ASX PRELIMINARY HALF-YEAR REPORT

Computershare Limited

ABN 71 005 485 825

31 December 2005

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

This information should be read in conjunction with the 30 June 2005 Annual Report**.**

Contents

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
HALF-YEAR ENDED 31 December 2005
(Previous corresponding period half-year ended 31 December 2004)
RESULTS FOR ANNOUNCEMENT TO THE MARKET

				'000s
Revenue from ordinary activities *(Appendix 4D item 2.1)*	up	56.8%	to	781,432
Profit/(loss) from ordinary activities after tax attributable to members *(Appendix 4D item 2.2)*	down	5.1%	to	65,784
Net profit/(loss) for the period attributable to members *(Appendix 4D item 2.3)*	down	5.1%	to	65,784

Dividends *(Appendix 4D item 2.4)*	Amount per security	Franked amount per security
Final dividend *(prior year)*	6.0 cents	Nil
Interim dividend	6.0 cents	Nil

Record date for determining entitlements to the interim dividend *(Appendix 4D item 2.5)* — 6 March 2006

Explanation of Revenue *(Appendix 4D item 2.6)*
Total revenue for the half year is $781,432,075 an increase of 56.8% over the last corresponding period. The increase in revenues was driven by the inclusion of Computershare Shareholder Services Inc. (formerly Equiserve) for the six months to 31 December 2005 and an increase in mutual funds proxy work in the USA.

Explanation of Profit/(loss) from ordinary activities after tax *(Appendix 4D item 2.6)*
The current half year EBITDA result is $126.6 million including non recurring items, an increase of 28.0% from the prior year. Net profit after tax attributable to members is $65.8 million, a decrease of 5.1% from the prior year. The decrease is primarily due to the nature of the individually material items. In the six months to 31 December 2005 this item was an expense relating to the UK redundancy provision being raised, which reduced net profit after tax. In the six months to 31 December 2004 the nature of the individually material items was to increase net profit after tax. These related to profits recognised on the sale of shares and premises and a credit to income tax expense related to the use of grandfathered acquisition tax losses.

The Group's effective tax rate increased to 25.5% for the half year ended 31 December 2005 from 3.5% for the comparative six month period. The low rate in the comparative period was primarily caused by the tax expense impact of the abovementioned material items.

Gross margins have slightly decreased half year on half year primarily due to the increase in share based remuneration costs in the most recent half year together with the decline in the UK business.

Explanation of Net Profit/(loss) *(Appendix 4D item 2.6)*
Please refer above.

Explanation of Dividends *(Appendix 4D item2.6)*
The company has announced an interim unfranked dividend for the 2005/06 financial year of 6.0 cents per share.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 December 2005

Contents

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2005 and any public announcements made by Computershare Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The Board of Directors of Computershare Limited has pleasure in submitting its report in respect of the financial half-year ended 31 December 2005.

DIRECTORS

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

Non-executive
Alexander S Murdoch
Thomas M Butler
Philip D De Feo
William E Ford
Dr Markus Kerber
Anthony N Wales
Simon Jones (appointed 10 November 2005)

Executive
Christopher J Morris
Penelope J Maclagan

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the course of the financial half-year were the operation of Investor Services, Plan Services, Document Services, Analytics and Shareholder Relationship Management Services, Corporate and Technology Services. The Investor Services operations comprise the provision of registry and related services. The Plan Services operations comprise the provision and management of employee share and option plans. The Document Services operations comprise laser imaging, intelligent mailing, scanning and electronic delivery. The Analytics and Shareholder Relationship Management Services comprise the provision of investor analysis, investor communication and management information services to companies, their employees, shareholders and other securities industry participants. Technology Services includes the provision of software specialising in share registry, financial services and stock markets.

The Group also offers corporate trust services and acts as trustee for clients' debt offerings in certain markets and provides share ownership and other investor relations services through its analytics businesses and print and mail distribution services through its document services businesses.

Specific Computershare subsidiaries are registered securities transfer agents. In addition, certain subsidiaries 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 certain federal, provincial and state agencies and undergoes periodic examinations by those regulatory agencies.

REVIEW OF OPERATIONS

Earnings per share have decreased 10.5% to 11.04 cents. The Group has recorded an operating profit before tax of $91.9 million for the half-year ended 31 December 2005 (2004: $74.7 million). Total revenue (including non recurring items) has increased 56.8% to $781.4 million (2004: $498.5 million) and operating cash flows have increased 71.9% to $87.5 million (2004: $50.9 million).

The result for the six months to 31 December 2005 reflects the impact of acquisitions completed during the previous financial year. The synergies and leverage opportunities derived from this acquisition activity in the prior year are now being consolidated and are consistent with expectations.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT

The following significant changes in the nature of the activities of the consolidated Group occurred during the half-year:

a) On 23 September 2005 Computershare acquired the SPV management service provider Lord Securities Corporation and Lord Securities (Delaware) LLC for USD 12.4 million cash plus a maximum earnout payment of USD 3.1 million should certain hurdles be met.

b) On 14 November 2005 Computershare acquired FinancialBPO Pty Ltd for AUD $9.5 million cash on settlement, the issue of 1 million options with an exercise price of $6.15, able to be exercised within a five year period and 220,000 shares that were purchased on market.

c) On 29 December 2005 Computershare acquired control of SLS Group for consideration of EUR 14.85 million cash which was paid on 6 January 2006.

CONSOLIDATED PROFIT

The consolidated profit of the consolidated entity for the half-year was $65,784,540 after deducting income tax and outside equity interests.

DIVIDENDS

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

Ordinary shares

- A final dividend in respect of the year ended 30 June 2005 was declared on 16 August 2005 and paid on 23 September 2005. This was an ordinary dividend of 6.0 cents per share, unfranked, amounting to $35,702,329.

- An interim ordinary dividend recommended by the directors of the company in respect of the current financial year, to be paid on 24 March 2006, is an unfranked ordinary dividend of 6.0 cents per share, amounting to $35,833,234 based on shares on issue at 31 December 2005. The dividend was not declared until 15 February 2006 and accordingly no provision has been recognised at 31 December 2005.

ROUNDING OF AMOUNTS

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

AUDITORS' INDEPENDENCE DECLARATION

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

Signed in accordance with a resolution of the directors.

A. S. Murdoch, Chairman

C. J. Morris, Managing Director

15 February 2006

PricewaterhouseCoopers
ABN 52 780 433 757

Freshwater Place
2 Southbank Boulevard
MELBOURNE VIC 3006
GPO Box 1331L
MELBOURNE VIC 3001
DX 77 Melbourne
Australia
www.pwc.com/au
Telephone +61 3 8603 1000
Facsimile +61 3 8603 1999

Auditor's independence declaration

As lead auditor for the review of Computershare Limited for the half year ended 31 December 2005, I declare that to the best of my knowledge and belief, there have been:

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

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

John Yeoman
Partner
PricewaterhouseCoopers

Melbourne
15 February 2006

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Note	*Half-year*	
		2005	**2004**
		$000	**$000**
Revenues			
Revenue		775,599	479,962
Other income		5,833	18,534
Total revenue		**781,432**	498,496
Expenses			
Direct services		590,564	362,785
Technology services		61,328	45,466
Corporate services		22,650	8,733
Borrowing costs		16,406	7,376
Total expenses		**690,948**	424,360
Share of net profit/(loss) of associates accounted for using the equity method		1,451	576
Profit before income tax expense		**91,935**	74,712
Income tax expense	3	23,412	2,627
Profit for the half year		**68,523**	72,085
Profit attributable to minority interests		(2,739)	(2,740)
Profit attributable to members of the parent entity		**65,784**	69,345
Basic earnings per share (cents per share)	8	**11.04**	12.33
Diluted earnings per share (cents per share)	8	**11.01**	12.55

The accompanying notes form an integral part of these financial statements.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED BALANCE SHEET
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Note	***31 December 2005***	***30 June 2005***
		$000	**$000**
CURRENT ASSETS			
Cash assets		122,752	157,145
Receivables		270,017	270,344
Available-for-sale financial assets at fair value		4,153	-
Other financial assets		46,291	37,303
Inventories		5,452	4,846
Current tax assets		4,696	1,321
Other current assets		23,995	16,292
Held for sale assets		10,447	7,973
Total Current Assets		**487,803**	495,224
NON-CURRENT ASSETS			
Receivables		3,752	7,861
Investments accounted for using the equity method		8,427	6,402
Listed and unlisted investments at cost		-	2,206
Available-for-sale financial assets at fair value		4,168	-
Property, plant & equipment		101,011	101,518
Deferred tax assets		87,283	73,894
Derivative financial instruments		3,063	-
Intangibles		1,456,125	1,347,387
Other		1,093	-
Total Non-Current Assets		**1,664,922**	1,539,268
Total Assets		**2,152,725**	2,034,492
CURRENT LIABILITIES			
Payables		259,731	279,222
Interest bearing liabilities		109,755	101,433
Current tax liabilities		5,102	12,647
Provisions		7,765	27,391
Other		70,848	56,022
Total Current Liabilities		**453,201**	476,715
NON-CURRENT LIABILITIES			
Payables		6,357	14,872
Interest bearing liabilities		599,729	582,057
Deferred tax liabilities		54,026	28,154
Provisions		85,534	73,269
Derivative financial instruments		14,779	-
Deferred consideration		63,075	64,271
Other		6,614	3,556
Total Non-Current Liabilities		**830,114**	766,179
Total Liabilities		**1,283,315**	1,242,894
Net Assets		**869,410**	791,598
EQUITY			
Parent entity interest			
Contributed equity - ordinary shares		585,149	580,762
Reserves		7,805	(33,400)
Retained profits		268,438	238,071
Total parent entity interest		**861,392**	785,433
Minority interest		8,018	6,165
Total Equity		**869,410**	791,598

The accompanying notes form an integral part of these financial statements.

