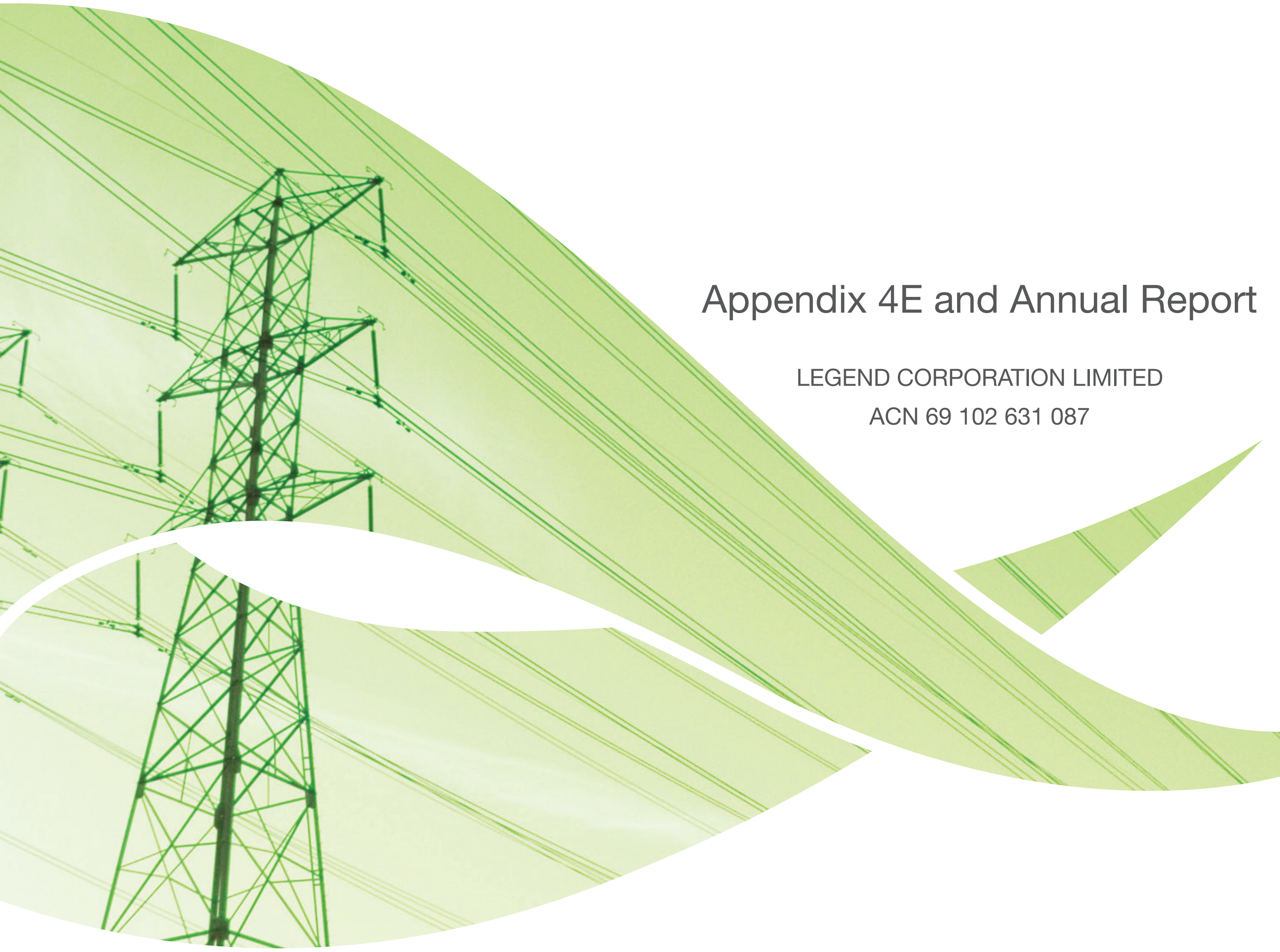
LEGEND CORPORATION



Appendix 4E and Annual Report

LEGEND CORPORATION LIMITED

ACN 69 102 631 087

Results for Announcement to the Market

Final Report to the Australian Securities Exchange and Annual Report including Audited Financial Statements

For the Year Ended 30 June 2013

Appendix 4E and Annual Report
LEGEND CORPORATION LIMITED

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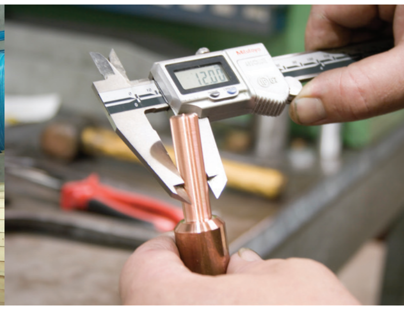

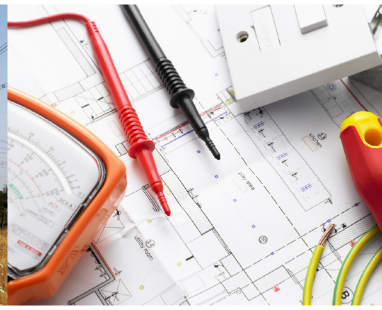

HIGHLIGHTS

- Expansion of operations in New Zealand through the acquisition of Ecco Pacific Limited in October 2012. Ecco provided a dedicated sales force focused on electrical wholesale and power utilities, delivering four times the sales volume in New Zealand in the second half of 2013 compared with the Group's prior corresponding period sales.
- Consolidation of warehousing and office facilities in Western Australia into a much larger facility due to rapid growth, improving product availability and cost savings in future periods.
- Appointment of two experienced General Managers of sales active in Electrical and Power divisions.
- Strengthening of the Power sales team providing a national presence dealing with power utilities and infrastructure project managers.
- Completion of a single ERP system enabling real-time reporting on all aspects of the business.
- Introduction of 6P Green Program to improve reporting and monitoring of the Group's environmental impacts.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Previous corresponding period 30 June 2012

				$'000
Revenue from ordinary activities	Up	2%	to	105,294
Profit from ordinary activities after tax attributable to members	Down	29%	to	6,707
Net profit for the period attributable to members	Down	29%	to	6,707
Earnings per share	Down	28%	to	3.1 cents

DIVIDENDS

	Amount per security	Franked amount per security at 30% tax
Interim dividend (fully franked)	0.6 cents	0.6 cents
Final dividend (fully franked)	1.1 cents	1.1 cents

None of these dividends are foreign sourced.

Final dividend details

Ex-dividend date	17 September 2013
Record date to determine entitlement to the dividend	23 September 2013
Payment date for final dividend	25 October 2013
Total dividend payable	$2,414,503

A dividend reinvestment plan is not in operation.

NET TANGIBLE ASSET BACKING

	Current period	Previous corresponding period
Net tangible asset backing per ordinary share	7.7 cents	6.5 cents

FINANCIAL SUMMARY	30 June 2013 $'000	30 June 2012 $'000	Change
Income			
Sales revenue	**105,206**	**103,215**	**1.9%**
Cost of goods sold	**(57,774)**	**(55,899)**	**3.4%**
Gross profit	47,432	47,316	0.2%
Gross profit margin	45.1%	45.8%	
EBITDA	13,815	17,173	(19.6%)
EBITDA margin	13.1%	16.6%	
EBIT	10,749	14,749	(27.1%)
EBIT margin	10.2%	14.3%	
NPBT	9,515	13,628	(30.2%)
NPBT margin	9.0%	13.2%	
NPAT	6,707	9,436	(28.9%)
NPAT margin	6.4%	9.1%	
Earnings per share	3.1 cents	4.3 cents	(27.9%)
Dividends paid	1.7 cents	2.0 cents	(15.0%)
Dividends announced	1.1 cents	1.1 cents	0.0%
Cash Flow			
Operating cash flow	6,641	6,359	4.4%
Financial Position			
Net assets	61,242	58,132	5.3%
Net debt	(15,868)	(11,017)	(44.0%)

Reconciliation of profit	30 June 2013 $'000	30 June 2012 $'000
NPAT	6,707	9,436
Income tax expense	2,808	4,192
NPBT	9,515	13,628
Interest revenue	(88)	(224)
Interest expense	1,322	1,345
EBIT	10,749	14,749
Depreciation and amortisation expense	3,066	2,424
EBITDA	13,815	17,173

ANNUAL REPORT

2013

LEGEND
CORPORATION


CABAC

CABAC

One Call → One Day → One Delivery

Hendon™

semiconductors

LEGEND

PERFORMANCE TECHNOLOGY

POWER

mss fibre systems

Fibre Optic Product Supplier

Ecco Pacific

CORPORATE DIRECTORY

DIRECTORS

Bruce E Higgins
Bradley R Dowe
Ian L Fraser

COMPANY SECRETARY

Graham A Seppelt

REGISTERED OFFICE

1 Butler Drive, Hendon
South Australia 5014
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Fax: 08 8244 9520
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Fax: 03 8608 1000

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Security Transfer
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Applecross
Western Australia 6153
Phone: 08 9315 2333
Fax: 08 9315 2233

BANKERS

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22-28 King William Street
Adelaide
South Australia 5000

AUDITORS

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383 Kent Street
Sydney
New South Wales 2000
Phone: 02 8297 2400
Fax: 02 9299 4445

AUSTRALIAN SECURITIES EXCHANGE

Australian Securities
Exchange Limited
2 The Esplanade
Perth
Western Australia 6000
Phone: 08 9224 0000

CHAIRMAN'S REPORT

DEAR SHAREHOLDERS,

On behalf of the Directors I am pleased to announce the results for Legend for the year ended 30 June 2013.

Our company, relative to our peers and industry sector, performed well although the Net Profit after Tax (NPAT) was lower than last year as a consequence of the market environment and lower than expected client demand.

We achieved a modest growth of 2% with $105 million in sales and a gross profit of 45% similar to last year.

Operating expenses increased 12% over the prior corresponding period, largely as a result of an increased investment in sales, product development, bad debts and communications. Earnings Before Interest Tax Depreciation and Amortisation, (EBITDA) were down 20% to $13.8 million at a reduced margin of 13.1%. As announced to shareholders in June we incurred expenses of $1.1 million of a one off nature related to a large bad debt and accelerated depreciation of leasehold improvements due to rapid growth in our Perth operations necessitating a move to larger premises., If the one-off items were excluded the NPAT for the 2013 year would have been approximately 20% lower than the prior year on a like for like basis.

Net Profit After Tax was $6.7 million or 3.1 cents per share. This was 28% lower than last year due to increased depreciation and amortisation, lower operating profit and the one-off charges mentioned previously. Our outlook in the coming year is for an improvement in these results.

Operating cash flow for the year was $6.6 million compared to $6.4 million for the prior year. Tax installments for the year were $3.4 million compared to $6.2 million for 2012, and additional capital of $6.9 million has been required to fund both inventory and deferred payments for the acquisitions of Ecco Pacific and MSS Fibre resulting lower cash flow for the year.

The company balance sheet is in a strong position with total net assets (total assets less total liabilities) of $61.2 million or 27.9 cents per share.

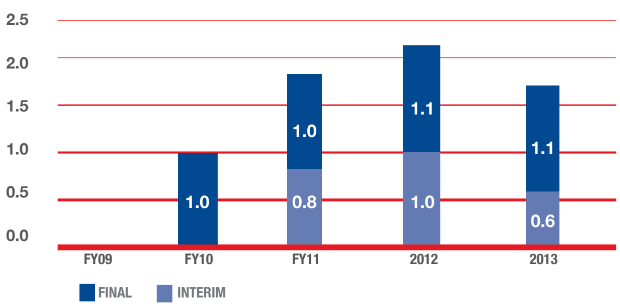
- During the year we incurred additional borrowings of $5.6 million to fund acquisitions.
- Our banking facilities with the National Australia Bank extend to 30 June 2015.
- Net bank debt increased to $15.9 million from $11.0 million and is 1.1 times EBITDA.
- Net Debt to shareholder funds has increased from 19% to 26%, remaining at a conservative level. Interest coverage is 8 times.

DIVIDEND

In April the company paid an interim dividend of 0.6 cent per share. I am pleased to advise that the full year dividend will be 1.1 cents per share to all shareholders of record on 23 September 2013 and payable on 25 October 2013.

Our Total Shareholder Return (growth in share price plus fully franked dividends excluding franking credits) over the past four years from 1 July 2009 to 1 July 2013 was 20.5 cents. Total dividends for the year are 1.7 cents per share (fully franked) and represent an attractive yield of 6.0% based on today's share price.

Legend dividend (CPS)



CHAIRMAN'S REPORT

OPERATIONS

The group operations are reported in two distinct segments **Electrical, Power and Infrastructure** and **Innovative Electrical Solutions**.

Electrical, Power and Infrastructure business targets sales to power utilities and infrastructure projects into which our house branded electrical connectivity products, cables, tools, test and measurement instruments, data and computer room products are now sold.

Innovative Electrical Solutions designs and manufactures new and innovative products to meet both direct customer needs and for sale through our **Electrical, Power and Infrastructure** division. Our significant in house expertise in the design of integrated circuits, power switching and temperature management heat and light management combined with manufacture of integrated circuits and surface mounted printed circuit boards to precise specifications provide best-in-class products for our clients.

These segments and businesses share sales and operational resources to the maximum extent possible. Further details of the operations and the performance of these segments are set out in the Chief Executives report and in Note 25: Operating segments of the annual report.

During the year Deferred payments totaling $4.7 million were made for the MSS Fibre, MSS Power and Extreme Safety acquisitions detailed in the last annual report. $1.3 million was invested in new business related expenditure detailed below and also in the Chief Executive Officers report. Our return on invested capital on acquisitions was 28%.

OUR GROWTH STRATEGY

Our business strategy is delivering results validated by Legend achieving a small revenue growth of 2% in a market where many of our peers are seeing a decline in the order of 10 to 20% in longer term revenue trends. Our strategy is to grow organically our existing businesses and target synergistic acquisitions of companies where we can cross sell our products and target related market sectors offering long term growth.

Our strategy has included the expansion of our business with MSS Fibre Group, a leader in the supply and engineering of Fibre optic solutions, systems and products and also MSS Power Systems a specialist tooling company servicing power utilities, Telco utilities and related service providers.

In October 2012 Legend acquired selected business assets including stock and goodwill of Ecco Pacific Limited in Australia and New Zealand for integration within the Electrical, Power and Infrastructure segment for an initial payment of $1.35 million with deferred settlement of a further $1.27 million.

In a separate transaction the Group also acquired Spectron (NZ) Limited for a total consideration of $1.00 and the assumption of $222,000 in net liabilities. This acquisition significantly enhances our sales and distribution capabilities and has allowed the company to also integrate the New Zealand based assets of Ecco Pacific Limited with our sales of CABAC products for this market. We are confident that this investment in a well recognized brand in the New Zealand electrical and power distribution market will provide growth in sales and profits fo 2014.

All of these acquisitions have proven to be earnings accretive for the Group.

Our core growth program also continues to focus on our existing businesses which also have opportunities for growth, especially as the business conditions improve within Australia.

CORPORATE GOVERNANCE AND BOARD PERFORMANCE

The Board of Legend is committed to achieving and demonstrating standards of corporate governance that are best practice and compliant with the Australian Stock Exchange regulations and principles of good corporate governance. Our goal is to ensure that we protect the rights and interests of shareholders and ensure the company is properly managed through the implementation of sound strategies and action plans. We achieve this through the management team of our company and supervising an integrated framework of controls over the company's resources to ensure our commitment to high standards of ethical behaviour.

Our Remuneration Report is enclosed which outlines the Group remuneration policies, board performance and the senior executive remuneration policies and compensation. We have continued to report against the gender reporting requirements mandated by the Australian Stock Exchange. The Company has 39% female staff. Shareholders should be confident that the board and management are focused on flexible and talented teams that can deliver performance, rather than a single metric on gender balance.

