



12 February 2013

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 its interim results for the 2012/13 year, for immediate release to the market.

Included in this announcement is Appendix 4D and Half Yearly Report for the period to 31 December 2012.

Yours faithfully

A handwritten signature in black ink, appearing to be 'S. Perry', written over a light grey background.

Steven Perry
Company Secretary
Encl:

BRADKEN LIMITED

Appendix 4D

Half Year Report Period Ended 31 December 2012

Results for Announcement to the Market

		<u>Percentage Change</u>		<u>\$'000</u>
Revenues from ordinary activities	Up	0.9%	to	684,827
Profit (loss) from ordinary activities after tax attributable to members	Up	8.5%	to	46,715
Net Profit (loss) for the period attributable to members	Up	8.5%	to	46,715

Dividends	<u>Amount per Security</u>	<u>Percentage Franked</u>
Current period:		
Interim Dividend	20.0 cents	100%
Record Date for determining entitlements to the dividend:	22nd February 2013	
Date the dividend is payable:	14th March 2013	
Prior corresponding period:		
Interim Dividend	19.5 cents	100%

Net Tangible Assets per Security	
As at 31st December 2012	\$2.17
As at 31st December 2011	\$2.03

Bradken Limited

Interim Report 31 December 2012

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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 2012 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 2012.

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	Peter Richards Non Executive Director

Vince O'Rourke was a director from 1 July 2012 until he retired on 23 October 2012.

Commentary on results and review of operations

Financial Overview

	HY13	HY12	Change
NPAT	\$46.7m	\$43.0m	Up 9%
EBITDA	\$105.1m	\$100.1m	Up 5%
EBITDA margin	15.5%	14.6%	
Sales revenue	\$680.5m	\$683.2m	Steady
Operating cash flow	\$70.8m	\$10.7m	
Earnings per share	27.6 cents	26.2 cents	Up 1.4 cents
Dividends per share	20.0 cents	19.5 cents	Up 3%
LTIFR	4.3	4.2	

Net profit after tax attributable to members for the half-year was \$46.7m (2012 \$43.0m).

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.

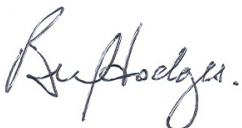
Auditors' independence declaration

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
11 February 2013



Auditor's Independence Declaration

As lead auditor for the review of Bradken Limited for the half year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the 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.

A handwritten signature in black ink that reads 'John Campion'.

John Campion
Partner
PricewaterhouseCoopers

Newcastle
11 February 2013

PricewaterhouseCoopers, ABN 52 780 433 757

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Consolidated income statement
For the half-year ended 31 December 2012

	Notes	Half-year	
		2012 \$'000	2011 \$'000
Revenue from continuing operations		680,516	683,150
Cost of sales		(536,996)	(547,508)
Gross profit		143,520	135,642
Other income		4,311	7,573
Selling and technical expenses		(31,079)	(28,463)
Administration expenses		(39,272)	(37,327)
Finance costs		(15,768)	(16,286)
Share of net profit of associates accounted for using the equity method		5,692	-
Profit before income tax		67,404	61,139
Income tax expense		(20,689)	(18,091)
Profit for the half-year		46,715	43,048
Profit attributable to:			
Owners of Bradken Limited		46,715	43,048
		46,715	43,048
		Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic earnings per share:		27.6	26.2
Diluted earnings per share:		27.3	25.9

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

Consolidated statement of comprehensive income
For the half-year ended 31 December 2012

	Half-year	
Notes	2012	2011
	\$'000	\$'000
Profit for the half-year	46,715	43,048
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		
Changes in the fair value of available-for-sale financial assets	-	(12,772)
Changes in the fair value of cash flow hedges	289	(2,317)
Exchange differences on translation of foreign operations	(4,292)	17,377
Income tax relating to these items	(87)	4,526
<i>Items that will not be reclassified to profit or loss</i>		
Tax adjustment to actuarial (losses) / gains on retirement benefit obligations	(342)	-
Other comprehensive income for the half-year net of tax	(4,432)	6,814
Total comprehensive income for the half-year	42,283	49,862
Total comprehensive income for the half-year is attributable to:		
Owners of Bradken Limited	42,283	49,862
	42,283	49,862

