Bradken®
Bradken Limited (ABN 33 108 693 009)
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11 February 2009

Manager, Company Announcements
Australian Stock Exchange Limited
Level 4
20 Bridge Street
Sydney NSW 2000

Dear Sir

Please find attached the Company's announcement of it's interim results for the 2008/09 year, for immediate release to the market.

Included in this announcement is Appendix 4D and Half Yearly Report for the period to 31 December 2008.

Yours faithfully

Bruce Arnott
Company Secretary
Encl:

BRADKEN LIMITED

Appendix 4D

Half Year Report Period Ended 31 December 2008

Results for Announcement to the Market

	Percentage Change		$'000
Revenues from ordinary activities	73.7%	to	625,694
Profit (loss) from ordinary activities after tax attributable to members	50.5%	to	34,933
Net Profit (loss) for the period attributable to members	50.5%	to	34,933

Dividends

	Amount per Security	Percentage Franked
Current period:		
Interim Dividend	10.0 cents	100%
Date the dividend is payable:	27th March 2009	
Record Date for determining entitlements to the dividend:	27th February 2009	
Prior corresponding period:		
Interim Dividend	15.0 cents	100%

Net Tangible Assets per Security	
As at 31st December 2008	$1.24
As at 31st December 2007	$0.98

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 2008 and any public announcements made by Bradken Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Directors' Report

Your directors present their report on the consolidated entity consisting of Bradken Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2008.

Directors

The following persons were directors of Bradken Limited during the whole of the half-year and up to the date of this report:

Name

Nick Greiner
Non Executive Chairman

Phil Arnall
Non Executive Director

Greg Laurie
Non Executive Director

Brian Hodges
Managing Director

Vince O'Rourke
Non Executive Director

Peter Richards
Non Executive Director - appointed 11 February 2009

Commentary on results and review of operations

Financial Overview

	HY09 $m	HY08 $m	Change %
Sales	615.8	358.8	72
EBITDA	90.7	53.6	69
NPAT	34.9	23.2	51
Earnings per share *	28.3	21.9	29
Dividends per share	10.0	15.0	-33
Cash flow **	53.0	-3.6	
Cash flow ***	-92.0	-36.1	
ROFE (EBITA)	25.0%	22.8%	
ROE	26.8%	28.6%	
Net Debt / EBITDA	2.20	2.22	
Interest cover	4.50	5.00	

** EPS is based on the number of shares at the end of the period*
*** Net operating cash flow*
**** Net operating and investing cash flow*

Financial Highlights

- **Sales revenue of $615.8m, up 72% on HY08**
- **EBITDA of $90.7m, up 69%**
- **NPAT after minorities of $34.9m, up 51%**
- **Net operating cash flow of $53.0m**
- **Gearing (net debt/EBITDA) decreased to 2.20 times**
- **Interim dividend of 10 cents per share fully franked, payable on 27 March 2009**

Sales revenue for the six months to December 2008 of $615.8m was $257m or 72% higher than for the six months to December 2007. The AmeriCast acquisition, on the 6th August 2008, contributed $193m of this increase while Mining sales increased by 26%, Industrial (including CMS) 24%, Rail 7% while Power & Cement sales were down 3%.

EBITDA of $90.7m was achieved, $37.1m or 69% higher than the corresponding period. The EBITDA to sales margin of 14.7% was down on the corresponding period of 14.9%. Net profit after tax attributable to ordinary equity holders (NPAT) of $34.9m was $11.7m or 51% ahead of the corresponding period, resulting in earnings per share of 28.3 cents for HY09 (based on number of shares at 31 December 2008).

The Directors have declared a fully franked interim dividend of 10 cents per share. The dividend is payable on the 27 March 2009 with a record date of the 27 February 2009. The lower interim dividend is in response to the current uncertainties in world financial markets. The Directors believe that conservation of cash is a prudent approach at this point given the current and likely future volatilities.

The dividend reinvestment plan (DRP) will be in operation for the interim dividend with a discount of 2.5%, and the Directors have determined that the DRP will be underwritten.

Operating Cash Flow was significantly stronger during the half and at $53m was an increase of $57m over the previous corresponding period. Working Capital increased by $100m, with $84m representing the Engineered Products Division working capital at acquisition and $16m being the impact of foreign exchange movements with negligible change in the cash position. Within this, Receivables decreased by $35m due to improved debtor collections and higher sales of receivables. Inventories increased with the higher costs of raw materials and the stage of rail contracts at balance date. Creditors reduced in line with December/January activity levels.

