading Policy in place which sets out the restrictions applying to trading in Computershare securities by directors, officers and employees of the Group.

The policy explains to all Computershare officers and staff the laws relating to insider trading, both in respect of trading in Computershare securities and in respect of trading in the securities of Computershare's clients. It also sets out the penalties under the Corporations Act 2001 that apply to insider trading offences and makes clear that Computershare adopts a zero tolerance approach to breaches of the insider trading laws.

The policy imposes additional restrictions on dealings in Computershare securities by Computershare directors and certain specified executives ('designated persons'). These designated persons may deal in Computershare securities during the four week period after the release by the Company of its half year and full year financial results and after the date on which its annual general meeting is held, subject always to the laws on insider trading.

In addition, these designated persons may only deal in Computershare securities outside those specified four week trading windows with an express prior clearance by a nominated director. During certain prohibited periods (being the period between 1 January and the Company's release of its half year results and the period between 1 July and the Company's release of its full year results, and such other periods as may be determined by the Board from time to time), clearance to deal can only be given in exceptional circumstances.

A designated person is also prohibited, under the policy, from entering into an arrangement pursuant to which they seek to hedge the economic risk associated with an unvested incentive award or a grant of Computershare securities (or a vested incentive award or grant of such securities still subject to disposal restrictions) made to them by Computershare.

A copy of the Securities Trading Policy is available from the corporate governance section of the Computershare website: www.computershare.com.

13. CORPORATE REPORTING

The Chief Executive Officer and Chief Financial Officer have made a statement to the Board of Directors in respect of the year ended 30 June 2012, as detailed on page 98 of this Annual Report.

14. CONFLICT OF INTEREST AND INDEPENDENT ADVICE

If a director has an actual or potential conflict of interest in a matter under consideration by the Board or a Committee of the Board, that director must promptly disclose that conflict of interest and abstain from deliberations on the matter. In that circumstance, the director is not permitted to exercise any influence over other Board members or Committee members on that issue, nor receive relevant Board or Committee papers.

The Company permits any director or Committee of the Board to obtain external advice about transactions or matters of concern at the Company's cost. Directors seeking independent advice must obtain the approval of the Chairman, who is required to act reasonably in deciding whether the request is appropriate.

15. ETHICAL STANDARDS

Computershare recognises the need for directors and employees to perform to the highest standards of behaviour and business ethics. The Board has adopted a Code of Ethics that sets out the principles and standards that all officers and employees are expected to comply with as they perform their respective functions. The Code recognises the legal and other obligations that the Company has to legitimate stakeholders, and requires that directors, officers and employees act in accordance with the law and the highest standards of propriety.

A summary of the Group's Code of Ethics is available from the corporate governance section of the Computershare website: www.computershare.com.

16. SHAREHOLDER COMMUNICATIONS

The Board aims to ensure that shareholders are notified of, or are otherwise able to access, all material information necessary to assess the performance of Computershare. Information is communicated to shareholders through the following means.

- The Annual Report, which is distributed to all shareholders, except for those who elect not to receive it, and a shorter Shareholder Review for those who do not wish to receive the full Annual Report.
- The annual general meeting and any other shareholder meetings called from time to time to obtain shareholder approval as required.
- The Company's website, by making available on that website all relevant information regarding the Company and the Group, including all information released to the ASX (immediately after the ASX has confirmed its receipt of that information), a copy of investor and analyst briefing documentation and press releases and webcasts where such technology has been used to give a presentation (shortly after the meeting has ended).
- By email to shareholders who have supplied their email address to notify them of upcoming events of interest. Computershare actively encourages shareholders to provide their email address to facilitate more timely and effective communication with them at all times.

Computershare also encourages active participation by shareholders at the Company's annual general meetings and other shareholder meetings that may be held. Shareholders who are unable to attend and vote in person at these meetings are encouraged to vote electronically via Computershare's website, where they can view an electronic version of the voting form and submit their votes. Computershare also encourages shareholders who are unable to attend annual general meetings to communicate any issues or questions by writing to the Company.

A copy of the Board-approved Shareholder Communication Policy is available from the corporate governance section of the Computershare website: www.computershare.com.

17. COMMITMENT TO AN INFORMED MARKET RELATING TO COMPUTERSHARE SECURITIES

The Board has approved a Market Disclosure Policy to ensure the fair and timely disclosure of price-sensitive information to the investment community as required by applicable law.

Computershare's Company Secretary and Chief Legal Counsel (Asia Pacific), Dominic Horsley, has been appointed as the disclosure officer and is required to keep abreast of all material information. Where appropriate, he ensures disclosure of share price sensitive information.

A copy of the Board-approved Market Disclosure Policy is available from the corporate governance section of the Computershare website: www.computershare.com.

18. EXTERNAL AUDITORS

The Company's policy is to appoint external auditors who demonstrate professional ability and independence. The performance of the auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into account an assessment of tender costs and the performance and value delivered by the current auditor.

PricewaterhouseCoopers were appointed as the external auditors in May 2002.

PricewaterhouseCoopers rotates audit engagement partners on listed companies every five years. It is also PricewaterhouseCoopers' policy to provide an annual declaration of independence to the Company's Risk and Audit Committee, a copy of which can be found on page 42 of this Annual Report. The Risk and Audit Committee approves any permitted non-external audit task where the total fee for the non-audit services may exceed 10% of the annual external audit engagement fee.

The external auditor is required to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation of the content of the audit report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

An analysis of fees paid to the external auditors, including a breakdown of fees for non-audit services, is provided in the Directors' Report.

19. WHISTLEBLOWING

The Board has approved a Whistleblowing Policy that specifically outlines procedures for dealing with allegations of improper conduct. Concerns can be raised anonymously in a number of ways, including through the Company's online whistleblower reporting system, by telephone or by mail. Any reported concerns are assessed and handled by regional disclosure coordinators.

All Computershare employees have received training about the Company's Whistleblowing Policy, including how to detect and report improper conduct.

20. CORPORATE AND SOCIAL RESPONSIBILITY

For details relating to the Company's corporate and social responsibility initiatives, see page 14 of this Annual Report.

21. HEALTH AND SAFETY

Computershare aims to provide and maintain a safe and healthy work environment. Computershare acts to meet this commitment by implementing work practices and procedures throughout the Group that comply with the relevant regulations governing workplaces in each country in which the Group operates. Employees are expected to take all practical measures to ensure a safe and healthy working environment, in keeping with their defined responsibilities and applicable laws.

22. COMPANY SECRETARY

The Company Secretary during the reporting period was Dominic Horsley. Under Computershare's Constitution, the appointment and removal of the Company Secretary is a matter for the Board. Among other matters, the Company Secretary advises the Board on governance procedures and supports the effectiveness of the Board by monitoring Board policy and procedures and coordinating the completion and despatch of Board meeting agendas and papers.

Dominic Horsley joined the Company in June 2006, having previously practised law at one of Asia Pacific's leading law firms and as a Corporate Counsel with a major listed Australian software and services supplier. Dominic completed a Bachelor of Arts (Hons) in Economics at the University of Cambridge and completed his legal studies at the College of Law in London. Dominic is also the Chief Legal Counsel for the Group's Asia Pacific operations.

All directors have access to the advice and services of the Company Secretary.

DIRECTORS' REPORT

The Board of Directors of Computershare Limited has pleasure in submitting its report in respect of the financial year ended 30 June 2012.

DIRECTORS

The names of the directors of the Company in office during the whole 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 financial year were the operation of Investor Services, Plan Services, Communication Services, Business Services, Shareholder Relationship Management Services and Technology Services.

- Investor Services operations comprise the provision of registry and related services.
- Plan Services operations comprise the provision and management of employee share and option plans.
- Communication Services operations comprise laser imaging, intelligent mailing, scanning and electronic delivery.
- 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.
- 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 operations 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.

CONSOLIDATED PROFIT

The profit of the consolidated entity for the financial year was USD 159.7 million after income tax and USD 156.5 million after income tax and non-controlling interests. The profit after tax and non-controlling interests represents a 41% decrease on the 2011 result of USD 264.1 million. Profit of the consolidated entity for the financial year after management adjustment items was USD 272.8 million after income tax and non-controlling interests. This represents a decrease of 12% on the 2011 result of USD 309.3 million.

Net profit after management adjustment items is determined as follows:

	2012 $000	2011 $000
Net profit attributable to members of the parent entity	**156,499**	264,086
Exclusion of management adjustment items (net of tax):		
Gain/(loss) on disposals	**(3,726)**	20,596
Provision for tax liability	**7,036**	-
Restructuring provisions	**2,380**	3,026
Impairment charge - Continental Europe	**63,761**	-
Acquisitions related	**(4,331)**	(5,671)
Marked to market adjustments – derivatives	**26**	(92)
Intangible assets amortisation	**51,155**	27,398
Net profit after management adjustment items	**272,800**	309,343

Management adjustment items

The Group will continue to provide a summary of post-tax management adjustment items. 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.

A description of management adjustment items can be found in note 6.

The non-IFRS financial information contained within this Directors' report has not been audited in accordance with the Australian Auditing Standards.

DIVIDENDS

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

Ordinary shares

A final dividend in respect of the year ended 30 June 2011 was declared on 10 August 2011 and paid on 13 September 2011. This was an ordinary dividend of AUD 14 cents per share franked to 60%, amounting to AUD 77.8 million (USD 81.0 million).

An interim ordinary dividend was declared on 22 February 2012 and paid on 23 March 2012. This was an ordinary dividend of AUD 14 cents per share franked to 60% amounting to AUD 77.8 million (USD 81.0 million).

A final dividend in respect of the year ended 30 June 2012 was declared by the directors of the Company on 8 August 2012 and paid on 11 September 2012. This was an ordinary dividend of AUD 14 cents per share, franked to 60%. As the dividend was not declared until 8 August 2012 a provision has not been recognised as at 30 June 2012.

REVIEW OF OPERATIONS

Overview

Computershare experienced a 41% fall in statutory basic earnings per share to 28.16 cents for the year ended 30 June 2012. In terms of management adjusted earnings per share, the Group delivered 49.09 cents in the current year, down 12% compared to the prior year. Total revenue grew 13% when compared to the prior year to USD 1,807.2 million due to a number of material acquisitions. Operating costs increased 21% to USD 1,360.1 million, primarily as a result of costs associated with businesses acquired. Cash flow from operations increased 5% to USD 334.6 million.

As expected in the current economic environment, transactional based businesses continued to suffer. Weak mergers and acquisitions and equity issuance activity globally (both primary and secondary market offerings) were detrimental to corporate actions revenue, which fell by USD 23.4 million year on year to USD 156.1 million, the lowest level since 2004. Record low cash rates, maturing interest rate hedges and term deposits continued to affect all major regions, although the inclusion of Shareowner Services balances in the second half of the current reporting period meant that margin income results increased year on year. Likewise, the transactional based corporate proxy solicitation revenues have suffered from weaker contested M&A volumes. Mutual fund proxy solicitation activity in the US is yet to rebound from its very low base.

In contrast, further diversification in the business services segment has enabled the company to maintain a solid earnings profile. Recent acquisitions, especially SLS and the Serviceworks Group have contributed pleasingly during the short time that the businesses have been in the Group. Coupled with the strength of the Canadian corporate trust business, and the voucher services and deposit protection scheme businesses in the UK, business services revenues continued to grow significantly, up 44% when compared to the previous reporting period. The US bankruptcy and class action administration business, whilst exceeding expectations in the current reporting period, generated substantially lower revenue than the record results of the financial year ended 30 June 2010.

Revenue

Total revenues and other management income (total segment revenue) apportioned by region were: Asia 6%, Australia and New Zealand 23%, Canada 12%, Continental Europe 6%, United Kingdom, Channel Islands, Ireland and Africa (UCIA) 17% and United States 36%.

Asia contributed total segment revenue of USD 106.8 million (2011: USD 124.9 million), Australia and New Zealand USD 407.2 million (2011: USD 357.4 million), Canada USD 208.5 million (2011: USD 204.7 million), Continental Europe USD 113.4 million (2011: USD 95.1 million), Technology and Other USD 221.0 million (2011: USD 176.8 million), UCIA USD 293.4 million (2011: USD 289.9 million) and United States contributed total segment revenue of USD 654.4 million (2011: USD 510.4 million).

Operating costs

Operating expenses were USD 1,360.1 million, an increase over the previous year of 21%. Cost of sales was USD 328.8 million, an increase over the previous year of 12% whilst personnel costs were USD 656.3 million, an increase over the previous year of 19%. Occupancy and other direct costs were USD 81.2 million and USD 81.3 million respectively, an increase of 19% and 52% over the previous year respectively.

Total technology costs were USD 212.5 million, an increase over the previous year of 21%, largely related to the acquisitions in the first half of the reporting period. It includes USD 57.7 million of research and development expenditure which has been expensed in line with the Group's policy, an increase over the previous year of 4%.

Working capital

Operating cash flows were USD 334.6 million, an increase over the previous year of 5%. Days sales outstanding was 43 days, an increase over the previous year of two days. Capital expenditure including finance lease commitments was USD 62.1 million, an increase over the prior year of 93%.

Ordinary shares

The Group did not issue any ordinary shares and had no on-market buy back in operation during the year ended 30 June 2012.

Earnings per share

	2012 Cents	2011 Cents
Basic earnings per share	**28.16**	47.53
Diluted earnings per share	**28.07**	47.30
Management basic earnings per share	**49.09**	55.67
Management diluted earnings per share	**48.93**	55.40

The management basic and diluted earnings per share amounts have been calculated to exclude the impact of management adjustment items (refer to note 6 in the financial report).

SIGNIFICANT EVENTS

An impairment charge of USD 63.8 million was booked against goodwill in the Continental Europe segment. Escalating political and financial instability across Continental Europe has dragged on earnings and reduced growth expectations in the region, which led to writing down the value of goodwill.

SIGNIFICANT CHANGES IN ACTIVITIES

Acquisitions and disposals

During the 2012 financial year Computershare acquired the following entities:

> 100% of the Serviceworks Group comprising three businesses - Serviceworks Management Pty Ltd, a provider of solutions to the Australian utilities sector, ConnectNow Pty Ltd, a provider of specialist home moving utility connection services across Australia, and Switchwise Pty Ltd, a provider of electricity and gas supplier comparisons for Australian consumers (31 August 2011 and 1 February 2012).

- 100% of Specialized Loan Servicing LLC, a provider of primary and special fee-based services relating to residential mortgage loans based in Highlands Ranch, Colorado, USA (30 November 2011).
- 100% of Mellon Investor Holdings LLC (renamed to Computershare Shareowner Services LLC), the shareowner services business of The Bank of New York Mellon Corporation and a leading provider of transfer agency and employee equity plan services to US publicly listed companies (31 December 2011).

In the opinion of the directors there were no other significant changes in the affairs of the consolidated entity during the financial year under review that are not otherwise disclosed in this report or the consolidated accounts.

SIGNIFICANT EVENTS AFTER YEAR END

No matter or circumstance has arisen since the end of the financial year which is not otherwise dealt with in this report or in the consolidated financial statements that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

LIKELY DEVELOPMENTS AND FUTURE RESULTS

There are no likely developments in operations of the consolidated entity, constituted by the Computershare Group and the entities it controls, that were not finalised at the date of this report.

The Group does not expect material improvement to the current difficult operating environment for its market-related businesses. However, the Group does expect continued strong contributions from recent acquisitions. Looking to the reporting period ending June 2013 and considering the current equity, foreign exchange and interest rate market conditions, the Group expects management earnings per share to be between 10% and 15% higher than in the year ended 30 June 2012.

ENVIRONMENTAL REGULATIONS

The Computershare Group is not subject to significant environmental regulation.

INFORMATION ON DIRECTORS

The qualifications, experience and responsibilities of directors together with details of all directorships of other listed companies held by a director in the three years to 30 June 2012 and any contracts to which the director is a party to under which they are entitled to a benefit are outlined in the Corporate Governance Statement and form part of this report.

Directors' Interests

At the date of this report, the direct and indirect interests of the directors in the securities of the Company are:

Name	Number of ordinary shares	Number of performance rights
WS Crosby	831,272	450,000
SD Jones	14,000	-
Dr M Kerber	40,000	-
PJ Maclagan	14,722,411	-
CJ Morris	44,571,131	-
AL Owen	12,910	-
NP Withnall	2,300	-

Meetings of directors

The number of meetings of the Board of Directors (and of Board Committees) and the number of meetings attended by each of the directors during the financial year were:

	Directors' Meetings		Audit Committee Meetings		Nomination Committee Meetings		Remuneration Committee Meetings	
	A	B	A	B	A	B	A	B
WS Crosby	**7**	7	**-**	-	**2**	2	**-**	-
SD Jones	**6**	7	**11**	11	**2**	2	**2**	2
Dr M Kerber	**6**	7	**-**	-	**2**	2	**1**	2
G Lieberman	**7**	7	**-**	-	**2**	2	**2**	2
PJ Maclagan	**6**	7	**-**	-	**2**	2	**2**	2
CJ Morris	**7**	7	**-**	-	**2**	2	**2**	2
AL Owen	**5**	7	**10**	11	**2**	2	**2**	2
NP Withnall	**7**	7	**11**	11	**2**	2	**2**	2

A. Number of meetings attended
B. Number of meetings held during the time the director held office during the financial year.

The Board also has an Acquisitions Committee comprising SD Jones, Dr M Kerber, CJ Morris, WS Crosby and PA Barker (Chief Financial Officer). The Committee receives a monthly report and meets on an informal basis as necessary. Accordingly, it is not included in the above table.

INFORMATION ON COMPANY SECRETARY

The qualifications, experience and responsibilities of the company secretary are outlined in the Corporate Governance Statement and form part of this report.

INDEMNIFICATION OF OFFICERS

During the period, the Group paid an insurance premium to insure directors and executive officers of the Group and its controlled entities against certain liabilities.

Disclosure of the amount of insurance premium payable and a summary of the nature of liabilities covered by the insurance contract is prohibited by the insurance policy.

REMUNERATION REPORT

This report covers:

A. Computershare's approach to remuneration

B. The structure of our remuneration packages

C. What we actually paid and what equity-based awards have been made

D. Proportions of fixed and performance related remuneration

E. Other information

A. Computershare's approach to remuneration

The Board, on recommendations from the Remuneration Committee, sets and reviews remuneration arrangements across the Group, including non-executive directors, executive directors and other senior executives. The Board's goal is to ensure that Computershare's remuneration policies are appropriate to its size and culture, and that the interests of directors, employees and shareholders are appropriately balanced.

Computershare does not rely significantly on market comparisons in striking levels of remuneration. It has been difficult to find relevant comparison points for many of the key roles in the Group. Some other roles, especially in support services, are easier to find relevant comparators for and market data is taken into account in setting remuneration for these roles.

Computershare believes that, in general, cash remuneration for senior employees is relatively low. Furthermore, while equity based remuneration forms an important part of total remuneration for senior employees, it also has been relatively modest at time of grant. In addition, the bulk of Computershare's 13,909 employees are able to participate in the company's employee share program – including employees from the recent substantial acquisitions. Today over 26% of our employees hold equity through this program.

The stability of Computershare's workforce and our relatively modest overall levels of remuneration when compared with similar sized companies, suggest that our approach has worked well.

B. The structure of our remuneration packages

Non-executive directors

Computershare's total non-executive directors' fee pool has a limit of AUD 1.5 million. This limit was approved by shareholders in November 2007.

For the reporting period, CJ Morris received a fixed fee of AUD 264,000 as Chairman. SD Jones received a fee of AUD 220,000 as chairman of the Risk and Audit committee. Dr M Kerber received a fixed fee of USD 130,000, PJ Maclagan received a fee of AUD 141,696, NP Withnall received a fee of AUD 143,000 and AL Owen received a fixed fee of GBP 57,200 as non-executive directors.

No bonuses, either short or long term, are paid to non-executive directors. They are not provided with retirement benefits other than statutory requirements. They do not receive shares or options from Computershare.

Executive director and other key management personnel

Remuneration for approximately 70 of Computershare's most senior executives is calculated according to the Computershare Management Compensation Plan (MCP). The MCP establishes the participants' entitlements to base salary and variable remuneration based on current year performance.

In addition, 17 of these senior executives (including those executives who are identified as key management personnel in this report) have been granted performance rights under the Computershare Deferred Long Term Incentive Plan (DLI). Awards under the DLI are intended to remunerate these key executives in relation to Computershare's long term performance.

Management Compensation Plan

The MCP establishes the base salary and short term variable incentives available to its participants. The short term variable incentives comprise a cash bonus (CSTI) and an equity grant in Computershare shares made on a deferred vesting basis (DSTI). The MCP is based on the concept of a package guide, which is the value of the base salary, CSTI and DSTI assuming 'on target' performance. The following table explains each of the components of remuneration provided under the MCP, how entitlements to each component are determined and the limits that apply to each component.

Component	% of on target package guide	Minimum entitlement	Maximum entitlement	Measurement	Comment
Base salary	70%	Fixed	Fixed	Base salary is not at risk.	
CSTI (short term cash bonus)	15%	Nil	22.5% of the on target package guide (equal to 32% of base salary)	70% of CSTI is calculated by reference to performance against the budgeted management EBITDA of the business unit(s) for which the relevant executive is responsible. The remaining 30% of CSTI is calculated based on other factors tailored to the executive's responsibilities and role. Matters typically covered include cost control, business expansion, risk management and service levels.	Calculated and paid annually after the release of the annual results. The CSTI strongly aligns the executive's CSTI with the performance of the business units they manage.
DSTI (short term equity on deferred basis)	15%	Nil	30% of the on target package guide (equal to 43% of base salary)	50% of DSTI is calculated by reference to the Group's management adjusted earnings per share (EPS) growth. The remaining 50% of DSTI is calculated based on strategic, cultural and organisational measures. Matters typically covered include financial performance, non-financial performance, leadership, replaceability and character.	Calculated annually after the release of the annual results. Grants are not generally made until after the release of the annual report. The DSTI aligns an executive's remuneration with the overall Group performance, and provides an incentive for executives to work to maximise overall Group performance as well as the performance of the particular business unit(s) they manage. **Deferred vesting:** DSTI grants are unable to be sold for two years after the date of grant and are also subject to forfeiture if an executive resigns or is terminated for cause in this period. DSTI grants are also designed as an incentive to encourage long-term, sustainable performance.
Total (as a percentage of on target package guide)	100%	70% (i.e. base salary only)	122.5%		

Additional information on the Management Compensation Plan

The remuneration of the CEO, WS Crosby, is structured in the same way as other senior executives, except that he receives all of his variable remuneration in cash (CSTI) and does not receive shares (DSTI). This is because as an executive director he is ineligible to participate in Computershare's general equity based plans. However, he is eligible to participate in and has, with shareholder approval for grants while he has been a director, received grants under the company's DLI plan.

In some years where the Group has performed exceptionally well, some senior executives have received an additional discretionary award of cash and/or deferred stock grants in excess of their maximum MCP calculated entitlements in recognition of their contribution to that exceptional performance. That did not happen this year and has not happened in the past four years.

Deferred Long Term Incentive

The DLI was approved by shareholders in November 2009. It comprises performance rights ("rights") to Computershare stock. As at the date of this report, there are 4.0 million rights outstanding (being rights granted to executives, yet to vest or lapse). For all of these rights on issue, 50% of them are subject to performance hurdles based on Computershare meeting management adjusted Group earnings per shares (EPS) growth targets, while the remaining 50% are not subject to performance hurdles, however they will not vest unless the relevant executive remains with Computershare for a five year retention period.

What are the DLI performance hurdles?

The EPS growth targets that are applicable to the rights that are subject to performance hurdles are based on the average compound growth per annum of the Group's management adjusted EPS over a 5 year period from the date of grant.

At the end of each of the third, fourth and fifth financial years after grant, a minimum of one sixth of the performance rights (i.e. 1/3 of the performance rights subject to performance hurdles) will be eligible to meet a performance test based on the average compound growth of the Group's EPS. Performance rights for which the performance test has been met will subsequently vest on the date the Group's auditors provide their opinion on the annual financial report for the fifth financial year from the date of grant provided that the relevant executive remains employed by Computershare on that date.

The performance test is determined as follows. At the end of Year 3, should compound annual EPS growth in that 3 year period be 7.5% or less, none of the eligible performance rights will vest at the end of Year 5. If compound annual EPS growth is between 7.5% and 12.5%, the proportion of eligible performance rights that vest will increase on a pro rata straight line basis between 0% and 100%. If in that period, compound annual EPS growth is 12.5% or more, 100% of the eligible performance rights will vest.