OUTLOOK

Our strategy to position Legend business into growth areas of the Australian economy and improve our operations and sales performance has been somewhat masked by the underlying reduction in demand for our core products within the current market environment. We are optimistic that the investment in businesses we have made over the past few years will deliver growth and that this combined with our existing businesses; positions the company well to take advantage of improvements in our markets to deliver improved results for shareholders.

On behalf of the Directors I wish to thank Bradley Dowe, his senior management team and all employees, for their commitment and customer service focus across all segments during the year. I also thank our customers and shareholders for their continuing support for Legend Corporation.

Yours Sincerely

Bruce E Higgins
Chairman

Legend Corporation Limited

19 August 2013

CHIEF EXECUTIVE OFFICER'S REPORT

FINANCIAL SUMMARY

	30 JUNE 2013	30 JUNE 2012	CHANGE
Sales Revenue	$105.2m	$103.2m	1.9%
Cost of Goods Sold	$57.8m	$55.9m	3.4%
Gross Profit	$47.4m	$47.3m	0.2%
Gross Profit Margin	45.1%	45.8%	
EBITDA	$13.8m	$17.2m	(19.6%)
EBITDA Margin	13.1%	16.6%	
EBIT	$10.7m	$14.7m	(27.1%)
EBIT Margin	10.2%	14.3%	
NPBT	$9.5m	$13.6m	(30.2%)
NPBT Margin	9.0%	13.2%	
NPAT	$6.7m	$9.4m	(28.9%)
NPAT Margin	6.4%	9.1%	
Earnings per share	$0.031	$0.043	(27.9%)
Net Assets	$61.2m	$58.1m	5.3%
Net Assets per share	$0.279	$0.267	4.5%
Net Bank Debt	($15.9m)	($11.0m)	(44.5%)
Operating Cash Flow	$6.6m	$6.4m	4.4%
Operating Cash Flow pre-tax	$10.0m	$12.6m	(20.6%)

DEAR SHAREHOLDERS,

The Group's revenue increased to $105.2 million with full year Net Profit After Tax down 29% to $6.7 million or 3.1 cents per share.

Dividends for the year were 1.7 cents per share (2012: 2.1 cps).

This reduced result is a function of a number of **non-recurring expenses:**

- A bad debt of $751,000 from a single client whose business has failed.
- $377,000 in relation to the write-off of leasehold improvements on the consolidation of Western Australian operations into a single facility due to the rapid growth of our business requiring increased office and warehousing capacity.

And a number of **unexpected events:**

- The closure or reduced operating levels of a number of coal mines and related infrastructure projects across northern New South Wales and through Queensland.
- The reduction in activity levels at New South Wales power utilities as the government reorganises the previously three separate utilities into a new single state owned corporation.
- A further decline in dwelling construction activity levels despite further easing of interest rates by the Reserve Bank of Australia.

RETURN TO GROWTH IN THE SECOND HALF

Management moved to decrease costs and increase sales in the second half of the year.

An expense reduction program commenced in November 2012 resulted in a reduction of 7% in overhead costs half-on-half.

The acquisition of selected assets of Ecco Pacific and the introduction of new products delivered revenue growth in the second half of the year.

Normalising the EBIT performance half-on-half by adding back the non-recurring expenses noted above, Legend has returned to performance expectations.

HALF ON HALF COMPARISON

	30 Jun 2013	31 Dec 2012
	$'000	$'000
Revenue	53,585	51,621
EBITDA	7,307	6,508
Add back bad debts	751	-
Normalised EBITDA	8,058	6,508
Depreciation and amortisation	(1,723)	(1,343)
Add back additional depreciation	377	-
EBIT	6,712	5,165

HIGHLIGHTS

- Expansion of operations in New Zealand through the acquisition of selected assets of Ecco Pacific Limited in October 2012. Ecco provided a dedicated sales force focused on electrical wholesale and power utilities and delivering four times the revenue in New Zealand in the second half of 2013 compared with the Group's prior corresponding period sales.
- Consolidation of warehousing and office facilities in Western Australia into a much larger facility due to rapid growth, improving product availability and delivering cost savings into the future.
- Two experienced General Managers of Sales active in Electrical and Power divisions.
- Strengthening of the Power sales team providing a national presence dealing with power utilities and infrastructure project managers.
- New Quality manager has secured standard approval for our Fibre division.
- Completion of a single ERP system enabling real-time reporting on all aspects of the business.
- Introduction of 6P Green Program to improve reporting and monitoring of the Group's environmental impacts.
- Expansion of NSW crèche facility enabling a greater number of employees to utilize this benefit.

STRONG FINANCIAL PERFORMANCE IN DIFFICULT CONDITIONS ACROSS 2013

Gross profit margins remained strong at 45.1% (2012: 45.8%).

Earnings Before Interest Tax Depreciation and Amortisation (EBITDA) was down 20% to $13.8 million (2012: $17.2 million).

Operating cash flow was $6.6 million (2012: $6.4 million) reflecting the investment in increased working capital associated with business expansion.

Net bank debt increased to $15.9 million (2012: $11.0 million) as a result of deferred payments on prior period acquisitions and the acquisition of selected assets of Ecco Pacific Limited that has been an important driver in revenue growth over the second half of the financial year. Net bank debt of $15.9 million remains at a conservative 1.1 x EBITDA.

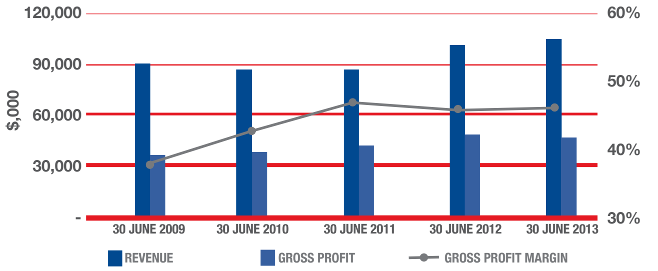
Net assets of 27.9 cents per share are up 5% on prior year (2012: 26.7). All divisions operated profitably and progressed their individual growth plans. Market conditions in our traditional markets remain challenging, whilst engineering construction markets, a key focus of our strategic plan, continue to display strong growth.

Legend's strong balance sheet and low levels of debts allow for continued organic and acquisitive business development.

CHIEF EXECUTIVE OFFICER'S REPORT

FINANCIAL HIGHLIGHTS

Revenue and Gross Profit

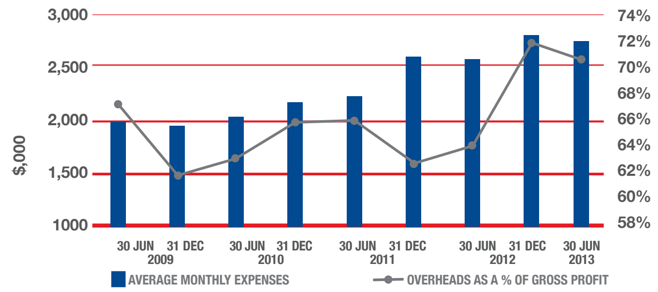


Sales revenue for the period was $105.2 million, up 2% on the prior year.

Acquisitions during the year contributed $6.1 million in revenue, the pre-acquisition electrical, power and infrastructure business contributed $88.8 million (2% down on the prior year) whilst innovative electrical solutions contributed $11.5 million (16% down on the prior year) further to a major medical products client offshoring a new model design.

Gross profit was consistent with the prior year at $47.4 million, up 0.2%, with gross profit margins maintained at a solid 45.1%.

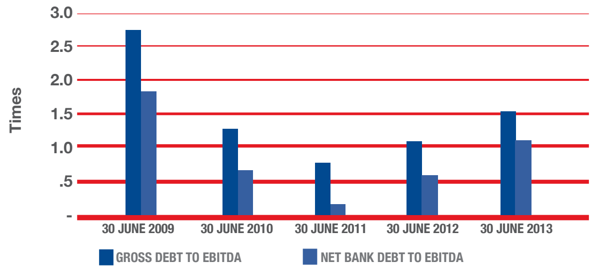
Average Monthly Overhead Expenditure



Overhead costs increases by $3.5 million to $33.6 million in 2013 or 71% of gross profit.

This is attributable to an increase in employee related costs to strengthen sales teams at both senior management and relationship levels, and bad debts of $852,000 compared with $90,000 in the prior year.

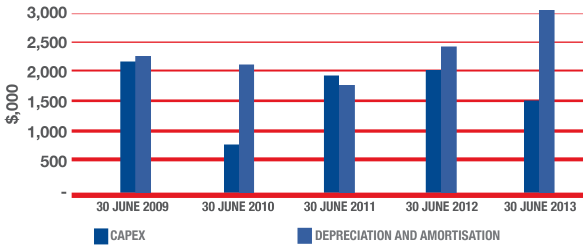
Debt to EBITDA Coverage



$5.6 million in bank debt was drawn down during the year to fund the deferred consideration of the acquisitions of MSS Fibre Systems Pty Ltd and MSS Power Systems Pty Ltd, as well as the acquisition of selected assets of Ecco Pacific Limited.

Net bank debt was $15.9 million at 30 June 2013, a modest 1.1 times EBITDA. Our bank bill facilities, currently with the National Australia Bank, extend to June 2015.

CAPEX & Depreciation and Amortisation

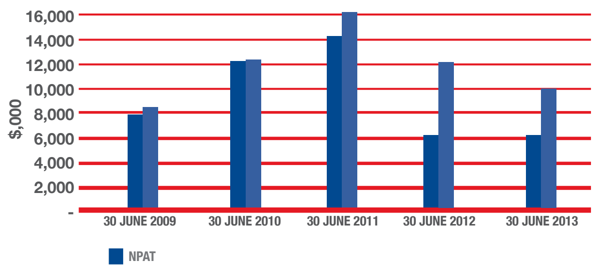


Having completed an information technology upgrade in 2012, CAPEX requirements were down significantly during 2013 to $1.5 million.

Depreciation and amortisation for this financial year included $525,000 (2012: $677,000) in amortisation of intangible assets generated through the MSS acquisitions, including intellectual property, customer lists and restraint of trade agreements.

Depreciation charges were up $794,000 on the prior year including increased charges from the newly completed enterprise system as well as $377,000 in additional depreciation for leasehold improvements on the relocation and consolidation of Western Australian operations.

NPAT & Cash Flow



Pre-tax operating cash flow was $10.0 million (2012 $12.6 million). Tax paid for the year was $3.4 million (2012 $6.2 million).

With the expansion of the business, working capital requirements increased from $29.4 million to $36.2 million; stock days of 140 (2012 114), debtors days 56 (2012 56), and creditor days 57 (2012: 54).

ACQUISITIONS

Management devotes significant effort and resource to the selection and appropriate engagement of acquisitions aligned with our strategic requirements that will add accretive and long term value to our business.

During 2013 Legend acquired selected assets of Ecco Pacific Limited facilitating the expansion of operations in New Zealand under that brand and the addition of a number of well-known brand stock ranges to both New Zealand and Australian markets.

During the year deferred payments totaling $4.7 million were made for the MSS Fibre, MSS Power and Extreme Safety acquisitions detailed in the last annual report.

OVERVIEW BY SEGMENT

Electrical, Power and Infrastructure

The division's earnings in the past have been closely tied to residential, industrial and commercial building approvals. These markets have remained subdued since the global financial crisis of 2008. Our strategy has been to take the engineering capabilities from this segment into high growth markets with the initial focus on power generation, transmission and distribution.

The division has developed its own specialized product range and has extended market development into rail and engineering construction.

Revenue for the segment increased by 5% to $94.9 million (2012 $90.7 million), with a decline in our pre-acquisition business of 2% to $88.8 million, and additional revenue from the Ecco acquisition of $6.1m.

EBITDA for the segment was down by 26% to $10.3 million (2012 $14.1) through increased overhead costs in the areas of additional sales resources and one significant bad debts.

Innovative Electrical Solutions

EBITDA grew by 7% to $3.4 million (2012 $3.2 million) despite a decline in revenue of 16%.

This decline in revenue occasioned by a major medical client off shoring the production of a new model that does not include our components. Rigid cost management and increased gross profit margins the drivers for the improvement.

Development of new products remains the key focus with a number of these already released to market through our existing sales channels. Due to the date of release being late in the year, the full impact on earnings will not been seen until the new financial year.

INNOVATION

I am confident that our investment in design and development of products targeting the growth areas of the Australian economy will allow us to deliver continued positive results for our shareholders. We have focused our development on energy efficient and energy saving products for lighting, switching and power management for sale through both our electrical and power divisions

PEOPLE TALENT, WORKPLACE ENVIRONMENT AND SAFETY

We recognize that our people are our most important and fundamental assets. Securing and retaining the very best people is critical to both the maintenance and growth of our business.

All recruitment within Legend Corporation is advertised internally prior to being advertised externally in an attempt to offer our employees the opportunity of advancement. This has been successful in areas such as Internal Sales, Warehousing, Manufacturing and Administration.

Training and development of our people is encouraged to ensure that succession planning is upheld and that the knowledge learned is distributed within the organisation. Examples of the training undertaken during the year include;

- M.B.A,
- Internal Auditor Training,
- Marketing Degree,
- Accounting,
- IPC Specialist, and
- Warehouse and Storage III.

Flexible working options are made available to all staff where possible, including the following situations:

- Return from Parental Leave allowing parents the flexibility on return to accommodate their new family additions.

CHIEF EXECUTIVE OFFICER'S REPORT

- Full Time to Part time employment.
- Change of working hours to suit family needs.
- Split Shifts.
- Job Sharing.

Legend Corporation offers onsite crèche facilities in New South Wales and South Australia, these facilities are offered to employees with children under the school age at no cost to the employee. Our crèche facility in New South Wales is currently undergoing renovations to increase the number of children allowed per day.

Free gym membership is offered to employees, and has been a great incentive to employees to take up the challenge and become fit and healthy. At present we have employees in South Australia and New South Wales utilising this benefit.

HEALTH AND SAFETY

The Health and Safety of our team members is a key priority within our business. Management is committed to continual improvement of health and safety through the implementation of training, safety systems, monitoring and correction across all our workplaces.

As demonstrated by the chart below the Group has a low rate of lost time through injury. A total of 3 injuries were reported for the year with an average lost time injury frequency rate of 7.4 against a national warehouse/storage industry average of 12.6.

ENVIRONMENT

Legend cares for the environment and is committed to developing systems and processes that minimize any adverse environmental impacts.

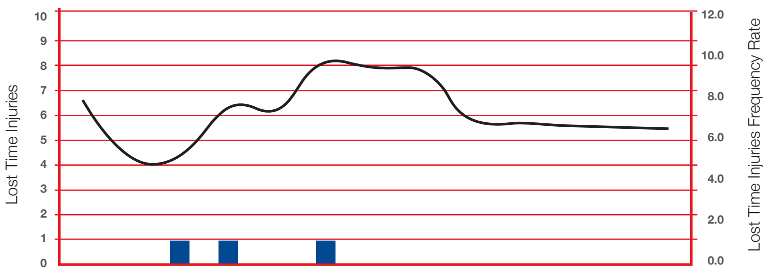
As well as being a signatory to the Australian Packaging Covenant, Legend Corporation is also implementing a 6P Environmental program with a view to achieving ISO14001 Environmental Management Systems Certification. ISO14001 is the internationally recognised and independently audited standard for the management control and continuous improvement of an organisation's environmental performance.

GENDER DIVERSITY

Legend promotes gender balance within the workforce. Whilst the company is successfully overseen by only three directors who provide a skill set which is appropriate for the company's needs, across the rest of the company, there is a significant involvement of both female and male employees at each level of operations.

Overall, the objective is for the company to achieve the current national benchmark of women comprising 46% of the workforce. The New Zealand acquisitions of Ecco Pacific and Spectron included male dominated workforces with 14 men and only 2 women, having a material impact on the Group's overall percentage of women employed. The current gender balance in Australia however remains close to 40% (2012 42%) as per the table below.