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Note	***Half-year*** **2005** **$000**	**2004** **$000**
Total equity at the beginning of the half year		**791,598**	603,836
Adjustment on adoption of AASB 132 and AASB 139, net of tax:			
Retained profits		(103)	-
Reserves		6,293	-
Available-for-sale financial assets, net of tax		271	-
Cash flow hedges, net of tax		(5,871)	-
Exchange differences on translation of foreign operations		31,689	(30,198)
Asset revaluation reserve		-	(542)
Net income recognised directly in equity		**32,279**	(30,740)
Profit for the half-year		65,784	69,345
Total recognised income and expense for the year		**98,063**	38,605
Transactions with equity holders in their capacity as equity holders:			
Contributions of equity, net of transaction costs	7	11,996	54,945
Dividends provided for or paid	4	(35,702)	(28,210)
Conversion of preference shares		-	(114,432)
On market purchase of shares related to employee share plans		(7,610)	-
Employee share based remuneration reserve		6,743	3,879
Options issued as consideration for business combinations		2,060	-
Equity related contingent consideration		27	2,816
Transfer from asset revaluation reserve to retained earnings		-	542
Minority interest		2,235	(2,055)
		(20,251)	(82,515)
Total equity at the end of the half-year		**869,410**	559,926
Total recognised income and expense for the half-year is attributable to:			
Members of Computershare Limited		95,324	35,865
Minority interest		2,739	2,740
		98,063	38,605

COMPUTERSHARE LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED CASHFLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2005

	Note	*Half-year* 2005 $000	2004 $000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		804,473	486,555
Payments to suppliers and employees		(688,539)	(428,101)
Dividends received		14	1
Interest paid and borrowing costs		(16,754)	(7,355)
Interest received		3,171	1,528
Income taxes paid		(14,898)	(1,754)
Net cash inflow from operating activities	9	**87,467**	50,874
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of controlled entities, net of cash acquired		(80,844)	(29,689)
Payments for investment in associated entities and joint ventures		(600)	-
Payments for investment in listed & unlisted entities		(1,542)	(3,079)
Payments for property, plant and equipment		(19,407)	(16,413)
Proceeds from sale of assets		489	26,831
Proceeds from sale of controlled entities, net of cash disposed		-	1,874
Other		(339)	-
Net cash outflow from investing activities		**(102,243)**	(20,476)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of ordinary shares		11,995	-
Payments for purchase of ordinary shares		(6,583)	-
Buy-back of ordinary shares		-	(30,639)
Buy-back of preference shares		-	(29,447)
Proceeds from borrowings		78,985	123,213
Repayment of borrowings		(74,863)	(47,711)
Dividends paid - ordinary shares		(35,702)	(26,928)
Dividends paid – reset preference shares		-	(1,817)
Dividend paid - outside equity interest in controlled entities		-	(1,047)
Proceeds from finance leases		3,208	1,390
Repayment of finance leases		(3,309)	(3,894)
Net cash outflow from financing activities		**(26,269)**	(16,880)
Net increase (decrease) in cash held		(41,045)	13,518
Cash at the beginning of the financial year		157,145	90,495
Exchange rate variations on foreign cash balances		6,652	(3,255)
Cash at the end of the financial year		**122,752**	100,758

The accompanying notes form an integral part of these financial statements.

1. ACCOUNTING POLICIES

This general purpose financial report for the interim half-year reporting period ended 31 December 2005 has been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting', other mandatory professional reporting requirements (Urgent Issues Group Consensus Views), other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2005 and any public announcements made by Computershare Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and Australian Stock Exchange Listing Rules.

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

Basis of preparation of half-year financial report

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.

This interim financial report is the first Computershare Limited interim financial report to be prepared in accordance with the Australian equivalents to International Financial Reporting Standards (AIFRS). AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' has been applied in preparing these financial statements. Where the ongoing application of the AASB 1 requirements results in an accounting treatment different to the stated accounting policy, these are outlined in the accounting policy "Ongoing impact of AASB 1 application to accounting policy".

Until 30 June 2005 financial statements of Computershare Limited have been prepared in accordance with previous Australian Generally Accepted Accounting Policies (AGAAP). AGAAP differs in certain respects from AIFRS. When preparing the Computershare Limited interim financial report for the half year ended 31 December 2005, management has amended certain accounting, valuation and consolidation methods applied in the previous AGAAP financial statements to comply with AIFRS. With the exception of financial instruments, the comparative figures were restated to reflect these adjustments. The Group has taken the exemption available under AASB 1 to only apply AASB 132 Financial Instruments: Disclosure and Presentation and AASB 139 Financial Instruments: Recognition and Measurement from 1 July 2005.

Reconciliations and descriptions of the effect of transition from previous AGAAP to AIFRS on the Group's equity and its net income are given in Note 12.

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

Early adoption of standard
The Group has elected to apply the amendment to AASB 121: The Effects of Changes in Foreign Exchange Rates (issued January 2006) to the interim reporting period beginning 1 July 2005.
This amendments allows monetary items to be denominated in any currency and still be included as part of a net investment in a foreign operation. In the consolidated accounts, exchange differences related to these monetary items are reclassified to the foreign currency translation reserve. This accounting treatment is consistent with previous AGAAP requirements and therefore does not result in transitional adjustment.

Principles of consolidation

The consolidated financial statements include the financial statements of the parent entity, Computershare Limited, and its controlled entities, referred to collectively throughout these financial statements as the "consolidated entity" or "the Group".

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

Financial statements of foreign controlled entities presented in accordance with overseas accounting principles are, for consolidation purposes, adjusted to comply with Group policy and generally accepted accounting principles in Australia.

Foreign currency translation

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 Australian dollars, which is Computershare Limited's functional and presentation currency.

Foreign currency transactions are converted to Australian 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 Australian 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 the income statement, 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.

All resulting exchange differences from the translation of the results and financial position of all the Group entities that have a functional currency other than Australian dollars are recognised as a separate component of equity. 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 taken to shareholders' 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 income statement 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.

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.

Tax consolidation legislation

Computershare Limitd and its wholly-owned Australian 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 agreement. 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 agreement are recognised separately as tax related intercompany payables or receivables.

The impact on the income tax expense and results of Computershare Limited is unlikely to be material because of the tax sharing agreement. The tax sharing agreement is not expected to have a material impact on the consolidated assets, liabilities and results.

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 company's clients. As the inventory is used, the costs are billed.

Leases

Assets acquired under finance leases are capitalised and amortised over the life of the relevant lease, or where ownership is likely to be obtained on expiration of the lease, over the life of the asset. Lease payments are allocated between interest expense and reduction in the lease liability.

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 consolidated entity, whichever is the shorter.

Software development costs

Internally developed software and related costs are expensed in the year in which they are incurred.

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. Assets that are subject to amortisation 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 in 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).

Property, plant & equipment

The amounts at which property, plant and equipment are stated in these financial statements are regularly reviewed. Where revaluations are made they are based on reports by independent valuers.

The gain or loss on disposal of revalued assets is calculated as the difference between the carrying amount of the asset at the time of disposal and the proceeds on disposal and is included in the profit or loss of the consolidated entity in the year of disposal. Any related revaluation increment in the asset revaluation reserve at the time of disposal is transferred to retained earnings.

Revenue

Revenue
Sales revenue comprises registry and bureau revenue, sale of software licences and associated development, installation and maintenance fees (net of returns, discounts and allowances) and document processing services.

Registry and bureau revenue includes all revenue earned on the provision of regular services to customers, primarily fixed monthly maintenance fees and transaction processing fees. Additionally, sales revenue includes all associated revenue earned from managing various client corporate actions, such as capital raisings, demutualisations and takeovers, which occur periodically. Revenue derived from both sources of sales revenue includes variable margin income earned on administered funds, including Save As You Earn Schemes.

In relation to the recognition of any profits and losses on the corporate actions which span reporting periods, where they can be reliably measured, revenue and expenses arising from the project are recognised in the income statement by reference to the stage of completion of the project as at balance date.

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.