A similar calculation will take place at the end of Year 4 and Year 5 based on the same compound annual EPS growth targets of between 7.5% and 12.5%. In addition to the 1/6th minimum for Year 4, any eligible performance rights that did not meet the performance test at the end of Year 3 will be available as eligible performance rights at the end of Year 4 and, in addition to the 1/6th minimum for year 5, any eligible performance rights that did not meet the performance test at the end of Year 4 (including any carried over from Year 3) will be available as eligible performance rights at the end of Year 5. The Remuneration Committee determined that multiple-stage performance testing should be included in the DLI to reduce the potential for management to have perverse incentives to make short term decisions in relation to a single year's results.

Any unvested performance rights which did not satisfy the performance test will lapse as at the vesting date and will not be capable of exercise. Performance rights that vest may be exercised by the executive within a period of 6 months after the vesting date and will then lapse at the end of that period.

Why use EPS growth as the performance hurdle?

Computershare believes that the management adjusted EPS metric best recognises the performance of the senior management team in delivering quantifiable results for our shareholders. In designing the DLI, other metrics (for instance total shareholder return) were considered and rejected as the Board did not want the senior leadership team focussed on metrics over which they had no direct control (in this instance the share price).

What is the basis for the DLI's five year growth targets?

The Board set the five year EPS growth targets when the DLI was approved by shareholders in 2009 to reflect its aspirations for growth for Computershare over the following five year period and the Board has maintained the same targets for all subsequent grants. The Board is cognisant that a previous DLI approved by shareholders in 2005 had higher growth targets, and that this difference is a practical reflection of the economic environment at the time these targets were set.

Why are 50% of the rights not subject to performance hurdles?

Like many of our staff, Computershare's senior executives have considerable highly industry specific domain knowledge that has been developed over many years and often decades. The ability to hire, develop and promote our people through the ranks is a competitive advantage that enables Computershare to continue to offer industry leading solutions to our customers around the world. Indeed, the vast bulk of Computershare's senior leadership team have held multiple roles at Computershare before being promoted into their current position. In many markets where Computershare operates, our competitors are privately held by investors that may not see themselves as long term owners. Accordingly, Computershare has designed the 50% component of the DLI not subject to performance hurdles in order to provide a degree of protection to its competitive advantage.

The Board is aware that having a component of rights awards under the DLI that are subject to a five year retention period but which are not otherwise subject to performance hurdles, may be viewed as unconventional. Nonetheless, recognising the unique characteristics of the markets in which Computershare operates, the Board believes that by architecting a long term incentive plan that (1) is aligned to the returns to our shareholders (through EPS growth targets) and (2) protects Computershare's competitive advantage, is in the best long term interests of all shareholders.

Other remuneration

Like all our employees, key management personnel (except directors) can participate in the Group's general employee share plans. An overview of the Group's employee option and share plans is disclosed in note 25 of the financial statements.

The Group also pays cash bonuses and allocates shares (subject to deferred vesting periods) to some employees who are not participants in the MCP on a structured annual basis. The Group also, on occasions, allocates shares (subject to deferred vesting periods) outside the structured annual cycle, for instance as sign-on incentives, as part of specific project incentives or in recognition of exceptional performance.

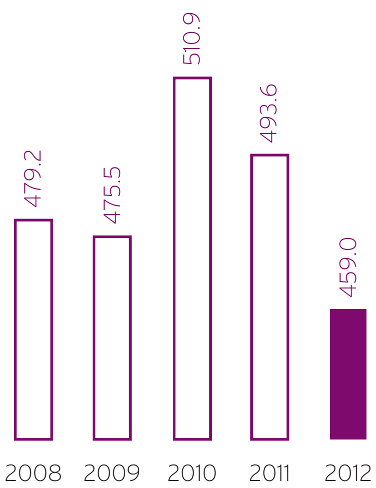
How have we performed? Relationship between remuneration and Group's performance

Over the past five financial years, the Group's management EBITDA (note 38 in the financial statements) grew by a compound annual average rate of 4%. During this period, statutory EPS has decreased by a compound annual average of 6% and management EPS has grown by a compound annual average rate of 6%. Dividend payments have grown by a compound annual average rate of 10%. Over the past five financial years, key management personnel remuneration has decreased by an annual compound average rate of 3% and executive director's remuneration has decreased by an annual compound average rate of 1%. A year on year analysis of the above metrics together with the compound five year average comparative is set out in the following table.

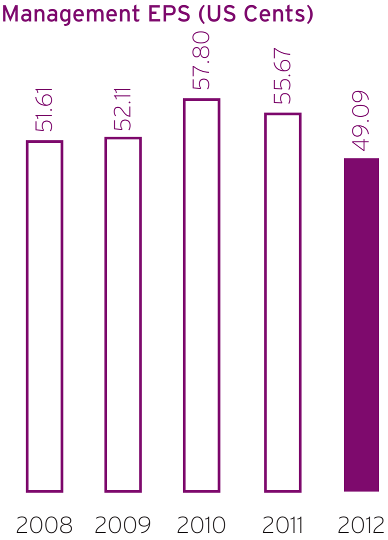
	Growth over previous financial period	5 year compound average growth 2007 - 2012
Management adjusted EBITDA	(7%)	4%
Statutory EPS	(41%)	(6%)
Management EPS	(12%)	6%
Dividend*	-	10%
Key management personnel remuneration (average per key management personnel)	(4%)	(3%)
Executive director's remuneration	(21%)	(1%)

* Percentages based on amounts in AUD

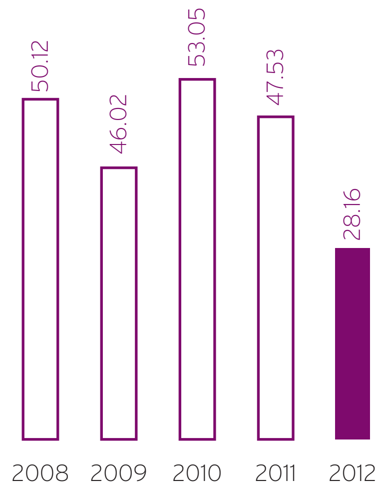
Management adjusted EBITDA (USD)



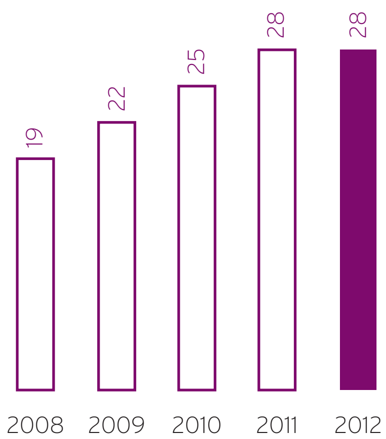
Management EPS (US Cents)



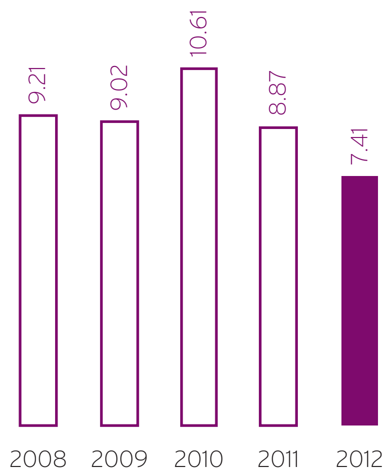
Statutory EPS (US Cents)



DIVIDEND (AU Cents)



SHARE PRICE (AUD)



C. DETAILS OF REMUNERATION AND SERVICE CONTRACTS

Directors

The directors of Computershare Limited who held the position during the current financial year are listed below. Unless otherwise indicated those individuals held their position for the whole year.

Non-executive	Executive	
CJ Morris	WS Crosby	Managing Director and Chief Executive Officer
SD Jones		
Dr M Kerber		
G Lieberman		
PJ Maclagan		
AL Owen		
NP Withnall		

Key management personnel other than directors

The individuals listed below are key management personnel of the Group other than directors (within the meaning of the Australian accounting standard AASB 124 Related Party Disclosures) who have the authority and responsibility for planning, directing and controlling the activities of the Group. All individuals named below held their position for the whole of the financial year ended 30 June 2012 unless otherwise stated.

Name	Position	Employer
PA Barker	Chief Financial Officer	Computershare Limited
SA Cameron	President – Australia and New Zealand	Computershare Investor Services Pty Limited
PA Conn	President - Global Capital Markets	Computershare Inc (US)
MB Davis	Head of Integration Planning	Computershare Investor Services Pty Limited
SHE Herfurth	President - Continental Europe	CPU Deutschland GmbH & Co. KG
S Irving	Chief Information Officer	Computershare Technology Services Pty Ltd
W Newling	President - Canada	Computershare Trust Company of Canada
SR Rothbloom	President - North America	Computershare Inc (US)
N Sarkar	President - United Kingdom, Channel Islands, Ireland and South Africa	Computershare Investor Services PLC (UK)
JLW Wong	President - Asia	Computershare Hong Kong Investor Services Limited

Service contracts

On appointment to the board, all non-executive directors are provided with details of the board policies and terms, including remuneration, relevant to the office of director. Non-executive directors do not have notice periods and are not entitled to receive termination payments.

Except for the Managing Director, no director may be in office for longer than three years without facing re-election. Please refer to Section 3 of the Corporate Governance Statement for further information on the Company's re-election process.

None of the executive directors or other key management personnel are employed under fixed term arrangements with Computershare. Their notice periods are based on contractual provisions and local laws – e.g. for those based in Australia this is 30 days notice.

On termination of employment key management personnel are entitled to statutory entitlements in their respective jurisdictions of employment. The DSTI plan provides for full vesting on redundancy or termination by the Group other than for cause and the DLI plan has a structured pro-rata arrangement in the same circumstances. The applicable plan rules also provide for full or partial vesting of shares or performance rights in certain other special circumstances (e.g. death or disability). Otherwise, none of these people would receive special termination payments should they cease employment or cease being a director for any reason.

Amounts of remuneration

Details of the nature and amount of each element of the total remuneration for each director, Group key management personnel and most highly remunerated executives within the Group for the year ended 30 June 2012 are set out in the table below (in USD). Where remuneration was paid in anything other than USD, it has been translated at the average exchange rate for the financial year (for example the 2012 USD/AUD average rate was 1.0408, the 2011 USD/AUD average rate was 0.9608).

2012	Short term Salary and fees $	Cash profit share and bonuses $	Long term Other* $	Post employment benefits Superannuation and pension $	Share based payments Shares $	Performance rights/ options** $	Other $	Total $
Ref.		**1**			**2, 3, 4**			
Directors								
WS Crosby	1,207,440	446,438	20,643	16,419	-	927,353	-	**2,618,293**
SD Jones	228,976	-	-	-	-	-	-	**228,976**
Dr M Kerber	130,000	-	-	-	-	-	-	**130,000**
G Lieberman	130,000	-	-	-	-	-	-	**130,000**
PJ Maclagan	147,477	-	-	-	-	-	-	**147,477**
CJ Morris	274,771	-	-	-	-	-	-	**274,771**
AL Owen	90,965	-	-	-	-	-	-	**90,965**
NP Withnall	148,834	-	-	-	-	-	-	**148,834**
TOTAL	**2,358,463**	**446,438**	**20,643**	**16,419**	-	**927,353**	-	**3,769,316**
Key management personnel								
PA Barker	701,825	118,194	11,754	16,419	160,555	480,722	3,119	**1,492,588**
S Cameron	349,102	31,224	6,071	16,419	67,465	307,244	-	**777,525**
PA Conn	508,521	93,852	-	-	143,269	515,196	-	**1,260,838**
MB Davis	527,699	96,344	8,743	16,419	105,703	914,801	265,938	**1,935,647**
SHE Herfurth	360,403	59,289	-	-	80,714	258,035	2,678	**761,119**
S Irving	640,612	117,084	10,625	16,419	137,274	914,801	463,734	**2,300,549**
W Newling	498,296	123,314	-	21,472	109,490	412,157	-	**1,164,729**
SR Rothbloom	1,149,313	105,188	-	28,275	315,126	618,235	-	**2,216,137**
N Sarkar	408,655	116,854	-	41,282	139,593	541,174	-	**1,247,558**
JLW Wong	645,294	50,082	-	90,470	152,618	541,174	3,279	**1,482,917**
TOTAL	**5,789,720**	**911,425**	**37,193**	**247,175**	**1,411,807**	**5,503,539**	**738,748**	**14,639,607**

* Other long term remuneration comprises long service leave accruals and other long term entitlements.

** Performance rights expense has been included in the total remuneration on the basis that it is considered more likely than not at the date of this financial report that the performance condition and service condition will be met. In future reporting periods, if the probability requirement is not met, a credit to remuneration will be included to be consistent with the accounting treatment.

2011	Short term Salary and fees $	 Cash profit share and bonuses $	Long term Other* $	Post employment benefits Super-annuation and pension $	Share based payments Shares $	 Performance rights/ options** $	Other $	Total $
Ref.		**1**				**2, 3, 4**		
Directors								
WS Crosby	991,204	429,113	25,174	14,907		1,850,424	-	**3,310,822**
SD Jones	215,772	-	-	-		-	-	**215,772**
Dr M Kerber	5,342	-	-	-		-	-	**5,342**
G Lieberman	119,166	-	-	-		-	-	**119,166**
PJ Maclagan	260,537	-	-	20,263		-	-	**280,800**
CJ Morris	524,738	-	2,044	12,260		-	-	**539,042**
AL Owen	90,633	-	-	-		-	-	**90,633**
AN Wales	46,424	-	-	4,642		-	-	**51,066**
NP Withnall	127,502	-	-	12,750		-	-	**140,252**
TOTAL	**2,381,318**	**429,113**	**27,218**	**64,822**		**1,850,424**	-	**4,752,895**
Key management personnel								
PA Barker	645,184	166,997	11,502	14,907	184,818	495,684	2,942	**1,522,034**
PA Conn	496,125	131,073	-	-	147,472	485,488	-	**1,260,158**
MB Davis	436,140	109,428	7,268	14,907	100,757	679,683	2,942	**1,351,125**
SHE Herfurth	272,700	57,097	-	-	69,580	-	12,146	**411,523**
S Irving	543,746	143,654	9,062	14,907	130,168	679,683	-	**1,521,220**
W Newling	477,579	108,509	-	19,103	113,085	388,390	664	**1,107,330**
SR Rothbloom	1,372,721	254,599	-	32,067	362,998	1,140,612	600	**3,163,597**
N Sarkar	283,195	84,528	1,891	28,290	159,844	308,584	-	**866,332**
JLW Wong	567,110	126,927	-	73,252	154,934	388,390	11,849	**1,322,462**
TOTAL	**5,094,500**	**1,182,812**	**29,723**	**197,433**	**1,423,656**	**4,566,514**	**31,143**	**12,525,781**

* Other long term remuneration comprises long service leave accruals and other long term entitlements.

** Performance rights expense has been included in the total remuneration on the basis that it is considered more likely than not at the date of this financial report that the performance condition and service condition will be met. In future reporting periods, if the probability requirement is not met, a credit to remuneration will be included to be consistent with the accounting treatment.

1. Short term salary and fees, cash profit share and bonuses, long term other, post-employment benefits

Directors

SD Jones, PJ Maclagan, CJ Morris and NP Withnall are paid in Australian dollars. Dr M Kerber is paid in United States dollars and AL Owen is paid in British pounds. G Lieberman was paid in United States dollars. No director received a pay rise in the current year.

Managing Director and Group key management personnel

WS Crosby receives his cash entitlements under the MCP (being salary, cash profit bonus and cash equivalent amounts for the DSTI component) and superannuation/pension in Australian dollars. In 2011/12 he received a 17.8% increase to his MCP package guide.

PA Barker receives his cash entitlements under the MCP (being salary and cash profit bonus) and superannuation/pension in Australian dollars. In 2011/12 he received a 3.0% increase to his MCP package guide.

SA Cameron receives his cash entitlements under the MCP (being salary and cash profit bonus) and superannuation/pension in Australian dollars. In 2011/12 he received a 26.0% increase to his MCP package guide reflecting his additional responsibilities.

MB Davis receives his cash entitlements under the MCP (being salary and cash profit bonus) and superannuation/pension in Australian dollars. In 2011/12 he received a 13.3% increase to his MCP package guide reflecting his additional responsibilities.

S Irving receives his cash entitlements under the MCP (being salary and cash profit bonus) and superannuation/pension in Australian dollars. In 2011/12 he received a 10.5% increase to his MCP package guide reflecting his additional responsibilities.

PA Conn receives his cash entitlements under the MCP (being salary and cash profit bonus) and superannuation/pension in United States dollars. In 2011/12 he received a 3.0% increase to his MCP package guide.

SR Rothbloom receives his cash entitlements under the MCP (being salary and cash profit bonus) and superannuation/pension in United States dollars. In 2011/12 he received a 3.0% increase to his MCP package guide.

SHE Herfurth receives his cash entitlements under the MCP (being salary and cash profit bonus) and superannuation/pension in euros. In 2011/12 he received a 1.3% increase to his MCP package guide.

W Newling receives his cash entitlements under the MCP (being salary and cash profit bonus) and superannuation/pension in Canadian dollars. In 2011/12 he received a 3.0% increase to his MCP package guide.

N Sarkar receives his cash entitlements under the MCP (being salary and cash profit bonus) and superannuation/pension in British pounds. In 2011/12 he received a 15.4% increase to his MCP package guide.

JLW Wong receives his cash entitlements under the MCP (being salary and cash profit bonus) and superannuation/pension in Hong Kong dollars. In 2011/12 he received a 6.4% increase to his MCP package guide.

2. Shares granted as remuneration under DSTI Plan

Set out below is a summary of shares granted under the DSTI plan and the maximum value of shares that are expected to vest in the future if the vesting conditions are met:

	Date granted	Number granted	Number vested during the year	Number forfeited during the year	Number outstanding end of the year	Financial year in which grant may vest	Value at grant date (if granted this year) $	Maximum total value of grant yet to be expensed $
PA Barker	10/11/2009	21,668	(21,668)	-	-	Vested	-	-
	1/10/2010	17,818	-	-	17,818	FY 2013	-	23,067
	21/10/2011	13,691	-	-	13,691	FY 2014	103,882	66,823
SA Cameron	10/11/2009	3,874	(3,874)	-	-	Vested	-	-
	1/10/2010	8,337	-	-	8,337	FY 2013	-	10,793
	21/10/2011	7,071	-	-	7,071	FY 2014	53,653	34,512
PA Conn	10/11/2009	10,376	(10,376)	-	-	Vested	-	-
	1/10/2010	18,417	-	-	18,417	FY 2013	-	23,842
	21/10/2011	12,477	-	-	12,477	FY 2014	94,671	60,898
MB Davis	10/11/2009	6,388	(6,388)	-	-	Vested	-	-
	1/10/2010	13,027	-	-	13,027	FY 2013	-	16,865
	21/10/2011	10,968	-	-	10,968	FY 2014	83,222	53,533
SHE Herfurth	10/11/2009	6,505	(6,505)	-	-	Vested	-	-
	1/10/2010	9,607	-	-	9,607	FY 2013	-	12,437
	21/10/2011	8,108	-	-	8,108	FY 2014	61,520	39,573
S Irving	10/11/2009	8,388	(8,388)	-	-	Vested	-	-
	1/10/2010	16,966	-	-	16,966	FY 2013	-	21,965
	21/10/2011	14,102	-	-	14,102	FY 2014	107,001	68,829
W Newling	10/11/2009	7,499	(7,499)	-	-	Vested	-	-
	1/10/2010	14,034	-	-	14,034	FY 2013	-	18,169
	21/10/2011	9,852	-	-	9,852	FY 2014	74,753	48,085
SR Rothbloom	10/11/2009	34,431	(34,431)	-	-	Vested	-	-
	1/10/2010	36,672	-	-	36,672	FY 2013	-	47,475
	21/10/2011	28,189	-	-	28,189	FY 2014	213,888	137,585
N Sarkar	10/11/2009	26,213	(26,213)	-	-	Vested	-	-
	1/10/2010	14,362	-	-	14,362	FY 2013	-	18,593
	21/10/2011	9,916	-	-	9,916	FY2014	75,240	48,399
JLW Wong	10/11/2009	10,759	(10,759)	-	-	Vested	-	-
	1/10/2010	18,953	-	-	18,953	FY 2013	-	24,537
	21/10/2011	14,708	-	-	14,708	FY 2014	111,599	71,787

Fair values of shares at grant date are determined using the closing share price on grant date.

3. Performance rights

Performance rights are granted under the DLI plans for no consideration and carry no dividend or voting rights. Each performance right carries an entitlement to one fully paid ordinary share in Computershare Limited.

Set out below is a summary of performance rights granted under the DLI plans:

	Date granted	Number granted	Number vested during the year	Number lapsed during the year	Number forfeited during the year	Number outstanding at the end of the year	Financial year in which grant may vest	Value at grant date (if granted this year) $	Maximum total value of grant yet to be expensed $
WS Crosby	13/11/2006	700,000	(700,000)	-	-	-	Vested	-	-
	12/11/2009	450,000	-	-	-	450,000	FY 2015	-	1,854,759
PA Barker	12/11/2009	150,000	-	-	-	150,000	FY 2015	-	618,253
	12/08/2010	50,000	-	-	-	50,000	FY 2016	-	243,055
SA Cameron	04/05/2012	200,000	-	-	-	200,000	FY 2017	1,536,265	1,229,012
PA Conn	12/11/2009	250,000	-	-	-	250,000	FY 2015	-	1,030,422
MB Davis	12/11/2009	350,000	-	-	-	350,000	FY 2015	-	1,442,590
	12/10/2011	150,000	-	-	-	150,000	FY 2017	967,660	774,128
SHE Herfurth	12/10/2011	200,000	-	-	-	200,000	FY 2017	1,290,213	1,032,170
S Irving	12/11/2009	350,000	-	-	-	350,000	FY 2015	-	1,442,590
	12/10/2011	150,000	-	-	-	150,000	FY 2017	967,660	774,128
W Newling	12/11/2009	200,000	-	-	-	200,000	FY 2015	-	824,337
SR Rothbloom	13/11/2006	400,000	(400,000)	-	-	-	Vested	-	-
	12/11/2009	300,000	-	-	-	300,000	FY 2015	-	1,236,506
N Sarkar	12/11/2009	200,000	-	-	-	200,000	FY 2015	-	824,337
	12/10/2011	100,000	-	-	-	100,000	FY 2017	645,106	516,085
JLW Wong	12/11/2009	200,000	-	-	-	200,000	FY 2015	-	824,337
	12/10/2011	100,000	-	-	-	100,000	FY 2017	645,106	516,085

4. Options included in key management personnel remuneration

From time to time, the Group has awarded grants of options under a company option plan. These options are subject to a three year period before they can be exercised and have an exercise price based on the market value of Computershare shares at the time of grant. On exercise, each option carries an entitlement to one fully paid ordinary share in Computershare Limited. Options granted carry no dividend or voting rights. No options have been granted to key management personnel during the year ended 30 June 2012.

Set out below is a summary of options:

	Date granted	Number granted	Number vested during the year	Number exercised during the year	Number lapsed during the year	Number forfeited during the year	Number out-standing at the end of the year	Financial year in which grant may vest	Value at grant date (if granted this year) $	Maximum total value of grant yet to be expensed $
PA Barker	30/01/2009	166,667	166,667	-	-	-	166,667	FY2015	-	-

Options in the table above have an exercise price of $7.85 (AUD 7.54)

Shareholdings of key management personnel

The number of ordinary shares in Computershare Limited held during the financial year by each director and the other named key management personnel, including details of shares granted as remuneration during the current financial year and ordinary shares provided as the result of the exercise of remuneration options during the current financial year, are included in the table below.