LEGEND CORPORATION – ALL DIVISIONS



	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13
LTI's	0	0	1	1	0	1	0	0	0	0	0	0	0
LTIFR	7.9	5.2	5.2	7.6	7.5	9.8	9.6	9.4	6.9	6.8	6.7	6.6	6.5

LTI's — LTIFR

A lost-time injury is defined as an occurrence that resulted in a permanent disability or time lost from work of one day/shift or more.

Lost-time injury frequency rates are the number of lost-time injuries within a given accounting period relative to the total number of hours worked in the same accounting period.

	2013 PERCENTAGE OF EMPLOYMENT		2012 PERCENTAGE OF EMPLOYMENT	
	Female	Male	Female	Male
Board	0	100	0	100
Management, Finance, Administration	47	53	40	60
Other	36	64	45	55
Total	39	61	42	58

OUTLOOK AND BUSINESS STRATEGIES

Our core strategy to maintain and extend our leadership remains; quality, range, value, availability and service. We will continue our focus on business development to meet customer needs and are bringing important new product ranges to market across 2014.

We will continue to invest in strengthening our expanded market reach and continue to deliver new service initiatives. Each of our businesses has a specific plan to deal with the challenges we see ahead and realise further growth.

Whilst our traditional markets remain challenging we have successfully dealt with what has been a contracting market in residential, commercial and industrial construction by expansion of product range, sales geography and basic sales value drivers including stock availability, client contact and other market initiatives.

Export markets also remain challenging, we are successfully bringing new products to the domestic market to offset declines in demand from some export clients.

The falling Australian dollar is a benefit to some of our business's but across many will lead to an increase in the local cost of goods. While all of our competitors are subject to the same issues, in subdued market conditions managing the price increases necessary to successful respond to the falling dollar presents a considerable challenge.

We continue to invest in the future, particularly in the areas of enterprise and quality systems, people and product research and development. We believe that despite the unexpected events and non-recurring expenses of 2013 the Company is well positioned within the markets we serve. Our strong balance sheet, prudent financial management and continued focus on organic and acquisitive growth will deliver further growth in both sales and profits.

I would like to extend my thanks to our client business partners, suppliers, shareholders and board members.

I make particular mention of the value, commitment and passion that our team members across all our business bring to their work. It is their effort that underpins the successful outcomes of our business and I take this opportunity to thank them all for their commitment across this challenging year.

Yours Sincerely

Brad Dowe
Chief Executive Officer &
Managing Director
Legend Corporation Limited

19 August 2013

CORPORATE GOVERNANCE STATEMENT

The Board of Legend Corporation Limited (Legend) seeks to practice the highest ethical and commercial standards while executing its responsibilities in directing the business and affairs of the Company on behalf of its shareholders.

The Board of Legend has considered the principles of good corporate governance and best practice recommendations as published by the ASX Corporate Governance Council (ASXCGC) in its 2nd edition of the Principles and Recommendations with 2010 Amendments. ASX Listing Rule 4.10.3 requires the Company to disclose the extent to which it follows or diverges from these best practice recommendations in its Annual Report.

This report discloses corporate governance practices Directors would like to highlight to stakeholders.

Additional information relating to corporate governance practices that the Company has adopted can be found on the Company's web site: www.legendcorporate.com.

THE ROLE OF THE BOARD & MANAGEMENT

The Company has formalised and disclosed the roles and responsibilities of the Board and those delegated to senior management.

The Board of the Company is responsible for the overall corporate governance of the Legend Group, including its ethical behavior, strategic direction, establishing goals for management and monitoring the achievement of those goals with a view to optimising company performance and maximising shareholder value.

The role of management is to support the Chief Executive Officer and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Full details of the matters reserved to the Board and to senior management are available on the Company's web site at www.legendcorporate.com.

Scheduled meetings of the Board are held at least eight times a year and the Board meets on other occasions to deal with matters that require attention between scheduled meetings.
The responsibility for the operation and administration of the consolidated entity is delegated by the Board to the Chief Executive Officer.

The Board is responsible for:

- Setting the strategic direction of the Company and establishing goals to ensure these strategic objectives are met;
- Appointing the Chief Executive Officer, setting objectives for the Chief Executive Officer and reviewing performance against those objectives, ensuring appropriate policies and procedures are in place for recruitment, training, remuneration and succession planning;
- Monitoring financial performance including approval of the annual and half-yearly financial reports and liaison with the Company's auditors;
- Ensuring that risks facing the Company and its controlled entities have been identified ensuring that appropriate and adequate controls, monitoring and reporting mechanisms are in place;
- Receiving detailed briefings from senior management on a regular basis during the year;
- Approving the Boards of Directors of subsidiary companies; and
- Ensuring the Company complies with the law and conforms to the highest standards of financial and ethical behavior.

Legend has obligations to its stakeholders to ensure the Company is managed with appropriate due diligence and that all necessary processes are implemented to minimise risk and maximise business opportunities.

To this end, all commercial arrangements, capital expenditure, operational expenditure and other commitments are appropriately documented and have been authorised by either the Chief Executive Officer or the Board as appropriate.

The composition of the Board is determined in accordance with the Company's constitution and the following principles and guidelines:

- The Board should comprise of at least three directors with at least two Non-Executive Directors;
- The Board should comprise of directors with an appropriate range of qualifications and expertise; and
- The Board should meet formally at least eight times per annum and informally on an as required basis with all directors being made aware of, and having available, all necessary information, to participate in an informed discussion of all agenda items.

DIRECTOR INDEPENDENCE

The Board considers two of Legend's directors as independent under the guidelines; that is Chairman Bruce Higgins and Non-Executive director Ian Fraser.

In assessing the independence of directors, the Board follows the ASX guidelines as set out:

An independent director is a Non-Executive director (ie is not a member of management) and:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- within the last three years has not been employed in an executive capacity by the Company or another group member, or been a director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
- is not a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the Company or another group member other than as a director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

Mr Dowe is not considered to be independent because he is both an executive director and a substantial shareholder in the Company.

Through the Nominations Committee directors have considered the balance of skills and experience required of Board members for the size and state of development of Legend. The Board believes that it has the right numbers and skill sets within its Board members for the current size of the Company and is confident that each non-executive director brings independent judgement to bear on Board decisions. If additional skill sets are considered to be necessary, the Board seeks candidates from the wider market and chooses the most appropriate person for the role required.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The ASXCGC Recommendations recommend that the chairperson be independent. Mr Bruce Higgins is considered independent by the Board under the guidelines as set out.

The roles of chairman and Chief Executive Officer are not exercised by the same individual.

Mr Bradley Dowe is the Chief Executive Officer of the Company.

DIRECTORS IN OFFICE

At the date of this statement the following directors are considered independent by the Board:

NAME	POSITION	INDEPENDENT
Bruce Higgins	Chairman & Non-Executive Director	Yes
Bradley Dowe	Chief Executive Officer	No
Ian Fraser	Non-Executive Director	Yes

The skills, experience, expertise and tenure of each director are disclosed in the Directors' Report within this Annual Report.

APPOINTMENT TO THE BOARD

The Board has appointed a Nomination Committee to identify and recommend potential director appointments. Where a casual vacancy arises during the year, the Committee has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective Board. Any director appointed during the year to fill a casual vacancy or as an addition to the current Board, holds office until the next Annual General Meeting and is then eligible for re-election by the shareholders.

A copy of the Nomination Committee's Charter is available on the Company's web site at www.legendcorporate.com.

New directors receive a letter of appointment which sets out the terms of their appointment. On appointment, an induction program is available to directors that include one-on-one sessions with members of the senior management team.

EVALUATION OF SENIOR EXECUTIVES

Senior executives, including the Chief Executive Officer have a formal job description and letter of appointment describing their term of office, duties, rights, responsibilities and entitlements upon termination.

The performance of senior executives is reviewed annually before the budgets are approved for the next financial year. This process is a formal one with the executive's performance assessed against company, division and personal benchmarks. Benchmarks are agreed with the respective senior executives and reviews are based upon the degree of achievement against those benchmarks.

Induction procedures are in place to allow new senior executives to participate fully and actively in management decision-making. The induction program includes orientation of:

- The Company's financial position, strategies, operations and risk management policies; and
- The respective rights, duties, responsibilities and roles of the Board and senior executives.

A performance evaluation for senior executives has taken place in the reporting period and was in accordance with the process disclosed.

ETHICAL BUSINESS PRACTICES

The Company has adopted a Code of Conduct to maintain confidence in the Company's integrity, its legal obligations and the expectations of its stakeholders. The Company is committed to being a socially responsible corporate citizen, using honest and fair business practices, to act in the best interests of clients so as to achieve the best outcome for shareholders.

The Board has procedures in place for reporting any matters that may give rise to unethical practices or conflicts between the interests of a director or senior executive and those of the Company. These procedures are reviewed as required by the Board. To this end, the Company has adopted a Conflict of Interest Policy that clarifies the processes for directors and senior executives to determine and disclose when a conflict of interest exists.

The Code of Conduct is available on the Company's web site at www.legendcorporate.com.

SHAREHOLDING AND TRADING

The Board encourages directors and senior executives to own shares in the Company to further link their interests with the interests of all shareholders. Trading of shares by directors or senior executives is prohibited under certain circumstances and as described in the ASX Listing Rules and during certain periods of the financial year. A director or senior executive must not deal in the Company shares at any time when he or she has unpublished information which, if generally available, might affect the share price. Directors and senior executives are required to first obtain consent from the Chairman or Company Secretary before dealing.

The Trading Policy is available at the Company's web site at www.legendcorporate.com.

SAFEGUARD INTEGRITY

The Board has established an Audit and Risk Management Committee comprised of the two non-executive directors. This committee operates under a charter to enable it to perform its role and responsibilities. The Charter is available at the Company's web site at www.legendcorporate.com. Where considered appropriate, the Company's external auditors and the Company's management are invited to attend meetings. The members of the Audit and Risk Management Committee are:

Ian Fraser (Chair) and Bruce Higgins.

As the Company has only three directors, of which one is the managing director who is not independent, the Company does not comply with Recommendation 4.2 that the Committee should comprise three members.

The qualifications of members of the Committee together with their attendances at committee meetings is disclosed in the Directors' Report within this Annual Report.

The role of the Audit and Risk Management Committee is to assist the Board fulfill its responsibilities in relation to the identification of the areas of significant business risks and the monitoring of the following:

- Effective management of financial and other business risks;
- Reliable management reporting;
- Compliance with laws and regulations in respect to financial reporting;
- Maintenance of effective and efficient audits;
- Meeting with external auditors on a twice-yearly basis and informally as circumstances require; and
- Recommending to the Board the appointment, rotation, removal and remuneration of the external auditors, and review their terms of engagement, and the scope and quality of the audit. Periodically, the Audit and Risk Management Committee reviews the appointment of the external audit engagement partners using a formal process of evaluation to determine the most appropriate level of skills and experience to suit the size and complexity of the Company.

The Audit and Risk Management Committee provides the Board with additional assurances regarding the reliability of financial information for inclusion in the financial statements. To that extent, the Chief Executive Officer and the Chief Financial Officer are required to declare to the Board that in their opinion the Financial Statements and supporting notes to the Accounts within the Annual Report are in accordance with the Corporations Act 2001, comply with the Accounting Standards and the Corporations Regulations 2001 and give a true and fair view of the financial position of the Company and are based upon a sound system of risk management and internal compliance and control prior to the signing of the Directors' Declaration in the Annual Report.

The Committee is chaired by an independent chair who is not the Chairman of the Board.

INDEPENDENT ADVICE

The Board recognises that in certain circumstances individual directors may need to seek independent professional advice, at the expense of the Company. Any advice so received will be made available to other directors.

TIMELY AND BALANCED DISCLOSURE

The Board recognises the need to comply with ASX Listing Rule 3.1 concerning continuous disclosure.

At each meeting of directors, consideration is given as to whether notice of material information concerning the Company, including its financial position, performance, ownership and governance has been made available to all investors.

The Continuous Disclosure Policy also requires senior executives in possession of disclosable information to comply with that policy.

The Continuous Disclosure Policy is available on the Company's web site at www.legendcorporate.com

COMMUNICATION WITH SHAREHOLDERS

The Board aims to ensure that shareholders, on behalf of whom they act, are informed of all major developments affecting the Company's activities and its state of affairs, including information necessary to assess the performance of the Directors.

Communication with shareholders is achieved through the distribution of the following information:

- The Annual Report distributed to shareholders;
- The Half Yearly Report which is available on the Company's web site;
- The Annual General Meeting and other meetings called to obtain shareholder approval for Board action as appropriate. Shareholders are encouraged to attend and participate at the Company's Annual General Meeting and other General Meetings;
- Letters to shareholders when considered to be appropriate and informative;
- Announcements to the Australian Securities Exchange; and
- Investor information through the Company's internet portal at www.legendcorporate.com

The Company strives to ensure that company announcements via the ASX are made in a timely manner, are factual, do not omit material information and are expressed in a clear and objective manner.

The Communications Policy is available at the Company's web site at www.legendcorporate.com

SHAREHOLDERS' ROLE

The shareholders of the Company are responsible for voting on the election of directors at the Annual General Meeting in accordance with the constitution.

All directors (other than the Chief Executive Officer) are subject to re-election by rotation, no later than every three years.

The Annual General Meeting also provides shareholders with the opportunity to express their views on matters concerning the Company and to vote on other items of business for resolution by shareholders.

The Company's auditor, Grant Thornton Audit Pty Ltd, make available a partner of the firm, to be in attendance at the Annual General Meeting and to be available to answer shareholder questions in relation to the audit.

RISK MANAGEMENT

The entire Board is responsible for overseeing the risk management function.
The Company believes that it is crucial for all Board members to be a part of the process and as such has established risk management as a component of the Audit and Risk Management Committee.

The Board is responsible for ensuring the risks and opportunities are identified on a timely basis.

The Board has a number of mechanisms in place to ensure the management's objectives and activities are aligned with the risks identified by the Committee. These include the following:

- Implementation of Board approved operating plans and budgets;
- Board monitoring of progress against these budgets, including the monitoring of key performance indicators of both a financial and non financial nature; and
- The establishment of committees to report on specific risk as identified.

INTERNAL RISK MANAGEMENT SYSTEM COMPLIANCE

Management is accountable to the Chief Executive Officer to ensure that operating efficiency, effectiveness of risk management procedures, internal compliance control systems and controls and policies are all being monitored. Management has designed and implemented a risk management and internal control system to manage the Company's material business risks and reports to the Board at each meeting on the effective management of those risks. The Company has identified a series of operational risks which it believes to be inherent in the industry in which the Company operates.
These include:

- Changed operating, market or regulatory environments;
- Fluctuations in demand volumes;
- Fluctuations in exchange rates; and
- Increasing costs of operations.

These risk areas are provided here to assist investors better understand the nature of the significant risks faced by the Company.

The Board requires the Chief Executive Officer and Chief Financial Officer every half year to provide a statement confirming that a sound system of risk management and internal control is in place and that the system is operating effectively in all material respects in relation to financial risks. The Board has received that assurance.

The Risk Management Policy is available at the Company's web site at www.legendcorporate.com

MONITORING PERFORMANCE

The Board and senior management monitor the performance of all divisions through the preparation of monthly management accounts. The monthly management accounts are prepared using accrual accounting techniques and report each business unit's result as contribution after overhead allocation. These monthly management accounts are compared to monthly budgets, which have been set allowing for the seasonality of anticipated revenues and costs in each of the divisions.

The monitoring of the Company's performance by the Board and management assists in identifying the correct allocation of resources and staff to maximise the overall return to shareholders.

A performance evaluation for senior management was undertaken during the year and was in accordance with the process developed by the Board for that purpose.

Details of the structure of non-executive directors' and senior executives' remuneration are included in the Remuneration Report within the Directors' Report in this Annual Report.

During the year the Board undertook a performance review of the Board, its committees and its directors, managed by the chair of the Remuneration Committee. The conclusions of the self assessment of the Board's performance during the previous year and any recommendations for improvement which become apparent from that review, are discussed by the Board.

The performance evaluation was undertaken using the process disclosed above.