During the period $12.9m was invested in 13.2% of the shares of Austin Engineering. Other Cash Flow and Balance Sheet impacts mainly flowed from the acquisition of AmeriCast Technologies in August 2008, which included the placement of 17.5 million shares and the taking over of the existing AmeriCast debt.

Net Debt at December 2008 of $426 million reflects $164 million of net borrowings from the Engineered Products Division in USA. The Company's gearing remains sound with Net Debt to Net Debt plus Equity improved from 60% to 55% and Net Debt at 2.20 times EBITDA.

The Company's borrowing facilities for the US business and the non-US businesses are separate and independent. Each set of facilities for these businesses are separately secured, with no cross guarantees and each operating within their own set of financial undertakings (Covenants). Both the non-US businesses and the US business operated well within their Covenants during the period and continue to do so. Financial ratios for the Non-US businesses at 31 December 2008 were Debt to EBITDA of 2.13 times and Interest Cover of 5.0 times compared to the Covenants limits of less than 3 times and greater than 3 times respectively. The US business's borrowings, comprising US$80m senior notes and US$35m bank debt, have limited Covenants and are well within their respective limits. The expiry date for the Non-US term debt facility is December 2010 and the two expiry dates for the US facilities are in November 2011 (US$75m facility) and in November 2014 (US$80m of senior notes).

Segment revenues and results

A summary of consolidated revenues and results for the half-year by significant industry segments is set out on pages 8 and 9.

Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 3.

Rounding of amounts

The company is of a kind referred to in Class order 98/0100, issued by the Australian Securities and Investments Commission, relating to the ''rounding off'' of amounts in the director's report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

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

Brian Hodges
Managing Director

Sydney
11 February 2009

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Auditor's Independence Declaration

As lead auditor for the review of Bradken Limited for the half-year ended 31 December 2008, 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 Bradken Limited and the entities it controlled during the period.

D A Turner

D A Turner
Partner
PricewaterhouseCoopers

Sydney
11 February 2009

	Half-year 2008 $'000	Half-year 2007 $'000
Revenue from continuing operations	**615,793**	358,789
Cost of sales	**(495,500)**	(282,539)
Gross profit	**120,293**	76,250
Other income	**9,901**	1,487
Selling and technical expenses	**(21,503)**	(16,702)
Administration expenses	**(36,725)**	(18,627)
Finance costs	**(19,198)**	(8,984)
Profit before income tax	**52,768**	33,424
Income tax expense	**(17,111)**	(10,131)
Profit for the half-year	**35,657**	23,293
Profit attributable to:		
Members of Bradken Limited	**34,933**	23,209
Minority interest	**724**	84
	35,657	23,293
Earnings per share for profit attributable to the ordinary equity holders of the company:		
Basic earnings per ordinary share: (cents per share)	**$ 0.292**	$ 0.219
Diluted earnings per ordinary share: (cents per share)	**$ 0.290**	$ 0.217

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

	31 December 2008 $'000	30 June 2008 $'000
Current assets		
Cash and cash equivalents	**24,188**	19,092
Trade and other receivables	**149,717**	123,989
Inventories	**221,446**	122,462
Derivative financial instruments	**508**	1,472
Total current assets	**395,859**	267,015
Non-current assets		
Receivables	**9,837**	2,659
Property, plant and equipment	**392,668**	238,674
Deferred tax assets	**14,215**	9,331
Intangible Assets	**192,404**	60,342
Available for sale financial assets	**6,216**	19,100
Total non-current assets	**615,340**	330,106
Total assets	**1,011,199**	597,121
Current liabilities		
Trade and other payables	**127,508**	96,085
Borrowings	**35,643**	5,589
Current tax liabilities	**9,128**	9,397
Provisions	**40,899**	32,555
Derivative financial instruments	**2,081**	383
Total Current Liabilities	**215,259**	144,009
Non-current liabilities		
Borrowings	**414,817**	262,337
Deferred tax liabilities	**32,362**	-
Provisions	**3,628**	3,187
Total non-current liabilities	**450,807**	265,524
Total liabilities	**666,066**	409,533
Net assets	**345,133**	187,588
Equity		
Contributed equity	**218,992**	81,039
Reserves	**17,580**	7,147
Retained profits	**105,924**	97,365
Parent entity interest	**342,496**	185,551
Minority interest	**2,637**	2,037
Total equity	**345,133**	187,588

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

	Half-year	
	2008	2007
	$'000	$'000
Changes in the fair value of available-for-sale financial assets, net of tax *	**(10,498)**	5,779
Changes in the fair value of cash flow hedges, net of tax	**(1,518)**	319
Exchange differences on translation of foreign operations	**22,467**	(333)
Net income recognised directly in equity	**10,451**	5,765
Profit for the half-year	**35,657**	23,293
Total recognised income and expense for the year	**46,108**	29,058
Total recognised income and expense for the half-year is attributable to:		
Members of Bradken Limited	**45,384**	28,974
Minority interest	**724**	84
	46,108	29,058

* The movement in the fair value of available-for-sale financial assets in the Half Year Ended 31 December 2008 represents the reversal of the uplift in the valuation of the Americast investment after tax reported in the prior period and a revaluation of the investment in Austin Engineering Ltd.