	Balance at beginning of the year	Vested under DSTI plan	On exercise of options/ performance rights	On market purchases / (sales)	Other	Balance at the end of the year	Value of options/ performance rights exercised $
Directors							
WS Crosby	551,272	-	700,000	(420,000)	-	831,272	5,181,519
SD Jones	14,000	-	-	-	-	14,000	-
Dr M Kerber	40,000	-	-	-	-	40,000	-
G Lieberman	10,000	-	-	-	-	10,000	-
PJ Maclagan	14,782,411	-	-	(60,000)	-	14,722,411	-
CJ Morris	46,450,000	-	-	(1,878,869)	-	44,571,131	-
AL Owen	2,000	-	-	10,910	-	12,910	-
NP Withnall	-	-	-	2,300	-	2,300	-
Key management personnel							
PA Barker	287	21,668	-	(11,000)	398	11,353	-
SA Cameron	158	3,874	-	(3,954)	-	78	-
PA Conn	519,371	10,376	-	(2,099)	-	527,648	-
MB Davis	22,155	6,388	-	(17,000)	398	11,941	-
SHE Herfurth	19,512	6,505	-	(14,500)	4,559	16,076	-
S Irving	64,821	8,388	-	-	-	73,209	-
W Newling	-	7,499	-	(7,499)	-	-	-
SR Rothbloom	139,103	34,431	400,000	(235,124)	-	338,410	2,960,868
N Sarkar	5,256	26,213	-	(26,213)	140	5,396	-
JLW Wong	114,849	10,759	-	(20,000)	660	106,268	-

D. PROPORTIONS OF FIXED AND PERFORMANCE RELATED REMUNERATION

The percentage value of total remuneration relating to the current financial year received by key management personnel that consists of fixed and performance related remuneration is as follows:

	% of fixed/non-performance related remuneration	% of total remuneration received as cash bonus (CSTI)	% of remuneration received as equity bonus (DSTI)	% of total remuneration received as performance related rights/options
WS Crosby	47.53%	17.05%	0.00%	35.42%
SD Jones	100.00%	0.00%	0.00%	0.00%
Dr M Kerber	100.00%	0.00%	0.00%	0.00%
G Lieberman	100.00%	0.00%	0.00%	0.00%
PJ Maclagan	100.00%	0.00%	0.00%	0.00%
CJ Morris	100.00%	0.00%	0.00%	0.00%
AL Owen	100.00%	0.00%	0.00%	0.00%
NP Withnall	100.00%	0.00%	0.00%	0.00%
PA Barker	49.12%	7.92%	10.76%	32.21%
SA Cameron	47.79%	4.02%	8.68%	39.52%
PA Conn	40.33%	7.44%	11.36%	40.86%
MB Davis	42.30%	4.98%	5.46%	47.26%
SHE Herfurth	47.70%	7.79%	10.60%	33.90%
S Irving	49.18%	5.09%	5.97%	39.76%
W Newling	44.63%	10.59%	9.40%	35.39%
SR Rothbloom	53.14%	4.75%	14.22%	27.89%
N Sarkar	36.07%	9.37%	11.19%	43.38%
JLW Wong	49.84%	3.38%	10.29%	36.49%

E. OTHER INFORMATION

Loans to directors and executives

Computershare made no loans to directors and executive directors or other key management personnel during the current financial year.

Derivative instruments

Computershare's policy forbids key management personnel to deal in derivatives designed as a hedge against exposure to shares in Computershare Limited.

Shares under option

Unissued ordinary shares in Computershare Limited under options and performance rights at the date of this report are as follows:

Date granted	Financial year of expiry	Issue price of shares (AUD)	Number under options/ performance rights
Performance rights			
12/11/2009	FY 2015	-	2,850,000
12/08/2010	FY 2016	-	250,000
12/10/2011	FY 2017	-	700,000
4/05/2012	FY 2017	-	200,000
21/09/2012	FY 2018	-	1,100,000
Options			
30/01/2009	FY 2015	7.54	166,667
1/10/2009	FY 2016	10.34	50,000
4/06/2010	FY 2017	10.89	25,000

AUDITOR

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

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.

Non-audit services

The Group may decide to employ its auditor, PricewaterhouseCoopers, on assignments in addition to their statutory audit duties where the auditor's expertise and experience with the Group are important.

The Board is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and internal guidelines. Further details regarding the Board's internal policy for engaging PricewaterhouseCoopers for non-audit services is set out in the Corporate Governance Statement.

The directors are satisfied that the provision of non-audit services by PricewaterhouseCoopers, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

> No services were provided by PricewaterhouseCoopers that are prohibited by policy (the policy lists services that are not able to be undertaken).

> None of the services provided undermine the general principles relating to auditor independence, including reviewing or auditing the auditor's own work, acting in a management capacity or a decision making capacity for the Group, acting as an advocate for the Group or jointly sharing economic risks and rewards.

Details of the amounts paid to the auditor for both audit and non-audit services are provided in the table below.

During the year the following amounts were incurred in relation to services provided by PricewaterhouseCoopers, the Group auditor, and its related practices.

	Consolidated	
	2012	2011
1. Audit services		
Audit and review of the financial statements and other audit work by PricewaterhouseCoopers Australia	**1,066**	867
Audit and review of the financial statements and other audit work by related practices of PricewaterhouseCoopers Australia	**3,271**	2,498
	4,337	3,365
2. Other services*		
Other assurance services performed by PricewaterhouseCoopers Australia	**367**	255
Other assurance services performed by related practices of PricewaterhouseCoopers Australia	**1,881**	1,931
Tax advice on acquisitions provided by related practices of PricewaterhouseCoopers Australia	**24**	86
	2,272	2,272
Total Auditors' Remuneration	**6,609**	5,637

*Other assurance services provided relate primarily to regulatory and compliance reviews.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in class order 98/0100, 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 unless specifically stated to be otherwise.

Signed in accordance with a resolution of the directors.

CJ MORRIS
Chairman

WS CROSBY
Director

24 September 2012

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Auditor's Independence Declaration

As lead auditor for the audit of Computershare Limited for the year ended 30 June 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 audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

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

C Lewis

Christopher Lewis
Partner
PricewaterhouseCoopers

24 September 2012

PricewaterhouseCoopers, ABN 52 780 433 757
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

Consolidated Statement of Comprehensive Income for the year ended 30 June 2012

	Note	2012 $000	2011 $000
Revenue from continuing operations			
Sales revenue	2	**1,802,614**	1,598,932
Other revenue	2	**4,559**	5,393
Total revenue from continuing operations		**1,807,173**	1,604,325
Other income	3	**33,676**	14,277
Expenses			
Direct services		**1,315,017**	1,010,370
Technology costs		**234,401**	181,263
Corporate services		**33,219**	26,258
Finance costs		**48,289**	32,627
Total expenses		**1,630,926**	1,250,518
Share of net profit/(loss) of associates accounted for using the equity method	39 & 40	**321**	385
Profit before related income tax expense		**210,244**	368,469
Income tax expense	4	**50,512**	99,561
Profit for the year		**159,732**	268,908
Other comprehensive income			
Available-for-sale financial assets		**445**	358
Cash flow hedges		**(933)**	(24,316)
Exchange differences on translation of foreign operations		**(66,888)**	93,870
Income tax relating to components of other comprehensive income	4	**314**	7,313
Other comprehensive income for the year, net of tax		**(67,062)**	77,225
Total comprehensive income for the year		**92,670**	346,133
Profit for the year is attributable to:			
Members of Computershare Limited		**156,499**	264,086
Non-controlling interests		**3,233**	4,822
		159,732	268,908
Total comprehensive income for the year is attributable to:			
Members of Computershare Limited		**93,222**	340,070
Non-controlling interests		**(552)**	6,063
		92,670	346,133
Basic earnings per share (cents per share)	6	**28.16 cents**	47.53 cents
Diluted earnings per share (cents per share)	6	**28.07 cents**	47.30 cents

The above statement of comprehensive income is presented in United States dollars and should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position for the year ended 30 June 2012

	Note	2012 $000	2011 $000
CURRENT ASSETS			
Cash and cash equivalents	35	**441,391**	347,225
Receivables	7	**332,978**	300,862
Financial assets held for trading		**2,764**	2,059
Available-for-sale financial assets at fair value	8	**635**	314
Other financial assets	9	**106,966**	26,630
Inventories	10	**9,268**	12,266
Current tax assets	14	**29,765**	10,844
Derivative financial instruments	15	**961**	5,617
Other current assets	11	**31,914**	28,111
Total current assets		**956,642**	733,928
NON-CURRENT ASSETS			
Receivables	7	**6,395**	13,747
Available-for-sale financial assets at fair value	8	**6,339**	6,815
Investments accounted for using the equity method	12	**27,178**	28,405
Property, plant and equipment	13	**190,910**	154,933
Deferred tax assets	14	**81,267**	46,810
Derivative financial instruments	15	**33,529**	25,951
Intangibles	16	**2,379,408**	1,862,649
Total non-current assets		**2,725,026**	2,139,310
Total assets		**3,681,668**	2,873,238
CURRENT LIABILITIES			
Payables	17	**383,797**	340,612
Interest bearing liabilities	18	**69,242**	128,618
Current tax liabilities	19	**20,399**	22,408
Provisions	20	**33,438**	26,475
Derivative financial instruments	15	**69**	1
Deferred consideration	21	**21,812**	20,342
Total current liabilities		**528,757**	538,456
NON-CURRENT LIABILITIES			
Payables	17	**4,324**	6,560
Interest bearing liabilities	18	**1,685,149**	884,871
Deferred tax liabilities	19	**179,310**	143,507
Provisions	20	**41,123**	32,787
Derivative financial instruments	15	**341**	-
Deferred consideration	21	**53,338**	12,606
Other	22	**12,866**	8,995
Total non-current liabilities		**1,976,451**	1,089,326
Total liabilities		**2,505,208**	1,627,782
Net assets		**1,176,460**	1,245,456
EQUITY			
Contributed equity	23	**29,943**	29,943
Reserves	24	**90,749**	152,081
Retained earnings	5	**1,042,965**	1,048,403
Total parent entity interest	41	**1,163,657**	1,230,427
Non-controlling interests	41	**12,803**	15,029
Total equity		**1,176,460**	1,245,456

The above statement of financial position is presented in United States dollars and should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for the year ended 30 June 2012

	Attributable to members of Computershare Limited					
	Contributed Equity $000	Reserves $000	Retained Earnings $000	Total $000	Non-controlling Interests $000	Total Equity $000
Total equity at 1 July 2011	**29,943**	**152,081**	**1,048,403**	**1,230,427**	**15,029**	**1,245,456**
Profit for the year	-	-	156,499	156,499	3,233	159,732
Available-for-sale financial assets	-	445	-	445	-	445
Cash flow hedges	-	(933)	-	(933)	-	(933)
Exchange differences on translation of foreign operations	-	(63,103)	-	(63,103)	(3,785)	(66,888)
Income tax (expense)/credits	-	314	-	314	-	314
Total comprehensive income for the year	-	**(63,277)**	**156,499**	**93,222**	**(552)**	**92,670**
Transactions with owners in their capacity as owners:						
Dividends provided for or paid	-	-	(161,937)	(161,937)	(1,674)	(163,611)
Equity related contingent consideration	-	1,192	-	1,192	-	1,192
On market cash purchase of shares	-	(22,839)	-	(22,839)	-	(22,839)
Share based remuneration	-	23,592	-	23,592	-	23,592
	-	**1,945**	**(161,937)**	**(159,992)**	**(1,674)**	**(161,666)**
Balance at 30 June 2012	**29,943**	**90,749**	**1,042,965**	**1,163,657**	**12,803**	**1,176,460**
Total equity at 1 July 2010	**29,943**	**94,808**	**936,592**	**1,061,343**	**11,609**	**1,072,952**
Profit for the year	-	-	264,086	264,086	4,822	268,908
Available-for-sale financial assets	-	358	-	358	-	358
Cash flow hedges	-	(24,316)	-	(24,316)	-	(24,316)
Exchange differences on translation of foreign operations	-	92,629	-	92,629	1,241	93,870
Income tax (expense)/credits	-	7,313	-	7,313	-	7,313
Total comprehensive income for the year	-	**75,984**	**264,086**	**340,070**	**6,063**	**346,133**
Transactions with owners in their capacity as owners:						
Dividends provided for or paid	-	-	(152,275)	(152,275)	(2,643)	(154,918)
Equity related contingent consideration	-	(9,500)	-	(9,500)	-	(9,500)
On market cash purchase of shares	-	(29,950)	-	(29,950)	-	(29,950)
Share based remuneration	-	20,739	-	20,739	-	20,739
	-	**(18,711)**	**(152,275)**	**(170,986)**	**(2,643)**	**(173,629)**
Balance at 30 June 2011	**29,943**	**152,081**	**1,048,403**	**1,230,427**	**15,029**	**1,245,456**

The above statement of changes in equity is presented in United States dollars and should be read in conjunction with the accompanying notes

Consolidated Cash Flow Statement for the year ended 30 June 2012

	Note	2012 $000	2011 $000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,907,001	1,704,627
Payments to suppliers and employees		(1,448,190)	(1,271,151)
Dividends received		127	388
Interest paid and other finance costs		(54,868)	(31,907)
Interest received		4,432	5,006
Income taxes paid		(73,943)	(87,320)
Net operating cash flows	35	334,559	319,643
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of controlled entities and businesses, net of cash acquired		(658,068)	(65,381)
Payments for investments in associates and joint ventures		(1,004)	(578)
Dividends received		287	415
Proceeds from sale of assets		5,618	4,225
Payments for investments		(2,608)	(264)
Payments for property, plant and equipment		(40,070)	(23,406)
Proceeds from sale of subsidiaries and businesses, net of cash disposed		1,317	3,426
Net investing cash flows		(694,528)	(81,563)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for purchase of ordinary shares		(22,839)	(29,950)
Proceeds from borrowings		1,354,283	628,669
Repayment of borrowings		(681,152)	(627,605)
Dividends paid to Computershare Limited's shareholders		(161,937)	(152,275)
Dividends paid to non-controlling interests in controlled entities		(1,674)	(2,643)
Repayment of finance leases		(9,978)	(11,053)
Net financing cash flows		476,703	(194,857)
Net increase in cash and cash equivalents held		116,734	43,223
Cash and cash equivalents at the beginning of the financial year		347,225	278,651
Exchange rate variations on foreign cash balances		(22,568)	25,351
Cash and cash equivalents at the end of the financial year	35	441,391	347,225

The above consolidated cash flow statement is presented in United States dollars and should be read in conjunction with the accompanying notes.

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1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial report is for the consolidated entity consisting of Computershare Limited and its controlled entities, referred to collectively throughout these financial statements as the "consolidated entity", "the Group" or "Computershare".

Basis of preparation of full year financial report

This general purpose financial report for the reporting period ended 30 June 2012 has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*. Computershare Limited is a for-profit entity for the purpose of preparing financial statements.

This report is to be read in conjunction with any public announcements made by Computershare Limited during the reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and Australian Stock Exchange Listing Rules.

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

Compliance with IFRS

The financial statements of Computershare Limited and its controlled entities also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

Principles of consolidation

The consolidated financial statements include the assets and liabilities of the parent entity, Computershare Limited, and its controlled entities.

All intercompany balances and transactions have been eliminated. Where an entity either began or ceased to be controlled during the year, the results are consolidated only from the date control commenced or up to the date control ceased.

Financial statements of foreign controlled entities, associates and joint ventures presented in accordance with overseas accounting principles are, for consolidation purposes, adjusted to comply with Group policy and Australian Accounting Standards.

Controlled entities

Controlled entities are all those entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. Controlled entities are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of controlled entities by the Group.

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Interests in material associated entities are brought to account using the equity method. Under this method the investment in associates is initially recognised at its cost of acquisition and its carrying value is subsequently adjusted for increases or decreases in the investor's share of post-acquisition results and reserves of the associate. The Group's share of its associates' post acquisition profits or losses is recognised in the profit or loss. The investment in associated entities is decreased by the amount of dividends received or receivable.

Joint ventures

Interests in joint venture partnerships are accounted for using the equity method.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the controlled entity. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the parent entity.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the Computershare Limited Chief Executive Officer (CEO).

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in US dollars, as a significant portion of the Group's activity is denominated in US dollars.

Transactions and balances

Foreign currency transactions are converted to US dollars at exchange rates approximating those in effect at the date of each transaction. Amounts payable and receivable in foreign currencies at balance date are converted to US dollars at the average of the buy and sell rates available on the close of business at balance date. Revaluation gains and losses are brought to account as they occur.

Exchange differences relating to monetary items are included in profit or loss, as exchange gains or losses, in the period when the exchange rates change, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Group companies

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

> assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement;

> income and expenses for each statement of comprehensive income are translated at average exchange rates; and

> all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and reflected in equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Income tax

The financial statements apply the principles of tax-effect accounting. The income tax expense in the profit or loss represents tax on the pre-tax accounting profit adjusted for income and expenses never to be assessed or allowed for taxation purposes. This is also adjusted for changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and unused tax losses. The income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are recognised for temporary differences calculated at the tax rates expected to apply when the differences reverse. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised in other comprehensive income or directly in equity are also recognised in other comprehensive income or directly in equity, respectively.

Tax consolidation legislation

Computershare Limited and its wholly-owned Australian controlled entities implemented the tax consolidation regime with effect from 1 July 2002. The Australian Taxation Office has been formally notified of this decision.

The relevant entities have also entered into a tax sharing deed, which includes tax funding arrangements. As a consequence, Computershare Limited, as the head entity in the tax consolidation Group, has recognised the current tax liability relating to transactions, events and balances of the wholly owned Australian controlled entities in this Group in the financial statements as if that liability was its own, in addition to recognising the current tax liability arising in relation to its own transactions, events and balances. Amounts receivable or payable under the tax sharing deed are recognised separately as tax related intercompany payables or receivables.

Leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired under finance leases are capitalised and amortised over the shorter of the lease term and the useful life of the asset, or where ownership is reasonably certain to be obtained on expiration of the lease, over the useful life of the asset. Lease payments are allocated between interest expense and reduction in the lease liability.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease assets are not capitalised and rental payments (net of any incentives received from the lessor) are charged against operating profit on a straight line basis over the period of the lease.

Leasehold improvements

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the leasehold properties, whichever is the shorter.

Software and research and development costs

Internally developed software and related research and development costs are expensed in the year in which they are incurred as they do not meet the recognition criteria for capitalisation.

Impairment of assets

All non-current assets that have an indefinite useful life are not subject to amortisation and are reviewed at least annually to determine whether their carrying amounts require write-down to recoverable amount or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss will be recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For available-for-sale assets, a significant or prolonged decline in fair value is considered when determining whether the asset is impaired.

For the purposes of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

These impairment calculations require the use of assumptions.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is assigned on a first-in first-out basis. Prepaid inventory is recorded at cost and is bought on behalf of the Group's clients. As the inventory is used, the costs are billed.

Property, plant and equipment

Property, plant and equipment are stated at historical costs less depreciation. The amounts at which property, plant and equipment are stated in these financial statements are regularly reviewed.

Depreciation

Items of property, plant and equipment excluding freehold land, are depreciated on a straight line basis at rates calculated to allocate their cost, less estimated residual value, over their estimated useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Additions and disposals are depreciated for the period held, in the year of acquisition or disposal. Depreciation expense has been determined based on the following rates of depreciation:

› buildings (2.5% per annum);

› plant and equipment (10% to 50% per annum);

› fixtures and fittings (13% to 50% per annum); and

› motor vehicles (15% to 40% per annum).

Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade discounts and volume rebates.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the consolidated entity and specific criteria have been met for each of the Group's activities. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Services revenue is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised under the percentage of completion method, based on the actual service provided as proportion of the total services to be provided.

Software licence sales and associated development, installation and maintenance fees are recognised in accordance with written customer agreements when the entity has the right to be compensated for services and it is probable that compensation will flow to the entity in the future.

Other revenue

Other revenue includes interest income on short term deposits controlled by the consolidated entity, and royalties and dividends received from other persons. Interest income is recognised using the effective interest method. Royalties and dividends are recognised as revenue when the right to receive payment is established.

Insurance recoveries

The consolidated entity recognises amounts receivable under its insurance policies, net of any relevant excess amounts, upon indemnity being acknowledged by the insurers.

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the profit or loss.

Trade and other payables

These amounts represent liabilities for those goods and services provided to the Group prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Dividends

Provision is made for the amount of any dividend declared by the directors on or before the end of the financial year but not distributed at balance date.

Earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing profit attributable to members of Computershare Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share is determined by adjusting the weighted average number of shares used in the determination of basic earnings per share to take into account the effect of potentially dilutive ordinary shares.

Management basic earnings per share

Management basic earnings per share exclude certain items. 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. The net profit used in the management earnings per share calculation is adjusted for the management adjustment items net of tax (refer to note 6).

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand, deposits at call with financial institutions and other highly liquid investments with short periods to maturity (three months or less) which can readily be converted to known amounts of cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts. Cash and cash equivalents exclude broker client deposits reflected in the statement of financial position that are recorded as other current financial assets.

Business combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a controlled entity comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the controlled entity.

Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Within 12 months of completing the acquisition, identifiable intangible assets are valued and separately recognised in the statement of financial position. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the controlled entity acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Intangible assets

Goodwill

Purchased goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on disposal of an entity include the carrying amount of goodwill relating to an entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing. Each of these cash generating units represents the Group's internal management reporting structure.

Acquired intangible assets

Acquired intangible assets have a finite useful life and are carried at fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated using the straight line method to allocate the value over their estimated useful lives, ranging from one to fifteen years.

Mortgage servicing rights

Mortgage servicing rights acquired as part of business combination are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Mortgage servicing rights acquired as part of ongoing operations are carried at cost less accumulated amortisation and impairment losses. Amortisation for all servicing rights is calculated using the straight line method over their estimated useful lives.

Employee benefits

Provision has been made in the statement of financial position for benefits accruing to employees in relation to employee bonuses, annual leave, long service leave, workers compensation and vested sick leave. No provision is made for non-vesting sick leave as the anticipated pattern of future sick leave taken indicates that accumulated non-vesting sick leave will never be paid.

Superannuation is included in the determination of provisions. Vested sick leave and annual leave are measured at the amounts expected to be paid when the liabilities are settled.

The long service leave provision is measured at the present value of estimated future cash flows, discounted by the interest rate applicable to the period the liability is expected to fall due. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Retirement benefits

Contributory superannuation and pension plans exist to provide benefits for the consolidated entity's employees and their dependants on retirement, disability or death. The plans are accumulation plans. The employee sponsors contribute to the plans at varying rates of contribution depending on the employee classification. The contributions made to the funds by Group entities are charged against profits.

Defined benefit superannuation and pension plans are operated in Germany and India only. Where material to the Group, a liability or asset in respect of the these plans is recognised in the statement of financial position, and is measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

Executive share and performance right schemes

Certain employees are entitled to participate in share and performance rights schemes.

The market value of shares issued to employees for no cash consideration under employee and executive share schemes is recognised as a personnel expense over the vesting period with a corresponding increase in the share based payments reserve.

The fair value of performance rights issued under the Computershare Deferred Long Term Incentive Plan are recognised as a personnel expense over the vesting period with a corresponding increase in the share based payments reserve.

The fair value of performance rights granted is determined using a pricing model that takes into account factors that include the exercise price, the term of the performance right, the vesting and performance criteria, the share price at grant date and the expected price volatility of the underlying share. The fair value calculation excludes the impact of any service or non market vesting conditions. Non market vesting conditions are included in assumptions about the number of performance rights that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of performance rights that are expected to become exercisable. The personnel expense recognised each period takes into account the most recent estimate.

Where shares are procured by the Group with cash to satisfy obligations for vested employee entitlements, under these plans, a reduction in the share based payments equity reserve is shown.

Shares issued under employee and executive share plans are held in trust until vesting date. Unvested shares held by the trust are consolidated into the Group's financial statements.

Termination benefits

Liabilities for termination benefits, not in connection with the acquisition of an entity or operation are recognised when a detailed plan for the terminations has been developed and a valid expectation has been raised in those employees affected that the terminations will be carried out. The liabilities for termination benefits are recognised in other payables unless the amount or timing of the payments is uncertain, in which case they are recognised as provisions.

Liabilities for termination benefits relating to an acquired entity or operation that arise as a consequence of an acquisition are recognised as at the date of acquisition if, at or before the acquisition date, the acquiree had an existing liability for restructuring.

Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Non-current assets (or disposal groups) held-for-sale

Non-current assets (or disposal groups) are classified as held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets and liabilities (or disposal groups) classified as held-for-sale are presented separately from other assets and liabilities in the statement of financial position. They are stated at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Contributed equity

Ordinary share capital bears no special terms or conditions affecting income or capital entitlements of the shareholders and is classified as equity. Costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

If the Group reacquires its own equity instruments, for example as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

Parent entity financial information

The financial information for the parent entity, Computershare Limited, disclosed in note 42 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in controlled entities, associates and joint venture entities

Investments in controlled entities, associates and joint venture entities are accounted for at cost in the financial statements of Computershare Limited. Dividends received from associates and joint ventures are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

Investments and other financial assets

The Group classifies its investments and other financial instruments in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

i. Financial assets at fair value through profit or loss

This category has two sub categories: financial assets held-for-trading and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current in the statement of financial position. Derivatives are classified as held for trading unless they are designated as hedge instruments.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included within receivables in the statement of financial position.

iii. Available- for- sale assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Initial recognition and subsequent measurement

Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss. Loans and receivables are subsequently carried at amortised cost using the effective interest method. Subsequently, available for sale financial assets and financial assets at fair value through profit or loss are carried at fair value. Realised and unrealised gains and losses arising from changes in fair value of financial assets at fair value through profit or loss category are included in profit or loss in the period in which they arise. Unrealised gains and losses for changes in fair value of available-for-sale assets are recognised in other comprehensive income in the available for sale asset reserve. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When available for sale assets are sold, the accumulated fair value adjustments are reclassified to profit or loss.

The fair values of quoted investments (classified as available for sale assets or held for trading assets) are based on current bid prices. If the market for a financial asset is not active, the Group establishes the fair value by using accepted valuation techniques.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss) is reclassified from equity and recognised in profit or loss as a reclassification adjustment. Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are not reversed through profit or loss.

If there is evidence of impairment for any of the Group's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in profit or loss.

Borrowings

Borrowings are initially recognised at fair value and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the borrowing period using the effective interest method. Borrowings are classified as current liabilities unless the Group has a legal right to defer settlement of the liability for at least 12 months after the balance sheet date.

Derivative instruments

The Group uses derivative financial instruments to manage specifically identified interest rate and foreign currency risks. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain financial instruments, including derivatives, as either: (1) hedges of net investments of a foreign operation; (2) hedges of firm commitments and highly probable forecast transactions (cash flow hedges); or (3) fair value hedges.

Hedging

At the inception of the transaction the Group documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

i. Hedge of net investment

Changes in the fair value of foreign currency debt balances that are designated and qualify as hedging instruments are recorded in other comprehensive income in the foreign currency translation reserve. The change in value of the net investment is recorded in the foreign currency translation reserve in accordance with requirements of AASB 121 *The effects of Changes in Foreign Exchange Rates*. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

ii. Cash flow hedge

The Group uses interest rate derivatives to manage interest rate exposure. These derivatives are entered into as part of a hedging relationship.

The effective portion of changes in the fair value of derivatives which are designated and qualify as cash flow hedges is recognised in other comprehensive income in the cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in equity are recycled in profit or loss in the periods when the hedged item will affect profit or loss (for instance when the future cash flows that are hedged take place).

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

iii. Fair value hedge

The Group uses interest rate derivatives to manage the fixed interest exposure that arises as a result of notes issued as part of the US Senior Notes. Changes in the fair value of these derivatives are recorded in profit or loss, together with any changes in the fair value of the hedged liabilities that are attributable to the hedged risk.

iv. Derivatives that do not qualify for hedge accounting

Certain forward exchange contracts and foreign currency options do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss.

Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair market value of financial instruments traded in active markets (such as available-for-sale securities) is on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Valuation techniques, such as estimated discounted cash flows, are used to determine the fair value of the remaining financial instruments.

Rounding of amounts

The consolidated entity 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 financial report. In accordance with this Class Order amounts in the financial report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2012 reporting period. The Group's assessment of the impact of these new standards and interpretations is below.

AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9

AASB 9 *Financial Instruments* addresses the classification and measurement of financial instruments and is likely to affect the Group's accounting for its financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption. The Group is yet to assess its full impact. However, initial indications are that it may affect the Group's accounting for its available-for-sale financial assets, as AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held-for-trading. Fair value gains and losses on available-for-sale equity investments, for example, will therefore have to be recognised directly in profit or loss. There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and have not been changed. The Group does not expect to adopt AASB 9 before its operative date.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements

In July 2011 the AASB decided to remove the individual key management personnel (KMP) disclosure requirements from AASB 124 *Related Party Disclosures*. The Group will apply the amendment from 1 July 2013.

AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards

In August 2011, the AASB issued a suite of five new and amended standards which address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns before control is present. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. There is also new guidance on participating and protective rights and on agent/principal relationships. The Group does not expect AASB 10 to have any significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. As the Group is currently using the equity method to account for joint ventures, AASB 11 will not have any impact.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 128. Application of this standard by the Group may not affect any of the amounts recognised in the financial statements, but may impact the type of information disclosed in relation to the Group's investments.

The Group does not expect to adopt the new standards before their operative date. They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13

AASB 13 was released in September 2011. It explains how to measure fair value and aims to enhance fair value disclosures. The Group has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. The application of the new standard may also impact the type of information disclosed in the notes to the financial statements. The Group does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

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

In September 2011, the AASB made an amendment to AASB 101 Presentation of Financial Statements which requires entities to separate items presented in other comprehensive income into two groups, based on whether they may be recycled to profit or loss in the future. This will not affect the measurement of any of the items recognised in the balance sheet or the profit or loss in the current period. The group has adopted the new standard from 1 July 2012.

	Notes	2012 $000	2011 $000
2. REVENUE AND EXPENSES FROM CONTINUING OPERATIONS			
a) Revenues			
Sales revenue			
Rendering of services		**1,802,614**	1,598,932
Other revenue			
Dividends received		**127**	388
Interest received		**4,432**	5,005
Total other revenue		**4,559**	5,393
Total revenue from continuing operations		**1,807,173**	1,604,325
b) Expenses			
Depreciation and amortisation			
Depreciation of property, plant and equipment		**33,795**	34,586
Amortisation of:			
- Leased assets		**2,563**	1,127
- Leasehold improvements		**2,953**	3,115
- Intangible assets		**82,637**	43,221
Total depreciation and amortisation		**121,948**	82,049
Finance costs			
Interest paid		**46,430**	30,630
Loan facility fees		**1,859**	1,997
Total finance costs		**48,289**	32,627
Other operating expense items			
Operating lease rentals		**52,018**	44,170
Technology spending - research and development		**57,698**	55,443
Employee entitlements (excluding superannuation) expense		**753,620**	623,607
Superannuation expense		**27,870**	23,316
Other significant expense items			
Impairment charge – Continental Europe	16	**63,761**	-

3. OTHER INCOME

	Notes	2012 $000	2011 $000
Net foreign exchange gains		-	76
Net gain on disposal of available for sale investments		-	803
Gain on bargain purchase of SLS	28	**16,326**	-
Net gain on disposal of software and property, plant and equipment		**4,328**	-
Other income		**13,022**	13,398
Total other income		**33,676**	14,277

4. INCOME TAX

	Notes	2012 $000	2011 $000
a) Income tax expense			
Current tax expense		**70,253**	66,846
Deferred tax expense		**(21,385)**	33,394
Under/ (over) provided in prior years		**1,644**	(679)
Total income tax expense		**50,512**	99,561
Deferred income tax (revenue) expense included in income tax expense comprises:			
Decrease/ (increase) in deferred tax assets	14	**(12,684)**	5,049
(Decrease)/ increase in deferred tax liabilities	19	**(8,701)**	28,345
		(21,385)	33,394

	2012 $000	2011 $000
b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit before income tax expense	**210,244**	368,469
The tax expense for the financial year differs from the amount calculated on the profit.		
The differences are reconciled as follows:		
Prima facie income tax expense thereon at 30%	**63,073**	110,541
Tax effect of permanent differences:		
Non deductible expenses (including depreciation and amortisation)	**3,763**	2,255
Research and development allowance	**(2,082)**	(2,819)
Benefit of tax losses not booked	**242**	531
Tax losses recognised and not previously brought to account	**(328)**	(1,356)
Share based payments	**1,944**	182
Non-deductible asset write-downs	**19,082**	11,223
Differential in overseas tax rates	**(21,279)**	(5,444)
Prior year tax (over)/under provided	**1,644**	(679)
Restatement of deferred tax balances due to income tax rate changes	**680**	(1,222)
Other	**(16,227)**	(13,651)
Income tax expense	**50,512**	99,561
c) Amounts recognised directly in equity		
Deferred tax – debited/ (credited) directly to equity (notes 14 and 19)	**(2,900)**	(7,692)
d) Tax expense/ (income) relating to items of other comprehensive income		
Cash flow hedges	**314**	(7,313)

e) Unrecognised tax losses

As at 30 June 2012, companies within the consolidated entity had estimated unrecognised tax losses (including capital losses) of $47.6 million (2011: $50.6 million) available to offset against future years' taxable income.

5. RETAINED EARNINGS AND DIVIDENDS

	2012 $000	2011 $000
Retained earnings		
Retained earnings at the beginning of the financial year	**1,048,403**	936,592
Ordinary dividends provided for or paid	**(161,937)**	(152,275)
Net profit attributable to members of Computershare Limited	**156,499**	264,086
Retained earnings at the end of the financial year	**1,042,965**	1,048,403
Dividends		
Ordinary		
Dividends paid during the financial year in respect of the previous year, AU 14 cents per share franked to 60% (2011 – AU 14 cents per share franked to 60%)	**80,969**	76,137
Dividends paid in respect of the current financial year ended June 2012, AU 14 cents per share franked to 60% (June 2011, AU 14 cents per share franked to 60%)	**80,969**	76,137
Dividend franking account		
Franking credits available for subsequent financial years based on a tax rate of 30% (2011: 30%)	**15,447**	38,581

6. EARNINGS PER SHARE

	Calculation of Basic EPS $000	Calculation of Diluted EPS $000	Calculation of Management Basic EPS $000	Calculation of Management Diluted EPS $000
Year ended 30 June 2012				
Earnings per share (cents per share)	**28.16 cents**	**28.07 cents**	**49.09 cents**	**48.93 cents**
Profit for the year	**159,732**	**159,732**	**159,732**	**159,732**
Non-controlling interest (profit)/loss	**(3,233)**	**(3,233)**	**(3,233)**	**(3,233)**
Add back management adjustment items (see below)	**-**	**-**	**116,301**	**116,301**
Net profit attributable to the members of Computershare Limited	**156,499**	**156,499**	**272,800**	**272,800**
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.		**557,501,553**		**557,501,553**
Year ended 30 June 2011				
Earnings per share (cents per share)	47.53 cents	47.30 cents	55.67 cents	55.40 cents
Profit for the year	268,908	268,908	268,908	268,908
Non-controlling interest (profit)/loss	(4,822)	(4,822)	(4,822)	(4,822)
Add back management adjustment items (see below)	-	-	45,257	45,257
Net profit attributable to the members of Computershare Limited	264,086	264,086	309,343	309,343
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		558,368,332		558,368,332

Reconciliation of weighted average number of shares used as the denominator:

	2012 Number	2011 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**555,664,059**	555,664,059
Adjustments for calculation of diluted earnings per share:		
Options	**7,713**	54,273
Performance rights	**1,829,781**	2,650,000
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**557,501,553**	558,368,332

No employee options have been issued since year end.

700,000 performance rights were issued with the grant date 12 October 2011 valued at AUD 6.20 each and another 200,000 performance rights were issued on 4 May 2012 valued at AUD 7.38 each. If the vesting conditions are satisfied, the performance rights will be exercisable within six months after the annual report for the year ending 30 June 2016 has been signed. 450,000 of these performance rights have been taken into account when calculating the diluted earnings per share for the period ending 30 June 2012 as no performance condition has been attached. The remaining 450,000 have been excluded as the performance conditions have not been satisfied as at 30 June 2012.

Management adjustment items

The Company will continue to provide a summary of post-tax management adjustment items. 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.

For the year ended 30 June 2012 management adjustment items include the following:

	Gross $000	Tax effect $000	Net of tax $000
Gain/(loss) on disposals	**5,192**	**(1,466)**	**3,726**
Provision for tax liability	**(12,300)**	**5,264**	**(7,036)**
Restructuring provisions	**(3,527)**	**1,147**	**(2,380)**
Impairment charge - Continental Europe	**(63,761)**	**-**	**(63,761)**
Acquisitions related	**(4,038)**	**8,369**	**4,331**
Marked to market adjustments - derivatives	**(37)**	**11**	**(26)**
Intangible assets amortisation	**(79,793)**	**28,638**	**(51,155)**
Total management adjustment items (note 38)	**(158,264)**	**41,963**	**(116,301)**

For the year ended 30 June 2011 management adjustment items include the following:

	Gross $000	Tax effect $000	Net of tax $000
Gain/(loss) on disposals	(14,369)	(6,227)	(20,596)
Restructuring provisions	(4,329)	1,303	(3,026)
Acquisitions related	8,095	(2,424)	5,671
Marked to market adjustments - derivatives	132	(40)	92
Intangible assets amortisation	(41,453)	14,055	(27,398)
Total management adjustment items	(51,924)	6,667	(45,257)

Below are the details of management adjustment items net of tax for the year ended 30 June 2012.

Gain/(loss) on disposals

> Gains totalling USD 3.7 million on the disposal of software in Australia and the disposal of the National Clearing Company business in Russia.

Provision for tax liability

> Provision (USD 7.0 million) for a potential tax liability associated with prior year business activities.

Restructuring provisions

> Redundancy costs and provisions (USD 1.5 million) related to UK, German and Australian employees.

> Restructuring provisions totalling (USD 0.9 million) related to US and German property leases.

Impairment Charge – Continental Europe

> An impairment charge against Continental European intangible assets (USD 63.8 million).

Acquisitions related

> A bargain purchase adjustment of USD 16.3 million related to the SLS acquisition.

> Integration costs (USD 5.6 million) related to the Shareowner Services acquisition from Bank of New York Mellon.

> Acquisition costs (USD 5.2 million) related predominantly to the purchase of Shareowner Services, SLS and Serviceworks Group acquisitions.

> Contingent consideration adjustments (USD 1.1 million) related to the Solium disposal and the SLS and Rosenthal acquisitions.

Marked to market adjustments - derivatives

> 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 (loss of USD 0.03 million) relate to future estimated cash flows.

Intangible assets amortisation

> 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 12 month period was USD 51.2 million. The amortisation amount increased materially in the second half of the period following the identification of intangible assets related to the Shareowner Services, SLS and Serviceworks Group acquisitions.

	2012 $000	2011 $000
7. RECEIVABLES		
Current		
Trade receivables	**213,279**	192,923
Less provision for doubtful debts	**(9,373)**	(13,641)
Trade receivables (net)	**203,906**	179,282
Accrued revenue	**98,549**	68,340
Other non-trade amounts	**30,523**	53,240
	332,978	300,862
Non-current		
Foreign tax credits	**181**	2,341
Other	**6,214**	11,406
	6,395	13,747

Bad and doubtful trade receivables

Trade receivables are considered impaired where there is objective evidence that the Group will not be able to collect all amounts due according to the original trade and other receivable terms. Terms of trade in relation to credit sales are on a weighted average of 30 days from the date of invoice. Factors considered when determining if impairment exists include ageing and timing of expected receipts and the creditworthiness of counterparties.

The Group has recognised a loss of USD 37,852 (2011: USD 2,290,539) in respect of bad trade receivables during the year ended 30 June 2012. The loss has been included in the "direct services expense" and "technology costs" lines in the statement of comprehensive income.

The analysis of trade receivables for the consolidated entity that were past due but not impaired is as follows:

		Past due but not impaired			
	Neither past due nor impaired $000	Less than 30 days overdue $000	More than 30 days but less than 90 days overdue $000	More than 90 days overdue $000	Total $000
30 June 2012	**136,872**	**44,113**	**17,642**	**5,280**	**203,907**
30 June 2011	113,694	37,363	21,161	7,064	179,282

All other receivables do not contain impaired assets and are not past due.

	2012 $000	2011 $000
8. AVAILABLE FOR SALE FINANCIAL ASSETS AT FAIR VALUE		
Current		
Equity securities	**635**	314
Non-current		
Equity securities	**6,339**	6,815

	2012 $000	2011 $000
9. OTHER FINANCIAL ASSETS		
Current		
Broker client deposits*	**27,089**	24,543
Loan servicing advances**	**79,877**	-
Other	**-**	2,087
	106,966	26,630

* An overseas entity is a licensed deposit taker. As at year end this controlled entity has accepted deposits in its own name, and recorded these funds as other financial assets together with a corresponding liability (note 17). The deposits are insured through a local regulatory authority.

** An overseas entity regularly makes payments on behalf of mortgagors related to taxes, insurance, principal and interest. The receivable represents the total value of these payments yet to be recovered.

	2012 $000	2011 $000
10. INVENTORIES		
Raw materials and stores, at cost	**5,368**	5,663
Work in progress, at cost	**3,900**	6,603
	9,268	12,266

11. OTHER CURRENT ASSETS

Prepayments	**31,914**	28,111

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Shares in associates (note 39)	**24,925**	26,252
Interest in joint venture partnerships (note 40)	**2,253**	2,153
	27,178	28,405

13. PROPERTY, PLANT AND EQUIPMENT

Consolidated	Land $000	Building, freehold and leasehold $000	Plant and Equipment owned and leased $000	Fixtures and Fittings $000	Motor Vehicles $000	Leasehold improvements $000	Total $000
At 1 July 2011							
Opening net book amount	25,934	51,789	52,721	4,970	774	18,745	154,933
Acquisition of entities and businesses		454	3,838	3,261	-	12,509	20,062
Additions	-	47	55,476	3,731	306	2,817	62,377
Disposals	-	-	(408)	(7)	(4)	(30)	(449)
Depreciation and amortisation charge	-	(2,401)	(30,461)	(2,385)	(250)	(3,815)	(39,312)
Currency translation differences	(1,208)	(2,524)	(1,135)	(1,968)	(174)	256	(6,753)
Transfers and other	-	1,132	(1,656)	1,942	2	(1,368)	52
Closing net book amount	**24,726**	**48,497**	**78,375**	**9,544**	**654**	**29,114**	**190,910**
Cost	24,726	57,917	309,901	42,484	1,899	68,713	505,640
Accumulated depreciation	-	(9,420)	(231,526)	(32,940)	(1,245)	(39,599)	(314,730)
At 30 June 2012	**24,726**	**48,497**	**78,375**	**9,544**	**654**	**29,114**	**190,910**
At 1 July 2010							
Opening net book amount	22,475	46,849	51,635	6,324	391	17,282	144,956
Acquisition of entities and businesses	-	-	361	10	16	-	387
Additions	-	164	27,886	562	721	3,858	33,191
Disposals	-	-	(1,628)	(72)	(5)	-	(1,705)
Depreciation and amortisation charge	-	(1,995)	(30,589)	(2,484)	(276)	(3,484)	(38,828)
Currency translation differences	3,459	6,771	5,701	628	54	1,090	17,703
Transfers and other	-	-	(645)	2	(127)	(1)	(771)
Closing net book amount	**25,934**	**51,789**	**52,721**	**4,970**	**774**	**18,745**	**154,933**
Cost	25,934	59,503	254,499	34,431	2,116	41,517	418,000
Accumulated depreciation	-	(7,714)	(201,778)	(29,461)	(1,342)	(22,772)	(263,067)
At 30 June 2011	**25,934**	**51,789**	**52,721**	**4,970**	**774**	**18,745**	**154,933**

The following classes of assets include carrying amounts where the Group is a lessee under a finance lease:

	Notes	2012 $000	2011 $000
Leased assets			
Land		**12,133**	12,896
Building, freehold and leasehold		**23,281**	25,157
Plant and equipment owned and leased		**9,234**	2,139
		44,648	40,192

14. TAX ASSETS

	Notes	2012 $000	2011 $000
Current tax assets			
Refunds receivable		**29,765**	10,844
Deferred tax assets			
Attributable to carry forward tax losses		**16,979**	8,653
Attributable to temporary differences		**64,288**	38,157
		81,267	46,810
Movements during the year			
Opening balance at 1 July		**46,810**	46,821
Currency translation difference		**(2,852)**	8,079
Credited/(charged) to profit or loss	4	**12,684**	(5,049)
Credited/(charged) to equity	4 & 19	**2,586**	1,509
Set-off of deferred tax liabilities	19	**7,460**	(4,575)
Acquisitions of controlled entities		**14,579**	25
Closing balance at 30 June		**81,267**	46,810
The deferred tax assets balance comprises temporary differences attributable to:			
Tax losses		**16,979**	8,653
Employee benefits		**8,496**	7,471
Property, plant and equipment		**12,024**	9,850
Deferred revenue		**2,864**	2,308
Doubtful debts		**2,765**	2,868
Provisions		**15,440**	25,335
Finance leases		**1,093**	1,386
Other creditors and accruals		**27,180**	8,713
Share based remuneration		**8,187**	6,383
Acquisition related costs		**2,365**	-
Intangibles		**3,811**	-
Other		**8,548**	9,788
Total deferred tax assets		**109,752**	82,755
Set-off deferred tax liabilities pursuant to set-off provisions	19	**(28,485)**	(35,945)
Net deferred tax assets		**81,267**	46,810

The total deferred tax assets expected to be recovered after more than 12 months amount to $40.3 million (2011: $35.2 million).

	2012 $000	2011 $000
15. DERIVATIVE FINANCIAL INSTRUMENTS		
Derivative assets		
Current	961	5,617
Non-current	33,529	25,951
	34,490	31,568
Derivative assets - current and non-current		
Fair values of interest rate derivatives designated as cash flow hedges (a)	2,846	3,812
Fair values of interest rate derivatives designated as fair value hedges (b)	31,644	27,756
Total derivative assets	34,490	31,568
Derivative liabilities		
Current	69	1
Non-current	341	-
	410	1
Derivative liabilities - current and non-current		
Fair values of interest rate derivatives designated as fair value hedges (b)	410	1
Total derivative liabilities	410	1

(a) The gain or loss from remeasuring the designated cash flow hedging instruments at fair value is deferred in equity in the cash flow hedge reserve (note 24) to the extent that the hedge is effective and reclassified into profit and loss when the hedged income is recognised. The ineffective portion is recognised in the profit or loss immediately. In the year ended 30 June 2012, no gain or loss was transferred to the profit and loss (30 June 2011: loss before tax of $49,278). A loss before tax of USD 0.9 million was transferred to the statement of comprehensive income in the year ended 30 June 2012 (30 June 2011: a loss before tax of USD 24.3 million).

(b) The gain or loss from remeasuring the designated fair value hedging instruments at fair value is recognised immediately in the statement of comprehensive income. Refer to note 18 for further disclosure on the interest rate derivatives designated as fair value hedges.

16. INTANGIBLE ASSETS

	Goodwill $000	Customer contracts and relationships $000	Other $000	Total $000
At 1 July 2011				
Opening cost	1,731,673	161,514	82,497	1,975,684
Opening accumulated amortisation and impairment	-	(70,789)	(42,246)	(113,035)
Opening net book amount	1,731,673	90,725	40,251	1,862,649
Additions	-	-	4,393	4,393
Acquisitions of controlled entities[1]	163,642	458,350	93,387	715,379
Disposals	(887)	-	-	(887)
Amortisation charge[2]	-	(49,064)	(33,573)	(82,637)
Impairment charge	(63,761)	-	-	(63,761)
Currency translation difference	(52,824)	(1,966)	(938)	(55,728)
Closing net book amount	1,777,843	498,045	103,520	2,379,408
At 30 June 2012				
Cost	1,841,604	616,066	175,492	2,633,162
Accumulated amortisation and impairment	(63,761)	(118,021)	(71,972)	(253,754)
Closing net book amount	1,777,843	498,045	103,520	2,379,408

	Goodwill $000	Customer contracts and relationships $000	Other $000	Total $000
At 1 July 2010				
Opening cost	1,645,864	119,724	77,296	1,842,884
Opening accumulated amortisation	-	(39,186)	(27,520)	(66,706)
Opening net book amount	1,645,864	80,538	49,776	1,776,178
Additions	-	-	561	561
Acquisitions of controlled entities[1]	21,559	38,721	1,141	61,421
Disposals	(32,853)	-	(48)	(32,901)
Amortisation charge[2]	-	(29,897)	(13,324)	(43,221)
Currency translation difference	97,103	1,363	2,145	100,611
Closing net book amount	1,731,673	90,725	40,251	1,862,649
At 30 June 2011				
Cost	1,731,673	161,514	82,497	1,975,684
Accumulated amortisation	-	(70,789)	(42,246)	(113,035)
Closing net book amount	1,731,673	90,725	40,251	1,862,649

[1] Acquisition of controlled entities relates to the recognition of intangible assets on business combinations and finalisation of acquisition accounting.