NOMINATION AND REMUNERATION

Nomination Committee

The Board has a Nomination Committee comprising the two non-executive Directors, Mr Bruce Higgins (Chairman) and Mr Ian Fraser, and Chief Executive Officer Mr Bradley Dowe.

The role of the Nomination Committee is to make recommendations to the Board on the following matters:

- Determine the appropriate size and composition of the Board;
- Determine the terms and conditions of appointment to and retirement from the Board;
- Develop appropriate criteria for Board membership;
- Reviewing membership of the Board and proposing candidates for consideration by the Board; and
- Arranging a review of the Board's own performance.

The Committee did not meet during the year and considered that for the size of the Company and the state of its development, the number of directors and their level of skills and experience was appropriate. The Committee is aware of the need to continually assess the skills available to the Board. Where additional skills are considered necessary, candidates for director are sought from the wider market place with a view to selecting the most appropriate candidate for the chosen role on the Board. The Directors undertook a peer review of Board performance during the year with the objective of ensuring that the skills of the directors were appropriate and to comment on ways to improve Board performance for the betterment of shareholder value.

The Nomination Committee Charter is available at the Company's web site at www.legendcorporate.com

Remuneration Committee

The Board has a Remuneration Committee comprising the two non-executive Directors, Mr Bruce Higgins (Chairman) and Mr Ian Fraser

Chief Executive Officer, Bradley Dowe, attends the Remuneration Committee considerations as and when appropriate.

Details of the attendance of directors at committee meetings is disclosed in the Directors' Report in this Annual Report.

The role of the Remuneration Committee is to determine the Company's remuneration plans, policies and practices, including compensation arrangements for the non-executive directors, executive directors, Chief Executive Officer and senior executives. It is also responsible for considering general remuneration policies and practices, recruitment and termination policies and superannuation requirements.

The Company has a policy to preclude its executives from entering into transactions to limit their economic risk from investing in company shares, options or rights where those investments are unvested and has made executives aware of their obligations in relation to financial commitments against shares issued under the executive securities plan and has requested that they take sufficient professional advice in relation to their individual financial position.

The Remuneration Committee Charter is available at the Company's web site at www.legendcorporate.com.

There are no retirement schemes or retirement benefits other than statutory benefits for non-executive directors.

Remuneration Consultants

The Company did not employ remuneration consultants to assist with the evaluation of the remuneration of its senior executives and directors and relies instead on market evaluation and peer company analysis during the year.

Gender Diversity

The Board recognises that it is appropriate to have gender diversity throughout the Company to assist in balancing overall priorities and skills for the Company as a whole. Further disclosures in relation to gender diversity are included in the Chief Executive Officer's Report in this Annual Report. The Legend Diversity Policy is available at the Company's web site at www.legendcorporate.com

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DIRECTORS REPORT

The Directors of Legend Corporation Limited ('Legend' or 'Consolidated Group') present their Report together with the financial statements of the consolidated entity, being Legend ('the Company') and its controlled entities ('the Group') for the financial year ended 30 June 2013.

DIRECTORS DETAILS

The following persons were directors of Legend during or since the end of the financial year;

BRUCE E HIGGINS

BEng, CPEng, MBA, FAICD

Chairman / Independent Non-Executive Director

Director since October 2007

Chairman of the Remuneration Committee and Nominations Committee and Member of the Audit and Risk Management Committee

Mr. Higgins is an experienced non-executive director, chairman and former chief executive of both private and listed companies within Australia and internationally, spanning 25 years in diverse companies ranging from engineering, manufacturing and professional services to larger contracting businesses. Bruce was the recipient of the Ernst & Young "Entrepreneur of the Year" award in the Southern California region, June 2005.

Directorships held in other listed entities:

- Chairman of Q Technology Group Limited (appointed December 2010)
- Feore Limited (appointed December 2011)
- Chairman of Investorfirst Limited (appointed October 2012)

Previous directorships held in the last three years:

- Chairman of TSV Holdings Limited (appointed July 2007, resigned August 2010)
- Global Heath Limited (appointed January 2010, resigned November 2010

Interest in shares:
• 3,677,150 shares

Interest in options:
• 300,000

BRADLEY R DOWE

BSc (Computer Science)

Managing Director and CEO

Director since October 2002

Member of the Nominations Committee

Mr Dowe is the founder and Chief Executive Officer of Legend and has been working in the field of engineering and computing for over 25 years. His experience covers all facets of engineering, electronics, manufacturing processes, software system development and international business operations. Bradley is a member of the Legend Nomination Committee.

Directorships held in other listed entities:

- None

Previous directorships held in the last three years:

- None

Interest in shares:
• 62,304,578 shares

Interest in options:
• None

IAN L FRASER

FCPA, FAICD

Independent Non-Executive Director

Director since January 2008

Chairman of the Audit and Risk Management Committee and Member of the Remuneration Committee and the Nominations Committee

Mr Fraser has extensive experience in corporate turnarounds, particularly in Australian manufacturing. Ian has held several senior management positions including Managing Director of Pioneer Sugar Mills Limited, Clyde Industries Limited, Australian Chemical Holdings Limited and TNT Australia Pty Ltd. Ian also has substantial international experience having lived and worked in South East Asia and the United States.

Directorships held in other listed entities:

- Structural Systems Limited (appointed May 2004)

Previous directorships held in the last three years:

- Wattyl Limited (appointed June 2009, resigned September 2010)
- Forest Place Group Limited (appointed November 2001, resigned August 2011)
- PMP Limited (appointed March 2003, resigned November 2012)

Interest in shares:
• 675,000 shares

Interest in options:
• 150,000

DIRECTORS REPORT

COMPANY SECRETARY

Graham Seppelt

Mr Seppelt was appointed as company secretary in January 2005. Graham has 40 years experience and a wide exposure to a range of industries as a senior manager and contract accountant in corporate advisory roles. He is also company secretary for ASX listed companies BSA Limited, UXA Resources Limited and Australian Zircon NL.

MEETINGS OF DIRECTORS

During the financial year, 14 meetings of directors (including committees of directors) were held. Attendances by each director during the year are detailed in the table below.

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Group during the financial year were:

- The distribution of cable accessories and tools servicing the electrical wholesale industry;
- The design and sale of specialised connectors and cable assemblies to power utilities and infrastructure project contractors;
- The distribution of computer room accessories; and
- The design and sale of integrated circuits (semi conductors) and hybrids for consumer electrical products, medical devices and industrial electronic components.

There were no significant changes in the nature of the Consolidated Group's principal activities during the financial year.

MEETINGS OF DIRECTORS

	BOARD		AUDIT MEETINGS		REMUNERATION COMMITTEE MEETINGS		NOMINATION COMMITTEE MEETINGS	
	A	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Bruce Higgins	9	9	3	3	2	2	–	–
Bradley Dowe	9	9	*	*	*	*	–	–
Ian Fraser	9	9	3	3	2	2	–	–

A Number of meetings attended

B Number of meetings held during the time the director held office or was a member of the committee during the year

* Not a member of the relevant committee

OPERATING RESULTS AND REVIEW OF OPERATIONS FOR THE YEAR

Operating Results

Net profit after tax (NPAT) for the Group was $6,707,000, a decrease of 29% on the prior year (2012: $9,436,000).

Revenue was up 2% on the prior corresponding period (pcp) with gross profit consistent on margins of 45.1% compared with 2012 45.8%, lower NPAT being the result of increased expenses.

Overhead expenditure for the year totaled $33,617,000, 12% higher than the pcp. Additional costs associated with acquisition activities and CPI increases on fixed overheads were contributing factors, the major impacts however coming from:

- Increased employee costs related to the strengthening of sales teams at both senior management and sales representation levels.
- Bad debts of $852,000 for the year compared with $90,000 in the pcp, $751,000 from a single customer's insolvency and liquidation.

Depreciation and amortisation was $642,000 higher on the pcp, the consolidation of Western Australian operations into a single facility during June 2013 resulting in additional depreciation charges for leasehold improvements of $377,000.

In addition to the information disclosed in the following Review of Operations, we refer you to the Cheif Executive Officers Report (pages 14 to 19) for further details and analysis of the Group's performance and financial position.

REVIEW OF OPERATIONS

Electrical, Power and Infrastructure

Segment revenue was up 5% on the pcp to $94,932,000. The traditional customer base of electrical wholesale and power utilities proved challenging during the year with growth in revenue achieved through the acquisition of selected assets of Ecco Pacific.

After a record performance in 2012 with Earnings Before Interest Taxation, Depreciation and Amortisation (EBITDA) growth of 75%, segment EBITDA was down 26% to $10,355,000 (2012: $14,067,000). Cost increases in the areas of sales teams and bad debts being the major contributors to the lower performance.

Innovative Electrical Solutions

Despite a contraction in segment revenue of 16%, EBITDA increased by 7% to $3,372,000 (2012: $3,166,000) through a combination of improved gross profit margins and rigid cost management.

The focus for the segment remains on the development of new and innovative products to complements its existing product offerings.

DIRECTORS REPORT

FINANCIAL POSITION

As at 30 June 2013 net assets of the Group were $61,242,000, an increase of $3,110,000 on the prior year.

Net bank debt at year end was $15,868,000, a modest 1.1 times EBITDA.

The Group executed a new Corporate Letter of Offer (CLO) with National Australia Bank Limited dated 26 June 2013. Bank bill facilities offered under the CLO extend to 30 June 2015.

The Directors believe the Group is in a strong financial position to expand and grow current operations.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the year, the following changes occurred within the Group:

Acquisitions

- On 31 October 2012 the Group acquired selected business assets including stock and goodwill of Ecco Pacific Limited. The cost of the acquisition was an initial cash payment on settlement of $1,350,000, and two deferred cash payments of approximately $635,000 each no later than 31 October 2013 and 31 October 2014 .
- On 31 October 2012 the Group acquired 100% of the issued capital of Spectron (NZ) Limited. The cost of the acquisition was a cash payment on settlement of $1.

Issue of share capital

- On 15 August 2012, 162,549 shares were granted as remuneration to employees of the Group through the Employee Share Plan. Each share has the same terms and conditions as the existing ordinary shares.
- On 15 August 2012, 1,896,774 shares were granted to Key Management Personnel of the Group under the Group Level Incentive Plan. Each share has the same terms and conditions as the existing ordinary shares.

DIVIDENDS

In respect of the current year, a fully franked interim dividend of $1,317,000 (0.6 cents per share) was paid on 30 April 2013 (2012: $2,174,000).

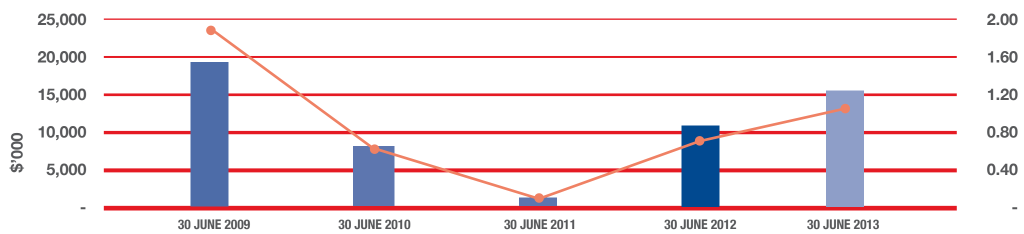
Subsequent to the end of the financial year, the Directors have declared a fully franked final dividend of $2,414,503 (1.1 cents per share) to be paid 25 October 2013 (2012: $2,3912,000).

EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

Apart from the final dividend declared, there are no other matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect either:

- The Group's operations in future financial years;
- The results of those operations in future financial years; or
- The Group's state of affairs in future financial years.

NET DEBT PROFILE



FUTURE DEVELOPMENT, PROSPECTIVE AND BUSINESS STRATEGIES

The Group will continue its focus on business initiatives to meet customer needs whilst continuing to manage debt and costs, improving inventory performance and quality of earnings. The Group is actively seeking new opportunities within its existing resources.

Legend has performed well over the year. The Directors are confident that the Group is well placed for the future.

ENVIRONMENTAL ISSUES

The Group was not subject to any particular or significant environmental regulations of the Commonwealth, individual States or Territories of Australia during the financial year.

INDEMNIFYING OFFICERS OR AUDITOR

During the year, the Company paid a premium for a contract insuring all directors, secretaries, executive officers and officers of the Company and of each related body corporate of the Company. The insurance does not provide cover for the independent auditors of the Company or of a related body corporate of the Company.

In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the contract.

OPTIONS

At the date of this report, the unissued ordinary shares of Legend Corporation Limited under option are detailed in the table below.

Option holders do not have any rights to participate in any issues of shares or other interests in the Company or any other entity.

There have been no unissued shares or interests under option of any controlled entity within the Group during or since reporting date.

For details of options issued to directors and executives as remuneration, refer to the Remuneration Report.

During the year ended 30 June 2013 and to the date of this report no shares have been issued on the exercise of options granted under the Legend Corporation Limited Employee Option Plan.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

The Board of Directors, in accordance with advice from the Audit Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons;

UNISSUED ORDINARY SHARES UNDER OPTIONS

ISSUE DATE	VESTING DATE	DATE OF EXPIRY	EXERCISE PRICE	NUMBER UNDER OPTION
26 Nov 2012	26 Oct 2013	26 Nov 2016	$0.3019	225,000
26 Nov 2012	26 Oct 2014	26 Nov 2016	$0.3019	225,000
				450,000

DIRECTORS REPORT

- all non-audit services are reviewed and approved by the Audit Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees were paid or payable to Grant Thornton Australia Limited for non-audit services provided during the year ended 30 June 2013:

AMOUNTS PAID/PAYABLE TO GRANT THORNTON AUSTRALIA LIMITED FOR:	
- Taxation services	$2,500

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2013 as required under section 307C of the Corporations Act 2001 has been received and can be found on page 40, which forms part of this report.

The directors of Legend Corporation Limited resolve that Conor Farley's appointment as auditor be extended from 5 to 6 years for the audit commencing 1 July 2013, in order to maintain audit quality. Conor Farley has confirmed that this extension would not give rise to a conflict of interest as defined in the Corporations Act, and the directors agree with this statement.

ASIC CLASS ORDER 98/100 ROUNDING OF AMOUNTS

The Company is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars.

REMUNERATION REPORT (AUDITED)

The Directors of Legend Corporation Limited ('the Group') present the Remuneration Report prepared in accordance with the Corporations Act 2001 and the Corporations Regulations 2001.

The remuneration report is set out under the following main headings:

a. Principles used to determine the nature and amount of remuneration

b. Details of remuneration

c. Service agreements

d. Share-based remuneration

e. Other information

a. Principles used to determine the nature and amount of remuneration

The principles of the Group's executive strategy and supporting incentive programs and frameworks are:

- To align rewards to business outcomes that deliver value to shareholders;
- To drive a high performance culture by setting challenging objectives and rewarding high performing individuals; and
- To ensure remuneration is competitive in the relevant employment market place to support the attraction, motivation and retention of executive talent.

Legend Corporation Limited has structured a remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The Board has established a Remuneration Committee which operates in accordance with its charter as approved by the Board and is responsible for determining and reviewing compensation arrangements for the Directors and the executive team.

The Committee may engage independent external consultants and advisors to provide any necessary information to assist in the discharge of its responsibilities.

The remuneration structure that has been adopted by the Group consists of the following components:

- Fixed remuneration being annual salary;
- Short term incentives, being employee share schemes and bonuses; and
- Long term incentives, being performance based, payable in arrears with cash and shares.

The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration on a periodic basis by reference to recent employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team.

The payment of bonuses, shares, share options and other incentive payments are reviewed by the Remuneration Committee annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All bonuses, shares, options and incentives must be linked to pre-determined performance criteria.

The Key Performance Indicators (KPI's) for the Executive Team are summarised as follows:

- Financial – operating profit before income tax; and
- Non-financial – strategic goals set by each individual business unit based on job descriptions.

Legend Corporation Limited performance measures involve the use of annual performance objectives, metrics, performance appraisals and continuing emphasis on living the company values.

