Bradken®
Bradken Limited (ABN 33 108 693 009)
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7 February 2012

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 20011/12 year, for immediate release to the market.

Included in this announcement is Appendix 4D and Half Yearly Report for the period to 31 December 2011.

Yours faithfully

Steven Perry
Company Secretary
Encl:

BRADKEN LIMITED

Appendix 4D

Half Year Report Period Ended 31 December 2011

Results for Announcement to the Market

		Percentage Change		$'000
Revenues from ordinary activities	Up	29.1%	to	690,723
Profit (loss) from ordinary activities after tax attributable to members	Up	65.6%	to	43,048
Net Profit (loss) for the period attributable to members	Up	65.6%	to	43,048

Dividends

	Amount per Security	Percentage Franked
Current period:		
Interim Dividend	19.5 cents	100%
Record Date for determining entitlements to the dividend:	17th February 2012	
Date the dividend is payable:	19th March 2012	
Prior corresponding period:		
Interim Dividend	18.5 cents	100%

Net Tangible Assets per Security	
As at 31st December 2011	$2.03
As at 31st December 2010	$2.02

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 2011 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 2011.

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

Brian Hodges
Managing Director

Phil Arnall
Non Executive Director

Eileen Doyle
Non Executive Director

Greg Laurie
Non Executive Director

Vince O'Rourke
Non Executive Director

Peter Richards
Non Executive Director

Commentary on results and review of operations

Financial Overview

	HY12	HY11	Change
NPAT	$43.0m	$26.0m	Up 66%
EBITDA	$100.1m	$90.1m	Up 11%
EBITDA margin	14.8%	16.9%	
Sales revenue	$683.2m	$532.5m	Up 28%
Operating cash flow	$10.7m	$36.2m	Down 70%
Earnings per share	26.2 cents	18.7 cents	Up 7.5 cents
Dividends per share	19.5 cents	18.5 cents	Up 5.4%
LTIFR	4.2	3.4	

Net profit after tax attributable to members for the half-year was $43.0m (2011 $26.0m).

A review of the operations of the Bradken Group during the half-year and the results of those operations is attached in the ASX Release.

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 2.

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 unless otherwise noted.

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

Brian Hodges
Managing Director

Nick Greiner
Chairman

Sydney
6 February 2012

Auditor's Independence Declaration

As lead auditor for the review of Bradken Limited for the half year ended 31 December 2011, 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.

John Campion
Partner
PricewaterhouseCoopers

Newcastle
6 February 2012

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	Notes	Half-year 2011 $'000	Half-year 2010 $'000
Revenue from continuing operations		**683,150**	**532,476**
Cost of sales		**(547,508)**	(406,235)
Gross profit		**135,642**	126,241
Other income		**7,573**	2,608
Selling and technical expenses		**(28,463)**	(24,725)
Administration expenses		**(37,327)**	(45,419)
Finance costs		**(16,286)**	(17,556)
Profit before income tax		**61,139**	41,149
Income tax expense		**(18,091)**	(15,105)
Profit for the half-year	3	**43,048**	26,044
Profit attributable to:			
Owners of Bradken Limited		**43,048**	25,992
Non-controlling interest		**-**	52
		43,048	26,044
		Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic earnings per share:		**26.2**	18.7
Diluted earnings per share:		**25.9**	18.5

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

	Notes	Half-year 2011 $'000	Half-year 2010 $'000
Profit for the half-year	3	**43,048**	26,044
Other comprehensive income			
Changes in the fair value of available-for-sale financial assets		**(12,772)**	18,088
Changes in the fair value of cash flow hedges		**(2,317)**	1,040
Exchange differences on translation of foreign operations		**17,377**	(29,657)
Income tax relating to components of other comprehensive income		**4,526**	(5,737)
Other comprehensive income for the half-year net of tax		**6,814**	(16,266)
Total comprehensive income for the half-year		**49,862**	9,778
Total comprehensive income for the half-year is attributable to:			
Owners of Bradken Limited		**49,862**	9,726
Non-controlling interest		**-**	52
		49,862	9,778