The above consolidated statement of recognised income and expense should be read in conjunction with the accompanying notes.

	Notes	Half-year 2008 $'000	Half-year 2007 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**752,361**	386,118
Payments to suppliers and employees (inclusive of goods and services tax)		**(660,240)**	(367,630)
		92,121	18,488
Interest received		**296**	340
Interest paid		**(20,508)**	(7,636)
Income taxes paid		**(18,923)**	(14,804)
Net cash inflow / (outflow) from operating activities		**52,986**	(3,612)
Cash flows from investing activities			
Payments for purchase of businesses, net of cash acquired	6	**(131)**	(13,652)
Payments for purchase of subsidiary net of cash acquired		**(91,036)**	-
Payment for property, plant and equipment		**(41,162)**	(20,016)
Payment for design costs		**(183)**	-
Payment for available for sale financial assets		**(12,957)**	-
Proceeds from sale of property, plant and equipment		**486**	1,198
Net cash inflow / (outflow) from investing activities		**(144,983)**	(32,470)
Cash flows from financing activities			
Proceeds from issue of shares		**138,742**	-
Proceeds from borrowings		**27,982**	56,789
Repayment of borrowings		**(45,754)**	(7,404)
Payment of finance lease liabilities		**(4,483)**	(3,867)
Payments for shares bought back		**(1,653)**	-
Dividends paid to company's shareholders		**(26,375)**	(18,032)
Dividends paid to minority interests in subsidiaries		**(108)**	(76)
Dividends received		**101**	-
Net cash inflow / (outflow) from financing activities		**88,452**	27,410
Net increase / (decrease) in cash and cash equivalents		**(3,545)**	(8,672)
Cash and cash equivalents at the beginning of the half-year		**19,092**	20,166
Effects of exchange rate changes on cash and cash equivalents		**8,641**	(131)
Cash and cash equivalents at the end of the half-year		**24,188**	11,363

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

1 Basis of preparation of half-year financial report

This general purpose financial report for the interim half year reporting period ended 31 December 2008 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2008 and any public announcements made by Bradken Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

2 Segment information

Following a change in the management structure the Mineral Processing segment has been combined with the previous Mining segment to create the Mining segment now reported. The businesses in the Mining segment all serve common customers with consumable products related to mining volume. A new segment, Engineered Products, has been created following the acquisition of Americast Technologies Inc.

For management purposes, the Group is organised into five major operating divisions – Industrial, Mining, Rail, Power and Cement and Engineered Products. These divisions are the basis on which the Group reports its primary segment information. Industrial, Rail and Power and Cement are unchanged from the previous period. Updated segment descriptions for Mining and Engineered Products are as follows.

Mining

Design, supply and service of wear components for all types of earth moving and mineral processing equipment in the Mining, Mineral Processing and Quarry industries.

Engineered Products

Supplier of cast parts to the Energy, Mining, Industrial and Rail Transport industries specialising in large (greater than 4,500 kg) highly engineered steel castings.

Primary reporting - Business segments

	Industrial	Mining	Rail	Power and Cement	Engineered Products	Inter-segment eliminations /unallocated	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Half-year 2008							
Total segment revenue	64,246	214,693	118,410	25,317	193,127	-	615,793
Intersegment sales	39,574	14,834	-	-	-	(54,408)	-
Total sales revenue	103,820	229,527	118,410	25,317	193,127	(54,408)	615,793
Other revenue				198	6,648	3,055	9,901
Total revenue and other income							625,694
Segment result	20,949	72,297	21,678	7,647	53,404	-	175,975
Unallocated revenue less unallocated expenses							(123,207)
Profit before income tax							52,768

2 Segment information (continued)

	Industrial	Mining	Rail	Power and Cement	Engineered Products	Inter-segment eliminations /unallocated	Consolidated
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Half-year 2007							
Total segment revenue	51,832	170,236	110,504	26,217	-	-	358,789
Intersegment sales		7,402				(7,402)	-
Total sales revenue	51,832	177,638	110,504	26,217	-	(7,402)	358,789
Other revenue						1,487	1,487
Total revenue and other income							360,276
Segment result	15,960	58,451	27,198	3,921	-	-	105,530
Unallocated revenue less unallocated expenses							(72,106)
Profit before income tax							33,424