Document processing revenues include revenue from the provision of paper and electronic document needs for issuers, investors and many corporations. This includes design, document composition and programming, through to various production and distribution methods.

Plans and Analytics revenue is recognised to match the period in which services are performed.

Other Income
Other revenue includes interest income on short-term deposits controlled by the consolidated entity, royalties and dividends received from other persons.

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.

Depreciation
Items of property, plant and equipment, excluding freehold land and leasehold plant and equipment, are depreciated on a straight line basis at rates calculated to allocate their cost, less estimated residual value, against revenue over their estimated useful life. 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).

Dividend

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 net profit after income tax attributable to members of the company, 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 adjusts the figure used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Cash

For the purposes of the Statement of Cash Flows, cash includes deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts. Cash excludes Broker Client Deposits carried on the balance sheet that are recorded as other current financial assets.

Intangible Assets

Goodwill
On acquisition of a controlled entity, the difference between the purchase consideration plus incidental expenses and the fair value of identifiable net assets acquired is initially brought to account as goodwill or discount on acquisition. Within 12 months of completing the acquisition, identifiable intangible assets will be valued by management and separately recognised on the balance sheet.

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.

Contractual customer relationships
Purchased contractual customer relationships have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight line method to allocate the cost over their estimated useful lives.

Acquisition of assets

The purchase method of accounting is used for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of the acquisition plus incidental costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their market price as at acquisition date, unless it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

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 the acquisition. 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.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at acquisition date. The excess of the cost of acquisition over the fair value of the Group's share of identifiable net assets acquired is recorded as goodwill. Where an entity or operation is acquired and the fair value of the identifiable net assets acquired exceeds the cost of acquisition, the difference is recognised as revenue directly in the income statement.

Employee benefits

Provision has been made in the balance sheet for benefits accruing to employees in relation to 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.

All on-costs, including payroll tax and workers' compensation premiums are included in the determination of provisions. Vested sick leave and annual leave are measured at their nominal amounts.

The long service leave provision is measured at the present value of estimated future cash flows, discounted by the interest rate applicable to Commonwealth Government securities maturing in the period the liability is expected to fall due. A 4% per annum rate of increase in employee wage and salary rates was assumed in the present value calculations.

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 Hong Kong (closed in April 2005), Germany and India only. Where material to the group, a liability or asset in respect of the these plans is recognised on the balance sheet, 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 issued under the employee and executive share schemes is recognised as a personnel expense over the vesting period with a corresponding increase in share based payments reserve. When the employee becomes entitled to the shares the increase in share based payments reserve is transferred to share capital.

The fair value of performance rights issued under the Computershare Deferred Long Term Incentive Plan are recognised as a personnel expense over the option vesting period with a corresponding increase in share based payments reserve. Upon the exercise of the options, the balance of the share based payments reserve relating to those options is transferred to share capital.

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 non market vesting conditions. Non market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of options 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 capital is shown (refer Note 7).

No expense is recognised in respect of share options granted before 7 November 2002 and/or vested prior to 1 January 2005. The shares are recognised when the options are exercised and the proceeds received allocated to share capital.

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 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 creditors 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 acquisition are recognised as at the date of acquisition if, at or before the acquisition date, the acquiree had an existing liability for restructuring.

Non current assets (or disposal groups) held for sale

Non current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

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. Non current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Shares in subsidiaries and equity accounted investments

Controlled entities

The investments in the controlled entities are carried in the company's financial statements at the lower of cost and recoverable amount. Dividends from controlled entities are brought to account in the Income statement when they are proposed by the controlled entities.

Associated entities

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 investment in associated entities is decreased by the amount of dividends received or receivable. Investments in associates are carried at the lower of cost and recoverable amount in the accounts of the parent entity.

Share capital

Ordinary share capital bears no special terms or conditions affecting income or capital entitlements of the shareholders and is classified as equity.

Trade and other payables

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

Investments and other financial assets

From 1 July 2004 to 30 June 2005
The Group has taken the exemption available under AASB 1 to apply AASB 132 and AASB 139 only from 1 July 2005. The Group has applied previous AGAAP to the comparative information on financial instruments within the scope of AASB 132 and AASB 139. For further information on previous AGAAP refer to the annual report for the year ended 30 June 2005.

Adjustments on transition date: 1 July 2005
The main adjustment on transition is to use fair value as the measurement basis. The exceptions are held to maturity investments and loans and receivables which are measured at amortised cost. Fair value is inclusive of transaction costs. Changes in fair value are either taken to the income statement or an equity reserve. At the date of transition changes to carrying amounts are taken to opening retained earnings or reserves.

From 1 July 2005
The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, 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 and re-evaluates this designation at each reporting date.

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. All derivatives are categorised as held for trading unless they are designated as hedges.

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 balance sheet.

iii. Held to maturity investments

Held to maturity investments are non derivatives financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

iv. Available for sale assets

Available for sale financial assets, comprising principally marketable equity securities, 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

All financial assets are initially recognised at fair value plus transaction costs other than loans and receivables and held to maturity investments which are 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 the income statement in the period in which they arise. Unrealised gains and losses for changes in fair value of available for sale assets are recognised in equity in the available for sale investments revaluation reserve. When these assets are sold or impaired, the accumulated fair value adjustments are included in the income statement.

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

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

Derivatives

From 1 July 2004 to 30 June 2005

The Group has taken the exemption available under AASB 1 to apply AASB 132 and AASB 139 only from 1 July 2005. The Group has applied previous AGAAP to the comparative information on financial instruments within the scope of AASB 132 and AASB 139. For further information on previous AGAAP refer to the annual report for the year ended 30 June 2005.

Adjustments on transition date: 1 July 2005

The main adjustment on transition is that derivatives are measured on a fair value basis. Changes in fair value are either taken to the income statement or an equity reserve. At the date of transition changes to carrying amounts of derivatives are taken to retained earnings or reserves, depending on whether the criteria for hedge accounting are satisfied at the transition date.

From 1 July 2005

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured 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 derivatives as either; (1) hedges of net investments of a foreign operation; (2) hedges of firm commitments (cash flow hedges); or (3) fair value hedges.

The Group documents at the inception of the transaction 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 non derivative monetary assets that are designated and qualify as hedging instruments are recorded in equity in the hedging reserve. The change in value of the net investment is recorded in the foreign currency translation reserve in accordance with AASB 121 requirements. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

ii. Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item will affect profit or loss (for instance when the firm commitment that is hedged takes 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 the income statement.

iii. Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

iv. Derivatives that do not qualify for hedge accounting

Certain derivative instruments 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 the income statement.

Ongoing impact of AASB 1 application to accounting policy

For acquisitions made prior to 1 July 2004, Computershare elected to apply the grandfathering provisions available within AASB 1 upon first time adoption of AIFRS.

Accordingly, the following circumstances arise for all grandfathered acquisitions:

- In relation to restructuring provisions recognised as part of the acquisition accounting under previous AGAAP rules, any under/over provision is taken to the income statement. Under previous AGAAP rules, this would have been made as an adjustment to goodwill on acquisition.

- Tax losses which were not booked as part of the acquisition accounting because their recognition was not virtually certain will be recognised through profit or loss when their use becomes probable under the ongoing AIFRS requirements of AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*. If the tax losses were accounted for under the ongoing requirements of AASB 3 *Business Combinations* and previous AGAAP rules, this would be made as an adjustment to goodwill on acquisition.

2. INDIVIDUALLY MATERIAL ITEMS

Included in the consolidated income statement are the following items that are material because of their nature, size or incidence:

For the half year ended 31 December 2005:

	Total $000
UK Redundancies	(5,796)
Tax effect	1,739
	(4,057)

For the half year ended 31 December 2004:

		Total $000
E*Trade shares		
Net sale proceeds	13,402	
Written down value	(6,690)	6,712
Premises		
Net sale proceeds	5,115	
Written down value [1]	(2,496)	2,619
Business Combinations		
Grandfathered acquisition tax losses [2]		8,717
Other		(405)
		17,643

[1] The written down value of Computershare's former premises in Melbourne was increased by $125,000 as a result of an AIFRS transitional adjustment.