Short term incentive (STI)

Individual performance measures are set annually after consultation with the Directors and executives and are specifically tailored to the areas where each executive has a level of control. The measures target areas the Board believes hold the greatest potential for expansion and profit and cover financial and non-financial measures.

The STI program incorporates both cash and share-based components for the executive team and other employees.

The Board may, at its discretion, award bonuses for exceptional performance in relation to each person's pre-agreed KPIs.

Group Level Incentive Plan (GLIP)

The GLIP provides a collective bonus for distribution to nominated group level executives leveraged to a minimum growth requirement of 10% year-on-year in Net Profit Before Tax (NPBT). Accumulation of the bonus only occurs after the achievement of the minimum growth requirement and up to a maximum accumulation of 5% of NPBT. Merger and acquisition activities attract a further hurdle of 10% on funds invested additional to the minimum growth requirement.

The apportionment of the collective bonus to nominated group level executives requires the approval of the Remuneration Committee. Amounts apportioned to executives are to be taken in an equal split of cash and shares unless determined otherwise by the Remuneration Committee.

The number of shares issued to executives equates to three times the value of the GLIP share apportionment, determined by the ASX market price of Legend shares on the date of approval. Shares issued have a three year vesting period.

In accordance with the Group's Limited Recourse Loan Agreement, the Company provides to the executive an interest bearing loan equal to the value of the shares. The loan has a maximum term of five years.

Each share has the same voting rights and rights to dividends as existing ordinary shares. The shares however cannot be traded subject to the vesting period or before the repayment of the loan. Shares are forfeited on the earlier of termination of the executive's employment or the loan expiry date, subject to the loan having not been repaid.

Non-executive Directors are not entitled to participate in the GLIP.

Use of remuneration consultants

The Board and Remuneration Committee did not engage remuneration consultants to provide remuneration advice and information to the Board during the year.

Voting and comments made at the Company's 2012 Annual General Meeting

Legend received more than 85% of "yes" votes on its remuneration report for the 2012 financial year. The Company did not receive any specific feedback at the AGM on its remuneration report.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board has regard to the following indices in respect of the current financial year and the previous four financial years:

	2013	2012	2011	2010	2009
Net profit before tax	$9.5m	$13.6m	$11.5m	$9.7m	$6.3m
Net profit after tax	$6.7m	$9.4m	$8.0m	$6.6m	$4.6m
EPS (cents)	3.1	4.3	3.7	3.1	2.1
Dividends paid (cents)	1.7	2.0	1.8	-	-
Share price at year-end (cents)	23	32	31	16	8

b. Details of remuneration

Details of the nature and amount of each element of the remuneration of each key management personnel ('KMP') of Legend Corporation Limited are shown in the following table. Remuneration has been determined using a cash basis of accounting and therefore excludes accrued leave, bonuses and GLIP amounts.

Directors and Other Key Management Personnel Remuneration

		SHORT-TERM BENEFITS			POST EMPLOYMENT BENEFITS	TERMINATION BENEFITS	EQUITY-SETTLED SHARE-BASED PAYMENTS				
		Salary, fees and leave	Profit share and bonuses	Non-monetary	Pensions and superannuation	Termination payments	Shares / Units	GLIP Shares (1)	Options / Rights (2)	Total	Percentage of remuneration that is performance based %
		$	$	$	$	$	$	$	$	$	%
Executive Director											
Mr Bradley Dowe Managing Director / Chief Executive Officer	**2013**	**330,000**	**101,400**	**9,646**	**29,700**	**-**	**-**	**122,115**	**-**	**592,861**	**37.7**
	2012	330,000	75,000	14,220	36,450	-	75,000	-	-	530,670	28.3
Non-Executive Directors											
Mr Bruce Higgins Chairman / Independent Non-executive Director	**2013**	**127,284**	**-**	**-**	**-**	**-**	**-**	**-**	**30,529**	**157,813**	**19.3**
	2012	125,280	-	-	-	-	-	-	-	125,280	-
Mr Ian Fraser Independent Non-executive Director	**2013**	**66,038**	**-**	**-**	**5,943**	**-**	**-**	**-**	**15,264**	**87,245**	**17.5**
	2012	64,998	-	-	5,850	-	-	-	-	70,848	-
Other Key Management Personnel											
Mr Hamish McEwin Chief Financial Officer	**2013**	**292,175**	**65,933**	**-**	**23,925**	**-**	**-**	**79,375**	**-**	**461,408**	**31.5**
	2012	297,925	100,000	-	25,000	-	-	-	-	422,925	23.6
Mr David Humphreys Group Marketing Manager	**2013**	**223,265**	**44,176**	**4,657**	**21,264**	**-**	**12,000**	**37,856**	**-**	**343,218**	**27.4**
	2012	193,250	75,458	10,603	25,126	-	-	-	-	304,437	24.8
Mr Mark Phillips General Manager Sales CABAC (appointed 24 September 2012)	**2013**	**219,375**		**4,500**	**18,225**	**-**	**-**	**-**	**-**	**242,100**	**-**
	2012	-	-	-	-	-	-	-	-	-	-
Mr Edward Fyvie General Manager Sales Power (appointed 1 August 2012)	**2013**	**230,542**			**9,900**	**-**	**-**	**-**	**-**	**240,442**	**-**
	2012	-	-	-	-	-	-	-	-	-	-
Mr Andrew Hartley CABAC National Sales Manager (resigned 17 August 2012)	**2013**	**25,570**	**24,050**	**-**	**4,466**	**46,023**	**-**	**-**	**-**	**100,109**	**24.0**
	2012	164,362	18,000	14,313	16,413	-	-	-	-	213,088	8.4
Total Key Management Personnel	**2013**	**1,514,249**	**235,559**	**18,803**	**113,423**	**46,023**	**12,000**	**239,346**	**45,793**	**2,225,196**	**-**
	2012	1,175,815	268,458	39,136	108,839	-	75,000	-	-	1,667,248	-
Other Executives											
Mr Graham Seppelt Group Company Secretary	**2013**	**39,989**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**39,989**	**-**
	2012	39,126	-	-	-	-	-	-	-	39,126	-

(1) The value of shares issued under the GLIP is determined using the Black-Scholes method. It is reported as remuneration during the year of issue and does not take into consideration any vesting period attached to those shares.

(2) The value of options issued is determined using the Black-Scholes method. It is reported as remuneration during the year of issue and does not take into consideration any vesting period attached to those options.

GLIP payments

The minimum NPBT growth requirement including merger and acquisition activities for the 2013 financial year was 13.7%. This requirement was not met therefore no payment will be made under the Plan for the 2013 financial year.

A provision for GLIP of $414,509 was included in the financial statements as at 30 June 2012 for exceeding the growth requirement of 18.5% during the 2012 financial year. Set out in the table below is the distribution of the provision during the current financial year to group level executives.

Name	GLIP percentage	GLIP total	Cash allocation	Share allocation	Shares issued
	%	$	$	$	#
Mr Bradley Dowe	48.6	201,400	101,400	100,000	967,742
Mr Hamish McEwin	31.6	130,933	65,933	65,000	629,032
Mr David Humphreys	15.0	62,176	31,176	31,000	300,000
Unallocated	4.8	20,000	-	-	-
Total	**100**	**414,509**	**198,509**	**196,000**	**1,896,774**

Shares were issued at the market price of $0.31 per share on the date of approval being 15 August 2012.

c. Service agreements

Remuneration and other terms of employment for the Executive Directors and other KMP are formalised in a service agreement. The major provisions of the agreements relating to remuneration are set out below:

NAME	BASED SALARY	TERM OF AGREEMENT	NOTICE PERIOD
Mr Bradley Dowe	$330,000	Unspecified	6 months
Mr Hamish McEwin	$294,640	Unspecified	6 months
Mr David Humphreys	$223,265	Unspecified	6 months
Mr Mark Phillips	$292,500	Unspecified	6 months
Mr Edward Fyvie	$262,300	Unspecified	6 months

d. Share based remuneration

Employee share scheme

Group level executives are encouraged to take a minimum 50% of any bonus payment in Company shares. Shares issued during the current financial year to group executives were as follows:

Name	Grant date	Number granted	Value per share at grant date ($)			
Mr David Humphreys	15.8.2012	38,372	0.31	-	-	-

GLIP shares

Shares issued under the GLIP during the current financial year to group level executives for performance during the 2012 financial year were as follows:

Name	Grant date	Number granted	Value per share ($)	Vesting date	Expiry date	Loan balance at year end ($)
Mr Bradley Dowe	15.8.2012	967,742	0.126	15.8.2015	15.8.2017	292,019
Mr Hamish McEwin	15.8.2012	629,032	0.126	15.8.2015	15.8.2017	189,810
Mr David Humphreys	15.8.2012	300,000	0.126	15.8.2015	15.8.2017	90,530

The value of shares issued under the GLIP was determined using the Black-Scholes method. Shares were issued at the market price of $0.31 per share on the date of approval with a loan from the Company of equal. Shares cannot be traded subject to the vesting period or before the repayment of the loan. Due to loans being of a non-recourse nature, neither the loans nor issued capital are recognised in the Group's balance sheet until such time as the loans are repaid.

Options (granted over unissued shares)

All options refer to options over ordinary shares of the Company, which are exercisable on a one-for-one basis. Options carry no dividend or voting rights.

Details of options over ordinary shares in the Company that were granted as remuneration to each key management personnel are set out below.

Name	Grant date	Number granted	Value per option ($)	Vesting date	Expiry date	Exercise price
Mr Bruce Higgins	2.11.2012	150,000	0.102	26.10.2013	26.11.2016	0.3019
	2.11.2012	150,000	0.102	26.10.2014	26.11.2016	0.3019
Mr Ian Fraser	2.11.2012	75,000	0.102	26.10.2013	26.11.2016	0.3019
	2.11.2012	75,000	0.102	26.10.2014	26.11.2016	0.3019

Options were provided at no cost to the recipient.

For options with a vesting date of 26 October 2013 to vest the volume weighted average sales price of the Shares traded on the ASX in the 20 trading days commencing 27 October 2013 must exceed $0.40 per share. For options with a vesting date of 26 October 2014 to vest the volume weighted average sales price of the Shares traded on the ASX in the 20 trading days commencing 27 October 2014 must exceed $0.45 per share.

450,000 options issued to Mr Bruce Higgins on 30 November 2007 expired 30 November 2012. These options were issued at a value of $67,904 with exercise prices ranging between $0.44 and $0.54.

All options expire on the earlier of their expiry date or termination of the individual's employment.

e. Other

Changes in Directors and Executives Subsequent to Year-End

There have been no changes to Directors or Executives subsequent to year-end.

End of audited Remuneration Report.

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Bruce E Higgins
Chairman of Directors
Legend Corporation Limited
19 August 2013

Grant Thornton

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Auditor's Independence Declaration
To the Directors of Legend Corporation Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Legend Corporation Limited for the year ended 30 June 2013, 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 audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C F Farley
Partner - Audit & Assurance

Sydney, 19 August 2013

FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

	NOTES	CONSOLIDATED GROUP 2013 $'000	2012 $'000
Sales revenue	2	105,206	103,215
Finance revenue	2	88	224
TOTAL REVENUE		**105,294**	**103,439**
Other income	2	-	277
Changes in inventories		1,513	973
Raw materials and consumables used		(59,287)	(56,872)
Employee benefits expense		(22,289)	(20,315)
Depreciation and amortisation expense		(3,066)	(2,424)
Finance costs	3	(1,322)	(1,345)
Occupancy costs		(3,119)	(3,226)
Other expenses		(8,209)	(6,879)
Profit before income tax	3	9,515	13,628
Income tax expense	4	(2,808)	(4,192)
PROFIT FOR THE YEAR		**6,707**	**9,436**
Other comprehensive income for the year, net of tax		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**6,707**	**9,436**
Profit attributable to:			
Members of the parent entity		6,707	9,436
Non-controlling interest		-	-
		6,707	**9,436**
Total comprehensive income attributable to:			
Members of the parent entity		6,707	9,436
Non-controlling interest		-	-
		6,707	**9,436**

		CENTS	CENTS
Basic earnings per share	8	3.1	4.3
Diluted earnings per share	8	3.1	4.3

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2013

	NOTES	CONSOLIDATED GROUP 2013 $'000	2012 $'000
CURRENT ASSETS			
Cash and cash equivalents	9	5,160	6,758
Trade and other receivables	10	17,500	18,677
Inventories	11	22,299	18,743
Other current assets	12	563	568
TOTAL CURRENT ASSETS		**45,522**	**44,746**
NON-CURRENT ASSETS			
Property, plant and equipment	13	8,344	9,172
Deferred tax assets	19	1,948	1,787
Goodwill	14	41,134	40,124
Other intangible assets	14	3,258	3,783
TOTAL NON-CURRENT ASSETS		**54,684**	**54,866**
TOTAL ASSETS		**100,206**	**99,612**
CURRENT LIABILITIES			
Trade and other payables	16	11,781	18,015
Other financial liabilities	17	-	135
Borrowings	18	3,215	2,400
Current tax liabilities	19	1,071	1,318
Short-term provisions	20	3,131	2,734
TOTAL CURRENT LIABILITIES		**19,198**	**24,602**
NON-CURRENT LIABILITIES			
Trade and other payables	16	673	47
Borrowings	18	17,813	15,375
Deferred tax liability	19	977	1,135
Long-term provisions	20	303	321
TOTAL NON-CURRENT LIABILITIES		**19,766**	**16,878**
TOTAL LIABILITIES		**38,964**	**41,480**
NET ASSETS		**61,242**	**58,132**
EQUITY			
Issued capital	21	74,281	74,230
Reserves	22	199	115
Accumulated losses		(13,238)	(16,213)
TOTAL EQUITY		**61,242**	**58,132**

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

CONSOLIDATED GROUP	NOTES	ISSUED CAPITAL $'000	OPTION RESERVE $'000	ACCUMULATED LOSSES $'000	TOTAL $'000
BALANCE AT 1 JULY 2011		74,135	115	(21,301)	52,949
Profit attributable to members of the parent entity		-	-	9,436	9,436
Total comprehensive income for the period		-	-	9,436	9,436
Shares issued during the year		95	-	-	95
Dividends		-	-	(4,348)	(4,348)
Option expense		-	-	-	-
Transactions with owners in their capacity as owners		95	-	(4,348)	(4,253)
BALANCE AT 30 JUNE 2012		**74,230**	**115**	**(16,213)**	**58,132**
Profit attributable to members of the parent entity		-	-	6,707	6,707
Total comprehensive income for the period		-	-	6,707	6,707
Shares issued during the year		51	-	-	51
Dividends	7	-	-	(3,732)	(3,732)
Option expense		-	84	-	84
Transactions with owners in their capacity as owners		51	84	(3,732)	(3,597)
BALANCE AT 30 JUNE 2013		**74,281**	**199**	**(13,238)**	**61,242**

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2013

	NOTES	CONSOLIDATED GROUP 2013 $'000	2012 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		104,969	101,089
Payments to suppliers and employees		(93,715)	(87,377)
Interest received		85	224
Finance costs		(1,322)	(1,345)
Income tax paid		(3,376)	(6,232)
NET CASH PROVIDED BY OPERATING ACTIVITIES	26	**6,641**	**6,359**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of plant and equipment		44	11
Purchase of property, plant and equipment		(1,532)	(2,026)
Acquisition of subsidiaries, net of cash	32	(6,159)	(9,225)
Proceeds from employee loans		19	-
NET CASH (USED IN) INVESTING ACTIVITIES		**(7,628)**	**(11,240)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	15
Dividends paid		(3,732)	(4,346)
Repayment of borrowings		(2,474)	(2,626)
Proceeds from bank loans		5,595	9,046
NET CASH PROVIDED BY / (USED IN) FINANCING ACTIVITIES		**(611)**	**2,089**
Net increase/ (decrease) in cash and cash equivalents held		(1,598)	(2,792)
Cash and cash equivalents at beginning of financial year		6,758	9,560
Exchange differences on cash and cash equivalents		-	(10)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	9	**5,160**	**6,758**

The accompanying notes form part of these financial statements

This financial report covers Legend Corporation Limited ('Parent Entity') and its controlled entities as a consolidated entity ('Consolidated Group' or 'Group'). Legend Corporation Limited is a listed public company, incorporated and domiciled in Australia.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

General information and statement of compliance

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Legend Corporation Limited is a for-profit entity for the purposes of preparing the financial statements.