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

	31 December 2011 $'000	30 June 2011 $'000
Current assets		
Cash and cash equivalents	**30,772**	152,476
Trade and other receivables	**245,215**	258,488
Other receivables and other assets	**379**	357
Inventories	**223,268**	177,547
Derivative financial instruments	**2,426**	-
Total current assets	**502,060**	588,868
Non-current assets		
Receivables	**3,290**	1,622
Other receivables and other assets	**5,439**	5,542
Property, plant and equipment	**493,816**	407,754
Deferred tax assets	**9,457**	11,864
Intangible assets	**354,445**	178,834
Available for sale financial assets	**56,362**	70,054
Total non-current assets	**922,809**	675,670
Total assets	**1,424,869**	1,264,538
Current liabilities		
Payables	**123,441**	127,394
Borrowings	**7,111**	15,031
Current tax liabilities	**1,568**	17,878
Provisions	**51,890**	45,865
Derivative financial instruments	**-**	7,337
Total Current Liabilities	**184,010**	213,505
Non-current liabilities		
Payables	**7,444**	6,970
Borrowings	**490,662**	363,547
Deferred tax liabilities	**32,778**	21,978
Provisions	**8,197**	7,475
Total non-current liabilities	**539,081**	399,970
Total liabilities	**723,091**	613,475
Net assets	**701,778**	651,063
Equity		
Contributed equity	**522,531**	489,243
Reserves	**1,981**	(6,386)
Retained profits	**177,266**	168,206
Capital and reserves attributable to the owners of Bradken Limited	**701,778**	651,063
Total equity	**701,778**	651,063

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

		Attributable to owners of Bradken Limited					
		Contributed Equity	Reserves	Retained earnings	Total	Non-controlling interest	Total equity
	Notes	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2010		**302,838**	**15,402**	**153,270**	**471,510**	**198**	**471,708**
Total comprehensive income for the half-year		**-**	**(16,266)**	**25,992**	**9,726**	**52**	**9,778**
Transactions with owners in their capacity as owners:							
Dividends provided for or paid	4	4,377	-	(29,138)	**(24,761)**	(75)	**(24,836)**
Contributions of equity, net of transaction costs		16	-	-	**16**	-	**16**
Employee share options - value of employee services		-	1,453	-	**1,453**	-	**1,453**
		4,393	1,453	(29,138)	(23,292)	(75)	(23,367)
Balance at 31 December 2010		**307,231**	**589**	**150,124**	**457,944**	**175**	**458,119**
Balance at 1 July 2011		**489,243**	**(6,386)**	**168,206**	**651,063**	**-**	**651,063**
Total comprehensive income for the half-year		-	6,814	43,048	49,862	-	49,862
Transactions with owners in their capacity as owners:							
Dividends provided for or paid	4	33,988	-	(33,988)	**-**	-	**-**
Placement transaction costs		(167)	-	-	**(167)**	-	**(167)**
Deferred tax adjustment for previously booked placement costs		(533)	-	-	**(533)**	-	**(533)**
Employee share options - value of employee services		-	1,553	-	**1,553**	-	**1,553**
		33,288	1,553	(33,988)	853	-	853
Balance at 31 December 2011		**522,531**	**1,981**	**177,266**	**701,778**	**-**	**701,778**

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

	Notes	Half-year 2011 $'000	2010 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**735,290**	607,407
Payments to suppliers and employees (inclusive of goods and services tax)		**(679,364)**	(536,836)
Transaction costs relating to acquisition of subsidiary and acquisition of business		**(920)**	(191)
		55,006	70,380
Interest received		**89**	287
Interest paid		**(16,185)**	(15,598)
Income taxes paid		**(28,179)**	(18,842)
Net cash inflow / (outflow) from operating activities		**10,731**	36,227
Cash flows from investing activities			
Payments for purchase of businesses, net of cash acquired	7	**(367)**	(64,797)
Payments for purchase of subsidiary net of cash acquired		**(189,869)**	-
Payment for property, plant and equipment		**(57,327)**	(27,480)
Payments for design costs		**(3,580)**	-
Payments for available for sale financial assets		**-**	(2,050)
Proceeds from sale of available for sale financial assets		**681**	-
Proceeds from sale of property, plant and equipment		**97**	76
Dividends received		**1,218**	1,035
Net cash inflow / (outflow) from investing activities		**(249,147)**	(93,216)
Cash flows from financing activities			
Proceeds from issue of shares		**19,853**	(75)
Transaction costs from issue of shares		**(167)**	-
Proceeds from borrowings		**314,398**	55,710
Repayment of borrowings		**(184,233)**	(23,991)
Payments of finance lease liabilities		**(4,136)**	(5,032)
Dividends paid to company's shareholders		**(19,853)**	(24,761)
Dividends paid to non-controlling interests in subsidiaries		**-**	(75)
Net cash inflow / (outflow) from financing activities		**125,862**	1,776
Net increase / (decrease) in cash and cash equivalents		**(112,554)**	(55,213)
Cash and cash equivalents at the beginning of the half-year		**143,056**	63,367
Effects of exchange rate changes on cash and cash equivalents		**(1,814)**	(1,777)
Cash and cash equivalents at the end of the half-year		**28,688**	6,377