[2] Refer to Note 1 Accounting Policies "Ongoing impact of AASB 1 application to accounting policy"

3. RECONCILIATION OF INCOME TAX EXPENSE

a) Income tax expense

	Half-year 2005 $000	2004 $000
Current tax expense	10,894	(9,211)
Deferred tax expense	12,483	12,190
Under (over) provided in prior years	35	(352)
Total Income expense	**23,412**	2,627
Deferred income tax (revenue) expense included in income tax expense comprises:		
Decrease (increase) in deferred tax assets	(13,389)	16,046
(Decrease) increase in deferred tax liabilities	25,872	(3,856)
	12,483	12,190

b) Numerical reconciliation of income tax expense to prima facie tax payable

	Half-year 2005 $000	2004 $000
Profit from continuing operations before income tax expense	91,935	74,712
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%	27,581	22,413
Tax effect of permanent differences:		
Non-deductible depreciation	429	228
Research and development allowance	(676)	(800)
Non-deductible provisions	-	5
Benefit of tax losses not brought to account	-	1,203
Tax losses utilised not bought to account	(1,512)	(8,818)
Share based payments	340	965
Borrowing costs	(3,314)	(3,314)
Rebatable/non-assessable dividend	-	(2,393)
Other deductible items	(4,495)	(1,366)
Non assessable accounting profit on the sale of E*Trade	-	(2,013)
Other	218	(1,449)
Differential in overseas tax rates	4,806	(1,694)
Prior year tax (over)/under provided	35	(352)
Restatement of deferred tax balances due to income tax rate changes	-	12
Income tax expense	**23,412**	2,627

c) Amounts recognised directly in Equity

	Half-year 2005 $000	2004 $000
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss but directly debited or credited to equity		
Current tax – credited directly to equity	-	-
Net deferred tax – debited (credited) directly to equity	(2,209)	-
	(2,209)	-

4. DIVIDENDS

	Half-year 2005 $000	2004 $000
Ordinary shares		
Dividends provided for or paid during the half year	35,702	26,928

Dividends not recognised at the end of the half year
In addition to the above dividends, since the end of the half year the directors have recommended the payment of an unfranked interim dividend of 6.0 cents per fully paid ordinary share (2004 – 5.0 cents, partially franked). As the dividend was not declared until 15 February 2006, a provision has not been recognised as at 31 December 2005.

5. BUSINESS COMBINATION

The following controlled entities were acquired by the consolidated entity at the date stated and its operating results have been included in the income statement from the relevant date.

On 23 September 2005, Computershare acquired 100% of the issued share capital of Lord Securities Corporation.

The acquired business contributed revenues of AUD $2.4 million and net profit of AUD $0.7 million to the Group for the period 23 September to 31 December 2005. If the acquisition had occurred on 1 July 2005, the revenue and profit for the half-year ended 31 December 2005 would have been estimated at $4.8 million and $1.3 million respectively.

Details of the acquisition are as follows:

	$000
Cash consideration	16,258
Contingent consideration	4,065
Direct costs relating to the acquisition	183
Total consideration paid	20,506
Less fair value of identifiable net assets acquired	198
Goodwill on consolidation*	**20,308**

* Identifiable intangible assets to be finalised and separately recongnised.

Contingent consideration of USD 3.1 million (AUD 4.1 million) is payable in cash should certain revenue targets be met.

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

	Acquiree's carrying amount $'000	**Fair Value $'000**
Cash	886	886
Receivables	1,467	1,467
PP&E	180	180
Tax assets	167	167
Other assets	831	831
Payables	(3,333)	(3,333)
Net Assets	**198**	**198**

No fair value adjustments were made on acquisition and no acquisition provisions were created.

On 15 November 2005, Computershare acquired 100% of the issued share capital of FinancialBPO for a consideration of AUD $13.13 million through the issue of cash ($9,500,000), 1,000,000 options (exercisable at $6.15 and valued under the binominal method) and 220,000 shares (purchased on market at $6.81 each).

The acquired business contributed revenues of $0.9 million and net profit of $0.1 million to the Group for the period 16 November to 31 December 2005. If the acquisition had occurred on 1 July 2005, the revenue and profit for the half-year ended 31 December 2005 would have been estimated at $2.6 million and $0.3 million respectively.

Details of the acquisition are as follows:

	$000
Cash consideration	9,500
Other consideration & costs	3,630
Total consideration paid	13,130
Less fair value of identifiable net assets acquired	83
Goodwill on consolidation*	**13,047**

* Identifiable intangible assets to be finalised.

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

	Acquiree's carrying amount $'000	**Fair Value $'000**
Cash	289	289
Receivables	743	743
PP&E	182	182
Other financial assets	214	214
Other assets	12	12
Payables	(1,248)	(1,248)
Provisions	(109)	(109)
Net Assets	**83**	**83**

No fair value adjustments were made on acquisition and no acquisition provisions were created.

On 29 December 2005 Computershare acquired SLS for a consideration of EUR14.85 million (AUD 24.1 million) cash.

Details of the acquisition are as follows:

	$000
Cash consideration	24,131
Less fair value of identifiable net assets acquired **	949
Goodwill on consolidation*	**23,182**

* Identifiable intangible assets to be finalised.

** Net assets acquired are to be finalised given the proximity to half year end. Accordingly, goodwill on consolidation will be finalised subsequent to 31 December 2005. Cash consideration was paid on 6 January 2006.

The acquired business contributed revenues and net profit of $nil to the Group for the period 29 December to 31 December 2005. Given the proximity of the acquisition to half year end it is not practicable to estimate the revenue and profit for the half-year ended 31 December 2005 if the acquisition had occurred on 1 July 2005.

6. SEGMENT INFORMATION

The consolidated entity operates predominantly in three geographic segments: Asia Pacific; Europe, Middle East & Africa (EMEA); and North America.

Asia Pacific includes Australia, the home country of the parent entity, plus New Zealand, India and Hong Kong. The EMEA region comprises of operations in the UK, Ireland, Germany and South Africa. North America includes the US and Canada.

In each region the consolidated entity operates in six business segments: Investor Services, Plan Services, Document Services, Shareholder Relationship Management Services, Technology Services and Corporate.

The Investor Services operations comprise the provision of registry and related services. The Plan Services operations comprise the provision and management of employee share and option plans. Document Services operations comprise laser imaging, intelligent mailing, scanning and electronic delivery. Shareholder Relationship Management comprise the provision of investor analysis, investor communication and management information services to companies, including their employees, shareholders and other security industry participants. Technology Services include the provision of software specializing in share registry, financial services and stock markets. Intersegment charges are at normal commercial rates.

Segment information is prepared in conformity with the accounting policies of the entity as disclosed in note 1 and revised segment reporting accounting standard, AASB 114 Segment Reporting.

PRIMARY BASIS - Geographic Segments
December 2005

Major geographic segments	Asia Pacific	EMEA	North America	Unallocated/ Eliminations	Consolidated Total
	$000	$000	$000	$000	$000
Revenue					
External revenue	166,271	154,157	457,170	3,834	781,432
Intersegment revenue	11,036	7,793	3,484	(22,313)	-
Total segment revenue	**177,307**	**161,950**	**460,654**	**(18,479)**	**781,432**
Segment Result					
Profit/(loss) from ordinary activities before income tax	15,026	3,036	70,755	3,118	91,935
Income tax expense					(23,412)
Profit from ordinary activities after income tax					**68,523**
Depreciation	4,026	3,882	7,758	-	15,666
Other non-cash expenses	633	213	1,698	-	2,544
Liabilities					
Total segment liabilities	89,197	109,135	1,026,057	58,926	**1,283,315**
Assets					
Total segment assets	1,096,730	247,359	2,590,076	(1,781,440)	**2,152,725**
Carrying value of investments in associates included in segment assets		7,930			7,930
Segment assets acquired during the reporting period:					
Property, plant & equipment	6,672	2,498	4,769		13,939
Other Non Current Segment Assets	13,100	-	20,329		33,429
Total	**19,772**	**2,498**	**25,098**		**47,368**

6. SEGMENT INFORMATION CONTINUED

PRIMARY BASIS - Geographic Segments
December 2004

Major geographic segments	Asia Pacific	EMEA	North America	Unallocated/ Eliminations	Consolidated Total
	$000	$000	$000	$000	$000
Revenue					
External revenue	174,641	129,741	192,300	1,814	**498,496**
Intersegment revenue	12,920	7,200	1,874	(21,994)	**-**
Total segment revenue	**187,561**	**136,941**	**194,174**	**(20,180)**	**498,496**
Segment Result					
Profit/(loss) from ordinary activities before income tax	40,192	14,059	19,173	1,288	74,712
Income tax expense					(2,627)
Profit from ordinary activities after income tax					**72,085**
Depreciation	3,344	3,976	6,806	-	14,126
Other non-cash expenses	320	190	1,384	-	1,894
Liabilities					
Total segment liabilities	118,117	88,285	395,272	10,835	**612,509**
Assets					
Total segment assets	933,642	203,457	1,132,143	(1,098,911)	**1,170,331**
Carrying value of investments in associates included in segment assets		5,249			5,249
Segment assets acquired during the reporting period:					
Property, plant & equipment	8,675	5,482	9,645	-	23,802
Other Non Current Segment Assets	7,610	1,966	33,111	-	42,687
Total	**16,285**	**7,448**	**42,756**	**-**	**66,489**