Legend Corporation Limited is the Groups ultimate parent entity. Legend Corporation Limited is a public company incorporated and domiciled in Australia. The address of its registered office is 1 Butler Drive, Hendon, South Australia, 5014.

The consolidated financial statements for the year ended 30 June 2013 were approved and authorised for issue by the board of directors on 19 August 2013.

Changes in accounting policies

New and amended standards adopted by the Group

AASB 2010-8 Amendments to Australian Accounting Standard – Deferred Tax: Recovery of Underlying Assets (Applies to annual reporting periods beginning on or after 1 January 2012)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

AASB 2010-8 provides clarification on the determination of deferred tax assets and deferred tax liabilities when investment property is measured using the fair value model in AASB 140 Investment Property. It introduces a rebuttable presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model where the objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

AASB 2010-8 also includes the requirement that the measurement of deferred tax assets and deferred tax liabilities on non-depreciable assets measured using the revaluation model in AASB 116 Property, Plant and Equipment should always be based on recovery through sale.

These amendments have had no impact on the Group.

AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income (Applies annual reporting periods beginning on or after 1 July 2012).

AASB 2011-9 requires entities to group items presented in Other Comprehensive Income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently, and changes the title of 'statement of comprehensive income' to 'statement of profit or loss and other comprehensive income'.

The adoption of the new and revised Australian Accounting Standards and Interpretations has had no significant impact on the Group's accounting policies or the amounts reported during the current half-year period. The adoption of AASB 2011-9 has resulted in changes to the Group's presentation of its financial statements.

Accounting standards issued but not yet effective and not been adopted early by the Group

AASB 9 Financial Instruments

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. The changes may require more assets to be held at fair value and the need for impairment testing limited to financial assets held at amortised cost only. For financial liabilities held at fair value, the effects of credit risk" are recognised in other comprehensive income. The effective date of AASB 9 was changed from 1 January 2013 to 1 January 2015. The Group has not yet assessed the full impact of AASB 9 as this standard does not mandatorily apply before 1 January 2015 and the IASB is yet to finalise the remaining phases of its project to replace IAS 139 Financial Instruments: Recognition and measurement (AASB 139 in Australia).

AASB 10 Consolidated Financial Statements

AASB 10 establishes a revised control model that applies to all entities. It replaces the consolidation requirements in AASB 127 Consolidated and Separate Financial Statements and AASB Interpretation 112 Consolidation – Special Purpose Entities. The revised control model broadens the situations where an entity is considered to be controlled by another entity and includes additional guidance for applying the model to specific situations including when acting as an agent may give control, the impact of potential voting rights and when holding less than a majority voting rights may give 'de facto' control. This is likely to lead to more entities being consolidated into the group. Applicable from 1 January 2013. When this standard is first adopted for the year ended 30 June 2014 there will be no impact on the transactions and balances in the financial statements.

AASB 11 Joint Arrangements

AASB 11 replaces AASB 131 Interests in Joint Ventures and AASB Interpretation 113 Jointly Controlled Entities- Non-monetary Contributions by Ventures. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition AASB 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead accounting for a joint arrangement is dependent on the nature of the rights and obligations that give the venturers a right to the underlying assets and obligations for liabilities are accounted for by recognising the share of those assets and liabilities. Joint venturers that give the venturers right to the net assets are accounted for using the equity method. The standard is applicable from 1 January 2013. When this standard is first adopted for the year ended 30 June 2014, there will be no impact on transactions and balances recognised in the financial statements because the entity has not entered into any joint arrangements.

AASB 12 Disclosure of Interests in Other Entities

AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. New disclosures introduced by AASB 12 include disclosures about the judgements made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests. Applicable from 1 January 2013, though as this is a disclosure standard only there will be no impact on amounts recognised in the financial statements.

AASB 127 Separate Financial Statements

AASB 127 will now solely address separate financial statements, the requirements for which are substantially unchanged from the previous version of the standard. Applicable from 1 January 2013 the Groups management have determined there will be no impact on the financial statements when the standard is first applied in the year ended 30 June 2014 because they introduce no new requirements.

AASB 13 Fair Value Measurement

AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted by other Standards. AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined. The Group is yet to undertake a detailed analysis of the difference between the current fair valuation methodologies used and those required in AASB 13. However when this standard is first adopted during the year ended 30 June 2014, there will be no impact on the financial statements because the fair value measurement requirements apply prospectively from 1 January 2014.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements

The standard amends AASB 124 Related Party Disclosures to remove the individual key management personnel (KMP) disclosures required by Australian specific paragraphs. The amendment reflects the view that these disclosures are more in the nature of governance disclosures that are better dealt with within the legislation, rather than by the accounting standards. Applicable from 1 July 2013. Where these amendments are first adopted for the year ending 30 June 2014, they are unlikely to have a significant impact on the entity.

AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards

AASB 2011-7 makes various consequential amendments to Australian Accounting Standards arising from AASB 10, AASB 11, AASB 12, AASB 127 (August 2011) and AASB 128 (August 2011). Applicable from 1 January 2013, when these amendments are first adopted for the year ending 30 June 2014 they are unlikely to have a significant impact on the entity given that they are largely editorial in nature.

AASB 119 Employee Benefits (September 2011)

Main changes include:

- elimination of the 'corridor' approach for deferring gains/losses for defined benefit plans, actuarial gains/losses on remeasuring the defined benefit plan obligation/asset to be recognised in OCI rather than in profit or loss and cannot be reclassified in subsequent periods.
- Subtle amendments to timing for recognition of liabilities for termination benefits.
- Employee benefits expected to be settled within 12 months after the end of the reporting period are short term benefits, and therefore not discounted when calculating leave liabilities. Annual leave not expected to be used within 12 months of end of reporting period will in future be discounted when calculating leave liability.

Applicable from 1 January 2013, the Group does not have any defined benefit plans, therefore these amendments will have no significant impact on the Group

AASB 2012-2 Amendments to Australian Accounting Standards- Disclosures- Offsetting Financial Assets and Financial Liabilities

AASB 2012-2 amends AASB 7 to require the disclosure of information that will enable the users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. Effective 1 January 2013, when this standard is adopted for the first time for the year ended 30 June 2014 there will be no impact on the Group because there are no netting arrangements in place.

AASB 2012-3 Amendments to Australian Accounting Standards- Offsetting Financial Assets and Financial Liabilities

AASB 2012-3 adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the mean of "currently has a legal enforceable right of set off" and that some gross settlement systems may be considered equivalent to net settlement. Effective from 1 January 2013, when these amendments are adopted for the year ended 30 June 2014, they are unlikely to have any significant impact of the Group as this Standard merely clarifies existing requirements in AASB 132.

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle

These amendments are a consequence of the annual improvement process, which provides a vehicle necessary for making non urgent but necessary changes to Standards. The amendments are largely of a nature of clarifications or removals of unintended inconsistencies between Australian Accounts Standards. When these amendments are first adopted for the year ended 30 June 2014, they are unlikely to have any significant impact on the entity given that they are largely of the nature of classifications or removals of unintended inconsistencies between Australian Accounting Standards.

AASB 2012-6 Amendments to Australian Accounting Standards- Mandatory Effective Date of AASB 9 and Transition Disclosures

AASB 2012-6 amends the mandatory effective date of AASB 9 so that AASB 9 is required to be applied for annual reporting periods beginning on or after 1 January 2015 instead of 1 January 2013. It also modifies the relief from restating prior periods by amending AASB 7 to require additional disclosures on transition from AASB 139 to AASB 9 in some circumstances. Effective from 1 January 2015.

AASB 2012-10 Amendments to Australian Accounting Standards- Transition Guidance and Other Amendments

AASB 2012-10 clarifies the transition guidance in AASB 10 Consolidated Financial Statements. It also provides transition relief in AASB 10, AASB 11 and AASB 12 by limiting the requirement to provide adjusted comparative information only to the immediately preceding period. In addition, for disclosures related to unconsolidated structured entities AASB 2012-10 removes the requirement to present comparative information for any periods beginning before the first annual reporting period for which AASB 12 is applied. When these amendments are first adopted in the year ended 30 June 2014, they are unlikely to have any significant impact on the Group given that they are largely clarification of existing transitional provisions.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Summary of accounting policies

a Overall considerations

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarized below.

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

b. Basis of consolidation

The Group financial statements consolidate those of the parent company and all of its subsidiary undertakings drawn up to 30 June 2013. Subsidiaries are all entities over which the Group has the power to control the financial and operating policies. The Group obtains and exercises control through more than half of the voting rights. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non- controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non controlling interests based on the respective ownership interests. During the year all subsidiaries are wholly owned and therefore there are no non controlling interests.

Business Combinations

The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquirer's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of a) fair value of consideration transferred, b) the recognised amount of any non-controlling interest in the acquiree and c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately..

c. Income Tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income. Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

Taxation of financial arrangements

Legislation is in place which changes the tax treatment of financial arrangements including the tax treatment of hedging transactions. The Group has assessed the potential impact of these changes on the Group's tax position and these are not considered to be significant. No impact has been recognised and no adjustments have been made to the deferred tax and income tax balances at 30 June 2013 (2012: $Nil).

d. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as suitable portions of related production overheads, based on normal operating capacity. Costs are assigned on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

e. Property, Plant and Equipment

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment loss.
The cost of fixed assets constructed within the Consolidated Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Depreciation

Depreciation is recognised on a straight-line basis to write down the cost or valuation less estimated residual value of property, plant and equipment.

The depreciation rates used for each class of depreciable assets are:

CLASS OF FIXED ASSET	DEPRECIATION RATE
Leasehold improvements	2.5 - 30%
Motor Vehicles	18 - 25%
Plant and Equipment	1 - 40%

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within 'other income' or 'other expenses'.

f. Leased Assets

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is then recognised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognised as a finance leasing liability, irrespective of whether some of these lease payments are payable up-front at the date of inception of the lease. Leases of land and buildings are classified separately and are split into a land and a building element, in accordance with the relative fair values of the leasehold interests at the date the asset is recognised initially.

Depreciation methods and useful lives for assets held under finance lease agreements correspond to those applied to comparable assets which are legally owned by the Group. The corresponding finance leasing liability is reduced by lease payments less finance charges, which are expensed as part of finance costs.
The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to profit or loss over the period of the lease.
All other leases are treated as operating leases. Payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

g. Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value adjusted by transactions costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value. Financial assets and financial liabilities are measured subsequently as described below.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables

The category determines subsequent measurement and whether any resulting income and expense is recognised in profit or loss or in other comprehensive income.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within ‘finance costs’, ‘finance income’ or ‘other financial items’, except for impairment of trade receivables which is presented within ‘other expenses’.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group’s cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

Financial Liabilities

The Group’s financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through profit or loss, that are carried subsequently at fair value with gains or losses recognised in profit or loss.

All derivative financial instruments that are not designated and effective as hedging instruments are accounted for at fair value through profit or loss.

All interest-related charges and, if applicable, changes in an instrument’s fair value that are reported in profit or loss are included within ‘finance costs’ or ‘finance income’.

h. Impairment testing of goodwill, other intangible assets and property, plant and equipment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset’s or cash-generating unit’s carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group’s latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect their respective risk profiles as assessed by management.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit’s recoverable amount exceeds its carrying amount.

i. Intangibles

Goodwill

Goodwill represents future economic benefits arising from a business combination that are not individually identified and separately recognised. Refer to note 1(c) for information on how goodwill is intially determined. Goodwill is carried at cost less accumulated impairment losses. Refer to note 1 (i) for impairment testing procedures.

OTHER INTANGIBLE ASSETS

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.
Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project

Trademarks and licenses

Trademarks and licenses are recognised at cost of acquisition. Trademarks and licenses have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Trademarks and licenses are amortised over their useful life of 5 years.

Acquired intangible assets

Customer lists, Brands, Non compete and intellectual property intangible assets recognised in a business combination that qualify for separate recognition are recognised as intangible assets at their fair values. (see note 1 (b)). These intangible assets are amortised over their lives based on future cash flow forecasts. The following useful lives are applied:

- Customer relationships: 5-10 years

- Brand names: indefinite useful life

- Non compete agreement: 5 years

- Intellectual property: 15 years

Residual values and useful lives of other intangible assets are reviewed at each reporting date. In addition they are subject to impairment testing as described in note 1 (h).
Amortisation has been included within Depreciation and amortisation expense.

j. Foreign Currency Transactions and Balances

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of the parent company.

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the AUD (the Group's presentation currency) are translated into AUD upon consolidation. The functional currency of the entities in the Group have remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into AUD at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into AUD at the closing rate.

k. Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of estimated future cash outflows to be made for those benefits. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

l. Share based employee remuneration

The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black–Scholes pricing model which incorporates all market vesting conditions.

m. Provisions

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Group and the amounts can be estimated reliably. Timing of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. Provisions are measured at the estimated expenditure required to settle the present obligation based on the most reliable evidence available at reporting date, including the risks and uncertainties associated with the present obligation.

n. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

o. Revenue and Other Income

Sale of goods

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest and dividend income

Interest income and expenses are reported on an accrual basis using the effective interest method. Dividend income, other than those from investments in associates, are recognised at the time the right to receive payment is established.

All revenue is stated net of the amount of goods and services tax (GST).

p. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in ‘finance costs’ .

q. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

r. Equity, reserves and dividend payments

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital net of any related income tax benefits.

Retained earnings includes all current and prior period retained profits. Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

s. Rounding of Amounts

The Parent Entity has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report and Directors’ report have been rounded off to the nearest $1,000.

t. Critical Accounting Estimates and Judgments

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Key Estimates — Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Estimates —Business combinations

Management uses valuation techniques in determining the fair value of the various elements of a business combination. Particularly the fair value of contingent consideration is dependent on the outcome of many variables that affect future profitability.

The Directors believe that there are no other key estimates or judgements

The financial report was authorised for issue on 19th August 2013 by the Board of Directors.

NOTE 2: REVENUE AND OTHER INCOME

	CONSOLIDATED GROUP 2013 $'000	2012 $'000
a. Operating activities		
Sale of goods	105,206	103,215
Sales revenue	**105,206**	**103,215**
b. Interest revenue from		
- Bank deposits	88	224
c. Other income		
- Other income	-	277

NOTE 3: PROFIT FOR THE YEAR

	NOTES	CONSOLIDATED GROUP 2013 $'000	2012 $'000
a. Expenses			
Cost of sales		57,774	55,899
Foreign currency translation losses		220	255
Bad and doubtful debts (trade debtors):		852	90
Rental expense on operating leases			
- Minimum lease payments		2,468	2,616
Research and development costs		440	392
Employee benefits expenses		22,289	20,315
(Gain) / loss on disposal of plant and equipment		(4)	7
b. Finance costs			
Interest expense for financial liabilities:			
- Other interest expense		1,322	1,345

NOTE 4: INCOME TAX EXPENSE

	2013 $'000	2012 $'000
a. The components of tax expense comprise:		
Current tax	3,192	4,602
Deferred tax	(295)	(289)
Adjustment for current tax of prior years	(89)	(121)
	2,808	4,192
b. The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit before income tax at 30% (2012: 30%)		
- Consolidated group	2,855	4,088
Add:		
Tax effect of:		
- Non assessable income	-	(83)
- Other non-allowable items	42	11
- Employee share expenses during the year	40	24
- Prior year under/(over) provision for income tax	(89)	(116)
- Adjustment for tax expense from prior years	(40)	234
- Tax losses in subsidiaries not recognised	-	(6)
- Tax consolidation impact	-	40
	(47)	104
Income tax attributable to entity	**2,808**	**4,192**
Income tax expense attributable to continuing operations	**2,808**	**4,192**
The applicable weighted average effective tax rates are as follows:	**30%**	**31%**

NOTE 5: INTERESTS OF KEY MANAGEMENT PERSONNEL (KMP)

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2013.