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

1 Basis of preparation of half-year financial report

This general purpose consolidated financial report for the interim half year reporting period ended 31 December 2011 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 2011 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.

(a) Impact of standards issued but not yet applied by the entity

In December 2009, the AASB issued AASB 9 Financial Instruments which addresses the classification and measurement of financial assets and may affect the group's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. The Group is yet to assess its full impact. The Group has not yet decided when to adopt AASB 9.

2 Segment information

(a) Description of segments

Operating segments are reported in a manner that is generally consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker has been identified as the Managing Director.

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment. Segment assets include all assets used by a segment and consist primarily of receivables, inventories and property, plant and equipment, net of related provisions.

Segment revenues, expenses and results include transfers between segments. Sales of scrap between controlled entities are made on an "arm's-length" basis and are eliminated on consolidation. All other transfers are made at variable cost and are eliminated on consolidation.

Industrial is a supplier of cast, machined and fabricated components manufactured to customer specifications or purpose designed to suit customer needs into industries such as Smelters and Refineries, Steel Manufacturers and Sugar Production. Mining Products consists of 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. Rail is a package provider of Freight Rollingstock products and services including freight wagons, bogies, drawgear, inventory management, spare and renewed parts and the maintenance and refurbishment of rollingstock. Engineered Products based in the US is a supplier of cast parts to the Energy, Power, Cement, Industrial and Rail Transport industries specialising in large (greater than 4,500 kg) highly engineered steel castings.

Although the Industrial segment does not meet the quantitative thresholds required by AASB 8, management has concluded that this segment should be reported, as it is closely monitored by the Managing Director.

Responsibility for the Resource business previously included as part of the US based Engineered Products segment has been moved to the Mining Products segment. Management of the Power & Cement business based in the UK, previously reported in "all other segments", is now undertaken by the US based Resources business and as a consequence is reported under the Mining Products segment Responsibility for the Australian based part of the Power & Cement business is now the responsibility of the Australian based Industrial segment and has been moved to that segment. Comparative disclosures have also been amended to reflect these changes.

The Canadian based Norcast business has been included in the Mining Products segment as it is a manufacturer and distributor of mill liner products and complements the Mineral Processing business that is part of that segment.

2 Segment information (continued)

(b) Segment information provided to the Managing Director

The segment information provided to the Managing Director for the reportable segments for the half-year ended 31 December 2011 is as follows:

	Industrial	Mining Products	Rail	Engineered Products	All other segments	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Half-year 2011						
Total segment revenue	49,416	329,874	171,605	159,208	58,130	768,233
Inter-segment revenue	(269)	(31,376)	(6,946)	(3,950)	(42,542)	(85,083)
Revenue from external customers	49,147	298,498	164,659	155,258	15,588	683,150
Gross margin	15,880	99,939	28,054	52,015	9,110	204,998
Half-year 2010						
Total segment revenue	41,523	255,556	109,324	134,858	53,505	594,766
Inter-segment revenue	(1,144)	(19,161)	(3,493)	-	(38,492)	(62,290)
Revenue from external customers	40,379	236,395	105,831	134,858	15,013	532,476
Gross margin	12,936	87,549	28,306	44,726	7,842	181,359
Total segment assets						
At 31 December 2011	79,352	503,912	175,735	302,913	41,278	1,103,190
At 30 June 2011	79,566	407,239	139,665	236,762	37,012	900,244

The Managing Director assesses the performance of each operating segment based on a measure of gross margin. Gross margin is considered the most relevant measure of individual segment results as manufacturing plants all make product for the various segments and transfer product at cost. This measurement basis excludes the allocation of manufacturing variances and overheads from individual manufacturing plants as any allocation would be arbitrarily based.