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

Consolidated balance sheet
As at 31 December 2012

	31 December 2012 \$'000	30 June 2012 \$'000
Current assets		
Cash and cash equivalents	98,890	101,892
Receivables	165,105	220,911
Other receivables and other assets	427	402
Inventories	274,662	308,113
Current tax assets	3,596	7,150
Derivative financial instruments	1,971	-
Total current assets	544,651	638,468
Non-current assets		
Receivables	4,415	1,873
Other receivables and other assets	5,207	5,323
Property, plant and equipment	559,235	533,180
Deferred tax assets	12,374	17,973
Intangible assets	357,399	362,428
Investments accounted for using the equity method	41,053	38,521
Total non-current assets	979,683	959,298
Total assets	1,524,334	1,597,766
Current liabilities		
Payables	121,033	203,245
Borrowings	5,866	6,047
Current tax liabilities	2,748	6,198
Provisions	44,647	48,159
Derivative financial instruments	3,181	3,650
Total Current Liabilities	177,475	267,299
Non-current liabilities		
Payables	7,146	7,438
Borrowings	550,558	543,924
Deferred tax liabilities	37,386	38,158
Provisions	20,914	21,497
Total non-current liabilities	616,004	611,017
Total liabilities	793,479	878,316
Net assets	730,855	719,450
Equity		
Contributed equity	542,389	538,562
Reserves	(15,547)	(13,007)
Retained profits	204,013	193,895
Capital and reserves attributable to the owners of Bradken Limited	730,855	719,450
Total equity	730,855	719,450

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

Consolidated statement of changes in equity
For the half-year ended 31 December 2012

	Notes	Attributable to owners of Bradken Limited				Non-controlling interest	Total equity
		Contributed Equity	Reserves	Retained earnings	Total		
		\$'000	\$'000	\$'000	\$'000		
Balance at 1 July 2011		489,243	(6,386)	168,206	651,063	-	651,063
Profit for the half-year		-	-	43,048	43,048	-	43,048
Other comprehensive income		-	6,814	-	6,814	-	6,814
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	3	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
Balance at 1 July 2012		538,562	(13,007)	193,895	719,450	-	719,450
Profit for the half-year		-	-	46,715	46,715	-	46,715
Other comprehensive income		-	(4,090)	(342)	(4,432)	-	(4,432)
Total comprehensive income for the half-year		-	(4,090)	46,373	42,283	-	42,283
Transactions with owners in their capacity as owners:							
Dividends provided for or paid	3	3,809	-	(36,255)	(32,446)	-	(32,446)
Deferred tax adjustment for previously booked placement costs		18	-	-	18	-	18
Employee share options - value of employee services		-	1,550	-	1,550	-	1,550
		3,827	1,550	(36,255)	(30,878)	-	(30,878)
Balance at 31 December 2012		542,389	(15,547)	204,013	730,855	-	730,855

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

Consolidated statement of cash flows
For the half-year ended 31 December 2012

	Notes	Half-year	
		2012 \$'000	2011 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		853,651	735,290
Payments to suppliers and employees (inclusive of goods and services tax)		(753,843)	(679,364)
Transaction costs relating to acquisition of subsidiary and acquisition of business		(16)	(920)
		<u>99,792</u>	<u>55,006</u>
Interest received		77	89
Interest paid		(14,614)	(16,185)
Income taxes paid		(14,408)	(28,179)
		<u>70,847</u>	<u>10,731</u>
Net cash inflow / (outflow) from operating activities			
Cash flows from investing activities			
Payments for purchase of businesses, net of cash acquired		(2,461)	(367)
Payments for purchase of subsidiary net of cash acquired		-	(189,869)
Payment for property, plant and equipment		(66,678)	(57,327)
Payments for design costs		(3,428)	(3,580)
Proceeds from sale of available for sale financial assets		-	681
Proceeds from sale of property, plant and equipment		18,688	97
Dividends received		1,521	1,218
		<u>1,521</u>	<u>1,218</u>
		<u>(52,358)</u>	<u>(249,147)</u>
Net cash inflow / (outflow) from investing activities			
Cash flows from financing activities			
Proceeds from issue of shares		-	19,853
Transaction costs from issue of shares		-	(167)
Proceeds from borrowings		72,894	314,398
Repayment of borrowings		(55,927)	(184,233)
Payments of finance lease liabilities		(5,519)	(4,136)
Dividends paid to company's shareholders		(32,446)	(19,853)
		<u>(20,998)</u>	<u>125,862</u>
Net cash inflow / (outflow) from financing activities			
Net increase / (decrease) in cash and cash equivalents			
Cash and cash equivalents at the beginning of the half-year		101,719	143,056
Effects of exchange rate changes on cash and cash equivalents		(643)	(1,814)
		<u>98,567</u>	<u>28,688</u>
Cash and cash equivalents at the end of the half-year			

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 2012 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 2012 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 2015 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.

Mining Products consists of design, supply and service of wear components for all types of earth moving in the Mining and Quarry industries. Mineral Processing consists of design supply and service of mill liner components in the Mineral Processing 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 North America, 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.

Responsibility for the North American based Resource business previously included as part of the Engineered Products segment has been moved to the Mining Products segment. The Mineral Processing business previously reporting within the Mining Products business has been removed from that segment following the acquisition and consolidation of the Canadian based Norcast business in 2011 and is now reported as a separate segment. Management has concluded that the results of the previously reported Industrial segment is no longer required to be separately disclosed. The segment does not meet any quantitative thresholds required by AASB 8 and is considered by management to be of decreasing relevance as the Group's operations continue to expand. Management has concluded that the results of this operation are better included in the "all other segments" column. Comparative disclosures have also been amended to reflect these changes.