6. SEGMENT INFORMATION CONTINUED

SECONDARY - Business Segments
December 2005

Major business segments	Analytics & Shareholder Relationship Management Services $000	Corporate Services $000	Document Services $000	Investor Services $000	Plan Services $000	Technology Services $000	Unallocated $000	Consolidated Total $000
Revenue								
External revenue	46,205	1,318	44,988	614,905	51,228	18,954	3,834	781,432
Intersegment revenue	7,054	19,577	41,215	9,951	452	57,357	(135,606)	-
Total segment revenue	**53,259**	**20,895**	**86,203**	**624,856**	**51,680**	**76,311**	**(131,772)**	**781,432**
Segment Result								
Profit/(loss) from ordinary activities before income tax	(6,577)	(28,686)	5,203	109,600	5,861	6,734	(200)	91,935
Income tax expense								(23,412)
Profit from ordinary activities after income tax								**68,523**
Depreciation	596	373	2,398	5,709	101	6,489		15,666
Other non-cash expenses	65	412	519	1,443	55	50		2,544
Liabilities								
Total segment liabilities	9,760	751,272	13,123	407,491	44,315	25,208	32,148	**1,283,315**
Assets								
Total segment assets	150,038	1,826,898	73,317	1,725,223	142,306	43,962	(1,809,019)	**2,152,725**
Carrying value of investments in associates included in segment assets		7,930						7,930
Segment assets acquired during the reporting period:								
Property, plant & equipment	817	150	5,092	2,812	7	5,061		13,939
Other Non Current Segment Assets	-	-	-	33,429	-	-		33,429
Total	**817**	**150**	**5,092**	**36,241**	**7**	**5,061**		**47,368**

6. SEGMENT INFORMATION CONTINUED

SECONDARY BASIS - Business Segments
December 2004

	Analytics & Shareholder Relationship Management Services	Corporate Services	Document Services	Investor Services	Plan Services	Technology Services	Unallocated	Consolidated Total
Major business segments	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
Revenue								
External revenue	38,803	33,904	28,423	328,348	59,594	7,611	1,813	498,496
Intersegment revenue	3,703	36,880	43,153	21,671	1,208	54,110	(160,725)	-
Total segment revenue	**42,506**	**70,784**	**71,576**	**350,019**	**60,802**	**61,721**	**(158,912)**	**498,496**
Segment Result								
Profit/(loss) from ordinary activities before income tax	4,766	8,687	6,143	38,443	7,671	7,638	1,364	74,712
Income tax expense								(2,627)
Profit from ordinary activities after income tax								**72,085**
Depreciation	419	439	1,625	5,314	434	5,895	-	14,126
Other non-cash expenses	-	135	504	1,125	69	61	-	1,894
Liabilities								
Total segment liabilities	20,856	372,571	11,784	131,940	57,785	13,305	4,268	**612,509**
Assets								
Total segment assets	145,613	1,055,710	60,665	844,109	124,169	44,071	(1,104,006)	**1,170,331**
Carrying value of investments in associates included in segment assets		5,249						5,249
Segment assets acquired during the reporting period:								
Property, plant & equipment	934	793	5,006	11,224	1,094	4,751	-	23,802
Other Non Current Segment Assets	1,966	-	7,610	33,111	-	-	-	42,687
Total	**2,900**	**793**	**12,616**	**44,335**	**1,094**	**4,751**	**-**	**66,489**

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by a segment and consist primarily of operating cash, receivables, inventories, property plant and equipment and goodwill and other intangible assets, net of related provisions. Corporate segment assets also include financial assets. Segment liabilities consist primarily of trade and other creditors, employee entitlements and other provisions. Corporate segment liabilities also include borrowings. Segment assets and liabilities do not include income taxes.

7. EQUITY SECURITIES ISSUED

	Half-year		*Half-year*	
	2005	2004	**2005**	2004
	Shares	Shares	**$000**	$000
Issues of ordinary shares during the half-year				
Exercise of options issued under the Computershare Limited Employee Option Plan	**2,331,750**	-	**11,996**	-
Exercise of options issued to Citigroup	**-**	978,781	**-**	-
Issued as part of acquisitions	**-**	200,000	**-**	600
Share buy back	**-**	(10,220,000)	**-**	(30,639)
Issued for no consideration:				
Employee share scheme issues	**-**	1,825,649	**-**	-
Conversion of the reset preference shares	**-**	24,000,382	**-**	84,984
	2,331,750	16,784,812	**11,996**	54,945

On 26 May 2004 Computershare announced its intention to buy-back up to 27,500,000 ordinary shares between 10 June 2004 and 17 December 2004 as part of on-going capital management. On 16 December 2004 Computershare announced a continuation of this buy-back until 17 June 2005 or earlier if the maximum number of shares are purchased prior to this time.

During the financial year ended 30 June 2005 the company bought back 10,220,000 ordinary shares at a total cost of $30,638,938. The shares bought back represented 1.86% of the opening issued ordinary share capital.

	Half-year		*Half-year*	
	2005	2004	**2005**	2004
	Shares	Shares	**$000**	$000
Repurchases of reset preference shares during the half year				
Repurchases of reset preference shares	**-**	(284,807)	**-**	(29,447)
Conversion to ordinary shares	**-**	(900,000)	**-**	(84,985)
	-	(1,184,807)	**-**	(114,432)

Between 1 July 2004 and 30 September 2004 the company bought back 284,807 reset preference shares at a total cost of $29,446,964.

Following a decision by the directors of the company to cause the reset preference shares to be converted to ordinary shares on 30 September 2004 there have been no further reset preference share buy-backs.

8. EARNINGS PER SHARE

	Calculation of Basic EPS	***Calculation of Diluted EPS***	***Calculation of Normalised Basic EPS***	***Calculation of Normalised Diluted EPS***
	$000	**$000**	**$000**	**$000**
Half year end 31 December 2005				
Earnings per share (cents per share)	11.04 cents	11.01 cents	11.72 cents	11.69 cents
Net profit	68,523	68,523	68,523	68,523
Outside equity interest (profit)/loss	(2,739)	(2,739)	(2,739)	(2,739)
Inclusion of material items (Note 2)	-	-	4,057	4,057
Net profit	**65,784**	**65,784**	**69,841**	**69,841**
Weighted average number of ordinary shares used as denominator in calculating basic earnings per share	595,760,126		595,760,126	
Weighted average number of ordinary and potential ordinary shares used as denominator in calculating diluted earnings per share		597,605,502		597,605,502

	Calculation of Basic EPS	***Calculation of Diluted EPS***	***Calculation of Normalised Basic EPS***	***Calculation of Normalised Diluted EPS***
	$000	**$000**	**$000**	**$000**
Half year end 31 December 2004				
Earnings per share (cents per share)	12.33 cents	12.55 cents	9.14 cents	9.36 cents
Net profit	72,085	72,085	72,085	72,085
Outside equity interest (profit)/loss	(2,740)	(2,740)	(2,740)	(2,740)
Exclusion of material items (Note 2)	-	-	(17,643)	(17,643)
Dividends on reset preference shares	(1,282)	-	(1,282)	-
Net profit	68,063	69,345	50,420	51,702
Weighted average number of ordinary shares used as denominator in calculating basic earnings per share	551,812,848		551,812,848	
Weighted average number of ordinary and potential ordinary shares used as denominator in calculating diluted earnings per share		552,581,135		552,581,135

Options which are not dilutive and therefore not included in the calculation of diluted EPS are as follows:

Issue Date	*Expiry Date*	*Exercise Price*	*Number On Issue 30/06/05*	*Number Issued This Year*	*Number Cancelled This year*	*Number Exercised This year*	*Number On Issue 31/12/05*	
1 Aug 2000	1 Jul 2005	$7.920	20,000	-	20,000	-	-	A, B
15 Aug 2000	14 Jul 2005	$7.850	147,000	-	147,000	-	-	A, B
8 Sep 2000	7 Aug 2005	$8.000	971,000	-	971,000	-	-	A, B
25 Sep 2000	24 Aug 2005	$7.970	99,000	-	99,000	-	-	A, B
15 Dec 2000	14 Nov 2005	$8.000	35,000	-	35,000	-	-	A, B
29 Dec 2000	28 Nov 2005	$9.186	68,200	-	68,200	-	-	A, B
21 Feb 2001	20 Jan 2006	$5.820	13,953	-	-	-	13,953	B
26 Feb 2001	25 Jan 2006	$7.400	58,000	-	3,000	-	55,000	A, B
27 Apr 2001	26 Mar 2006	$6.690	18,000	-	-	-	18,000	B
1 Jul 2001	31 May 2006	$7.350	467,000	-	-	-	467,000	A, B
1 Jul 2001	31 May 2006	$5.950	760,000	-	30,500	301,000	428,500	B
2 Jul 2001	1 Jun 2006	$5.950	2,635,750	-	210,500	1,428,250	997,000	B
2 Jul 2001	1 Jun 2006	$5.940	71,500	-	-	15,000	56,500	B
2 Jul 2001	1 Jun 2006	$7.350	74,000	-	50,000	-	24,000	A, B
31 Jul 2001	30 Jun 2006	$6.150	37,250	-	4,000	-	33,250	B
6 Mar 2002	5 Feb 2007	$2.770	1,065,600	-	143,100	549,500	373,000	
6 Mar 2002	5 Feb 2007	$2.520	40,000	-	-	-	40,000	
10 Apr 2002	9 Mar 2007	$2.520	42,000	-	2,000	38,000	2,000	
27 May 2002	26 Apr 2007	$2.550	100,000	-	-	-	100,000	
15 Nov 2005	15 Nov 2010	$6.150	-	1,000,000	-	-	1,000,000	
Total			**6,723,253**	**1,000,000**	**1,783,300**	**2,331,750**	**3,608,203**	

Options in the table above which were not included in potential ordinary shares for the purposes of 31 December 2005 diluted EPS are marked with an (A). Options in the table above which were not included in potential ordinary shares for the purposes of 31 December 2004 diluted EPS are marked with a (B).