[2] The amortisation charge is included within direct services expense in the statement of comprehensive income.

The acquired goodwill can be attributed to the expected future cash flows of the acquired businesses associated with the collective experience of management and staff and the synergies expected to be achieved as a result of the full integration into the Computershare Group. Other intangible assets include intellectual property, software and brands.

Where acquisitions have been made during the period, the Group has 12 months from the acquisition date in which to finalise the accounting, including the calculation of goodwill. Until the expiry of the 12 month period provisional amounts have been included in the consolidated results.

The acquisition accounting for the Servizio Titoli acquisition has been finalised in the current reporting period, with the recognition of intangible assets separate from goodwill of USD 27.6 million. For details of business combinations carried out in the current reporting period refer to note 28.

Impairment test for goodwill

Goodwill is allocated to the Group's cash generating units (CGUs) as follows:

	2012 $000	2011 $000
CGU		
Asia	**98,888**	101,945
Australia and New Zealand	**234,889**	211,180
Canada	**120,214**	128,013
Continental Europe	**57,804**	149,988
Technology and Other	**47,176**	48,454
United Kingdom, Channel Islands, Ireland and Africa (UCIA)	**186,436**	203,751
United States	**1,032,436**	888,342
	1,777,843	1,731,673

Under the impairment testing the carrying amount of each CGU is compared with its recoverable amount. The recoverable amount of each CGU is determined based on a value in use calculation for each CGU to which goodwill has been allocated. The value in use calculation uses the discounted cash flow methodology for each CGU based upon five years of cash flows plus a terminal value.

a) Key assumptions used for value in use calculations

Assumptions have been used for the analysis of each CGU. The Group has reviewed the key assumptions used for the value in use calculations against current market conditions. The following describes each key assumption on which the Group has based its value in use calculations for each CGU.

Five year post tax cash flow projections, based upon approved budgets covering a one year period, with the subsequent periods based upon the Group's expectations of growth excluding the impact of possible future acquisitions, business improvement, capital expenditure and restructuring.

Earnings growth rates applied beyond the initial five year period are as follows for each CGU in 2012: Asia 3% (3% in 2011), Australia and New Zealand 3% (3% in 2011), Canada 3% (3% in 2011), Continental Europe 3% (3% in 2011), Technology and Other 3% (3% in 2011), UCIA 3% (3% in 2011) and United States 3% (3% in 2011).

In performing the value-in-use calculations for each CGU, the Group has applied post-tax discount rates to discount the forecast future attributable post-tax cash flows. The discount rates used reflect risks relating to the relevant segments and the countries in which they operate. The equivalent pre-tax discount rates are as follows: Asia 13.3% (13.2% in 2011), Australia and New Zealand 14.4% (14.6% in 2011), Canada 11.2% (11.2% in 2011), Continental Europe 12.5% (11.8% in 2011), Technology and Other 8.2% (6.7% in 2011), UCIA 11.0% (10.4% in 2011) and United States 12.0% (12.2% in 2011).

b) Impairment charge

For Continental Europe CGU, the carrying amount exceeded the recoverable amount, which resulted in an impairment charge of USD 63.8 million. Escalating political and financial instability across Continental Europe has dragged on earnings and reduced growth expectations in the region, which have led to writing down the value of goodwill. This charge has been booked in the Continental Europe segment and is included under direct services in the expense section of the statement of comprehensive income.

c) Impact of possible changes in key assumptions

The Group has considered changes in key assumptions that they believe to be reasonable. This includes the Group's understanding of the impacts of the current Euro Zone political and financial instability on its own specific business conditions. The Group is conscious that a significant deterioration in Euro Zone political and financial conditions may potentially further impact the Continental Europe CGU's value in use. To demonstrate sensitivity to the key assumptions made, had the applied earnings growth rate been 2.5% and the pre-tax discount rate 13.5%, the resulting impairment charge would have been USD 11.7 million higher.

For all other CGUs, the recoverable amount exceeds the carrying amount when testing for reasonably possible changes in key assumptions.

	Notes	2012 $000	2011 $000
17. PAYABLES			
Current			
Trade payables - unsecured		**24,751**	15,207
GST/VAT payable		**20,720**	20,376
Employee entitlements	25	**20,986**	16,983
Broker client deposits	9	**27,089**	24,543
Other creditors and accruals		**259,031**	235,636
Other payables		**31,220**	27,867
		383,797	340,612
Non-current			
Other payables		**4,324**	6,560
		4,324	6,560

18. INTEREST BEARING LIABILITIES

Current		
Bank loans	**61,518**	-
USD Senior Notes (b)	-	123,000
Lease liability - secured (c)	**7,724**	5,618
	69,242	128,618
Non-current		
Bank loans	-	10
Revolving multi-currency facility (a)	**676,645**	437,671
USD Senior Notes (b)	**961,633**	407,938
Lease liability - secured (c)	**46,871**	39,252
	1,685,149	884,871

(a) The consolidated entity maintains a revolving syndicated facility amended on 28 October 2011. The facility has three tranches. The first tranche has a facility amount of USD 250.0 million and matures on 28 October 2013, the second tranche has a facility amount of USD 300.0 million and matures on 28 October 2015, and the third tranche has a facility amount of USD 250.0 million and matures on 28 October 2016. This facility was drawn to an equivalent of USD 676.6 million at 30 June 2012. The facility is subject to negative pledge undertakings and imposes certain covenants upon the consolidated entity.

(b) On 22 March 2005, Computershare US, a controlled entity, issued 52 notes in the United States with the total value of USD 318.5 million. These notes were six, seven, ten and twelve years in tenor and were issued at fair value, with no premium or discount. The six year note with a total value of USD 50.0 million was repaid during the 2011 financial year. The seven year notes with a total value of USD 123.0 million became due and were repaid in the current reporting period.

On 29 July 2008, Computershare US General Partnership issued a further 26 notes in the United States with a total value of USD 235.0 million. These notes were for a tenor of ten years.

On 9 February 2012, Computershare Investor Services Inc, a controlled entity, issued 62 notes in the United States with a total value of USD 550.0 million. These notes were for tenors of six, seven, ten and twelve years.

Fixed interest is paid on all the issued notes on a semi annual basis. The consolidated entity uses interest rate derivatives to manage the fixed interest exposure.

The following table provides a reconciliation of the USD Senior Notes.

	2012 $000	2011 $000
USD Senior Notes Reconciliation		
USD Senior Notes at cost	**930,500**	503,500
Fair value movement of hedged USD Senior Notes [1]	**31,133**	27,438
Total net debt	**961,633**	530,938
Interest rate derivative (asset) - fair value hedge (note 15)	**(31,644)**	(27,756)
Total	**929,989**	503,182

[1] Hedged USD Senior Notes were $225.5 million as at 30 June 2012 (2011: $348.5 million).

The gain or loss from remeasuring the hedging instruments (interest rate derivatives) at fair value is recognised immediately in the statement of comprehensive income along with the change in fair value of the underlying hedged item (USD Senior Notes).

The fair value movement of hedged USD senior notes reflects the valuation change due to lower market interest rates at balance sheet date for the term until maturity. The increase is offset by the asset representing the fair value of interest rate derivatives used to effectively convert the USD fixed interest rate notes to floating interest rates. The conversion to floating interest rate using derivatives provides a hedge against the Group's USD margin income exposure to floating interest rates.

(c) The lease liability is secured directly against the assets to which the leases relate (note 26).

19. TAX LIABILITIES

	Notes	2012 $000	2011 $000
Current tax liabilities			
Provision for income tax		**20,399**	22,408
Deferred tax liabilities			
Provision for deferred income tax on temporary differences		**179,310**	143,507
Movements during the year:			
Opening balance at 1 July		**143,507**	106,108
Currency translation difference		**(2,941)**	7,750
Charged/(credited) to profit or loss	4	**(8,701)**	28,345
Charged/(credited) to equity	4 & 14	**(314)**	(6,183)
Set-off of deferred tax assets	14	**7,460**	(4,575)
Arising from acquisitions		**40,299**	12,062
Closing balance at 30 June		**179,310**	143,507
The deferred tax liabilities balance comprise temporary differences attributable to:			
Property, plant and equipment		**473**	1,474
Goodwill		**137,081**	111,899
Intangible assets		**42,208**	24,805
Prepayments		**1,318**	1,043
Cash flow and fair value hedges		**5,774**	5,237
Unrealised foreign exchange gains/(losses)		**19,138**	31,197
Other		**1,803**	3,797
Total deferred tax liabilities		**207,795**	179,452
Set-off of deferred tax assets pursuant to set-off provisions	14	**(28,485)**	(35,945)
Net deferred tax liabilities		**179,310**	143,507

The amount of deferred tax liabilities expected to be settled after more than 12 months amounts to $186.2 million (2011: $144.7 million).

20. PROVISIONS

	2012 $000	2011 $000
Current		
Restructuring	**12,402**	12,669
Acquisitions related	**8,170**	-
Other	**12,866**	13,806
	33,438	26,475
Non-current		
Employee entitlements (note 25)	**17,355**	17,241
Restructuring	**12,445**	12,896
Acquisitions related	**9,033**	-
Other	**2,290**	2,650
	41,123	32,787

Movements in each class of current provision during the financial year, other than employee entitlements, are set out below.

	Restructuring $000	Acquisitions related $000	Other $000	Total $000
Carrying amount at start of year	12,669	-	13,806	26,475
Additional provisions recognised through profit and loss	8,640	9,884	8,407	26,931
Payments/other sacrifices of economic benefits	(6,311)	(1,714)	(2,436)	(10,461)
Other transfers	(1,916)	-	(189)	(2,105)
Reversals	(72)	-	(6,367)	(6,439)
Foreign exchange movements	(608)	-	(355)	(963)
Carrying amount at end of year	**12,402**	**8,170**	**12,866**	**33,438**

Movements in each class of non-current provision during the financial year, other than employee entitlements, are set out below.

	Restructuring $000	Acquisitions related $000	Other $000	Total $000
Carrying amount at start of year	12,896	-	2,650	15,546
Additional provisions recognised through profit and loss	449	9,810	19	10,278
Payments/other sacrifices of economic benefits	(185)	(777)	-	(962)
Other transfers	-	-	(379)	(379)
Reversals	(715)	-	-	(715)
Carrying amount at end of year	**12,445**	**9,033**	**2,290**	**23,768**

21. DEFERRED CONSIDERATION

	2012 $000	2011 $000
Current		
Deferred settlements on acquisition of entities	**21,812**	20,342
Non-current		
Deferred settlements on acquisition of entities	**53,338**	12,606

Non-current deferred settlements on acquisition of entities are payable between one and five years.

22. OTHER LIABILITIES

	2012 $000	2011 $000
Non-current		
Lease inducements	12,866	8,995

Lease inducements represent cash payments received as an allowance for leasehold improvements made to the premises. This receipt is being accounted for as a reduction in the rental expenses over the term of the lease.

23. CONTRIBUTED EQUITY

	2012 $000	2011 $000
Contributed equity		
Balance at the beginning of the financial year	29,943	29,943
Balance at the end of the financial year	29,943	29,943
Movement in shares held by the public		
Opening number of shares	555,654,059	555,654,059
Closing number of shares	555,654,059	555,654,059

There are no restrictions on ordinary shares.

Share buy-back

The consolidated entity had no on-market buy-back in operation during the year ended 30 June 2012 (2011: nil).

Employee share plans and options

Refer to note 25 for employee and executive share plan details. There are no shares reserved for issuance under options.

24. RESERVES

	2012 $000	2011 $000
Capital redemption reserve	2	2
Foreign currency translation reserve	52,261	115,364
Cash flow hedge reserve	(2,991)	(2,372)
Share based payments reserve	54,868	54,115
Equity related consideration	(9,409)	(10,601)
Available-for-sale asset reserve	894	449
Transactions with non-controlling interests	(4,876)	(4,876)
	90,749	152,081

Movements during the year:		
Foreign currency translation reserve		
Opening balance	115,364	22,735
Translation of controlled entities	(63,103)	92,629
Closing balance	52,261	115,364
Cash flow hedge reserve		
Opening balance	(2,372)	14,631
Revaluation - gross	(933)	(24,316)
Deferred tax	314	7,313
Closing balance	(2,991)	(2,372)
Share based payments reserve		
Opening balance	54,115	63,326
Cash purchase of shares for employee and executive share plans	(22,839)	(29,950)
Share based payments expense	23,592	20,739
Closing balance	54,868	54,115

	2012 $000	2011 $000
Equity related contingent consideration reserve		
Opening balance	**(10,601)**	(1,101)
Acquisition related consideration	**1,192**	(9,500)
Closing balance	**(9,409)**	(10,601)
Available-for-sale asset reserve		
Opening balance	**449**	91
Revaluation – gross	**551**	150
Transfer to statement of comprehensive income	**(106)**	208
Closing balance	**894**	449
Transactions with non-controlling interests		
Opening balance	**(4,876)**	(4,876)
Closing balance	**(4,876)**	(4,876)

Nature and purpose of reserves

i. Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve, as described in note 1. This amount is the net of gains and losses on hedge transactions and intercompany loans after adjusting for related income tax effects. The reserve is recognised in the profit or loss when the net investment is disposed of.

ii. Cash flow hedge reserve

The hedging reserve is used to record gains and losses on a hedging instrument in a cash flow hedge that are recognised directly in other comprehensive income, as described in note 1.

iii. Share based payments reserve

The share based payments reserve is used to recognise the fair value of shares which will vest to employees under employee and executive share plans. This reserve is also used to record cash purchase of shares for employee share plans.

iv. Equity related contingent consideration reserve

This reserve is used to reflect deferred consideration for acquisitions which is payable through the issue of parent entity equity instruments.

v. Available for sale asset reserve

Changes in fair value of investments, such as equities, classified as available for sale financial assets after adjusting for related income tax effects are taken to this reserve in accordance with note 1.

vi. Transactions with non-controlling interests

This reserve is used to record the differences which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

25. EMPLOYEE AND EXECUTIVE BENEFITS

a) Share plans

Exempt Employee Share Plan

During the year ended 30 June 2001 the Group introduced an Exempt Employee Share Plan. The Plan gives Computershare employees the opportunity to acquire shares in Computershare Limited. Each year, participating employees can make contributions from their pre-tax salary to acquire AUD 500 worth of shares. Such employee contributions are matched by the Group with an additional AUD 500 worth of shares being acquired for each participating employee. All permanent employees in Australia with at least 6 months service and employed at the allocation date are entitled to participate in this Plan.

Deferred Employee Share Plan

During the year ended 30 June 2002 a Deferred Employee Share Plan was established to enable Computershare to match dollar for dollar any employee pre-tax contributions to a maximum of AUD 3,000 per employee. Shares purchased and funded by an employee's pre-tax salary must remain in the plan for a minimum of 1 year. Matching shares funded by the Group must be kept in the plan for a minimum of 2 years or they will be forfeited. All permanent employees in Australia employed at the allocation date are entitled to participate in this Plan. A derivative of this Plan and the Exempt Employee Share Plan have been made available to employees in New Zealand, Hong Kong, the United Kingdom, Ireland, Germany, Canada, South Africa and the United States of America.

Subject to the discretion of the Board, shares in the parent entity may also be allocated to selected employees in accordance with an employee share plan on a discretionary basis having regard to special circumstances as determined by the Remuneration Committee. Such shares may be subject to vesting and performance criteria as determined by the Board or the Remuneration Committee.

Deferred Short Term Incentive Plan (DSTI)

The Group also provides DSTI awards to key management personnel and other employees on a discretionary basis. Recipients of DSTI awards must complete specified periods of service as a minimum before any share awards under the DSTI plan become unconditional.

	Ordinary shares	
Number of employee shares held	**2012**	2011
Opening balance	**9,854,551**	8,935,994
Shares purchased on the market	**839,233**	792,287
Forfeited shares reissued	**3,569,268**	4,090,276
Shares forfeited	**(125,406)**	(182,245)
Shares withdrawn	**(2,696,045)**	(3,781,761)
Closing balance	**11,441,601**	9,854,551
Fair value of shares granted through the employee share plan ($000)*	**35,487**	46,402

* Weighted average fair value of shares is determined by the closing price at the end of the day's trading on the Australian Securities Exchange on the allocation date.

(b) Performance rights

The original Deferred Long Term Incentive (DLI) Plan was approved at the Annual General Meeting held on 9 November 2005. The DLI Plan is offered to eligible key management personnel and senior managers in the Group to recognise their ongoing ability and expected efforts and their contribution to the performance and success of the Group. The total number of rights approved for issue was 10.0 million, of which 2.75 million were granted on 20 December 2005 and 1.1 million were granted on 13 November 2006. From the December 2005 DLI grant 1.9 million performance rights remained and vested on 20 September 2010 and have been exercised in the previous financial year. The 1.1 million performance rights from the November 2006 DLI grant vested on 19 September 2011 and have been exercised in the current financial year.

The Board introduced a second DLI Plan in November 2009 for a select number of senior managers in the Group, including the Chief Executive Officer. Through this plan awards of 2.85 million performance rights were made on 12 November 2009, 0.25 million performance rights on 12 August 2010, 0.7 million performance rights on 12 October 2011, and 0.2 million performance rights on 4 May 2012.

All performance rights from the November 2009, August 2010, October 2011 and April 2012 grants remain on issue as at the end of the current financial year.

Performance rights are granted for no consideration and carry no dividend or voting rights. Under the DLI Plans, each performance right carries an entitlement to one fully paid ordinary share in Computershare Limited subject to satisfaction of performance hurdles and/or continued employment.

The assessed fair value of performance rights granted to key management personnel as remuneration is allocated equally over the period from grant date to vesting date. Fair values at grant date are determined using the Black Scholes option pricing model.

The fair value of the performance rights granted on 12 October 2011 is estimated at USD 6.45 (AUD 6.20) each. The inputs used in the valuation model are as follows:

Exercise price	Nil
Share price at grant date	USD 7.75 (AUD 7.45)
Expected dividend yield	3.76 %
Expected price volatility of share price *	25%
Risk free interest rate	4.50%
Expected life	4.9 years

*The expected volatility is based on the historic volatility of the Group's share price.

The fair value of the performance rights granted on 4 May 2012 is estimated at USD 7.68 (AUD 7.38) each. The inputs used in the valuation model are as follows:

Exercise price	Nil
Share price at grant date	USD 8.87 (AUD 8.52)
Expected dividend yield	3.29%
Expected price volatility of share price*	25%
Risk free interest rate	3.73%
Expected life	4.33 years

*The expected volatility is based on the historic volatility of the Group's share price.

Set out below are summaries of performance rights granted under the plan:

Year	Balance at beginning of the year	Vested during the year	Forfeited during the year	Granted during the year	Balance at end of the year	Exercisable at end of the year
2012	**4,200,000**	**(1,100,000)**	**-**	**900,000**	**4,000,000**	**-**
2011	5,850,000	(1,900,000)	-	250,000	4,200,000	-

No performance rights expired during the period covered by the above table.

(c) Options over ordinary shares

Employee options

The Group offers options over Computershare's ordinary shares to eligible employees at the absolute discretion of the Board. Options are generally exercisable three years after the date granted or earlier in the case of special circumstances such as the employee's death or retirement. The exercise price of options is based on the market value of the shares at the time of grant. On exercise, each option carries an entitlement to one fully paid ordinary share. Options granted carry no dividend or voting rights.

Set out below is a summary of options outstanding at the end of the year:

Year	Balance at beginning of the year	Vested during the year	Lapsed during the year	Granted during the year	Balance at end of the year	Exercisable at end of the year
2012	**241,667**	**166,667**	**-**	**-**	**241,667**	**166,667**
2011	441,667	200,000	(200,000)	-	241,667	200,000

No employee options have been issued since year end.

Options are valued using Black Scholes model and are granted for no consideration.

(d) Employee benefits recognised

	2012 $000	2011 $000
Performance rights expense	**7,489**	7,451
Share plan and options expense	**16,761**	13,686
Aggregate employee entitlement liability (note 17 and note 20)	**38,341**	34,224

26. COMMITMENTS

Retirement benefits

Defined Contribution Funds

The Group maintains defined contribution superannuation schemes which provide benefits to all employees upon their disability, retirement or death. Employee contributions to the funds are based upon various percentages of employees' gross salaries as set out below:

Australian controlled entities contribute to the defined contribution funds as follows:

Category 1 Management (employer contributions, voluntary employee contributions of at least 1%)

Category 2 Staff (statutory employer contributions of 9%, voluntary employee contributions)

Category 3 SGC Staff and casual and fixed term employees (statutory employer contributions, voluntary employee contributions)

Foreign controlled entities contribute to the defined contribution funds as follows:

United Kingdom entities – between 7% and 10% of employees gross salaries

United States entities – voluntary employee contributions with matching employer contribution up to 4% of employees base salaries

Canadian entities – between 2% and 7% of employees base salaries dependent upon years of service

South African entities – 12.25% of employees gross salaries

New Zealand entities – voluntary employee contributions with matching employer contribution up to 6% of employees' base salaries

Hong Kong entities – between 5% and 20% of employees' base salary dependent upon years of service

Indian entity – 12% of employees gross salaries

Defined Benefit Funds

1) Karvy Computershare Private Limited maintained a defined benefit superannuation scheme which provides benefits to 2,327 employees (30 June 2011: 2,546). Actuarial valuation of the scheme is provided by the Life Insurance Corporation, which maintains the fund. The net asset is not material to the Group.

2) Computershare Deutchland GmbH & Co. KG, Computershare HV-Services AG and Computershare Communication Services GmbH maintained a defined benefit scheme which provides benefits to 15 employees (30 June 2011: 25) An actuarial assessment of the scheme was completed as at 30 June 2012 and defined benefit plan liability recognised in accordance with the actuarial valuation. The net liability is not material to the Group.

Finance lease commitments

	2012 $000	2011 $000
Commitments in relation to finance leases are payable as follows:		
Not later than 1 year	**10,730**	8,686
Later than 1 year but not later than 5 years	**51,566**	47,177
Minimum lease payments	**62,296**	55,863
Less: Future finance charges		
Not later than 1 year	**(3,006)**	(3,068)
Later than 1 year but not later than 5 years	**(4,695)**	(7,925)
Total future finance charges	**(7,701)**	(10,993)
Net finance lease liability	**54,595**	44,870
Reconciled to:		
Current liability (note 18)	**7,724**	5,618
Non-current liability (note 18)	**46,871**	39,252
	54,595	44,870

Significant finance lease

The consolidated entity entered into a finance lease arrangement for the Yarra Falls corporate offices in Melbourne on 11 March 2010. The lease is subject to renegotiation and renewal on 27 February 2014. If the lease is not renewed the Group will pay a termination value of AUD 31.5 million satisfying all financial commitments.

Operating lease commitments

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2012	2011
Not later than 1 year	**48,051**	38,121
Later than 1 year but not later than 5 years	**142,431**	117,025
Later than 5 years	**49,593**	53,825
	240,075	208,971

27. DETAILS OF CONTROLLED ENTITIES

The financial year of all controlled entities is 30 June with the exception of Computershare Canada Inc and its controlled entities, Computershare Hong Kong Investor Services Limited and its controlled entities, Computershare International Information Consultancy Services (Beijing) Company Ltd, Closed Joint Stock Company Computershare Registrar, Registrar Nikoil Company JSC, Computershare LLC and Karvy Computershare Pty Limited due to local statutory reporting requirements. These entities prepare results on a 30 June year end basis for consolidation purposes. Voting power is in accordance with the ownership interest held unless otherwise stated.

