



LEGEND
CORPORATION

Brad Dowe; MD & CEO

AGM Presentation



Disclaimer

Outlook Statement

This presentation contains forward looking statements which may be subject to significant uncertainties outside of Legend Corporation Limited's (Legend) control.

No representation is made as to the accuracy or reliability of forecasts or the assumptions on which they are based.

Actual future events may vary from these forecasts. Users of this information are cautioned against placing undue reliance on any forward looking statements.

CEO Address – Brad Dowe

FY12 Financial Highlights

RECORD PERFORMANCE

Financial Performance

- Revenue up 18% to \$103.2 million
- EBITDA up 23% to \$17.2 million
- NPAT up 18% to \$9.4 million
- EPS up 16% to 4.3 cents per share.

Dividends

- Interim dividend of 1 cent per share paid 29 April 2012 (PCP 0.8 cents per share)
- Final dividend of 1.1 cents per share paid 12 October 2012 (PCP 1 cent per share)



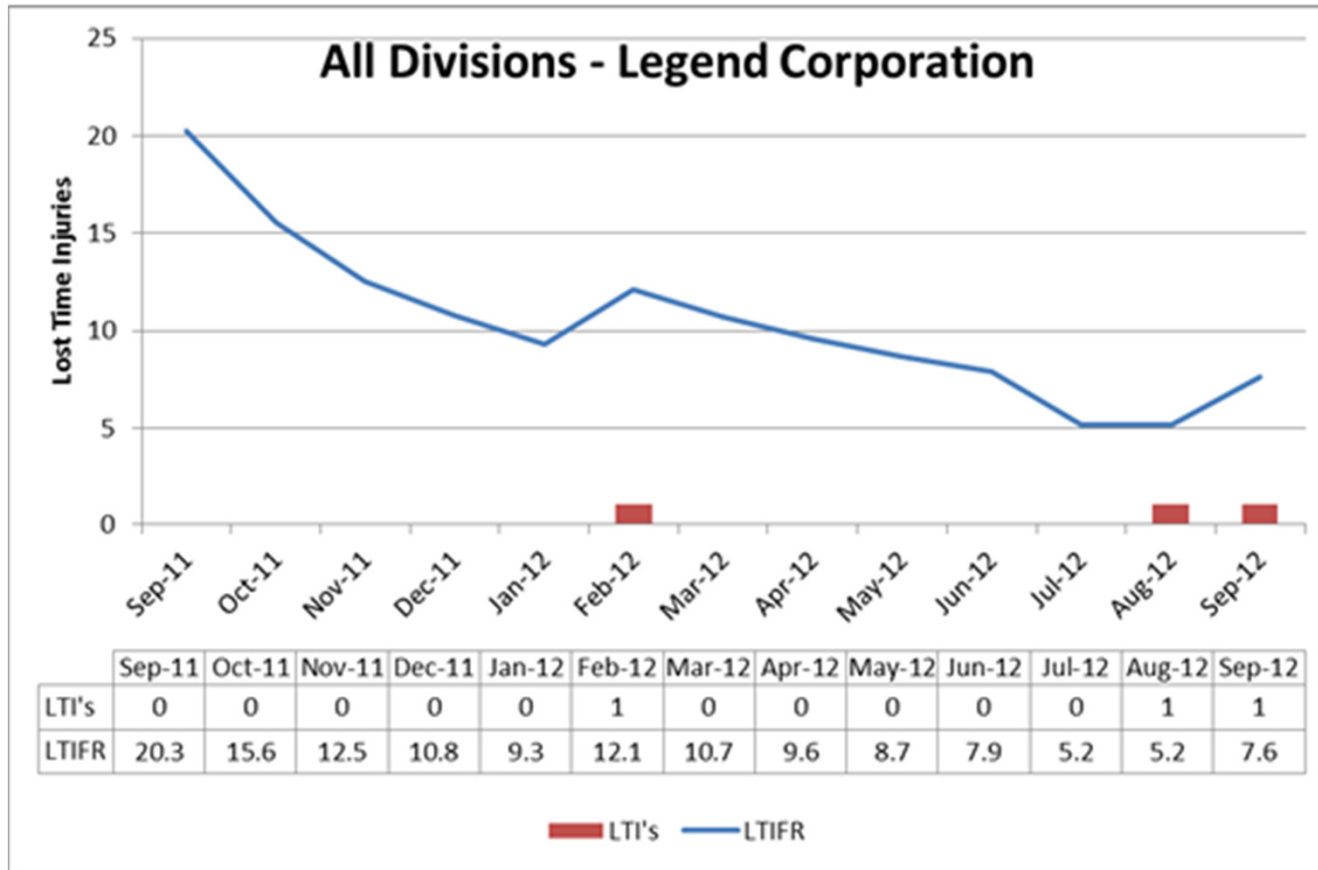
CEO Address

FY12 In Review

- Traditional markets for our largest business unit of Electrical remained challenging. The introduction of new products and expansion of the customer based, bolstered by the acquisitions of MSS Fibre, MSS Power and Extreme Safety Gross generated significant returns for the Group.
- The Semiconductor business was refocused as the design hub for new and innovative products for distribution through electrical markets, with a number of products already gaining market acceptance.
- Legend's strong balance sheet and low levels of debt allow for continued organic and acquisitive business development.

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In Review : Improved OH+S outcomes;



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FY12 In Review : Strengthened Leadership

New Senior Management;

- Edward Fyvie joined in the role of GM Sales Power
- Mark Phillips joined in the role of GM Sales CABAC
- Chitrang Trivedi elevated to the role of GM Sales LPT
- John Murtagh joined in the role of National Quality Manager

Expanded Engineering team across product qualification and new product development.

Expanded Business Development team across Power to take the business national.

Major Enterprise systems upgrade to support growth.

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Looking Forward across the first half of F13

- **The Board expects that the Net Profit After Tax (NPAT) for the half year to 31 December 2012 will be in the range of \$2.7 million to \$3.2 million.**
- **This outcome is a result of a significant decline in demand for the company's products in the last two months translating to a 6% decline compared with the pcp, a result of:**
 - The unexpected and sudden closure or reduced operating levels of a number of coal mines are related infrastructure projects across northern NSW and throughout QLD.