No options have been issued since half year end.

The following options have been cancelled/lapsed between reporting date and the time of completion of this report:

Cancellation date	**Exercise price**	**Number of options cancelled/lapsed**
4 Jan 06	$5.95	5,000
4 Jan 06	$5.95	1,000
20 Jan 06	$5.82	13,953
25 Jan 06	$7.40	55,000

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

	Dec-05 $000	Dec-04 $000
Net profit after income tax	68,523	72,085
Adjustments for non-cash income and expense items:		
- Depreciation and amortisation	18,221	16,789
- (Profit)/loss on sale of assets	175	(13,293)
- Share of net profit/(loss) of associates accounted for using equity method	(1,451)	(576)
- Derivative financial instruments	1,501	-
- Other	(747)	1,341
Changes in assets and liabilities:		
- (Increase)/decrease in accounts receivable	13,914	(13,236)
- (Increase)/decrease in inventory	(518)	657
- (Increase)/decrease in other assets	1,882	1,730
- Increase /(decrease) in payables and provisions	(17,108)	(8,970)
- Increase/(decrease) in tax balances	1,563	7,272
- Increase/(decrease) in reserves	1,512	(12,925)
Net cash provided by operating activities	**87,467**	50,874

10. CONTINGENT LIABILITIES

Contingent liabilities at balance date, not otherwise provided for in these financial statements are categorised as follows:

(a) Guarantees and Indemnities
Guarantees and indemnities of $400,000,000 (30 June 2005: $400,000,000) have been given to the consolidated entity's Australian Bankers by Computershare Limited, ACN 081 035 752 Pty Ltd, Computershare Investments (UK)(No. 3) Ltd, Computershare Finance Company Pty Ltd, and Computershare US under a Multicurrency Revolving Facility Agreement dated 18 March 2005.

Bank guarantees of $520,000 (30 June 2005: $520,000) have been given in respect of facilities provided to Computershare Clearing Pty Ltd.

A bank guarantee of $50,000 (30 June 2005: $105,105) have been given in respect of facilities provided to Computershare Ltd.

A bank guarantee of $500,000 (30 June 2005: $500,000) has been given in respect of facilities provided to Sepon Australia Pty Ltd.

A bank guarantee of $257,237 (30 June 2005: $199,500) has been given in respect of facilities provided to Computershare Investor Services Pty Ltd.

A bank guarantee of $88,350 (30 June 2005: $88,350) has been given in respect of facilities provided to Computershare Document Services Pty Ltd.

Bank guarantees totalling CAD $1,800,000 (30 June 2005: CAD $1,800,000) has been given by Computershare Trust Company of Canada and Computershare Investor Services Inc in respect of standby letters of credit for the payment of payroll.

Guarantees of US $4,639,862 (30 June 2005: US $2,447,379) have been given by Computershare Investor Services LLC as security for payroll and healthcare administration services in USA.

Guarantees of US $2,760,861 and AU $497,713 (30 June 2005: US $2,340,861 and AU $497,713) have been given by Computershare Limited as security for bonds in respect of leased premises.

A bank guarantee of HK $398,197 (30 June 2005: HK $398,197) has been given by Computershare Hong Kong Investor Services Limited as security for bonds in respect of leased premises.

A bank guarantee of Rand 850,000 (30 June 2005: Rand 850,000) has been given by Computershare South Africa (Pty) Ltd as security for bonds in respect of leased premises.

Guarantees and indemnities of USD $318,500,000 (30 June 2005: $318,500,000) have been given to US Institutional Accredited Investors by Computershare Limited, ACN 081 035 752 Pty Ltd, Computershare Finance Company Pty Ltd and Computershare Investments (UK)(No. 3) Ltd under a Note and Guarantee Agreement dated 22 March 2005.

(b) Legal and Regulatory Matters

Due to the nature of operations, certain commercial claims and regulatory investigations in the normal course of business have been made against Computershare in various countries. The directors, based on legal advice, are contesting all of these matters. The majority of these claims are covered by insurance. An inherent difficulty in predicting the outcome of such matters exist, but based on current knowledge and consultation with legal counsel, we do not expect any material liability to the Group to eventuate. The status of all claims and regulatory investigations is monitored on an ongoing basis, together with the adequacy of any provisions recorded in the Group's Financial Statements.

(c) Other

As noted in this financial report, the Group is subject to regulatory capital requirements administered by certain US and Canadian banking commissions and by the Financial Services Authority in the UK. These requirements pertain to the trust company charter granted by the commissions and the Financial Services Authority. 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 the Computershare subsidiaries have met all minimum capital requirements. In addition to the capital requirements, a trust company must deposit eligible securities with a custodian. The Group has deposited a certificate of deposit with the Group's custodian in the UK in order to satisfy this requirement.

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 Rand 500,000,000.

Potential withholding and other tax liabilities arising from distribution of all retained distributable earnings of all foreign incorporated subsidiaries is $2,836,488 (30 June 2005: $2,384,330). 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 $5,000,000 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 $5,000,000 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.

Computershare Limited (Australia), as the parent company, has undertaken to own, either directly or indirectly, all of the equity interests and guarantee performance of the obligations of Computershare Investor Services LLC, Computershare Trust Company Inc, Georgeson Shareholder Communications Inc, Computershare Trust Company of Canada and Computershare Investor Services Inc with respect to any financial accommodation related to transactional services provided by Harris Trust and Savings Bank, Chicago.

11. SIGNIFICANT EVENTS AFTER BALANCE DATE

On 21 November 2005 Computershare announced that it has entered into a letter of intent to dispose of its Markets Technology business and to establish a strategic alliance to provide issuer services in the Nordic markets. Post 31 December 2005 a sale agreement was executed with settlement occurring on 31 January 2006. The financial effect of this transaction has not been brought to account at 31 December 2005.

On 15 December 2005 Computershare announced its intention to acquire Interactive Meetings Limited for a purchase price of GBP 20 million, which includes cash and shares. The purchase was completed on 6 January 2006. The financial effect of this transaction has not been brought to account at 31 December 2005. The operating results and assets and liabilities of the company will be consolidated from 1 January 2006.

No matter or circumstance has arisen since the end of the half-year which is not otherwise disclosed within this report or in the consolidated financial statements, that has significantly 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.

12. EXPLANATION OF TRANSITION TO AUSTRALIAN EQUIVALENTS OF INTERNATIONAL FINANCIAL REPORTING STANDARD (AIFRS)

The Adoption of International Financial Reporting Standards

As at 1 July 2005, Computershare have complied with the Australian equivalents of International Financial Reporting Standards (AIFRS) in accordance with the accounting policies set out in Note 1. The below tables reconcile our previously reported net profit for the 6 months ended 31 December 2004 and 12 months ended 30 June 2005 and total equity as at 1 July 2004, 31 December 2004 and 30 June 2005 under previous AGAAP rules to that now reported under AIFRS.

The 31 December 2005 results are reported in accordance with the accounting policies set out in Note 1 and are not included in the below reconciliations or commentary.

It is important to note, that whilst the adoption of AIFRS has changed the Group's reported results, this does not represent a change in the strength of the underlying business nor in the cash flows generated.

Reconciliation of net profit as presented under AGAAP to that under AIFRS

	Note	Consolidated 6 months to 31 December 2004 $000	Consolidated 12 months to 30 June 2005 ** $000
Net profit after tax and outside equity interests as reported under AGAAP		**45,368**	**101,462**
Amortisation of goodwill	A	20,260	41,706
Amortisation of intangible assets *	B	(205)	(514)
Derecognition of restructuring provisions	C	-	(13,523)
Pre 1 July 2004 business combination transitional adjustments	C	8,312	8,129
Share based payment expense	D	(3,587)	(9,971)
Assets held for sale	E	(125)	(125)
Tax effect of lower recognition hurdles	I	(382)	(1,033)
Other	J	(296)	(742)
Net profit after tax and outside equity interests under AIFRS		**69,345**	**125,391**

*Excludes amortisation of acquired intangible assets arising from the acquisitions of EquiServe Inc and the Pacific Corporate Trust Company. Please refer to 'B' below for further details.

** 12 months to 30 June 2005 is inclusive of the 6 months to 31 December 2004

The above reconciliation of net profit should be read in conjunction with the accompanying notes.