The totals of remuneration paid to KMP of the Company and the Group during the year are as follows:

	2013	2012
Short-term employee benefits	1,768,611	1,483,409
Post-employment benefits	113,423	108,839
Termination payments	46,023	75,000
Share-based payments shares/units	12,000	-
Share-based payments GLIP shares	239,346	-
Share-based payments options/rights	45,793	-
	2,225,196	1,667,248

The value of options issued to KMP is reported as remuneration during the year of issue and does not take into consideration any vesting period attached to those options. No options were granted during the current financial year.

KMP Options and Rights Holdings

The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

30 JUNE 2013	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION DURING THE YEAR	EXERCISED DURING THE YEAR	OTHER CHANGES DURING THE YEAR*	BALANCE AT YEAR END	VESTED DURING THE YEAR	VESTED AND EXERCISABLE	VESTED AND UNEXERCISABLE
Mr Bruce Higgins	450,000	300,000	-	(450,000)	300,000	-	-	-
Mr Ian Fraser	-	150,000	-	-	150,000	-	-	-
	450,000	450,000	-	(450,000)	450,000	-	-	-

30 JUNE 2012	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION DURING THE YEAR	EXERCISED DURING THE YEAR	OTHER CHANGES DURING THE YEAR	BALANCE AT YEAR END	VESTED DURING THE YEAR	VESTED AND EXERCISABLE	VESTED AND UNEXERCISABLE
Mr Bruce Higgins	600,000	-	(150,000)	-	450,000	-	450,000	-
	600,000	-	(150,000)	-	450,000	-	450,000	-

* Other changes during the year reflected above includes those options that have been forfeited by holders as well as issued during the year under review.

NOTE 5: INTERESTS OF KEY MANAGEMENT PERSONNEL (KMP) (CONTINUED)

KMP Shareholdings

The number of ordinary shares in Legend Corporation Limited held by each KMP of the Group during the financial year is as follows:

30 JUNE 2013	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION DURING THE YEAR	ISSUED ON EXERCISE OF OPTIONS DURING THE YEAR	OTHER CHANGES DURING THE YEAR*	BALANCE AT YEAR END
Mr Bruce Higgins	3,643,850	-	-	33,300	3,677,150
Mr Ian Fraser	965,000	-	-	(290,000)	675,000
Mr Bradley Dowe	61,336,836	967,742	-	-	62,304,578
Mr Hamish McEwin	419,338	629,032	-	-	1,048,370
Mr David Humphreys	311,848	338,372	-	-	650,220
Mr Andrew Hartley	-	-	-	-	-
Mr Edward Fyvie	-	-	-	-	-
Mr Mark Philips	-	-	-	-	-
	66,676,872	1,935,146	-	(256,700)	68,355,318

30 JUNE 2012	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION DURING THE YEAR	ISSUED ON EXERCISE OF OPTIONS DURING THE YEAR	OTHER CHANGES DURING THE YEAR*	BALANCE AT YEAR END
Mr Bruce Higgins	3,493,850	-	150,000	-	3,643,850
Mr Ian Fraser	930,000	-	-	35,000	965,000
Mr Bradley Dowe	60,232,961	234,375	-	869,500	61,336,836
Mr Hamish McEwin	419,338	-	-	-	419,338
Mr David Humphreys	311,848	-	-	-	311,848
Mr Andrew Hartley	-	-	-	-	-
	65,387,997	234,375	150,000	904,500	66,676,872

* Other changes during the year refers to shares purchased or sold during the financial year.

Other KMP Transactions

There have been no other transactions involving equity instruments other than those described in the table above. For details of other transactions with KMP, refer to Note 29 Related Party Transactions.

NOTE 6: AUDITORS' REMUNERATION

	CONSOLIDATED GROUP 2013 $	2012 $
Remuneration of the auditor of the parent entity for:		
- Auditing or reviewing the financial report	214,000	200,000
- Taxation services	2,500	30,000

NOTE 7: DIVIDENDS

	$'000	$'000
Dividends declared during the year:		
Fully franked final dividend payment (1.1 cent per share)	2,415	2,172
Fully franked interim dividend (0.6 cent per share)	1,317	2,174
	3,732	4,346

The tax rates applicable to the franking credits attached to the interim and final dividend is 30%.

a. Franking credits

The amount of franking credits available for subsequent reporting periods are:

Balance at the end of the reporting period	16,049	14,274
- Franking credits that will arise from payment of income tax	308	374
	16,357	14,648

NOTE 8: EARNINGS PER SHARE

Both the basic and dliuted earnings per share have been calculated using the profit attributable to the shareholders of the Parent Company (Legend Corporation Limited) as the numerator, i.e no adjustments to profit were necessary in 2013 or 2012.

a The weighted average number of shares for the purposes of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

Weighted average number of ordinary shares used in basic earnings per share	219,240,720	217,322,648
Weighted average number of dilutive options outstanding	-	27,534
Weighted average number of shares used in diluted earnings per share.	219,240,720	217,350,182
b Anti-dilutive options on issue not used in dilutive EPS calculation	450,000	450,000

Options are considered anti-dilutive as they are out of the money.

NOTE 9: CASH AND CASH EQUIVALENTS

	NOTES	CONSOLIDATED GROUP 2013 $'000	2012 $'000
Cash and cash equivalents include the following components:			
Cash at bank and in hand	30	5,160	6,758

NOTE 10: TRADE AND OTHER RECEIVABLES

	NOTES	2013 $'000	2012 $'000
Trade receivables		17,646	18,915
Allowance for impairment of receivables	10a	(267)	(266)
		17,379	18,649
Other receivables		423	330
Allowance for impairment of other receivables	10a	(302)	(302)
		121	28
Total trade and other receivables		17,500	18,677

All amounts are short term. The net carrying amount of receivables is considered a reasonable approximation of fair value.

a. Provision for Impairment of Receivables

All of the Group's trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired and an allowance for credit losses of $810,000 (2012: $36,000) has been recorded accordingly within other expenses. The impaired trade and other receivables are due from customers experiencing financial difficulties

Movement in the provision for impairment of receivables is reconciled as follows:

	2013	2012
Balance at 1 July	568	586
Amounts written off (uncollectable)	(809)	(54)
Impairment loss	810	36
Balance at 30 June	569	568

An analysis of unimpaired trade receivables that are past due is given in Note 30.

NOTE 11: INVENTORIES

	NOTES	CONSOLIDATED GROUP 2013 $'000	2012 $'000
Inventories consist of the following:			
At cost			
Raw material and stores		2,159	1,778
Work in progress		117	-
Finished goods		19,188	16,354
		21,464	18,132
At net realisable value			
Finished goods		835	611
		835	611
		22,299	18,743
Inventories written off during the year		107	281

No reversals of previous write downs were recognised as a reduction of expense in 2013 or 2012. None of the inventories are pledged as security for liabilities.

NOTE 12: OTHER CURRENT ASSETS

Prepayments		563	568

NOTE 13: PROPERTY, PLANT & EQUIPMENT

The Group's property plant and equipment consists of manufacturing machinery, warehousing, IT equipment and other equipment primarily consisting of fixtures and fittings. The carrying amount can be analysed as follows.

	PLANT AND EQUIPMENT $'000	MOTOR VEHICLES $'000	LEASEHOLD IMPROVEMENTS $'000	TOTAL $'000
Gross carrying amount				
Balance at 1 July 2012	23,671	207	1,247	25,125
Acquired through business combination	120	-	-	120
Additions	1,507	16	102	1,625
Disposals	(9)	(71)	-	(80)
Balance at 30 June 2013	25,289	152	1,349	26,790
Depreciation and impairment				
Balance at 1 July 2012	(15,548)	(43)	(362)	(15,953)
Disposals	3	44	-	47
Depreciation expense	(2,161)	(45)	(334)	(2,540)
Balance at 30 June 2013	(17,706)	(44)	(696)	(18,446)
Carrying amount at 30 June 2013	**7,583**	**108**	**653**	**8,344**
Gross carrying amount				
Balance at 1 July 2011	21,707	-	1,210	22,917
Acquired through business combination	144	212	35	391
Additions	2,036	-	2	2,038
Disposals	(216)	(5)	-	(221)
Balance at 30 June 2012	23,671	207	1,247	25,125
Depreciation and impairment				
Balance at 1 July 2011	(14,138)	-	(259)	(14,397)
Disposals	190	-	-	190
Depreciation expense	(1,600)	(43)	(103)	(1,746)
Balance at 30 June 2012	(15,548)	(43)	(362)	(15,953)
Carrying amount at 30 June 2012	**8,123**	**164**	**885**	**9,172**

All depreciation and impairment charges (or reversals if any) are included within "depreciation and amortisation expense".

No property, plant or equipment has been pledged as security for liabilities.

NOTE 14: INTANGIBLE ASSETS

	NOTE	CONSOLIDATED GROUP 2013 $'000	2012 $'000
GOODWILL			
Gross carrying amount			
Balance at 1 July		57,432	47,687
Acquired through asset acquisition	32	788	1,372
Acquired through business combination	32	222	8,373
Balance at 30 June		58,442	57,432
Accumulated impairment			
Balance at 1 July		(17,308)	(17,308)
Impairment loss recognised		-	-
Balance at 30 June		(17,308)	(17,308)
Carrying amount at 30 June		41,134	40,124

The increase in the carrying amount of goodwill for the year results from the acquisition of 100% of the issued capital of Spectron (NZ) Limited and selected business assets of Ecco Pacific Limited, both transactions occuring on 31 October 2012.

The acquisition of Spectron (NZ) Limited and the selected assets of Ecco Pacific Limited have been provisionally accounted for at year end with further work required to complete the purchase price allocation.

Impairment Disclosure

Goodwill is allocated to cash-generating units which are based on the Group's reporting segments.

	2013 $'000	2012 $'000
Hendon Semiconductors Pty Ltd	12,047	12,047
Legend Corporate Services Pty Ltd	24,554	19,719
MSS Fibre Systems Pty Ltd	4,169	4,169
MSS Power Systems Pty Ltd*	-	4,189
Ecco Pacific Limited	364	-
	41,134	**40,124**

*MSS Power Systems Pty Ltd has been fully intergrated into Legend Corporate Services Pty Ltd from 1 July 2013. The recoverable amount of the cash-generating units above is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a 10-year period, plus a terminal value. The cash flows are discounted using the yield of 10-year government bonds at the beginning of the budget period.

The following assumptions were used in the value-in-use calculations:

	GROWTH RATE 2013	2012	PRE-TAX DISCOUNT RATE 2013	2012
Hendon Semiconductors Pty Ltd	-1.21%	6.44%	15.17%	14.82%
Legend Corporate Services Pty Ltd	2.92%	3.38%	15.17%	14.82%
MSS Fibre Systems Pty Ltd	9.03%	8.86%	15.17%	14.82%
MSS Power Systems Pty Ltd	-	6.09%	-	14.82%
Ecco Pacific Limited	0.99%	-	15.17%	-

Management has based the value-in-use calculation on budgets for each reporting segment. These budgets use historical weighted average growth rates adjusted for current market conditions to project revenue. The projection period reflects the expected useful life of the assets and product lifecycle. Costs are calculated taking into account historical gross margins as well as estimated weighted average inflation rates over the period, which are consistent with inflation rates applicable to the locations in which the segments operate. Discount rates are pre-tax and are adjusted to incorporate risks associated with the segment.

NOTE 14: INTANGIBLE ASSETS (CONTINUED)

OTHER INTANGIBLE ASSETS

Details of the Group's other intangible assets and their carrying amounts are as follows:

	BRAND NAME $'000	CUSTOMER RELATIONSHIPS $'000	NON COMPETE AGREEMENT $'000	INTELLECTUAL PROPERTY $'000	TOTAL $'000
GROSS CARRYING AMOUNT					
Balance at 1 July 2012	2,000	1,417	624	419	4,460
Acquired through business combination	-	-	-	-	-
Balance at 30 June 2013	2,000	1,417	624	419	4,460
AMORTISATION AND IMPAIRMENT					
Balance at 1 July 2012	-	(525)	(125)	(27)	(677)
Amortisation	-	(373)	(125)	(27)	(525)
Balance at 30 June 2013	-	(898)	(250)	(54)	(1,202)
Carrying amount at 30 June 2013	2,000	519	374	365	3,258
GROSS CARRYING AMOUNT					
Balance at 1 July 2011	-	-	-	-	-
Acquired through business combination	2,000	1,417	624	419	4,460
Balance at 30 June 2012	2,000	1,417	624	419	4,460
AMORTISATION AND IMPAIRMENT					
Balance at 1 July 2011	-	-	-	-	-
Amortisation	-	(525)	(125)	(27)	(677)
Balance at 30 June 2012	-	(525)	(125)	(27)	(677)
Carrying amount at 30 June 2012	2,000	892	499	392	3,783

All amortisation and impairment charges (or reversals if any) are included within depreciation and amortisation.

Brand Name

On acquisition of MSS Fibre Pty Ltd the Company secured the exclusive use of the rights and ownership of the MSS Fibre Pty Ltd brand name for use in Australia. This brand name is considered key to the ongoing success of the business.

The directors are of the opinion that the brand name acquired have an indefinite life. Under Australian Accounting Standards intangibles with indefinite useful lives must be tested annually for impairment.

A relief from royalty discounted cash flow method was used to calculate the capitalised value of the royalty stream associated with the brand. This was based on financial forecasts covering a 10 year period with the inclusion of a terminal value. A pre-tax discount rate of 14.82% was adopted in the calculation.

Customer Relationships

Through acquisition the company has acquired existing customer relationships. These customer relationships have been valued by calculating the net present value of the cash flows expected from the customers over the customers useful lives. The useful lives range from 5 to 10 years.

Non Compete Agreement

The non compete agreements in place have a maximum 5 year restraint period from the date of acquisition. The value was determined using managements best estimate of the relationships with customers and vendors and their ability to transfer to alternative organisations.

Intellectual Property

Specific knowledge and know-how had been developed in-house for the key products selling at acquisition date. The costs accumulated to the date of acquisition have been capitalised and have an expected life cycle of these products of 15 years.

NOTE 15: CONTROLLED ENTITIES

a. Controlled Entities Consolidated

	COUNTRY OF INCORPORATION	PERCENTAGE OWNED (%)* 2013	2012
Subsidiaries of Legend Corporation Limited			
Legend Corporate Services Pty Ltd	Australia	100	100
Cable Accessories (Holdings) Pty Ltd	Australia	100	100
IES Investments Pty Ltd	Australia	100	100
MSS Fibre Systems Pty Ltd	Australia	100	100
MSS Power Systems Pty Ltd	Australia	100	100
Ecco Pacific Limited	New Zealand	100	-
Subsidiaries of Legend Corporate Services Pty Ltd			
Legend Pacific Pty Ltd	Australia	100	100
Legend Performance Technology (Thailand) Company Ltd	Thailand	100	100
Subsidiaries of Cable Accessories (Holdings) Pty Ltd			
Cable Accessories (Australia) Pty Ltd	Australia	100	100
Cable Projects Pty Ltd	Australia	100	100
Subsidiaries of IES Investments Pty Ltd			
Hendon Semiconductors Pty Ltd	Australia	100	100
Subsidiaries of MSS Fibre Pty Ltd			
MSS Power and Fibre Systems Pty Ltd	Australia	100	100

* Percentage of voting power is in proportion to ownership

b. Deed of Cross Guarantee

Legend Corporation Limited, Legend Corporate Services Pty Ltd, Legend Pacific Pty Ltd, Cable Accessories (Holdings) Pty Ltd, Cable Accessories (Aust) Pty Ltd, Cable Projects Pty Ltd, IES Investments Pty Ltd, Hendon Semiconductors Pty Ltd, MSS Power Systems Pty Ltd, MSS Fibre Systems Pty Ltd, MSS Power and Fibre Systems Pty Ltd and Ecco Pacific Limited are parties to a deed of cross guarantee under which each company guarantees the debts of the other. By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare a financial report and director's report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission.