The consolidated financial statements as at 30 June 2012 include the following controlled entities:

Name of controlled entity	Place of incorporation		Percentage of shares held 2012 %	2011 %
Computershare Limited	Australia	(2)	**-**	-
A.C.N. 080 903 957 Pty Ltd	Australia	(1)(2)	**100**	100
CDS International Pty Limited	Australia	(1)(2)	**100**	100
Computershare Communication Services Pty Limited	Australia	(1)(2)	**100**	100
Global eDelivery Group Pty Ltd	Australia	(1)	**100**	100
Computershare Communication Services (WA) Pty Limited	Australia	(1)(5)	**-**	100
Computershare Communication Services (NSW) Pty Limited	Australia	(1)(5)	**-**	100
Communication Services Australia Pty Limited	Australia	(1)(2)	**100**	100
Q M Industries (N.S.W.) Pty. Ltd.	Australia	(1)	**100**	100
A.C.N. 081 035 752 Pty Ltd	Australia	(1)(2)	**100**	100
Georgeson Shareholder Communications Australia Pty. Ltd.	Australia	(1)	**100**	100
Source One Communications Australia Pty Ltd	Australia	(1)	**100**	100
Computershare Finance Company Pty Limited	Australia	(1)(2)	**100**	100
Financial Market Software Consultants Pty Ltd	Australia	(1)	**100**	100
Computershare Source 1 Pty Ltd	Australia	(1)	**100**	100
Obadele Pty Ltd	Australia	(1)(2)	**100**	100
Computershare Clearing Pty Limited	Australia	(1)	**100**	100
Computershare Depositary Pty Limited	Australia	(1)	**100**	100
Computershare Technology Services Pty Ltd	Australia	(1)(2)	**100**	100
Registrars Holding Pty Ltd	Australia	(1)(2)	**100**	100
Computershare Investor Services Pty Limited	Australia	(1)(2)	**100**	100
CRS Custodian Pty Ltd	Australia	(1)	**100**	100
Computershare Plan Managers Pty Ltd	Australia	(1)	**100**	100
Computershare Plan Co Pty Ltd	Australia	(1)	**100**	100
CPU Share Plans Pty Limited	Australia	(1)	**100**	100
CIS (Debt Securities) Pty Ltd	Australia	(1)(5)	**-**	100
Computershare Fund Services Pty Limited	Australia	(1)	**100**	100
IML Interactive Pty Limited	Australia	(1)	**100**	100
Sepon (Australia) Pty. Limited	Australia	(1)	**100**	100
Pepper Global Pty Ltd	Australia	(1)(5)	**-**	100
Serviceworks Management Pty Ltd	Australia	(1)(2)(4)	**100**	-
ConnectNow Pty Ltd	Australia	(1)(4)	**100**	-
Switchwise Pty Ltd	Australia	(1)(4)	**100**	-
Pepper GmbH	Austria		**100**	100
GS Proxylatina S.A.	Argentina		**100**	100
Bahrain Shares Registering Company W.L.L	Bahrain	(3)(4)	**30**	-
IML BVBA	Belgium		**100**	100
Georgeson Shareholder Commumications Canada Inc	Canada	(1)	**100**	100
GSC Shareholder Services Inc	Canada	(1)	**100**	100
Computershare Canada Inc	Canada	(1)	**100**	100
Computershare Trust Company of Canada	Canada	(1)	**100**	100
Computershare Services Canada Inc	Canada	(1)	**100**	100
Computershare Technology Services Inc	Canada	(1)	**100**	100
Pacific Corporate Transfer Corporation	Canada	(1)	**100**	100
Computershare Investor Services Inc	Canada	(1)	**100**	100
Computershare Finance LLC	Canada	(1)	**100**	100
EDF Electronic Data Filing Inc	Canada	(1)(5)	**-**	100
Vincent-Jones Holding Company Ltd	Canada	(1)(5)	**-**	100
4446372 Canada Inc	Canada	(1)(5)	**-**	100
Computershare Governance Services Ltd	Canada	(1)	**100**	100

Name of controlled entity	Place of incorporation		Percentage of shares held 2012 %	2011 %
Computershare Investments (Canada) (Holdings) ULC	Canada	(1) (4)	**100**	-
Computershare Investments (Canada) (No.1) ULC	Canada	(1) (4)	**100**	-
Computershare Investments (Canada) (No.2) ULC	Canada	(1) (4)	**100**	-
Computershare Investments (Canada) (No.3) ULC	Canada	(1) (4)	**100**	-
Computershare Investments (Canada) (No.4) ULC	Canada	(1) (4)	**100**	-
Computershare International Information Consultancy Services (Beijing) Company Ltd	China	(1)	**100**	100
Computershare Holdings A/S	Denmark	(1)	**100**	100
Computershare A/S	Denmark	(1)	**100**	100
Georgeson Shareholder SAS	France		**100**	100
Computershare Communication Services GmbH	Germany	(1)	**100**	100
Computershare HV-Services AG	Germany	(1)	**100**	100
Pepper GmbH	Germany	(1)	**100**	100
Computershare Governance Services GmbH	Germany	(1)	**100**	100
Computershare Verwaltungs GmbH	Germany	(1)	**100**	100
Computershare Deutschland GmbH & Co. KG	Germany	(1)	**100**	100
VEM Aktienbank AG	Germany	(1)	**100**	100
Grundstücksentwicklungs Gesellschaft "Am Schönberg" GmbH	Germany	(1)	**94**	94
IML Interactive GmbH	Germany	(1)	**100**	100
Computershare Investor Services (Guernsey) Limited	Guernsey	(1)	**100**	100
Computershare Hong Kong Investor Services Limited	Hong Kong	(1)	**100**	100
Hong Kong Registrars Limited	Hong Kong	(1)	**100**	100
Computershare Asia Limited	Hong Kong	(1)	**100**	100
IML Asia Limited	Hong Kong	(1)	**100**	100
Computershare Hong Kong Trustees Limited	Hong Kong	(1)	**100**	100
Computershare Hong Kong Nominees Limited	Hong Kong	(1)	**100**	100
Karvy Computershare Private Limited	India	(3)	**50**	50
Computershare Investor Services (Ireland) Limited	Ireland	(1)	**100**	100
Computershare Trustees (Ireland) Limited	Ireland	(1)	**100**	100
Computershare Governance Services Limited	Ireland	(1)	**100**	100
Datacare Computers Limited	Ireland	(1)(5)	**-**	100
Computershare Finance Ireland Limited	Ireland	(1)	**100**	100
Computershare Services Nominees (Ireland) Limited	Ireland	(1)	**100**	-
Computershare Investor Services (IOM) Limited	Isle of Man	(1)	**100**	100
Proxitalia S.r.l.	Italy		**100**	100
Georgeson S.r.l.	Italy		**100**	100
Computershare Italy S.r.l.	Italy		**100**	100
Servizio Titoli S.p.A.	Italy	(1)	**100**	100
Computershare Offshore Services Limited	Jersey	(1)	**100**	100
Computershare Trustees (C.I.) Limited	Jersey	(1)	**100**	100
Computershare Nominees (Channel Islands) Limited	Jersey	(1)	**100**	100
Computershare Investor Services (Jersey) Limited	Jersey	(1)	**100**	100
Computershare Company Secretarial Services (Jersey) Limited	Jersey	(1)	**100**	100
EES Trustees International Limited	Jersey	(1)	**100**	100
EES Nominees International Limited	Jersey	(1)	**100**	100
Computershare Fund Services (Jersey) Limited	Jersey	(1)(5)	**-**	50
IML Netherlands B.V.	Netherlands		**100**	100
Computershare Systems (NZ) Limited	New Zealand	(1)	**100**	100
Computershare Investor Services Ltd	New Zealand	(1)	**100**	100
Computershare Services Ltd	New Zealand	(1)	**100**	100
CRS Nominees Ltd	New Zealand	(1)	**100**	100
Sharemart NZ Ltd	New Zealand	(1)	**100**	100
CPU (NZ) Share Plans Limited	New Zealand	(1)	**100**	100

Name of controlled entity	Place of incorporation		Percentage of shares held 2012 %	2011 %
ConnectNow New Zealand Limited	New Zealand	(1)(4)	**100**	-
Closed Joint Stock Company <<Computershare Registrar>>	Russia	(1)	**80**	80
The National Clearing Company LLC	Russia	(1)(5)	**-**	80
Computershare LLC	Russia	(1)	**100**	100
Registrar Nikoil Company (JSC)	Russia	(1)	**100**	100
Pepper Technologies PTE Ltd	Singapore		**100**	100
Computershare South Africa (Pty) Ltd	South Africa	(1)	**74**	74
Computershare Ltd (South Africa)	South Africa	(1)	**74**	74
Computershare Outsourcing Limited	South Africa	(1)	**74**	74
Minu Limited	South Africa	(1)	**74**	74
Computershare Investor Services Limited	South Africa	(1)	**74**	74
Computershare Investor Services Pty Ltd	South Africa	(1)	**74**	74
Computershare Plan Managers (Pty) Limited	South Africa	(1)(5)	**-**	74
Computershare Analytics (Pty) Limited	South Africa	(1)(5)	**-**	74
IML Interactive (Proprietary) Limited	South Africa	(1)	**100**	100
CIS Company Secretaries Pty Ltd	South Africa	(1)	**74**	74
Computershare Nominees Pty Ltd	South Africa	(1)(5)	**-**	74
Georgeson S.l	Spain		**100**	100
Computershare AB	Sweden	(1)	**100**	100
Computershare Governance Services (UK) Limited	United Kingdom	(1)	**100**	100
Computershare Investments (UK) (No.2) Limited	United Kingdom	(1)	**100**	100
Computershare Limited	United Kingdom	(1)	**100**	100
Computershare Company Secretarial Services Limited	United Kingdom	(1)	**100**	100
Computershare Investments (UK) Limited	United Kingdom	(1)	**100**	100
Pepper SRM Limited	United Kingdom	(1)	**100**	100
Flag Communication Limited	United Kingdom	(1)(5)	**-**	100
Computershare Technology Services (UK) Limited	United Kingdom	(1)	**100**	100
Shareholder Investment Research Limited	United Kingdom	(1)	**100**	100
Computershare Trustees Limited	United Kingdom	(1)	**100**	100
Computershare Registry Services Limited	United Kingdom	(1)	**100**	100
Computershare Investor Services PLC	United Kingdom	(1)	**100**	100
Source One Communications (UK) Limited	United Kingdom	(1)	**100**	100
Georgeson Shareholder Communications Limited	United Kingdom	(1)	**100**	100
Computershare Investments (UK) (No.3) Limited	United Kingdom	(1)	**100**	100
Interactive Meetings Limited	United Kingdom	(1)	**100**	100
IML Interactive UK Limited	United Kingdom	(1)	**100**	100
IML Limited	United Kingdom	(1)	**100**	100
Computershare Investments (UK) (No.4) Limited	United Kingdom	(1)	**100**	100
NRC Investments (UK) Limited	United Kingdom	(1)	**100**	100
Computershare Investments (UK) (No.5) Limited	United Kingdom	(1)	**100**	100
Computershare (Russia) Limited	United Kingdom	(1)	**100**	100
Legotla Investments (UK) Limited	United Kingdom	(1)	**100**	100
EES Corporate Trustees Limited	United Kingdom	(1)	**100**	100
EES Services (UK) Limited	United Kingdom	(1)	**100**	100
EES Trustees Limited	United Kingdom	(1)	**100**	100
EES Capital Trustees Limited	United Kingdom	(1)	**100**	100
Pathbold Limited	United Kingdom	(1)	**100**	100
Computershare Voucher Services Limited	United Kingdom	(1)	**100**	100
CVS Fradley Park Limited	United Kingdom	(1)	**100**	100
Computershare Investments (UK) (No.6) Limited	United Kingdom	(1)	**100**	100
Computershare Investments (UK) (No.7) Limited	United Kingdom	(1)	**100**	100
Computershare Investments (UK) (No.8) Limited	United Kingdom	(1)(4)	**100**	-
Computershare Investor Services (Bermuda) Limited	United Kingdom	(1)	**100**	100

Name of controlled entity	Place of incorporation		Percentage of shares held 2012 %	2011 %
Computershare Investor Services (British Virign Islands) Limited	United Kingdom	(1)	**100**	100
Computershare Investor Services (Cayman) Limited	United Kingdom	(1)	**100**	100
Computershare Company Nominees Limited	United Kingdom	(1)	**100**	100
Computershare PEP Nominees Limited	United Kingdom	(1)	**100**	100
Computershare Services Nominees Limited	United Kingdom	(1)	**100**	100
Computershare Governance Services Inc	United States of America	(1)	**100**	100
Georgeson International Inc	United States of America	(1)	**100**	100
Computershare US	United States of America	(1)	**100**	100
Georgeson Inc	United States of America	(1)	**100**	100
Georgeson Securities Corporation	United States of America	(1)	**100**	100
Computershare US Services Inc	United States of America	(1)	**100**	100
Computershare Technology Services Inc	United States of America	(1)	**100**	100
Computershare Trust Company N.A.	United States of America	(1)	**100**	100
Computershare Financial Services Inc	United States of America	(1)	**100**	100
Computershare Investor Services LLC	United States of America	(1)	**100**	100
Georgeson Shareholder Analytics LLC	United States of America	(1)	**100**	100
Computershare Communication Services Inc	United States of America	(1)	**100**	100
Computershare Inc	United States of America	(1)	**100**	100
Pepper NA Inc	United States of America	(1)	**100**	100
Administar Services Group LLC	United States of America	(1)	**100**	100
Computershare Executive Services Inc	United States of America	(1)	**100**	100
Alpine Fiduciary Services Inc	United States of America	(1)	**100**	100
Kurtzman Carson Consultants LLC	United States of America	(1)	**100**	100
Kurtzman Carson Consultants Inc	United States of America	(1)	**100**	100
KCC Class Action Services LLC	United States of America	(1)	**100**	100
Rosenthal & Company LLC	United States of America	(1)	**100**	100
Computershare Shareowner Services LLC*	United States of America	(1)(4)	**100**	-
Specialized Loan Servicing Holdings LLC	United States of America	(1)(4)	**100**	-
Specialized Loan Servicing LLC	United States of America	(1)(4)	**100**	-
SLS Funding II LLC	United States of America	(1)(4)	**100**	-
HELOC Funding II Trust	United States of America	(1)(4)	**100**	-
Specialized Default Services LLC	United States of America	(1)(4)	**100**	-
Specialized Asset Management LLC	United States of America	(1)(4)	**100**	-
Specialized Title Services LLC	United States of America	(1)(4)	**100**	-
Highland Insurance Solutions LLC	United States of America	(1)(4)	**100**	-
Computershare Holdings Inc	United States of America	(1)(4)	**100**	-
Computershare Holdings LLC	United States of America	(1)(4)	**100**	-
Settlement Recovery Group LLC	United States of America	(1)(4)	**100**	-
GTU Ops Inc	United States of America	(1)(4)	**100**	-

*previously known as Mellon Investor Holdings LLC

(1) Controlled entities audited by PricewaterhouseCoopers member firms.

(2) These wholly owned companies have entered into a deed of cross guarantee dated 26 June 2008 with Computershare Limited which provides that all parties to the deed will guarantee to each creditor payment in full of any debt of each company participating in the deed on the winding-up of that company. As a result of a Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission, these companies are relieved from the requirement to prepare financial statements.

(3) These companies are controlled entities as Computershare Limited has the capacity to control the majority of the votes cast at a meeting of the board of directors, or the capacity to dominate decision making in relation to financial and operating policies.

(4) These companies became controlled entities during the year ended 30 June 2012.

(5) These companies ceased to be controlled entities during the year ended 30 June 2012.

28. BUSINESS COMBINATIONS

The Group continues to seek acquisitions and other growth opportunities where value can be added and returns enhanced for the shareholders.

The following controlled entities and businesses were acquired by the consolidated entity at the date stated and their operating results have been included in profit or loss from the relevant date.

a) During the year, Computershare acquired 100% of Serviceworks Group comprising three businesses: Serviceworks Management Pty Ltd (a provider of solutions to the Australian utilities sector), ConnectNow Pty Ltd (a provider of specialist home moving utility connection services across Australia) and Switchwise Pty Ltd (a provider of electricity and gas supplier comparisons for Australian consumers). Serviceworks Management and ConnectNow were acquired on 31 August 2011 and Switchwise Pty Ltd was acquired on 1 February 2012. Total consideration was USD 92.0 million. This included contingent consideration of USD 32.4 million, which is subject to certain performance hurdles being satisfied. Contingent consideration is based on the best estimate at acquisition date. It is proportionate to the growth of the business and does not contain a cap.

This business combination contributed USD 55.7 million to the total revenue of the Group. Had the acquisition occurred on 1 July 2011, the total revenue contribution to the Group by the acquired entities would have been USD 66.4 million.

Details of the acquisition are as follows:

	$000
Cash consideration	59,553
Contingent consideration	32,435
Total consideration paid	91,988
Less fair value of identifiable assets acquired	(53,305)
Provisional goodwill on consolidation	38,683

The assets and liabilities arising from this acquisition are as follows:

	Fair value $000
Cash	2,360
Receivables	9,968
Plant, property and equipment	1,232
Customer contracts and related relationships	56,170
Software	2,978
Brand	6,066
Deferred tax assets	472
Other non-current assets	1,214
Payables	(4,043)
Tax provision	(682)
Other current liabilities	(2,394)
Deferred tax liabilities	(19,564)
Other non-current liabilities	(472)
Net assets	53,305
Purchase consideration	
Inflow/ (outflow) of cash to acquire the entities, net of cash acquired:	**$000**
Cash balance acquired	2,360
Less cash paid	(59,553)
Net inflow/ (outflow) of cash	(57,193)

Recognition of intangible assets in the total amount of USD 65.2 million on the above acquisition resulted in recognition of a related deferred tax liability of USD 19.6 million.

b) On 30 November 2011, Computershare acquired 100% of Specialized Loan Servicing LLC, a provider of primary and special fee-based services of residential mortgage loans based in Highlands Ranch, Colorado, USA. Total consideration was USD 110.6 million. This included deferred consideration of USD 14.5 million and contingent consideration of USD 13.9 million. Contingent consideration is subject to certain performance hurdles being satisfied and is based on the best estimate at acquisition date. It is proportionate to the growth of the business and does not contain a cap.

This business combination contributed USD 75.3 million to the total revenue of the Group. Had the acquisition occurred on 1 July 2011, the total revenue contribution to the Group by the acquired entity would have been USD 117.2 million.

Details of the acquisition are as follows:

	Fair Value $000
Cash consideration	82,140
Deferred consideration	14,477
Contingent consideration	13,923
Total consideration paid	110,540
Less fair value of identifiable assets acquired	(126,866)
Gain on bargain purchase	(16,326)

The assets and liabilities arising from this acquisition are as follows:	
Cash	26,685
Receivables	4,375
Plant, property and equipment	2,414
Customer contracts and related relationships	91,025
Software	2,720
Brand	5,190
Other financial assets	73,564
Other current assets	3,337
Current payables	(1,282)
Other current liabilities	(8,626)
Deferred tax liability	(12,037)
Non-current interest bearing liabilities	(59,547)
Other non-current liabilities	(952)
Net assets	126,866
Purchase consideration	
Inflow/ (outflow) of cash to acquire the entities, net of cash acquired:	**$000**
Cash balance acquired	26,685
Less cash paid	(82,140)
Net inflow/ (outflow) of cash	(55,455)

Recognition of intangible assets at the total amount of USD 98.9 million on the above acquisition resulted in recognition of a related deferred tax liability of USD 12.0 million. Gain on bargain purchase of USD 16.3 million has been recognised as the value of the identifiable net assets exceeded the value of the purchase consideration. The gain is included in other income in the statement of comprehensive income.

Management believes that the Group acquired Specialized Loan Services for less than the fair value of its assets because of new clients gained after the sale was announced on 23 August 2011 but before control was obtained on 30 November 2011.

c) On 31 December 2011 Computershare acquired 100% of Mellon Investor Holdings LLC (renamed Computershare Shareowner Services LLC), the shareowner services business of The Bank of New York Mellon Corporation and a leading provider of transfer agency and employee equity plan services to US publicly listed companies. Total consideration was USD 550.0 million.

This business combination contributed USD 127.0 million to the total revenue of the Group. Had the acquisition occurred on 1 July 2011, the total revenue contribution to the Group by the acquired entity would be USD 248.3 million.

Details of the acquisition are as follows:

	Fair Value $000
Total cash consideration paid	550,000
Less fair value of identifiable assets acquired	(390,946)
Provisional goodwill on consolidation	159,054

The assets and liabilities arising from this acquisition are as follows:	
Cash	10,027
Receivables	29,304
Other current assets	4,786
Plant, property and equipment	16,387
Customer contracts and related relationships	295,130
Software	64,880
Deferred tax assets	14,108
Current liabilities	(23,861)
Deferred tax liability	(38)
Other non-current liabilities	(19,777)
Net assets	390,946
Purchase consideration	
Inflow/ (outflow) of cash to acquire the entities, net of cash acquired:	**$000**
Cash balance acquired	10,027
Less cash paid	(550,000)
Net inflow/ (outflow) of cash	(539,973)

Recognition of intangible assets in the total amount of USD 360.0 million on the above acquisition did not result in recognition of any related deferred tax liability. USD 140.0 million of the remaining goodwill is expected to be tax deductible.

d) On 9 August 2011 Karvy Computershare Private Limited (owned 50% by Computershare) acquired 60% of Bahrain Shares Registering Company W.L.L, which resulted in an ownership stake of 30%. Total consideration amounted to USD 1.7 million. Bahrain Shares Registering Company W.L.L is a provider of securities registry services based in Bahrain.

This business combination did not contribute materially to the total revenue of the Group.

Details of the acquisition are as follows:

	$000
Total cash consideration paid	1,707
Less fair value of identifiable assets acquired	(301)
Goodwill on consolidation	1,406

The assets and liabilities arising from this acquisition are as follows:

	Fair Value $000
Cash	4
Receivables	488
Plant, property and equipment	28
Payables	(205)
Other liabilities	(14)
Net assets	301
Purchase consideration	
Inflow/ (outflow) of cash to acquire the entities, net of cash acquired:	$000
Less cash balance acquired	4
Less cash paid	(1,707)
Net inflow/ (outflow) of cash	(1,703)

29. DEED OF CROSS GUARANTEE

Set out below is a consolidated statement of comprehensive income, a consolidated statement of financial position and a summary of movements in consolidated retained earnings of the Australian Closed Group for the year ended June 2012 for all entities that are parties to a deed of cross guarantee (refer to note 27).

Computershare Limited Closed Group **Statement of financial position**	**2012** **$000**	2011 $000
Current assets		
Cash and cash equivalents	**9,817**	13,000
Receivables	**77,059**	21,102
Inventories	**1,353**	1,517
Other	**6,146**	5,448
Derivatives	**961**	2,344
Total current assets	**95,336**	43,411
Non-current assets		
Receivables	**159,260**	987
Other financial assets	**1,691,567**	1,385,653
Property, plant and equipment	**67,891**	65,138
Deferred tax assets	**19,123**	27,874
Intangibles	**219,862**	179,316
Derivatives	**33,119**	29,340
Other	**1,204**	1,050
Total non-current assets	**2,192,026**	1,689,358
Total assets	**2,287,362**	1,732,769
Current liabilities		
Payables	**59,339**	69,097
Lease liabilities	**4,237**	2,808
Current tax liabilities	**(7,502)**	10,058
Provisions	**146**	5,562
Derivatives	**-**	1
Deferred consideration	**3,099**	-
Total current liabilities	**59,319**	87,526
Non-current liabilities		
Payables	**200,238**	136,283
Interest bearing liabilities	**509,149**	16,055
Lease liabilities	**41,058**	39,085
Deferred tax liabilities	**46,611**	48,666
Provisions	**12,835**	12,335
Derivatives	**-**	114
Deferred consideration	**30,732**	-
Other liabilities	**2,554**	1,144
Total non-current liabilities	**843,177**	253,682
Total liabilities	**902,496**	341,208
Net assets	**1,384,866**	1,391,561
Equity		
Contributed equity - ordinary shares	**153,058**	153,058
Reserves	**428,431**	490,731
Retained earnings	**803,377**	747,772
Total equity	**1,384,866**	1,391,561

Computershare Limited Closed Group Statement of comprehensive income	2012 $000	2011 $000
Revenues from continuing operations		
Sales revenue	375,237	338,258
Other revenue	244,997	152,973
Total revenue	620,234	491,231
Other income	9,287	41,200
Expenses		
Direct services	252,429	192,591
Technology costs	89,732	68,311
Corporate services	31,491	43,849
Finance costs	17,660	12,886
Total expenses	391,312	317,637
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	(1,135)	(147)
Profit before income tax expense	237,074	214,647
Income tax (expense)/benefit	(6,999)	(32,471)
Profit for the year	230,075	182,176
Other comprehensive income		
Available-for-sale financial assets	-	(5)
Exchange differences on translation of foreign operations	(107,544)	299,781
Other comprehensive income for the year, net of tax	(107,544)	299,776
Total comprehensive income for the year	122,531	481,952
Set out below is a summary of movements in consolidated retained profits for the year of the Closed Group.		
Retained earnings at the beginning of the financial year	747,772	730,003
Profit for the year	230,075	182,176
Dividends provided for or paid	(174,470)	(164,407)
Retained earnings at the end of the financial year	803,377	747,772

30. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Key management personnel compensation

	2012 $	2011 $
Short term employee benefits	9,506,046	9,087,743
Other long term benefits	57,836	56,941
Post employment benefits	263,594	262,255
Share based payments	7,842,699	7,840,594
Other	738,748	31,143
	18,408,923	17,278,676

For detailed remuneration disclosures please refer to section A to E of the Remuneration Report within the Directors' Report.