Reconciliation of equity as presented under AGAAP to that under AIFRS

	Note	Consolidated		
		30 June 2005**	31 December 2004 **	1 July 2004*
		$000	$000	$000
Total equity under AGAAP		**755,147**	**530,294**	**604,867**
Adjustments to retained earnings (net of tax)				
Write back of goodwill amortisation	A	41,706	20,260	-
Amortisation of intangible assets	B	(514)	(205)	-
Derecognition of restructuring provisions	C	(13,523)	-	-
Pre 1 July 2004 business combination transitional adjustments	C	8,129	8,312	-
Recognition of share based payment expense	D	(11,065)	(4,681)	(1,094)
Write back on held for sale assets	E	-	-	125
Tax effect of lower recognition hurdles	I	77	728	1,110
Other	J	(2,342)	(2,279)	(2,365)
Adjustments to other reserves (net of tax)				
Foreign currency translation reserve	G	(435)	(391)	-
Equity related contingent consideration	C	2,816	2,816	-
Recognition of share based payment reserve	D	11,602	5,072	1,193
Total equity under AIFRS		**791,598**	**559,926**	**603,836**

* This column represents the adjustments as at the date of transition to AIFRS

** These columns represent the cumulative adjustments as at the date of transition to AIFRS and those for the half year ended 31 December 2004 and the full year ended 30 June 2005.

The above reconciliation of equity should be read in conjunction with the accompanying notes.

Explanation of key differences in accounting policy expected to arise upon the adoption of AIFRS

In reading the below commentary on the transition to AIFRS, reference should be made to Note 1 for a detailed explanation of the accounting policies as adopted under the AIFRS accounting standards. Previous AGAAP accounting policies are detailed in the 30 June 2005 annual report.

A. Annual impairment testing of goodwill

- Goodwill amortisation expensed in 2005 in the financial results of the consolidated Group under AGAAP requirements has been reversed in full under AIFRS. This results in a $41.7million increase in the Group's reported profits of which $20.3 million relates to the 6 months ended 31 December 2004.
- Computershare has elected to adopt the option to "grandfather" all pre-1 July 2004 acquisitions, as permitted under AASB 1, *First Time Adoption of AIFRS*. This means that the carrying value of goodwill as at 1 July 2004 has not been adjusted upon the adoption of AIFRS.
- Impairment testing of goodwill has been completed annually since 1 July 2004. Based on the impairment testing completed and sensitivity analysis performed to date, no impairment has been recognised at 30 June 2005.
- In certain regions within the Group, goodwill amortisation is tax deductible. The reversal of amortisation expense for accounting has resulted in an additional deferred tax liability of $1.2 million as at 31 December 2004 and $2.3 million as at 30 June 2005 being recognised.

B. Acquired intangible assets

- The process to separately value and recognise intangible assets which were previously subsumed in goodwill has been completed for all material acquisitions to 30 June 2005 other than Pacific Corporate Trust Company and EquiServe (refer below).
- Intangible assets with an original cost of $6.0 million have been reclassified from goodwill to intangible assets at 31 December 2004 and 30 June 2005. To date these include contractual customer relationships and proprietary software.
- The total cumulative amortisation expense from the date of acquisition to 30 June 2005 is $0.5 million of which $0.2 million relates to the 6 months ended 31 December 2004.
- Regulatory approval for the acquisition of the Pacific Corporate Trust Company and EquiServe Inc. was received on 14 June 2005 and 17 June 2005 respectively. The work being undertaken by management to ascertain reliable valuations for intangible assets in relation to these acquisitions is ongoing. Accordingly, the above balance sheet reclassification and amortisation charge as at 30 June 2005 do not include any impact of these acquisitions. The impact on the Group's results will be a decrease in goodwill and an increase in intangible assets reported in the balance sheet. An amortisation expense for intangible assets identified for the period since acquisition will be recorded in the results to 30 June 2006.

C. Business combinations

Restructuring provisions

- All restructuring provisions arising as a result of a post 1 July 2004 business combination which were not a commitment of the acquiree have been recorded as an expense in the income statement.
- This resulted in a decrease of $13.5 million in the original cost of goodwill and a decrease in net profit after tax of approximately $13.5 million.

Grandfathered acquisitions

- Computershare has elected to adopt the option to grandfather all pre 1 July 2004 acquisitions as permitted under AASB 1. The impact is an increase in net profit after tax of $8.1 million for the 12 months ended 30 June 2005 ($8.3 million increase for the 6 months ended 31 December 2004) with a corresponding increase in equity which primarily relates to the utilisation of pre acquisition tax losses previously booked against goodwill. It should be noted that this adjustment is a result of applying the transitional rules only and will be ongoing in relation to all grandfathered acquisitions.
- The cumulative reduction in goodwill related to the above adjustments was $7.7 million as at 31 December 2004 and $7.5 million at 30 June 2005.

Deferred consideration

- Contingent consideration of $2.8 million has been reclassified from deferred consideration to an equity reserve account given that if certain targets are met, the consideration is payable through the delivery of shares.

D. Share based payments

- Equity based compensation in the form of shares has been recognised as an expense in the period during which the employee provides related services. The impact of this change is a decrease in consolidated net profit after tax of $10.0 million ($3.6 million relates to the six months ended 31 December 2004) in the income statement.
- Opening retained earnings have decreased by $1.1 million representing the cumulative impact of applying the new accounting standard to share based payments. An increase of $3.8 million to 31 December 2004 and a further increase of $6.5 million to 30 June 2005 has been recorded in share based payments reserve representing the cumulative movement in the share based payments expense of $11.6 million plus the deferred tax adjustment deferred in equity rather than reported in current income tax expense.

E. Non current assets held for sale

- Properties valued at $2.4 million and $8.0 million met the held for sale criteria as at 31 December 2004 and 30 June 2005 respectively. These properties have been separately identified as held for sale asset in the balance sheet.
- As at 30 June 2004 two properties owned by the Group were considered to be held for sale requiring separate identification in the AIFRS balance sheet. Both properties were sold in the financial year ended 30 June 2005. The depreciation expense associated with these assets has been reversed. The impact is a decrease in the current year depreciation expense of $22,000 and an increase in opening retained earnings of $0.1 million (representing depreciation expense recognised on these assets in the financial year ended 30 June 2004). As a result the carrying value of the assets subsequently sold increased from $2.4 million to $2.6 million, reducing the gain on sale reported in 30 June 2005 by $0.2 million.
- Under AGAAP gross proceeds from the sale of assets were recognised as revenue and the carrying amount of the asset sold is recognised as an expense. Under AIFRS the net profit on sale of assets is recognised as income. The impact of this is a reclassification of $21.9 million in the income statement for the six month period ended 31 December 2004 and cumulative $26.9 million in the income statement for the 12 months ended 30 June 2005 from expenses to other revenue. The net impact on profit after tax is $nil.

F. Impairment testing of fixed assets

- Similar to goodwill, the carrying value of fixed assets is subject to impairment testing under AIFRS. Impairment testing is only required when an impairment indicator is triggered. Impairment testing of fixed assets has been reviewed at 30 June 2004 and no impairment indicators were identified as triggered during the year ended 30 June 2005.

G. Foreign Currency Translation Reserve

- AASB 1 allows first time adopters to deem all cumulative translation differences for all foreign operations to be zero at the date of transition to AIFRS. The application of this exemption would mean that the gain or loss on a subsequent disposal of any foreign operation would exclude translation differences that arose before the date of transition to AIFRS.
- Computershare has elected not to apply the above exemption available within AASB 1 and as a result no adjustment has been made upon transition to AFIRS.
- A decrease to the foreign currency translation reserve of $0.4 million as at 30 June 2005 ($0.4 million as at 31 December 2004) has been recorded as a result of AIFRS transition entries which have been posted in Computershare subsidiaries in local currency.

H. Defined benefit superannuation funds

- The impact of the transitional adjustments under AIFRS relating to defined benefit superannuation funds both individually and cumulatively are immaterial to the Group therefore no adjustments have been recorded.

I. Deferred tax assets & liabilities

- Under AIFRS the recognition hurdle for deferred tax assets has been lowered from “virtual certainty” to “probable”. The financial impact of the lower recognition hurdle under AIFRS is a cumulative deferred tax asset of $1.0 million as at 30 June 2005 ($1.1 million as at 31 December 2004).
- The deferred tax effect of other AIFRS transitional accounting adjustments are reflected in the 31 December 2004 and 30 June 2005 AIFRS balance sheets and the income statements and have been included under each relevant note within this narrative.