A reconciliation of standard gross margin to operating profit before income tax is provided as follows:

	Half-year	
	2011	2010
	$'000	$'000
Gross margin	**204,998**	181,359
Fixed manufacturing overheads and other cost of sale adjustments	**(69,356)**	(55,118)
Other income	**7,573**	2,608
Selling and technical expenses	**(28,463)**	(24,725)
Administration expenses	**(37,327)**	(45,419)
Finance costs	**(16,286)**	(17,556)
Profit before income tax	**61,139**	41,149

The amounts provided to the Managing Director with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

3 Profit for the half-year

	Half-year 2011 $'000	Half-year 2010 $'000
Profit for the half-year includes the following items that are unusual by their nature, size or incidence:		
Expenses		
Impairment of Power & Cement goodwill	**-**	8,759
Less: Applicable income tax expense	**-**	-
	-	8,759
Impairment of customer intangibles	**-**	1,452
Less: Applicable income tax expense	**-**	-
	-	1,452
Impairment of UK tax asset	**-**	1,999
Acquisition costs	**920**	1,447
Less: Applicable income tax expense	**(276)**	(434)
	644	1,013

4 Dividends

	Half-year 2011 $'000	Half-year 2010 $'000
Ordinary shares		
Dividends provided for or paid during the half-year	**33,988**	29,138
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 19.5 cents per fully paid ordinary share (2010 - 18.5 cents), fully franked based on tax paid at 30%. The aggregate amount of the dividend to be paid on 19 March 2012 out of retained profits at 31 December 2011, but not recognised as a liability at the end of the half-year, is	**32,492**	25,833

5 Equity securities issued

	Half-year 2011 Shares	Half-year 2010 Shares	Half-year 2011 $'000	Half-year 2010 $'000
Issues of ordinary shares during the half-year				
Exercise of rights issued under the Bradken Limited Performance Rights Plan - shares issued	**188,673**	305,790	**-**	-
Dividend reinvestment plan issues	**1,940,948**	586,645	**14,136**	4,377
Shares issued in relation to underwriting of dividend	**2,657,773**	-	**19,852**	-
Institutional, Retail and Staff placements in connection with capital raising to acquire the assets of Americast Technologies Inc.	**-**	-	**-**	16
Adjustments to Institutional Placement costs June 2011	**-**	-	**(700)**	-
	4,787,394	892,435	**33,288**	4,393

6 Non-current borrowings

On 29 November 2011 the Group completed a US$200 million US Private Placement in the form of unsecured notes.

The unsecured notes comprised US$50 million of 7 year notes, US$100 million of 10 year notes and US$50 million of 12 year notes. The 7 and 10 year notes were issued with a margin of 2.75% while the 12 year notes were issued with a margin of 2.85% over US Treasuries.

The contractual maturity of the carrying value of the Group's non-current borrowings and undrawn borrowing facilities were as follows:-

	2 to 3 years $'000	4 to 5 years $'000	6 to 7 years $'000	9+ years $'000	Total $'000
31 December 2011					
Non-current borrowings (excluding leases and other financing)	153,655	143,655	49,222	147,667	**494,199**
Undrawn facilities					**256,479**
30 June 2011					
Non-current borrowings (excluding leases and other financing)	213,546	143,655	-	-	**357,201**
Undrawn facilities					**189,447**

7 Business Combinations

Current Period

(i) Australian and Overseas Alloys

On 7 July 2011 Bradken Resources Pty Ltd (a 100% subsidiary of Bradken Limited) acquired 100% of the issued shares of Australian and Overseas Alloys Pty Ltd based in Wollongong NSW.

The total consideration for the acquisition amounted to $20.5m, with funding from existing facilities.