3 Profit for the half-year

	Half-year 2008 $'000	Half-year 2007 $'000
Profit for the half-year includes the following items that are unusual by their nature, size or incidence:		
Gains		
Gains on repurchase of bonds	**6,526**	-
Less: Applicable income tax expense	**(2,284)**	-
	4,242	-

4 Dividends

	Half-year 2008 $'000	Half-year 2007 $'000
Ordinary shares		
Dividends provided for or paid during the half-year	**26,483**	18,032
Dividends not recognised at the end of the half-year		
In addition to the above dividends, since the end of the half-year the directors have declared the payment of an interim dividend of 10.0 cents per fully paid ordinary share (2007 - 15.0 cents), fully franked based on tax paid at 30%. The aggregate amount of the dividend to be paid on 27 March 2009 out of retained profits at 31 December 2008, but not recognised as a liability at the end of the half-year, is	**12,357**	15,911

5 Equity securities issued

	Half-year		Half-year	
	2008 Shares	2007 Shares	**2008 $'000**	2007 $'000
Issues of ordinary shares during the half-year				
Exercise of rights issued under the Bradken Limited Performance Rights Plan - shares acquired on market	**279,645**	288,460	**1,653**	-
Dividend reinvestment plan issues	**197,954**	-	**2,108**	-
Transfer from share-based payments reserve	**-**	-	**782**	2,650
Share buy back and cancellation	**(477,599)**	(288,460)	**(3,762)**	-
Institutional, Retail and Staff placements in connection with capital raising to acquire the assets of Americast Technologies Inc.	**17,496,171**	-	**138,734**	-
	17,496,171	-	**139,515**	2,650

6 Business Combination

Current Period

(i) Americast Technologies

On 6 August 2008 Bradken Operations Pty Ltd (a 100% subsidiary of Bradken Limited) acquired the remaining equity interest that it did not already own in AmeriCast Technologies Inc. for a total consideration of $122,243,000.

The consideration comprised a cash outlay of $10,845,000 for the initial 17% interest in the issued equity of the acquired company and an equity issue to fund the balance of the purchase.

The equity raising undertaken resulted in the issue of 17,496,171 shares in Bradken Limited at an issue price of $8.05 each realising $138,734,000 after placement costs.

A total of $111,397,000 of the equity raising was used as consideration to complete the Americast acquisition.

6 Business combination (continued)

The acquired business contributed revenues of $193,127,000 and net profit after tax of $10,751,000 to the Group for the period 6 August 2008 to 31 December 2008. If the acquisition had occurred on 1 July 2008, consolidated revenue and consolidated net profit after tax and minority interests for the half-year ended 31 December 2008 would have been $647,329,000 and $33,816,000 respectively.

Details of provisional net assets acquired and provisional goodwill are as follows:

	$'000
Purchase consideration	
Cash paid	**122,243**
Direct costs relating to the acquisition	**6,035**
Total purchase consideration	**128,278**
Provisional fair value of net identifiable assets acquired (refer below)	**77,909**
Provisional goodwill	**50,369**

The provisional goodwill is attributable to the profitability of the acquired business and synergies expected to arise after the company's acquisition of the new subsidiary. The provisional fair value of plant & equipment, other assets and liabilities are based on current book values. No acquisition provisions were created.

The provisional fair value will be finalised and any adjustments disclosed in the Group's financial statements for the year ended 30 June 2009. The provisional assets and liabilities arising from the acquisition are as follows:

	Acquiree's carrying amount $'000	Provisional fair value $'000
Cash	24,090	24,090
Property, plant and equipment	91,229	91,229
Inventories	54,072	54,072
Receivables	53,171	55,099
Deferred Tax Assets	1,970	1,970
Other Assets	13,120	13,120
Goodwill	22,886	22,886
Other Intangibles	41,437	41,437
Payables	(52,821)	(38,324)
Current Tax Liability	(991)	(991)
Deferred Tax Liabilities	(26,143)	(26,143)
Provisions	(503)	(503)
Employee benefit liabilities, including superannuation	(10,356)	(10,356)
Borrowings	(149,677)	(149,677)
Net identifiable assets acquired	**61,484**	**77,909**

Prior Period

(ii) Forefront Associates Limited (Roll Neck Rings)

On 10 September 2007 Bradken Holdings Limited (UK), (a 100% subsidiary of Bradken Limited) acquired all of the issued shares in Forefront Associates Limited, a sub-contract machining company, for cash consideration of $3,085,000.