J. Other

- An adjustment to bring the groups operating lease expense on a straight line basis over the term of the lease has been made. This resulted in a decrease to opening retained earnings of $0.5 million and an equal increase to other non current liabilities. This provision was increased during the 30 June 2005 financial year by $0.3 million, of which $0.1 million related to the six months ended 31 December 2004.
- As a result of the write back of goodwill amortisation expense relating to associates, additional profit was attributed to minority interests of $0.4 million to the six months ended 31 December and cumulative $0.8 million for the 12 months to 30 June 2005.
- Other also includes smaller adjustments arising from a change in timing associated with the recognition of non-recurring transactions within the Group which result in net profit of $0.3 million for the 12 months ended 30 June 2005 ($0.2 million relates to the six months ended 31 December 2004. There is a related decrease in opening retained earnings of $1.8 million and an increase in other non current liabilities of $2.1million.

K. Financial instruments – disclosure and presentation

- As permitted under the transitional accounting standards, Computershare has elected to apply *AASB 132 Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* from 1 July 2005 onwards. This allows the Group to continue to apply current accounting standards to the 30 June 2005 financial statements.
- Accordingly, no adjustments in respect of financial instruments are included in the quantitative disclosures provided above.

Directors' Declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 7 to 40 are in accordance with the *Corporations Act 2001*, including:
  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2005 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the half-year ended on that date; and

(b) there are reasonable grounds to believe that Computershare Limited will be able to pay its debts as and when they become due and payable.

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

A. S. Murdoch, Chairman

C. J. Morris, Managing Director

Melbourne
15 February 2006

Statement of the CEO and CFO of Computershare Limited

We, the undersigned, state that:

a) With regard to the integrity of the year end financial report Computershare Limited and its controlled entities (the Group) for the half year ended 31 December 2005:

(i) The financial statements and associated notes comply in all material respects with applicable accounting standards, local corporations law requirements and Computershare Group Accounting Policies and Computershare Group year end reporting requirements; and

(ii) The financial statements and associated notes give a true and fair view, in all material respects, of the financial position as at 31 December 2005 and performance of the Group for the year then ended; and

(iii) In our opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as when they become due and payable.

b) With regard to the financial records and systems of risk management and internal compliance and control of the Group for the half year ended 31 December 2005:

(i) The financial records of the Group have been properly maintained such that the records correctly record and explain its transactions and financial position and performance and would enable true and fair financial statements to be prepared and audited; and

(ii) The statements made in (a) above regarding the integrity of the financial statements are founded on a sound system of risk management and internal compliance and control which, in all material respects, implement the policies adopted by the Board of Directors of Computershare Limited;

(iii) The risk management and internal compliance and control systems of the Group relating to financial reporting, compliance and operations objectives are, in all material respects, operating efficiently and effectively; and

(iv) Subsequent to 31 December 2005, no changes or other matters have arisen that would have a material effect on the operation of risk management and internal compliance and control systems of the Group.

C.J. Morris
Chief Executive Officer

T.F. Honan
Chief Financial Officer

15 February 2006

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
ABN 52 780 433 757

Freshwater Place
2 Southbank Boulevard
MELBOURNE VIC 3006
GPO Box 1331L
MELBOURNE VIC 3001
DX 77 Melbourne
Australia
www.pwc.com/au
Telephone +61 3 8603 1000
Facsimile +61 3 8603 1999

Independent review report to the members of Computershare Limited

Matters relating to the electronic presentation of the reviewed financial report

This review report relates to the financial report of Computershare Limited Group (the consolidated entity) for the half-year ended 31 December 2005 included on Computershare Limited's web site. The Company's directors are responsible for the integrity of the Computershare Limited web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the financial report identified below. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Computershare Limited Group

- does not give a true and fair view, as required by the *Corporations Act 2001* in Australia, of the financial position of the Computershare Limited Group as at 31 December 2005 and of its performance for the half-year ended on that date, and
- is not presented in accordance with the *Corporations Act 2001*, Accounting Standard AASB 134: *Interim Financial Reporting* and other mandatory financial reporting requirements in Australia, and the *Corporations Regulations 2001*.

This statement must be read in conjunction with the rest of our review report.

Scope

The financial report and directors' responsibility

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement, accompanying notes to the financial statements, and the directors' declaration for the Computershare Limited Group (the consolidated entity), for the half-year ended 31 December 2005. The consolidated entity comprises both Computershare Limited (the company) and the entities it controlled during that half-year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review in order for the company to lodge the financial report with the Australian Securities and Investments Commission. Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements. For further explanation of a review, visit our website http://www.pwc.com/au/financialstatementaudit.

PRICEWATERHOUSECOOPERS

We performed procedures in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report does not present fairly, in accordance with the *Corporations Act 2001*, Accounting Standard AASB 134: *Interim Financial Reporting* and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the consolidated entity's financial position, and its performance as represented by the results of its operations, changes in equity and cash flows.

We formed our statement on the basis of the review procedures performed, which included:

- inquiries of company personnel/the responsible entity's personnel, and
- analytical procedures applied to financial data.

Our procedures include reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

PricewaterhouseCoopers

J. Yeoman
Partner

Melbourne
15 February 2006

NTA Backing *(Appendix 4D item 3)*

	Dec 2005	Dec 2004
Net tangible asset backing per ordinary share	(1.14)	(0.29)

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

Acquired	**FinancialBPO**	**Lord Securites**	**SLS Group**
Date control gained	14 November 2005	23 September 2005	29 December 2005
Contribution to profit/(loss) from ordinary activities after tax in current period, where material	Immaterial	Immaterial	Immaterial
Profit/(Loss) from ordinary activities after tax during the whole of the previous corresponding period, where material	Immaterial	Immaterial	Immaterial

Disposed of
Date control lost
Contribution to profit/(loss) from ordinary activities after tax in current period, where material
Profit/(Loss) from ordinary activities after tax during the whole of the previous corresponding period, where material

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

Details of dividends declared or paid during or subsequent to the half-year ended 31 December 2005 are as follows:

Record date	Payment date	Type	Amount per security	Total dividend	Franked amount per security	Foreign sourced dividend amount per security
9 September 2005	23 September 2005	Final	6 cents	$35,702,329	-	-
6 March 2006	24 March 2006	Interim	6 cents	$35,833,234*	-	-

* based on 597,220,559 shares on issue as at 31 December 2005

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

The company has no dividend reinvestment plan in operation.

Associates and Joint Venture entities *(Appendix 4D item 7)*

Name	*Ownership interest*		*Aggregate share of profits/(losses), where material*		*Contribution to net profit, where material*	
	Dec 2005 %	**Dec 2004 %**	**Dec 2005 $000**	**Dec 2004 $000**	**Dec 2005 $000**	**Dec 2004 $000**
Chelmer Limited	50	50		-		-
The National Registry Company (a)	45	45	5,066	2,073	1,557	631
GSC Proxitalia s.p.A (b)	100	46	-	258		(302)
Japan Shareholder Services (c)	50	-	(103)	-	(103)	-
Total			**4,963**	**2,331**	**1,454**	**329**

a) The aggregate share of profit and contribution to net profit of the December 2004 comparatives has been restated to comply with AIFRS requirements. Goodwill amortisation has been added back to the current and aggregated profits.

b) From 1 July 2004 to 25 April 2005, the Computershare Group ceased control of GSC Proxitalia s.p.A and its subsidiaries. Accordingly these entities have been included as associated entities for this period. On 26 April 2005 Computershare acquired the remaining 54% of GSC Proxitalia s.p.A and its subsidiaries. From this date onward, the result and balance sheet of those entities have been consolidated by the Computershare Group.

c) On 31 August 2005, the Computershare Group entered into an agreement with UFJ Trust Bank Limit to establish the joint venture Japan Shareholder Services (JSS). Each party has equal ownership and is therefore not consolidated as part of the Computershare Group.

Foreign Entities

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

Audit Status *(Appendix 4D item 9)*

This report is based on accounts which have been reviewed.

CORPORATE DIRECTORY

DIRECTORS
Alexander Stuart Murdoch (Chairman)
Christopher John Morris (Chief Executive Officer)
Philip D DeFeo
William E Ford
Thomas M Butler
Penelope J Maclagan
Anthony N Wales
Markus Kerber
Simon Jones

COMPANY SECRETARIES
Paul X Tobin
Mark B Davis

REGISTERED OFFICE
Yarra Falls
452 Johnston Street
Abbotsford
Victoria Australia 3067
Telephone +61 3 9415 5000
Facsimile +61 3 9473 2500

STOCK EXCHANGE LISTING
Australian Stock Exchange Limited

BANKERS
National Australia Bank Limited
500 Bourke Street
Melbourne Victoria 3000

Australia and New Zealand Banking Group Limited
530 Collins Street
Melbourne Victoria 3000

The Royal Bank of Scotland Plc
Corporate and Institutional Banking
135 Bishopsgate
London EC2M 3UR

SOLICITORS
Minter Ellison
Level 23, Rialto Towers
525 Collins Street
Melbourne Victoria 3000

AUDITORS
PricewaterhouseCoopers
Freshwater Place
2 Southbank Boulevard
Southbank Victoria 3006

SHARE REGISTRY
Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford Victoria 3067
PO Box 103 Abbotsford
Victoria Australia 3067
Telephone +61 3 9415 5087
Facsimile +61 3 9473 2500