(b) Option holdings of key management personnel

No options have been issued to key management personnel in the year ended 30 June 2012. Set out below is a summary of options as of 30 June 2012:

	Balance at beginning of the year	Number granted during the year	Number vested during the year	Number forfeited during the year	Balance at end of year	Exercisable at the end of the year
PA Barker	166,667	-	166,667	-	166,667	166,667

(c) Performance rights

Set out below is a summary of performance rights held by key management personnel as of 30 June 2012:

	Balance at beginning of the year	Number granted during the year	Number vested during the year	Number forfeited during the year	Balance at end of year	Exercisable at the end of the year
WS Crosby	1,150,000	-	(700,000)	-	450,000	-
PA Barker	200,000	-	-	-	200,000	-
SA Cameron	-	200,000	-	-	200,000	-
PA Conn	250,000	-	-	-	250,000	-
MB Davis	350,000	150,000	-	-	500,000	-
SHE Herfurth	-	200,000	-	-	200,000	-
S Irving	350,000	150,000	-	-	500,000	-
W Newling	200,000	-	-	-	200,000	-
SR Rothbloom	700,000	-	(400,000)	-	300,000	-
N Sarkar	200,000	100,000	-	-	300,000	-
JLW Wong	200,000	100,000	-	-	300,000	-

(d) Share holdings of key management personnel

The number of ordinary shares in Computershare Limited held during the financial year by each director and named Group key management personnel, including details of shares granted as remuneration during the current financial year and ordinary shares provided as the result of the exercise of remuneration options during the current financial year, are included in the table below.

2012	Balance at beginning of the year	Vested under DSTI plan	On exercise of options/ performance rights	On market purchases / (sales)	Other	Balance at end of the year
Directors						
WS Crosby	551,272	-	700,000	(420,000)	-	831,272
SD Jones	14,000	-	-	-	-	14,000
Dr M Kerber	40,000	-	-	-	-	40,000
G Lieberman	10,000	-	-	-	-	10,000
PJ Maclagan	14,782,411	-	-	(60,000)	-	14,722,411
CJ Morris	46,450,000	-	-	(1,878,869)	-	44,571,131
AL Owen	2,000	-	-	10,910	-	12,910
NP Withnall	-	-	-	2,300	-	2,300
Key management personnel						
PA Barker	287	21,668	-	(11,000)	398	11,353
SA Cameron	158	3,874	-	(3,954)	-	78
PA Conn	519,371	10,376	-	(2,099)	-	527,648
MB Davis	22,155	6,388	-	(17,000)	398	11,941
SHE Herfurth	19,512	6,505	-	(14,500)	4,559	16,076
S Irving	64,821	8,388	-		-	73,209
W Newling	-	7,499	-	(7,499)	-	-
SR Rothbloom	139,103	34,431	400,000	(235,124)	-	338,410
N Sarkar	5,256	26,213	-	(26,213)	-	5,256
JLW Wong	114,849	10,759	-	(20,000)	660	106,268

2011	Balance at beginning of the year	Vested under DSTI plan	On exercise of options/ performance rights	On market purchases / (sales)	Other	Balance at end of the year
Directors						
WS Crosby	123,688	-	800,000	(372,416)	-	551,272
SD Jones	14,000	-	-	-	-	14,000
Dr M Kerber*	40,000	-	-	-	-	40,000
G Lieberman*	-	-	-	10,000	-	10,000
PJ Maclagan	14,905,411	-	-	(123,000)	-	14,782,411
CJ Morris	48,000,000	-	-	(1,550,000)	-	46,450,000
AL Owen	2,000	-	-	-	-	2,000
AN Wales*	28,092,384	-	-	-	-	28,092,384
NP Withnall	-	-	-	-	-	-
Key management personnel						
PA Barker	-	-	-	-	287	287
PA Conn	341,210	21,286	300,000	(153,424)	10,299	519,371
MB Davis	10,849	16,042	-	(5,000)	264	22,155
SHE Herfurth*	19,512	5,000	-	(5,000)	-	19,512
S Irving	35,400	-	100,000	(70,579)	-	64,821
W Newling	-	18,917	100,000	(118,917)	-	-
SR Rothbloom	12,674	35,565	600,000	(509,136)	-	139,103
N Sarkar*	12,882	-	-	(8,229)	603	5,256
JLW Wong	89,743	24,360	-	-	746	114,849

* Where the key management personnel have been appointed or resigned during the year, their shareholding is from the balance at the beginning of the year to the end of the year.

(d) Loans and other transactions to directors and other key management personnel

The consolidated entity has not made any loans to directors, executive directors or other key management personnel during the current financial year.

The consolidated entity has not entered into other transactions with directors, executive directors or other key management personnel during the current financial year other than those disclosed in note 32.

31. REMUNERATION OF AUDITORS

	2012 $000	2011 $000
During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:		
Assurance services:		
Auditing or review of financial statements		
- PricewaterhouseCoopers Australia	**1,066**	867
- Related practices of PricewaterhouseCoopers Australia	**3,271**	2,498
	4,337	3,365
Other assurance services*		
- PricewaterhouseCoopers Australia	**367**	255
- Related practices of PricewaterhouseCoopers Australia	**1,881**	1,931
	2,248	2,186
Taxation services		
- PricewaterhouseCoopers Australia	**2**	-
- Related practices of PricewaterhouseCoopers Australia	**22**	86
	24	86
Remuneration received, or due and receivable, by auditors other than the auditor of the parent entity and its affiliates for:		
Auditing or review of financial statements	**233**	26

*This relates primarily to regulatory and compliance reviews.

32. RELATED PARTY DISCLOSURES

Key management personnel disclosures are included in note 30.

(a) Directors' shareholdings	Shares in the parent entity	
	2012	2011
Ordinary shares held at the end of the financial year	60,204,024	81,942,067
Ordinary dividends received during the year in respect of those ordinary shares	$17,869,463	$21,006,683
Ordinary shares acquired on exercise of performance rights/options	700,000	800,000
Ordinary shares acquired/ (disposed of) by directors during the financial year (net)	(2,345,659)	(2,035,416)

(b) Other transactions with key management personnel

Interests associated with CJ Morris acquired Flag Communication Limited, previously a subsidiary of the consolidated entity, for GPB 400,000. The transaction was considered and approved by the Computershare Board (absent Mr Morris). CJ Morris has a significant interest in QDOS Technology Ltd, a software company which provides services to IML Ltd in the United Kingdom on ordinary commercial terms and conditions. Total value of services provided in the year ended 30 June 2012 was USD 50,173. The consolidated entity has also received the economic benefits of using an apartment owned by CJ Morris in exchange for payments of USD 14,972 in the year ended 30 June 2012.

As a matter of Board approved policy, the Group maintains a register of all transactions between employees and the consolidated entity. It is established practice for any director to excuse himself or herself from discussion and voting upon any transaction in which that director has an interest. The consolidated entity has a Board approved ethics policy governing many aspects of workplace conduct, including management and disclosure of conflicts of interest.

There have been no material transactions with key management personnel in the current year.

(c) Wholly owned Group – intercompany transactions and outstanding balances

The parent entity and its controlled entities entered into the following transactions during the year within the wholly owned Group:

- Loans were advanced and repayments received on loans and intercompany accounts
- Fees were exchanged between entities
- Interest was charged between entities
- The parent entity and its Australian controlled entities have been parties to a tax sharing deed, which includes a tax funding arrangement (note 1)
- Dividends were paid between entities
- Bank guarantees were provided by the parent entity to its controlled entities (note 36)

These transactions were undertaken on commercial terms and conditions. No provisions for doubtful debts were raised during the financial year (2011: nil).

(d) Ultimate controlling entity

The ultimate controlling entity of the consolidated entity is Computershare Limited.

(e) Ownership interests in related parties

Interests in controlled entities are set out in note 27. Interests held in associates and joint ventures are disclosed in notes 39 and 40.

(f) Transactions with other related parties

Computershare Technology Services Pty Ltd has a receivable of USD 542,248 (2011: USD 576,371) from Chelmer Limited. This receivable has been fully provided for.

Computershare New Zealand Ltd has a receivable of USD 1,507,811 (2011: USD 1,582,007) from Chelmer Limited. This receivable has been fully provided for.

Computershare New Zealand Ltd has a payable of USD 2,148 (2011: a payable of USD 2,188) to Chelmer Limited.

Computershare Investor Services New Zealand has made purchases of USD 22,411 (2011: USD 20,891) from Chelmer Limited.

Computershare Investor Services New Zealand has made no sales (2011: USD 2,110) to Chelmer Limited.

Computershare Investor Services UK has made sales of USD 186,287 (2011: USD 110,484) to Milestone Group Pty Ltd.

Computershare Investor Services UK has made purchases of USD 10,254 (2011: nil) from Reach Investor Solutions Pty Ltd.

Computershare Investor Services UK has a receivable of USD 25,992 (2011: nil) from Milestone Group Pty Ltd.

Computershare Investor Services Australia has made purchases of USD 153,802 (2011: USD 517,045) from Reach Investor Solutions Pty Ltd.

Computershare Investor Services Australia had sales of USD 17,174 (2011: nil) with Reach Investor Solutions Pty Ltd.

Computershare Pepper Germany has no receivables (2011: USD 6,934) from Netpartnering Limited.

Computershare Pepper Germany had sales of USD 7,778 (2011: USD 63,126) with Netpartnering Limited.

Computershare Pepper Germany has made purchases of USD 10,094 (2011: nil) from Netpartnering Limited.

Computershare Pepper Austria had sales of USD 30,228 (2011: USD 815,603) to Netpartnering Limited.

Computershare Pepper Austria has a receivable of USD 22,524 (2011: USD 113,575) from Netpartnering Limited.

Computershare Pepper Austria has made no purchases (2011: USD 3,365) from Netpartnering Limited.

Computershare Pepper UK has made no sales (2011: USD 19,939) with Netpartnering Limited.

Computershare US Services Inc has no receivables (2011: USD 409,000) from Solium Capital Inc.

Computershare US Services Inc has made sales of USD 2,432,000 (2011: USD 4,347,000) with Solium Capital Inc.

VEM Aktienbank AG has receivables of USD 37,062 (2011: nil) from Fonterelli GmbH & Co.

These transactions were undertaken on commercial terms and conditions.

33. SIGNIFICANT EVENTS AFTER BALANCE DATE

No matter or circumstance has arisen since the end of the financial year which is not otherwise dealt with in this financial report that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

34. FINANCIAL RISK MANAGEMENT

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), liquidity risk and credit risk. The Group's overall financial risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board. The Board provides written principles for overall risk management, as well as policies covering specific areas such as currency risk management, interest rate risk management, counterparty risk management and the use of derivative financial instruments. Derivative financial instruments are used to manage specifically identified interest rate and foreign currency risks.

The Group Treasury function provides services to the business and monitors and manages the financial risks relating to the operations of the Group. Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the regional treasury centres and reports monthly to the Board.

Capital risk management objectives

The primary objective of the Group's capital management is to ensure that it minimises the working capital funding requirements through effective controls in order to support its businesses and maximise shareholder value.

A key financial ratio for the Group is net financial indebtedness to management earnings before interest, tax, depreciation and amortisation (EBITDA). Net debt is calculated as interest bearing liabilities less cash and cash equivalents.

	2012 $000	2011 $000
Interest bearing liabilities	**1,754,391**	1,013,489
Cash and cash equivalents	**(441,391)**	(347,225)
Net debt	**1,313,000**	666,264
Management EBITDA (note 38)	**458,953**	493,616
Net debt to Management EBITDA	**2.86**	1.35

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, conduct share buy-backs or issue new shares. No changes were made in the objectives or processes during the financial years ended 30 June 2011 and 30 June 2012.

Net fair value of financial assets and liabilities

The carrying amounts of cash and cash equivalents, receivables, payables, non interest bearing liabilities, finance leases, loans and derivatives approximate their fair values for the Group except for the unhedged portion of USD Senior Notes of USD 705.0 million (2011: USD 155.0 million), where the fair value was USD 750.5 million as at 30 June 2012 (2011: USD 192.2 million).

Financial risk factors

The key financial risk factors that arise from the Group's activities are outlined below.

(a) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The consolidated entity is exposed to interest rate risk through its primary financial assets and liabilities and as a result of maintaining paying agent and escrow agent bank accounts on behalf of clients. Given the nature of the client balances, neither the funds nor an offsetting liability are included in the Group's financial statements. Average client balances during the year approximated USD 13.7 billion (2011: USD 10.2 billion) and in relation to these balances, the consolidated entity has in place interest rate derivatives totalling USD 0.1 billion notionally (2011: USD 0.2 billion).

The following table summarises the interest rate risk for the consolidated entity, together with effective interest rates as at the balance date.

		Fixed interest rate maturing in					Weighted average interest rate	
	Floating interest rate	1 year or less	1 to 5 years	More than 5 years	Non-interest bearing	Total	Floating	Fixed
As at 30 June 2012	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**%**	**%**
Financial assets								
Cash and cash equivalents	**441,391**	**-**	**-**	**-**	**-**	**441,391**	**0.75**	**-**
Trade receivables	**-**	**-**	**-**	**-**	**203,906**	**203,906**	**-**	**-**
Non trade receivables and loans	**-**	**-**	**-**	**-**	**30,523**	**30,523**	**-**	**-**
	441,391	**-**	**-**	**-**	**234,429**	**675,820**		
Financial liabilities								
Trade payables	**-**	**-**	**-**	**-**	**24,751**	**24,751**	**-**	**-**
Finance lease liabilities	**-**	**7,724**	**46,871**	**-**	**-**	**54,595**	**-**	**8.13**
Bank loan and other	**61,518**	**-**	**-**	**-**	**-**	**61,518**	**3.25**	**-**
Revolving multi-currency facility	**676,645**	**-**	**-**	**-**	**-**	**676,645**	**2.45**	**-**
USD Senior Notes[1]	**-**	**-**	**145,500**	**785,000**	**-**	**930,500**	**-**	**4.88**
Derivatives[2]	**225,500**	**-**	**(145,500)**	**(80,000)**	**-**	**-**	**1.55**	**5.43**
	963,663	**7,724**	**46,871**	**705,000**	**24,751**	**1,748,009**		

[1] USD Senior Notes at cost, excluding fair value adjustment, refer to note 18.

[2] Notional principal amounts

As at 30 June 2011								
Financial assets								
Cash and cash equivalents	347,225	-	-	-	-	347,225	0.83	-
Trade receivables	-	-	-	-	179,282	179,282	-	-
Non trade receivables and loans	-	-	-	-	53,239	53,239	-	-
	347,225	-	-	-	232,521	579,746		
Financial liabilities								
Trade payables	-	-	-	-	15,207	15,207	-	-
Finance lease liabilities	-	5,618	39,252	-	-	44,870	-	8.03
Bank loan and other	10	-	-	-	-	10	4.57	-
Revolving multi-currency facility	437,671	-	-	-	-	437,671	2.56	-
USD Senior Notes[1]	-	123,000	124,500	256,000	-	503,500	-	5.40
Derivatives [2]	348,500	(123,000)	(124,500)	(101,000)	-	-	1.27	5.23
	786,181	5,618	39,252	155,000	15,207	1,001,258		

[1] USD Senior Notes at cost, excluding fair value adjustment, refer to note 18.

[2] Notional principal amounts

The sensitivity of the profit and loss statement to interest rate movements is the effect of assumed reasonably possible changes in interest rates for one year, based on the on-balance sheet floating rate financial assets and liabilities as at 30 June. The total sensitivity analysis is based on the assumption that there are parallel shifts in the yield curve. It does not take into account actions that the Group may take to mitigate the effect of changes in interest rates.

The Group's judgements of reasonably possible movements in interest rates have been based on a range of 100 basis point movement as at 30 June for all regions.

The sensitivity to a reasonably possible increase in interest rates, with all other variables held constant, of the statement of comprehensive income of the consolidated entity is a decrease to profit of USD 0.9 million (2011: USD 0.6 million). This sensitivity calculation does not include the impact of client balances or the related derivatives. In a rising interest rate environment, client balances that earn interest income will result in an increase to profit.

The sensitivity to a reasonably possible decrease in interest rates, with all other variables held constant, of the statement of comprehensive income of the Group is an increase to profit of USD 0.5 million (2011: USD 0.3 million). This sensitivity calculation does not include the impact of client balances or the related derivatives. In a falling interest rate environment, client balances that earn interest income will result in a decrease to profit.

Client balances have been excluded from the sensitivity analysis as they are not reflected in the Group's consolidated statement of financial position. Interest income is earned on these balances at various fixed and floating interest rates.

The above sensitivity analysis does not reflect the future impact on the profit and loss statement should the reasonably possible changes in interest rates occur. The calculations are based on balances held as at 30 June 2012.

(b) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency.

Entities within the Group typically enter into external transactions and recognise external assets and liabilities that are denominated in their functional currency. Whilst a number of entities within the Group hold external bank account balances in a currency which is not their local functional currency these balances do not expose the Group to significant foreign exchange risk.

Foreign exchange risk also arises from net investments in foreign operations held in Europe, Canada, South Africa and Asia Pacific. Accordingly, the Group's financial position can be affected significantly by movements in the relevant currency exchange rate when translating into the consolidated entity's presentation currency, the United States dollar. The consolidated entity also has debt that is designated as a hedge of the net investment in foreign operations. On consolidation, any foreign exchange gains or losses on these balances are transferred to the foreign currency translation reserve.

(c) Credit risk

Credit exposure represents the extent of credit related losses that the consolidated entity may be subject to on amounts to be received from financial assets, which include receivables, cash and cash equivalents and other financial instruments. The consolidated entity, while exposed to credit related losses in the event of non-payment by clients, does not expect any significant clients to fail to meet their obligations. The Group's trading terms do not generally include the requirement for customers to provide collateral as security for financial assets and accordingly, the consolidated entity does not hold any collateral as security.

The consolidated entity's exposure to credit risk is as indicated by the carrying amounts of its financial assets. Concentrations of credit risk exist when clients have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

The consolidated entity's concentration of credit risk is minimised due to transactions with a large number of clients in various countries and industries. The registry and plans sector transacts with various listed companies across a number of countries. The consolidated entity does not have a significant exposure to any individual client.

Transactions involving derivative financial instruments are with counterparties with whom the Group has signed International Swaps and Derivatives Association agreements as well as sound credit arrangements.

To supplement the credit ratings of counterparties the Group has a Board approved policy on managing client balance exposure.

(d) Liquidity Risk

Liquidity risk management implies maintaining sufficient cash and the availability of funding. The Group has staggered its various debt maturities to reduce re-financing risk. Whilst impacted by acquisitions from time to time, the Group maintains sufficient cash balances and committed credit facilities to meet ongoing commitments.

Maturity information for the Group's debt facility is as follows:

Maturity Profile (in the 12 months ending)	Debt Facility utilised $ million
June 2013	61.5
June 2014	250.0
June 2015	124.5
June 2016	297.8
June 2017	149.8
June 2018	40.0
June 2019	305.0
June 2020	-
June 2021	-
June 2022	220.0
June 2023	-
June 2024	220.0
Total	**1,668.6**

The Group has access to unutilised committed debt facilities of $2.1 million maturing in October 2015 and $121.1 million maturing in October 2016.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings.

The amounts disclosed in the table are the contractual undiscounted cash flows. For interest rate swaps the cash flows have been estimated using the forward interest rates applicable at the end of the reporting period.

Contractual maturities of financial liabilities	Less than 1 year $000	Between 1-5 years $000	More than 5 years $000	Total contractual cash flows $000
As at 30 June 2012				
Non-derivatives				
Trade payables	**24,751**	**-**	**-**	**24,751**
Other payables	**359,046**	**4,324**	**-**	**363,370**
Borrowings (excluding finance leases)	**61,518**	**822,145**	**785,000**	**1,668,663**
Finance lease liabilities (undiscounted)	**10,730**	**51,566**	**-**	**62,296**
Total non-derivatives	**456,045**	**878,034**	**785,000**	**2,119,080**
Derivatives				
Net settled (interest rate swaps and options)	**11,178**	**24,019**	**3,837**	**39,034**
Total derivatives	**11,178**	**24,019**	**3,837**	**39,034**
As at 30 June 2011				
Non-derivatives				
Trade payables	15,207	-	-	15,207
Other payables	325,405	6,560	-	331,965
Borrowings (excluding finance leases)	123,000	562,181	256,000	941,181
Finance lease liabilities (undiscounted)	8,686	47,177	-	55,863
Total non-derivatives	472,298	615,918	256,000	1,344,216
Derivatives				
Net settled (interest rate swaps and options)	18,095	28,044	7,253	53,392
Total derivatives	18,095	28,044	7,253	53,392

(e) Fair value measurements

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

The measurement hierarchy used is as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); or

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following tables present the Group's financial assets and liabilities measured and recognised at fair value at 30 June 2012. The comparative figures are also presented below.

As at 30 June 2012	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Assets				
Financial assets held-for-trading	2,764	-	-	2,764
Derivatives used for hedging	-	34,490	-	34,490
Available-for-sale financial assets - equity securities	6,974	-	-	6,974
Total assets	9,738	34,490	-	44,228
Liabilities				
Borrowings	-	256,633	-	256,633
Derivatives used for hedging	-	410	-	410
Total liabilities	-	257,043	-	257,043
As at 30 June 2011				
Assets				
Financial assets held-for-trading	2,059	-	-	2,059
Derivatives used for hedging	-	31,568	-	31,568
Available-for-sale financial assets - equity securities	7,129	-	-	7,129
Other financial assets	2,088	-	-	2,088
Total assets	11,276	31,568	-	42,844
Liabilities				
Borrowings	-	375,938	-	375,938
Derivatives used for hedging	-	1	-	1
Total liabilities	-	375,939	-	375,939

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are measured according to level 1.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. These instruments are included in level 2 and comprise derivative financial instruments and the portion of borrowings included in the fair value hedge.

35. NOTES TO THE CASHFLOW STATEMENT

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand, deposits at call with financial institutions and other highly liquid investments with short periods to maturity (three months or less), which are readily convertible to known amounts of cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts. Cash and cash equivalents as at the end of the financial year as shown in the cash flow statement are reconciled to the related items in the statement of financial position as follows:

	2012 $000	2011 $000
Cash at bank and on hand	441,391	347,225
Shown as cash and cash equivalents in the statement of financial position	441,391	347,225

(b) Reconciliation of net profit after income tax to net cash from operating activities

	2012 $000	2011 $000
Net profit after income tax	159,732	268,908
Adjustments for non-cash income and expense items:		
Depreciation and amortisation	121,948	82,049
Net (gain)/loss on sale of assets	(3,256)	12,489
Impairment charge – Continental Europe	63,761	-
Gain on bargain purchase of SLS	(16,326)	-
Share of net (profit)/loss of associates and joint ventures accounted for using equity method	(321)	(385)
Employee benefits – share based payments	22,577	19,731
Financial instruments – fair value adjustments	1,332	(872)
Changes in assets and liabilities:		
(Increase)/decrease in accounts receivable	(647)	11,087
(Increase)/decrease in inventory	2,216	(2,646)
(Increase)/decrease in prepayments and other assets	(7,403)	(7,662)
Increase/(decrease) in payables and provisions	14,377	(75,297)
Increase/(decrease) in tax balances	(23,431)	12,241
Net cash and cash equivalents from operating activities	334,559	319,643

(c) Non-cash transactions

During the period Computershare booked an impairment charge of USD 63.8 million against goodwill in the Continental Europe segment. A gain on bargain purchase of SLS has been booked amounting to USD 16.3 million.