Had the Industrial segment been separately disclosed revenue would have been \$50,218,000 (2011: \$49,147,000) and gross margin would have been \$16,511,000 (2011: \$15,880,000).

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 2012 is as follows:

	Mining Products	Mineral Processing	Rail	Engineered Products	All other segments	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Half-year 2012						
Total segment revenue	188,938	130,462	135,393	221,904	106,514	783,211
Inter-segment revenue	(18,590)	(20,350)	(3,486)	(16,998)	(43,271)	(102,695)
Revenue from external customers	170,348	110,112	131,907	204,906	63,243	680,516
Gross margin	59,267	40,514	17,509	70,088	26,339	213,717
Half-year 2011						
Total segment revenue	160,060	132,192	171,605	200,222	107,546	771,625
Inter-segment revenue	(9,871)	(15,943)	(6,946)	(12,904)	(42,811)	(88,475)
Revenue from external customers	150,189	116,249	164,659	187,318	64,735	683,150
Gross margin	50,454	39,477	28,054	62,023	24,990	204,998
Total segment assets						
At 31 December 2012	380,636	312,183	88,485	316,898	120,955	1,219,157
At 30 June 2012 *	334,958	333,164	172,161	327,312	119,088	1,286,683

* As part of the restatement of the comparative disclosures at 30 June 2012, \$31.477m of Corporate assets were removed from the Engineered Products segment hence the total segments assets disclosed varies to that reported at 30 June 2012 by that amount.

Corporate assets are not disclosed separately within the half year financial statements.

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	
	2012	2011
	\$'000	\$'000
Gross margin	213,717	204,998
Fixed manufacturing overheads and other cost of sale adjustments	(70,197)	(69,356)
Other income	4,311	7,573
Selling and technical expenses	(31,079)	(28,463)
Administration expenses	(39,272)	(37,327)
Finance costs	(15,768)	(16,286)
Share of net profit of associates accounted for using the equity method	5,692	-
Profit before income tax	67,404	61,139

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 Dividends

	Half-year	
	2012 \$'000	2011 \$'000
Ordinary shares		
Dividends provided for or paid during the half-year	36,255	33,988
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 20.0 cents per fully paid ordinary share (2011 - 19.5 cents), fully franked based on tax paid at 30%. The aggregate amount of the dividend to be paid on 14 March 2013 out of retained profits at 31 December 2012, but not recognised as a liability at the end of the half-year, is	33,848	32,492

4 Equity securities issued

	Half-year		Half-year	
	2012 Shares	2011 Shares	2012 \$'000	2011 \$'000
Issues of ordinary shares during the half-year				
Exercise of rights issued under the Bradken Limited Performance Rights Plan - shares issued	-	188,673	-	-
Dividend reinvestment plan issues	611,286	1,940,948	3,809	14,136
Shares issued in relation to underwriting of dividend	-	2,657,773	-	19,852
Adjustments to Institutional Placement costs June 2011	-	-	18	(700)
	611,286	4,787,394	3,827	33,288

5 Contingencies

(a) Contingent liabilities

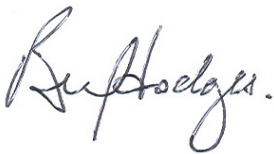
A claim in the Federal Court for damages was lodged by Norcast S.ar.l (a related entity of Pala Investments) following the purchase of Norcast Wear Solutions (NWS), Inc by Bradken from Castle Harlan in July 2012. Norcast S.ar.l. is alleging that Bradken engaged in anticompetitive and misleading and deceptive conduct during the bidding and sale process for NWS. The case has been heard in the Federal Court and a decision is expected to be handed down in the first quarter of 2013. Bradken has vigorously defended the claim. At this stage legal advice obtained to date supports Bradken's current position and as such no provision has been recognised in the financial statements.

Directors' declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 3 to 10 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 2012 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
11 February 2013



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 2012, 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 internal 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 a 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 2012 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*.

PricewaterhouseCoopers, ABN 52 780 433 757

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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 2012 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 31 December 2012 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

John Campion
Partner

Newcastle
11 February 2013

PricewaterhouseCoopers, ABN 52 780 433 757

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Corporate directory

Directors

Nick Greiner
Chairman

Brian Hodges
Managing Director

Phil Arnall

Eileen Doyle

Greg Laurie

Peter Richards

Company Secretary

Steven Perry
David Chesterfield

Registered Office and Principal Place of Business

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Mayfield West NSW 2304
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Facsimile: +61 2 4967 5003
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Share Registry

Link Market Services Limited
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Sydney NSW 2000
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Facsimile: +61 2 9261 8489
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