The acquired business has been absorbed into the Mining Products business. It is not practical to disclose revenues and net profit after tax to the Group for the full year as if the acquisition had taken place on 1 July 2011. Acquisition costs for the period were $221,000 and are included in administration expenses in profit or loss.

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

	$'000
Purchase consideration	**20,475**
Provisional fair value of net identifiable assets acquired (refer below)	**3,421**
Provisional goodwill	**17,054**

The provisional goodwill is attributable to the profitability of the acquired business and synergies expected to arise after the acquisition of the business.

The provisional fair value will be finalised and any adjustments disclosed in the Group's financial statements for the year ended 30 June 2012. The provisional fair value of assets and liabilities arising from the acquisition are as follows:

	Provisional fair value $'000
Cash and cash equivalents	1,170
Property, plant and equipment	942
Inventories	521
Receivables	1,490
Payables	(688)
Employee benefits liabilities, including superannuation	(83)
Net deferred tax assets	69
Net identifiable assets acquired	**3,421**

7 Business combination (continued)

(ii) Norcast

On 11 July 2011 Bradken Operations Pty Ltd (a 100% subsidiary of Bradken Limited) acquired 100% of the issued shares of Norcast Wear Solutions Inc. (Norcast) based in Toronto, Canada from Castle Harlan Inc.

The total consideration for the acquisition amounted to $201.6m and was funded from existing facilities.

The acquired business has been absorbed into the Mining Products business. It is not practical to disclose revenues and net profit after tax to the Group for the full year as if the acquisition had taken place on 1 July 2011. Acquisition costs for the period were $571,000 and are included in administration expenses in profit or loss.

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

	$'000
Purchase consideration	**201,631**
Provisional fair value of net identifiable assets acquired (refer below)	**51,851**
Provisional goodwill	**149,780**

The provisional goodwill is attributable to the profitability of the acquired business and synergies expected to arise after the acquisition of the business.

The provisional fair value will be finalised and any adjustments disclosed in the Group's financial statements for the year ended 30 June 2012. The provisional fair value of assets and liabilities arising from the acquisition are as follows:

	Provisional fair value $'000
Cash and cash equivalents	6,182
Property, plant and equipment	38,626
Inventories	18,720
Receivables	23,656
Payables	(22,371)
Employee benefits liabilities, including superannuation	(3,238)
Borrowings	(209)
Current tax liability	(114)
Deferred tax liability	(9,401)
Net identifiable assets acquired	**51,851**

Intangibles other than goodwill have not been identified and valued in the provisional numbers above. However it is expected that a value will be recognised in relation to brands and existing customer contracts.

Prior Period

(i) Other acquisitions in the prior period

Between 28 October 2010 and 19 May 2011 three small acquisitions were made. The assets of Materix Enginerring Pty Ltd and Investment Castings Pty Ltd were acquired on 28 October 2010 and 15 November 2010 respectively. On 19 May 2011 the Bradken Group acquired Wear Protect Systems Pty Ltd and two of it's related companies.

Total provisional consideration for these acquisitions amounted to $29.5m, with funding from existing facilities.

Details of the business combinations were disclosed in Note 29 of the Group’s annual financial statements for the year end 30 June 2011.

Directors' declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 3 to 12 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 2011 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

Nick Greiner
Chairman

Sydney
6 February 2012

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 2011 and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, 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 of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of 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 2011 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. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

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:

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Liability limited by a scheme approved under Professional Standards Legislation.

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* .

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 2011 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.

PricewaterhouseCoopers

PricewaterhouseCoopers

John Campion

Newcastle

Partner

6 February 2012

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Liability limited by a scheme approved under Professional Standards Legislation.

Corporate directory

Directors

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Chairman

Brian Hodges
Managing Director

Phil Arnall

Eileen Doyle

Greg Laurie

Vince O'Rourke

Peter Richards

Company Secretary
Steven Perry
David Chesterfield

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Internet: www.linkmarketservices.com.au

Auditors
PricewaterhouseCoopers
26 Honeysuckle Drive
Newcastle NSW 2300

Stock Exchange
The Company is listed on the Australian Stock Exchange. The home exchange is Sydney.

Web site address
www.bradken.com.au