(d) Acquisitions and disposals of businesses

For details of businesses acquired or disposed of during the year and related cash flows please refer to note 28.

36. CONTINGENT LIABILITIES

(a) Guarantees and Indemnities

Guarantees and indemnities of USD 800.0 million (2011: USD 600.0 million) have been given to the consolidated entity's Bankers by Computershare Limited, ACN 081 035 752 Pty Ltd, Computershare Investments (UK) (No. 3) Ltd, Computershare Finance Company Pty Ltd, Computershare US and Computershare Investor Services Inc under a Multicurrency Syndicated Facility Agreement dated 27 May 2010 and amended on 28 October 2011 (refer to note 18 for further detail).

Bank guarantees of AUD 0.5 million (2011: AUD 0.5 million) have been given in respect of facilities provided to Computershare Clearing Pty Ltd. Bank guarantees of AUD 0.5 million (2011: AUD 0.5 million) have been given in respect of facilities provided to Computershare Ltd. Bank guarantees of AUD 0.2 million (2011: AUD 0.2 million) have been given in respect of facilities provided to Computershare Investor Services Pty Ltd. Bank guarantees of AUD 1.3 million (2011: AUD 1.4 million) have been given in respect of facilities provided to Computershare Communication Services Pty Ltd. Bank guarantees of AUD 0.5 million (2011: AUD 0.9 million) has been given in respect of facilities provided to Communication Services Australia Pty Ltd. A bank guarantee of AUD1.5 million (2011: nil) has been given in respect of facilities provided to Serviceworks Management Pty Ltd. No bank guarantees (2011: EUR 0.1 million) have been given in respect of facilities provided to Computershare Communication Servcies GmbH. No bank guarantee (2011: USD 0.01 million) has been given in respect of performance of obligations provided to Karvy Computershare Private Limited. No bank guarantee (2011: INR 6.0 million) has been given in respect of performance of obligations provided to Karvy Computershare Private Limited.

A performance guarantee of ZAR 15.0 million (2011: ZAR 15.0 million) has been given by Computershare Limited (South Africa) to provide security for the performance of obligations as a Central Securities Depositor Participant.

A guarantee of ZAR 0.6 million (2011: ZAR 0.6 million) has been given by Computershare South Africa (Pty) Ltd to provide for electricity services.

A bank guarantee of ZAR 1.0 million (2011: ZAR 1.0 million) has been given by Computershare South Africa (Pty) Ltd as security for bonds in respect of leased premises.

Guarantees of USD 0.4 million (2011: USD 0.6 million) have been given by Computershare Investor Services LLC, Computershare Inc and Computershare US Services Inc as security for bonds in respect of leased premises.

No bank guarantee (2011: HKD 0.9 million) has been given by Computershare Hong Kong Investor Services Limited as security for bonds on leased premises. A bank guarantee of HKD 1.0 million (2011: HKD 1.0 million) has been given by Computershare Hong Kong Investor Services in respect of facilities provided to Computershare Hong Kong Trustee Limited.

No land charges (2011: EUR 0.3 million) have been surrendered by Am Schonberg GmbH (Germany) to secure liabilities of the former parent company.

Contracts of EUR 3.3 million (2011: EUR 0.7 million) have been entered into by VEM Aktienbank AG (Germany) due to delivery liabilities from securities lending.

Guarantees and indemnities of USD 930.5 million (2011: USD 503.5 million) have been given to US Institutional Accredited Investors by Computershare Limited, ACN 081 035 752 Pty Ltd, Computershare Finance Company Pty Ltd, Computershare US, Computershare Investments (UK)(No. 3) Ltd and Computershare Investor Services Inc under a Note and Guarantee Agreement dated 22 March 2005 and 29 July 2008.

(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.

(c) Other

The Group is subject to regulatory capital requirements administered by relevant regulatory bodies in countries where Computershare operates. Failure to meet minimum capital requirements, or other ongoing regulatory requirements, can initiate action by the regulators that, if undertaken, could revoke or suspend the Group's ability to provide trust services to customers in these markets. At all relevant times Group controlled entities have met all minimum capital requirements.

Computershare Limited (Australia) has issued a letter of warrant to Computershare Custodial Services Ltd. This obligates Computershare Limited (Australia) to maintain combined tier one capital of at least ZAR 455.0 million.

Potential withholding and other tax liabilities arising from distribution of all retained distributable earnings of all foreign incorporated controlled entities are USD 26.8 million (2011: USD 21.7 million). No provision is made for withholding tax on unremitted earnings of applicable foreign incorporated controlled entities as there is currently no intention to remit these earnings to the parent entity.

In consideration of the Australian Securities and Investments Commission agreeing to allow AUD 5.0 million to form part of the net tangible assets of Computershare Clearing Pty Ltd so that it can meet certain financial requirements under the conditions of its Australian Financial Services Licence, Computershare Limited has agreed to make, at the request of Computershare Clearing Pty Ltd, a AUD 5.0 million loan to it. Computershare Limited has agreed to subordinate its loan to any other unsecured creditors of Computershare Clearing Pty Ltd. The loan was made pursuant to a deed of subordination dated 7 January 2004.

In consideration of the Australian Securities and Investments Commission agreeing to allow AUD 5.0 million to form part of the net tangible assets of Computershare Share Plans Pty Ltd so that it can meet certain financial requirements under the conditions of its Australian Financial Services Licence, Computershare Limited has agreed to make, at the request of Computershare Share Plans Pty Ltd, a AUD 5.0 million loan to it. Computershare Limited has agreed to subordinate its loan to any other unsecured creditors of Computershare Share Plans Pty Ltd. The loan was made pursuant to a deed of subordination dated 5 July 2007.

Computershare Limited (Australia), as the parent entity, has undertaken to own, either directly or indirectly, all of the equity interests and to guarantee performance of the obligations of Computershare Investor Services Pty Ltd, Computershare Trust Company NA, Georgeson Inc, Georgeson Securities Corporation, Computershare Trust Company of Canada and Computershare Investor Services Inc with respect to any financial accommodation related to transactional services provided by BMO Harris Bank, Chicago.

37. CAPITAL EXPENDITURE COMMITMENTS

	2012 $000	2011 $000
Less than 1 year:		
Fit-out of premises	6,061	565
Purchase of equipment	372	-
	6,433	565

38. 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 the operating segments 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 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.

OPERATING SEGMENTS

	Asia $000	Australia & New Zealand $000	Canada $000	Continental Europe $000	Technology & Other $000	UCIA $000	United States $000	Total $000
June 2012								
Total segment revenue	**106,820**	**407,171**	**208,525**	**113,417**	**221,005**	**293,368**	**654,376**	**2,004,683**
External revenue	**106,791**	**405,274**	**207,169**	**113,231**	**35,723**	**290,446**	**652,236**	**1,810,870**
Intersegment revenue	**30**	**1,897**	**1,356**	**186**	**185,282**	**2,922**	**2,140**	**193,813**
Management adjusted EBITDA	**34,322**	**76,938**	**95,612**	**14,971**	**7,204**	**104,140**	**125,042**	**458,229**
June 2011								
Total segment revenue	124,893	357,366	204,705	95,127	176,775	289,932	510,358	1,759,156
External revenue	124,157	353,296	203,183	94,986	33,926	287,882	508,801	1,606,231
Intersegment revenue	736	4,070	1,522	141	142,849	2,050	1,557	152,925
Management adjusted EBITDA	48,340	87,439	93,898	13,942	(4,817)	116,332	124,843	497,977

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:

	2012 $000	2011 $000
Total operating segment revenue	**2,004,683**	1,759,156
Intersegment eliminations	**(193,813)**	(152,925)
Corporate revenue and other	**(3,697)**	(1,906)
Total revenue from continuing operations	**1,807,173**	1,604,325

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.

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

	2012 $000	2011 $000
Management adjusted EBITDA - operating segments	**458,229**	479,977
Management adjusted EBITDA - corporate	**724**	13,639
Management adjusted EBITDA	**458,953**	493,616
Management adjustment items:		
Gain/(loss) on disposals	**5,192**	(14,369)
Provision for tax liability	**(12,300)**	-
Restructuring provisions	**(3,527)**	(4,329)
Impairment Charge - Continental Europe	**(63,761)**	-
Acquisitions related	**(4,038)**	8,095
Marked to market adjustments - derivatives	**(37)**	132
Intangible asset amortisation	**(79,793)**	(41,453)
Total management adjustment items (note 6)	**(158,264)**	(51,924)
Finance costs	**(48,289)**	(32,627)
Other amortisation and depreciation	**(42,156)**	(40,596)
Profit before income tax from continuing operations	**210,244**	368,469

External revenue per business line

The table below outlines revenue from external customers for each business line:

	2012 $000	2011 $000
Register Maintenance	**774,812**	698,452
Corporate Actions	**156,072**	179,475
Business Services	**383,012**	266,101
Stakeholder Relationship Management	**86,759**	97,071
Employee Share Plans	**197,337**	157,611
Communication Services	**182,017**	172,197
Technology and Other Revenue	**27,162**	33,418
Total	**1,807,173**	1,604,324

Geographic allocation of external revenue

The parent entity is domiciled in Australia. Countries with individually significant amounts of revenue from external customers are Australia USD 402.8 million (2011: USD 350.8 million), the United Kingdom USD 229.0 million (2011: USD 226.9 million), the United States USD 667.5 million (2011: USD 520.6 million) and Canada USD 209.3 million (2011: USD 205.5 million). Revenue from external customers in countries other than Australia amounts to USD 1,408.1 million (2011: USD 1,255.4 million).

Revenues are allocated based on the country in which the Group entity is located.

Geographic allocation of non-current assets

Countries with individually significant non-current assets are Australia, the United Kingdom, the United States and Canada. Non-current assets in the United Kingdom amount to USD 268.3 million (2011: 282.9 million), Australia USD 374.6 million (2011: 295.7 million), United States USD 1,537.4 million (2011: USD 954.2 million) and Canada USD 154.1 million (2010: USD 162.4 million). Non-current assets held in countries other than Australia amount to USD 2,229.3 million (2011: USD 1,764.0 million).

Non-current assets exclude financial instruments and deferred tax assets and are allocated to countries based on where the assets are located.

39. ASSOCIATES

Name	Place of incorporation	Principal activity	Ownership interest June 2012 %	Ownership interest June 2011 %	Consolidated carrying amount June 2012 $000	Consolidated carrying amount June 2011 $000
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 Limited	United Kingdom	Investor Services	**25**	25	**3,634**	3,013
Milestone Group Pty Ltd	Australia	Technology Services	**20**	20	**7,627**	9,172
Janosch Film & Medien AG	Germany	Investor Services	**27**	28	**-**	-
Fonterelli GmbH & Co. KGaA	Germany	Investor Services	**49**	49	**515**	1,126
Reach Investor Solutions Pty Ltd	Australia	Investor Services	**35**	35	**755**	528
Solium Capital Inc	Canada	Plan Services	**20**	20	**12,394**	12,413
Total investments in associates					**24,925**	26,252

Voting power is in accordance with the ownership interest held.

	2012 $000	2011 $000
Movements in carrying value of investments in associates		
Carrying amount at the beginning of the financial year	**26,252**	17,770
Investments acquired during the year	-	12,060
Share of net result (after income tax)	**790**	189
Less dividends received	**(42)**	-
Effect of associates becoming controlled entities	-	(6,556)
Share of movement in reserves during the financial year	**(2,075)**	2,789
Carrying amount at the end of the financial year	**24,925**	26,252

Share of associates capital expenditure commitments

There are no material expenditure commitments in respect of associates at balance date.

Share of associates contingent liabilities

There are no material contingent liabilities in respect of associates at balance date.

40. JOINT VENTURES

Details of interests in joint ventures are as follows:

Name	Place of incorporation	Principal activity	Ownership interest June 2012 %	Ownership interest June 2011 %	Consolidated carrying amount June 2012 $000	Consolidated carrying amount June 2011 $000
Japan Shareholder Services Ltd	Japan	Technology Services	**50**	50	**1,651**	1,724
Computershare Pan Africa Holdings Ltd	Mauritius	Investor Services	**60**	60	**-**	(149)
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	**-**	1
VisEq GmbH	Germany	Investor Services	**66**	66	**324**	577
Digital Post Australia Pty Limited	Australia	Technology Services	**40**	-	**278**	-
Total investments in joint ventures					**2,253**	2,153

	2012 $000	2011 $000
Movement in carrying amount of investment in joint ventures		
Carrying amount at the beginning of the financial year	**2,153**	1,407
Investments acquired during the year	**1,004**	578
Share of net result of joint ventures (after income tax)	**(469)**	196
Less dividends received	**(297)**	(381)
Share of movement in reserves during the financial year	**(138)**	353
Carrying amount at the end of the financial year	**2,253**	2,153

Share of joint venture capital expenditure commitments

There are no material capital expenditure commitments in respect of joint ventures at balance date.

Share of joint venture contingent liabilities

There are no material contingent liabilities in respect of joint ventures at balance date.

41. INTERESTS IN EQUITY

	Members of the parent entity		Non-controlling interests	
	2012 $000	2011 $000	**2012 $000**	2011 $000
Interest in the equity of the consolidated entity:				
Contributed equity – ordinary shares	**29,943**	29,943	**2,830**	2,729
Reserves	**90,749**	152,081	**(3,964)**	(77)
Retained earnings	**1,042,965**	1,048,403	**13,937**	12,377
Total interests in equity	**1,163,657**	1,230,427	**12,803**	15,029

42. PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2012 $000	2011 $000
Balance sheet		
Current assets	**45,168**	109,831
Non-current assets	**1,090,594**	1,150,501
Total assets	**1,135,762**	1,260,332
Current liabilities	**45,001**	32,278
Non-current liabilities	**800,368**	817,216
Total liabilities	**845,369**	849,494
Equity		
Contributed equity - ordinary shares	**29,943**	29,943
Reserves		
Capital redemption reserve	**2**	2
Foreign currency translation reserve	**181,781**	202,019
Share based payment reserve	**44,082**	44,835
Equity related consideration	**(2,327)**	(2,327)
Available-for-sale asset reserve	**(46)**	(45)
Retained earnings	**36,958**	136,411
	290,393	410,838
Profit/(Loss) attributable to members of the parent entity	**62,485**	70,266
Total comprehensive income attributable to members of the parent entity	**42,246**	162,954

(b) Guarantees entered into by the parent entity

The parent entity's financial guarantees have been outlined in note 36.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2012 or 30 June 2011. For information about guarantees given by the parent entity refer to note 36.

(d) Contractual commitments for the acquisition of property, plant and equipment

The parent entity did not have any commitments for the acquisition of property, plant and equipment as at 30 June 2012 and 30 June 2011.

43. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The significant estimates and assumptions made in the current financial year comprise assumptions made in acquisition accounting (refer to notes 16 and 28) and in goodwill impairment testing (refer to note 16).

Acquisition accounting requires that management makes estimates around the valuation of certain non-monetary assets and liabilities within the acquired entities. The estimates have particular impact in terms of the valuation of intangible assets, provisions and contingent consideration. To the extent that these items are subject to determination during the initial 12 months after acquisition the variation to estimated value will be adjusted through goodwill. To the extent that determination occurs after 12 months, any variation will impact profit or loss in the relevant period.

Directors' Declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 43 to 96 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 30 June 2012 and of its performance for the financial 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

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in note 27 will be able to meet any obligations or liabilities to which they are, or may become, subject to by virtue of the deed of cross guarantee described in note 29.

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

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001.*

Signed in accordance with a resolution of the directors.

CJ Morris
Chairman

WS Crosby
Director

24 September 2012

Statement to the Board of Directors

The Chief Executive Officer and Chief Financial Officer state that:

(a) the financial records of the consolidated entity for the financial year ended 30 June 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 financial year ended 30 June 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 30 June 2012 and of their performance for the financial year ended on that date.

WS Crosby
Chief Executive Officer

PA Barker
Chief Financial Officer

24 September 2012

Independent auditor's report to the members of Computershare Limited

Report on the financial report

We have audited the accompanying financial report of Computershare Limited (the company), which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for the Computershare Limited Group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards* as issued by the International Accounting Standards Board.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

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

PricewaterhouseCoopers, ABN 52 780 433 757
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK, VIC 3001, GPO Box 1331, MELBOURNE VIC 3001
T: +61 3 8603 1000, F: +61 3 8603 1999, www.pwc.com.au

pwc

Auditor's opinion

In our opinion:

(a) the financial report of Computershare Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001;* and

(b) the financial report and notes also comply with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the remuneration report included in pages 30 to 40 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the remuneration report of Computershare Limited for the year ended 30 June 2012, complies with section 300A of the *Corporations Act 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

C Lewis

Christopher Lewis

Melbourne
24 September 2012

This section contains additional information required by the Australian Securities Exchange Limited listing rules not disclosed elsewhere in this report.

SHAREHOLDINGS

Substantial Shareholders

The following information is extracted from the Company's Register of Substantial Shareholders as at 14 September 2012.

Name	Number of ordinary shares	Fully paid percentage
Christopher John Morris	44,571,131	8.02%

Class of shares and voting rights

At 14 September 2012 there were 39,179 holders of ordinary shares in the Company. The rights attaching to the ordinary shares are set out in clause 4 of the Company's Constitution as follows:

"(a) the right to receive notice of and to attend and vote at all general meetings of the Company;

(b) the right to receive dividends; and

(c) in a winding up or a reduction of capital, the right to participate equally in the distribution of the assets of the Company (both capital and surplus), subject to any amounts unpaid on the Share and, in the case of a reduction, to the terms of the reduction."

Distribution of shareholders of shares as at 14 September 2012

Size of holding	Ordinary shareholders
1 - 1,000	15,273
1,001 - 5,000	18,601
5,001 - 10,000	3,132
10,001 - 100,000	1,992
100,001 and over	181
Total shareholders	**39,179**

There were 494 shareholders holding less than a marketable parcel of 59 ordinary shares as at 14 September 2012.

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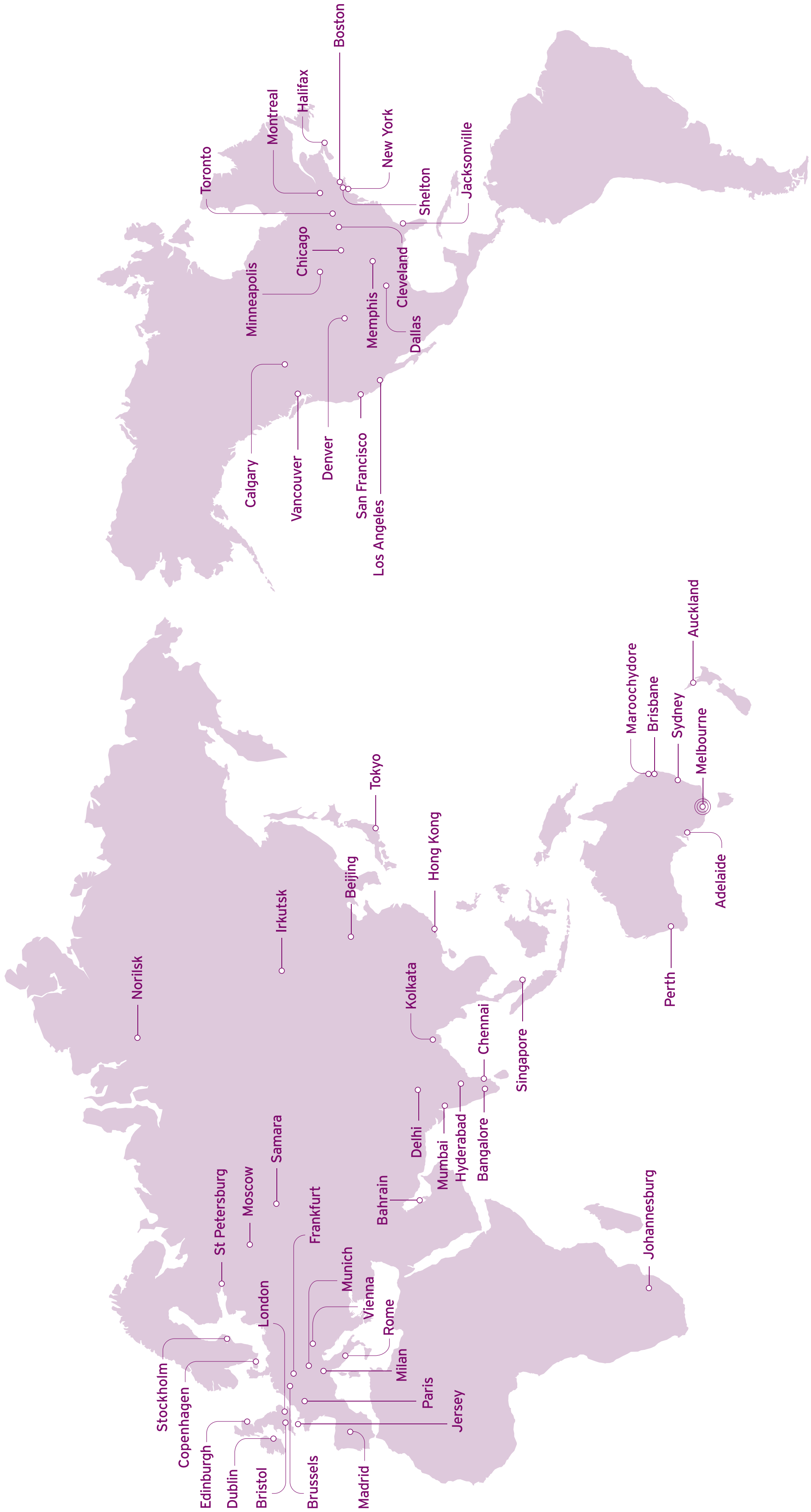
Twenty Largest Shareholders of ordinary shares as at 14 September 2012

	Ordinary shares Number	%
HSBC Custody Nominees (Australia) Limited	107,341,021	19.32
JP Morgan Nominees Australia Limited	70,336,685	12.66
National Nominees Limited	51,314,759	9.23
CJ Morris	44,571,131	8.02
Citicorp Nominees Pty Ltd	21,041,250	3.79
Welas Pty Ltd	26,792,384	4.82
PJ Maclagan	14,278,411	2.57
HSBC Custody Nominees (Australia) Limited - A/C 2	8,344,678	1.50
Australian Foundation Investment Company Limited	8,156,355	1.47
Cogent Nominees Pty Limited	7,767,703	1.40
MJ O'Halloran	6,675,000	1.20
Computershare Clearing Pty Ltd	5,783,601	1.04
CPU Share Plans Pty Limited	5,644,558	1.02
ARGO Investments Limited	4,901,166	0.88
AMP Life Limited	4,277,659	0.77
BNP Paribas Noms Pty Ltd <DRP>	4,142,011	0.75
JP Morgan Nominees Australia Limited <Cash Income Account>	3,757,163	0.68
Perpetual Trustee Company Limited	3,440,190	0.62
Citicorp Nominees Pty Ltd <Colonial First State>	2,800,603	0.50
UBS Nominees Pty Ltd	2,579,250	0.46
Total	**403,945,578**	**72.70**

Office Locations



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Corporate Directory

DIRECTORS
Christopher John Morris
(Chairman)

William Stuart Crosby
(Managing Director
and Chief Executive Officer)

Simon David Jones

Markus Kerber

Penelope Jane Maclagan

Arthur Leslie Owen

Nerolie Phyllis Withnall

COMPANY SECRETARY
Dominic Matthew Horsley

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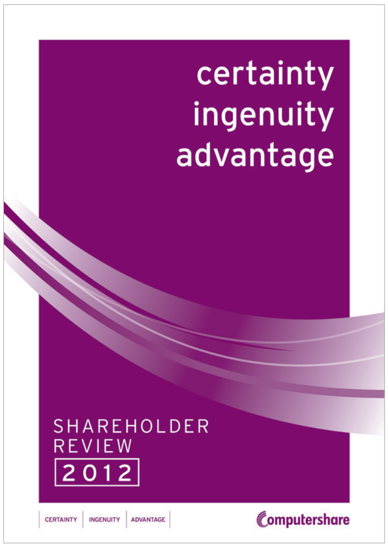

To view the Shareholder Review, visit our website:

www.computershare.com

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The Annual Report and
Shareholder Review are available online:

www.computershare.com