 - The sudden reduction in activity levels as the NSW government re-organises three power utilities into a new single state owned corporation.
 - Further declines in dwelling construction to 15 year lows.
- **The impact on profits from this reduced demand has been compounded by additional costs in key areas of growth for the long term business, principally additional employees that have increased operating costs by 7%.**

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Looking Forward across F13

- Our core strategy remain; quality, range, value, availability and service.
- We see continued contraction in residential, commercial and light industrial construction.
- We see export markets as still challenged by GFC overhang.
- Increased costs of business in Australia due to both skills shortage and likely increased cost of goods flowing from offshore cost increases in production.
- Power division outlook positive despite NSW softening
- Each of our businesses has a specific plan to deal with the challenges and opportunities we see ahead.

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Management Corrective Action : Restore performance.

- We have proven that we have been able to achieve growth in challenging markets through product range expansion and we are well advanced with key initiatives to significantly broaden range offering.
- Our investments in strengthening our business development team across power are already showing positive returns.
- We are planning adjust operating expense to match business conditions in order to drive more cost out of our business.
- Our investments in new and capable senior management provide the added capacity to drive growth whilst undertaking these adjustments.
- Our balance sheet strength allows us continued focus on both organic and acquisitive opportunities for growth.

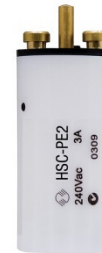
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F13 Outlook.

- Legend is both well resourced and well positioned for the future.
- We have both business development and cost reduction planned to address recent unexpected market softening.
- We do not expect these recent declines to be reflective of the groups full year performance.
- No changes to our dividend policy of 35-50% of NPAT are anticipated.
- Legend has a strong balance sheet with net debt of approximately \$11 million at 30 Jun 2012.
- A further update will be provided with the groups half year result in Feb 2013

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F13 NEW PRODUCTS.



Shown with safety trigger guard, incorporating lifting eye and flush face couplers (optional extras)





For further information;

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