Disclosure of the revenue and the profit and loss as if the acquisition had occurred on 1 July 2007 has not been included as it is impractical to do so.

Details of net assets acquired and goodwill are as follows:

	$'000
Purchase consideration	
Cash paid	**3,085**
Direct costs relating to the acquisition	**152**
Total purchase consideration	**3,237**
Fair value of net identifiable assets acquired (refer below)	**2,052**
Goodwill	**1,185**

6 Business combination (continued)

The goodwill is attributable to the profitability of the acquired business and synergies expected to arise after the company's acquisition of the new subsidiary. The fair value of plant & equipment, other assets and liabilities are based on current book values. No acquisition provisions were created.

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

	Acquiree's carrying amount $'000	Fair value $'000
Property, plant and equipment	1,894	3,772
Inventories	19	19
Other Assets	51	51
Receivables	913	913
Payables	(427)	(427)
Borrowings	(2,163)	(2,163)
Current tax liability	(157)	(157)
Net deferred tax assets	44	44
Net identifiable assets acquired	**174**	**2,052**

(iii) CMS

On 17 October 2007 Bradken Resources Pty Ltd (a 100% subsidiary of Bradken Limited) acquired 75% of the issued shares in Cast Metal Services Pty Ltd, a manufacturer and distributor of consumable products for the steelmaking and foundry industries, for cash consideration of $10,107,000. The remaining 25% can be acquired two years after purchase under a call option.

Disclosure of the revenue and the profit and loss as if the acquisition had occurred on 1 July 2007 has not been included as it is impractical to do so.

Details of provisional net assets acquired and provisional goodwill are as follows:

	$'000
Purchase consideration	
Cash paid	**10,107**
Direct costs relating to the acquisition	**71**
Total purchase consideration	**10,178**
Provisional fair value of net identifiable assets acquired (refer below)	**4,667**
Provisional goodwill	**5,511**

The provisional goodwill is attributable to the profitability of the acquired business and synergies expected to arise after the company's acquisition of the new subsidiary. The provisional fair value of plant & equipment is based on an independent valuation. The provisional fair value of other assets and liabilities are based on current book values. No acquisition provisions were created.

The provisional fair value will be finalised and any adjustments disclosed in the Group's financial statements for the year ended 30 June 2009.

6 Business combination (continued)

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

	Acquiree's carrying amount $'000	Provisional fair value $'000
Cash	49	49
Property, plant and equipment	1,611	1,611
Inventories	8,681	8,681
Receivables	8,453	8,453
Other Assets	114	114
Goodwill	35	35
Payables	(5,988)	(5,988)
Provisions	(36)	(36)
Employee benefit liabilities, including superannuation	(695)	(695)
Borrowings	(5,973)	(5,973)
Less Minority Interest	(1,584)	(1,584)
Net identifiable assets acquired	**4,667**	**4,667**

Directors' declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 4 to 13 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 2008 and of its performance, for the half-year ended on that date; and

(b) there are reasonable grounds to believe that Bradken 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 directors.

Brian Hodges
Managing Director

Sydney
11 February 2009

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

Report on the half year financial report

We have reviewed the accompanying half-year financial report of Bradken Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of recognised income and expense and cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the Bradken Group (the consolidated entity). The consolidated entity comprises both Bradken Limited (the company) and the entities it controlled during that half-year.

Directors' responsibility for the half year financial report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Bradken Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

For further explanation of a review, visit our website http://www.pwc.com/au/financialstatementaudit.

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.

Independent auditor's review report to the members of Bradken Limited (continued)

Matters relating to the electronic presentation of the reviewed financial report

This review report relates to the financial report of the Company for the half-year ended 31 December 2008 included on Bradken Limited's web site. The company's directors are responsible for the integrity of the Bradken Limited web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. 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.

Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Bradken Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers

D A Turner

D A Turner

Partner

Sydney

11 February 2009

Corporate directory

Directors

Nick Greiner
Chairman

Brian Hodges
Managing Director

Phil Arnall

Greg Laurie

Vince O'Rourke

Company Secretary
Bruce Arnott

Registered Office and Principal Place of Business
2 Maud Street
Mayfield West NSW 2304
Telephone: +61 2 4941 2600
Facsimile: +61 2 4967 5003
Internet: www.bradken.com.au

Share Registry
Link Market Services Limited
Level 12 680 George Street
Sydney NSW 2000
Telephone: +61 2 8280 7519
Facsimile: +61 2 9261 8489
Internet: www.linkmarketservices.com.au

Auditors
PricewaterhouseCoopers

Stock Exchange
The Company is listed on the Australian Stock Exchange. The Home Exchange is Sydney.

Web site address
www.bradken.com