The consolidated financial report covers the closed group and all parties to the Deed of Cross Guarantee.

NOTE 16: TRADE AND OTHER PAYABLES

	NOTES	CONSOLIDATED GROUP 2013 $'000	2012 $'000
Current			
Trade payables		9,309	11,345
Sundry payables and accrued expenses		2,452	6,589
Finance lease liability		20	81
	21	11,781	18,015
Non Current			
Sundry paybles and accrued expenses		673	-
Finance lease liability		-	47
	21	673	47

The carrying amounts of trade payables are considered to be an approximation of fair value.

NOTE 17: OTHER FINANCIAL LIABILITIES

	NOTES	CONSOLIDATED GROUP 2013 $'000	2012 $'000
Derivative Financial Instruments			
US Dollar forward contracts		-	135
		-	135

The Group uses forward exchange contracts to mitigate exchange rate exposure arising from forecast purchases in US dollars. All derivatives are measured at fair value. The forward contracts have not been formally designated as hedging arrangements.

NOTE 18: BORROWINGS

	NOTES	2013 $'000	2012 $'000
CURRENT			
Secured liabilities			
Bank bills	18b	2,900	2,400
Other loan	18c	315	-
		3,215	**2,400**
NON-CURRENT			
Secured liabilities			
Bank bills	18b	17,813	15,375
		17,813	**15,375**

a. Total current and non-current secured liabilities

	NOTES	2013 $'000	2012 $'000
Bank bills	18b	20,713	17,775
Other		315	-
		21,028	17,775

b. Bank bills and equipment facilities

Bank bills and equipment facilities have been provided by National Australia Bank Limited. The Corporate Letter of Offer under which these facilities were offered expired on 30 June 2013. Agreement was reached with the Bank on 26 June 2013 to extend the facility.

Bank bills, which have been drawn as a source of long-term finance, are provided by the Bank under multiple facilities with an expiry date of 30 June 2015. The bills mature on the 21st of every month. As at 30 June 2013, $7,960,250 of the total bill of $20,712,500 is fixed at 5.2%. The current average interest rate is 3.746% (2012: 4.416%) payable monthly in advance.

Bank bills are secured by:

Fixed and floating charges over the whole of the Company assets including goodwill and uncalled capital and called but unpaid capital together with relative insurance policy assigned to the National Australia Bank Limited given by MSS Power Systems Pty Ltd, MSS Fibre Systems Pty Ltd, MSS Power & Fibre Systems Pty Ltd, Legend Corporation Limited, Legend Corporate Services Pty Ltd, Legend Pacific Pty Ltd, Cable Accessories (Holdings) Pty Ltd, Cable Accessories (Australia) Pty Ltd, Cable Projects Pty Ltd, Hendon Semiconductors Pty Ltd and IES Investments Pty Ltd.

The following covenants apply to debt facilities provided by the Bank:

i. Debt Service Cover Ratio

Debt Service Cover Ratio (DSCR) to be maintained at a minimum of 1.5 times, measured quarterly on a 12 month rolling basis. DSCR is defined as earnings before interest, tax, depreciation and amortisation (EBITDA) less tax paid, divided by scheduled amortisation payments plus interest expense

ii. Gross Debt to EBITDA Ratio

Gross Debt to EBITDA Ratio is to be maintained at a maximum of 3.0 times, measured quarterly. Gross Debt to EBITDA Ratio is defined as total financial debt divided by 12 month rolling EBITDA.

iii. Gearing Ratio

Gearing Ratio to is be maintained at a maximum of 45%, measured quarterly. Gearing Ratio is defined as total financial debt, divided by total financial debt plus total shareholders' equity.

To the date of this report, the company has complied with all banking covenants.

c. Bank bills and equipment facilities

A loan has been provided by Macquarie Premium Funding Pty Ltd and is used to fund the Group's insurance premiums. The loan's repayment consists of 10 monthly instalments with a flat interest rate of 3.9165%. The last instalment date is 31 January 2014.

NOTE 19: TAX

	CONSOLIDATED GROUP 2013 $'000	2012 $'000
a. Current		
Income tax payable	1,071	1,318
b. Non-Current		
Deferred tax assets comprise:		
Provisions	1,912	1,732
Transaction costs on equity issue	-	-
Other	36	55
	1,948	1,787
Deferred tax liabilities comprise:		
Intangibles	977	1,135
c. Reconciliations		
i. Gross movement		
The movement in deferred tax accounts is as follows:		
Opening balance	1,787	1,490
(Charge)/credit to income statements	-	-
Offset against current provision	161	297
Closing balance	1,948	1,787
ii. Deferred tax liabilities		
The movement in deferred tax liability account is as follows:		
Other		
Opening balance	1,135	-
(Charge)/credit to income statements	(158)	-
Intangible assets	-	1,135
Closing balance	977	1,135
iii. Deferred tax assets		
The movement in deferred tax assets account is as follows:		
Provisions		
Opening balance	1,732	1,466
(Charge)/credit to income statements	180	266
Closing balance	**1,912**	**1,732**
Transaction costs on equity issue		
Opening balance	-	2
(Charge)/credit to income statements	-	(2)
Closing balance	**-**	**-**
Other		
Opening balance	55	22
(Charge)/credit to income statements	(19)	33
Closing balance	**36**	**55**

NOTE 20: PROVISIONS

	EMPLOYEE BENEFITS $'000	TOTAL $'000
Consolidated Group		
Opening balance at 1 July 2012	3,055	3,055
Additional provisions	1,800	1,800
Amounts used	(1,421)	(1,421)
Balance at 30 June 2013	**3,434**	**3,434**

	CONSOLIDATED GROUP	
	2013 $'000	2012 $'000
Analysis of total provisions		
Current	3,131	2,734
Non-current	303	321
	3,434	**3,055**

Provision for employee benefits

A provision has been recognised for employee benefits relating to annual leave and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data.
The measurement and recognition criteria relating to employee benefits has been included in Note 1k to this report.

NOTE 21: ISSUED CAPITAL

	CONSOLIDATED GROUP	
	2013 $'000	2012 $'000
219,500,251 (2012: 217,440,928) fully paid ordinary shares	74,281	74,230

The share capital of Legend Corporation Limited consists only of fully paid ordinary shares, the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital, and represent one vote at the shareholders meeting of Legend Corporation Limited.

		NO.	NO.
a. Ordinary shares			
At beginning of reporting period		217,440,928	217,041,847
Shares issued during the year:			
Issued under share based payments	21c	162,549	249,081
Issued under Group Level Incentive Program	21c	1,896,774	-
Options exercised	21b	-	150,000
Total shares authorised 30 June		**219,500,251**	**217,440,928**

None of the Parent Entity shares are held by any company in the Group.

NOTE 21: ISSUED CAPITAL (CONTINUED)

b. Options

i. For information relating to the Legend Corporation Limited Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at year-end, refer to Note 27 Share-based payments.

ii. For information relating to share options issued to directors during the financial year, refer to Note 27 Share-based payments.

c. Employee share scheme

For information relating to the Legend Corporation Limited Employee Share Scheme, including details of shares issued during the financial year, refer to Note 27 Share-based payments.

d. Capital Management

Management controls the capital of the Group in order to maintain a debt to equity ratio within pre-determined benchmarks, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

The gearing ratio's for the year ended 30 June 2013 and 30 June 2012 are as follows:

	NOTES	CONSOLIDATED GROUP	
		2013 $'000	2012 $'000
Borrowings	18	21,028	17,775
Less cash and cash equivalents	9	(5,160)	(6,758)
Net debt per bank covenants		15,868	11,017
Trade and other payables	16	12,454	18,062
Net debt including trade and other payables		28,322	29,079
Total equity		61,242	58,132
Total capital		**89,564**	**87,211**
Gearing Ratio		32%	33%

NOTE 22: RESERVES

a. Option reserve

The option reserve records items recognised as expenses on valuation of employee share options and shares issued under the Group Level Incentive Plan.

NOTE 23: LEASES

	CONSOLIDATED GROUP	
	2013 $'000	2012 $'000
a. Finance Lease commitments		
Future minimum lease payments at the end of each reporting period under review were as follows:		
Payable - minimum lease payments		
- not later than 12 months		
- Lease payments	21	88
- Finance charges	(1)	(7)
	20	81
- between 12 months and 5 years		
- Lease payments	-	49
- Finance charges	-	(2)
	-	47

Motor vehicles are held under finance lease arrangements. The net carrying amount of the related assets is $93,000. (2012: $166,000). Finance leases are secured by the related assets held under finance lease.

b. Operating lease commitments

Non-cancellable operating lease contracted for but not capitalised in the financial statements		
Payable - minimum lease payments		
- not later than 12 months	2,407	2,227
- between 12 months and 5 years	8,335	8,092
- greater than 5 years	-	1,881
	10,742	12,200

The property lease which commenced on 30 May 2008 is a non-cancellable lease with a 10-year term. Rent is payable monthly in advance. Rent adjustments are performed annually on the basis of a Market Review. As it is not possible to determine future market rates, minimum lease repayments have been calculated on the basis of current rental payments over the remaining period of the lease. An option exists to renew the lease at the end of the 10-year term for an additional two terms of 5 years.

The property lease at Malaga WA which commenced on 1 June 2013 is a non-cancellable lease with a 4-year term and a further option period of 3 years. Rent is payable monthly in advance. Annual rent reviews will be conducted.

NOTE 24: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Estimates of the potential financial effect of contingent liabilities, that may become payable:

Related party guarantee provided

Legend Corporation Limited, Legend Corporate Service Pty Ltd, Legend Pacific Pty Ltd, Cable Accessories (Holdings) Pty Ltd, Cable Accessories (Aust) Pty Ltd, Cable Projects Pty Ltd, IES Investments Pty Ltd, Hendon Semiconductors Pty Ltd, MSS Fibre Systems Pty Ltd, MSS Power Systems Pty Ltd, MSS Power and Fibre Systems Pty Ltd have provided guarantees as described in Note 15b Controlled Entities and Note 18b Borrowings. No deficiencies of net assets exist in the entities concerned at 30 June 2013.

NOTE 25: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing the performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category since the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosure are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following;

– the products sold by the segment;

– the manufacturing process; and

– the type or class of customer for the products.

Types of products by segment

Electrical, Power and Infrastructure (formerly Electical, Data and Communications)

The electrical, power and infrastructure segment distributes a wide range of house branded electrical and connectivity products and tools, cable assemblies, data and computer room products. Products are of a similar nature with the majority of customers being within the electrical wholesale or power and infrastructure industries.

Innovative Electrical Solutions (formerly Memory Modules and Semiconductors)

The innovative electrical solutions segment manufactures application designs and integrated circuits, thick film hybrids, and ceramic printed circuit boards for use across industries including medical, telecommunications, lighting, automotive and consumer electrical. Manufacture of these products is performed in accordance with customer specifications, requiring a high level of technical expertise.

On 31 October 2012 the Group acquired selected business assets of Ecco Pacific Limited and 100% of the issued capital of Spectron (NZ) Limited. Both acquisitions form part of Electrical, Power and Infrastructrure and are detailed in Note 32.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision makers with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transaction

An internally determined transfer price is set for all inter-entity sales. This price is reviewed six-monthly and reset as required, and is based on what would be realised in the event that the sale was made to an external party at arm's-length. All such transactions are eliminated on consolidation for the Group financial statements.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and location

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated.

NOTE 25: OPERATING SEGMENTS (CONTINUED)

Segment Information (continued)

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment;

- finance income and costs;
- impairment of assets and other non-recurring items of revenue or expense;
- income tax expense;
- deferred tax assets and liabilities and
- intangible assets.

There have been no changes from the prior periods in the measurement methods used to determine reported segment profit or loss.

(i) Segment performance

	ELECTRICAL, POWER AND INFRASTRUCTURE		INNOVATIVE ELECTRICAL SOLUTIONS		CONSOLIDATED GROUP	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Revenue						
Revenue from external customers	94,932	90,662	10,274	12,553	105,206	103,215
Inter-segment revenues	-	-	1,186	1,015	-	-
Total revenue	**94,932**	**90,662**	**11,460**	**13,568**	**105,206**	**103,215**
Result						
Earnings before interest, taxation, depreciation and amortisation	10,355	14,067	3,372	3,166		
Depreciation and amortisation	(2,834)	(2,169)	(232)	(256)		
Segment operating profit	7,521	11,898	3,140	2,910	10,661	14,808
Elimination of intersegment profit					88	(59)
Finance income					88	224
Finance costs					(1,322)	(1,345)
Profit before income tax					9,515	13,628
Income tax expense					(2,808)	(4,192)
Profit after income tax					6,707	9,436

NOTE 25: OPERATING SEGMENTS (CONTINUED)

Segment Information (continued)

(ii) Segment assets and liabilities

	ELECTRICAL, POWER AND INFRASTRUCTURE		INNOVATIVE ELECTRICAL SOLUTIONS		CONSOLIDATED GROUP	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Assets						
Segment assets	46,312	44,313	7,554	9,605	54,438	53,918
Deferred tax assets					1,948	1,787
Intangible assets					44,392	43,907
Total assets					**100,206**	**99,612**
Liabilities						
Segment liabilities	14,679	18,969	1,209	2,283	15,872	21,252
Tax liabilities					2,048	2,453
Borrowings					21,028	17,775
Total liabilities					**38,964**	**41,480**

(iii) Revenue and assets by geographical region

The Groups revenue from external customers are divided into the following geographical areas:

	CONSOLIDATED GROUP	
	2013 $'000	2012 $'000
Australia	101,341	101,856
New Zealand	3,865	1,359
	105,206	**103,215**

(iv) Major customers

The Group supplies one single external customer in the electrical, power and infrastructure segment which accounts for 22% (2012: 20%) of external revenue of the Group. The next most significant customer in the electrical, power and infrastructure segment accounts for 5% of the external revenue of the Group (2012: 6%). The Group supplies one single external customer in the Innovative electrical solutions segment which accounts for 3% (2012: 3%) of the external revenue of the Group.

NOTE 26: CASH FLOW INFORMATION

	NOTES	CONSOLIDATED GROUP 2013 $'000	CONSOLIDATED GROUP 2012 $'000
a. Reconciliation of Cash Flow from Operations with Profit after Income Tax			
Profit after income tax		6,707	9,436
Non-cash flows in profit			
- Depreciation and amortisation		3,066	2,424
- Net (gain)/loss on disposal of property plant and equipment		(4)	7
- Interest accrued on employee loans		(3)	-
- Unrealised loss on foreign denominated balances		28	211
- Employee option expense		85	-
- Shares issued to employees	26b	51	80
- Cash received on the exercise of options		-	15
- Bad debts written off		809	-
Change in assets and liabilities, net of the effect of purchase and disposal of subsidiaries			
- (Increase)/decrease in trade receivables		(237)	(2,162)
- (Increase)/decrease in current assets		6	234
- (Increase)/decrease in inventories		(1,370)	(2,161)
- (Increase)/decrease in deferred tax assets		(162)	(92)
- Increase/(decrease) in trade payables and accruals		(2,188)	99
- Increase/(decrease) in provisions		252	216
- Increase/(decrease) in income tax payable		(247)	(1,745)
- Increase/(decrease) in deferred tax liabilities		(152)	(203)
Cash flow from operations		**6,641**	**6,359**

b. Non-Cash Financing and Investing Activities

Shares Issued

2,059,323 ordinary shares were issued to key executives during the year. Shares were issued in lieu of cash bonuses and as part of the Group's incentive and motivation scheme for the retention of key executives.

Acquisitions during the year

The Group acquired Spectron (NZ) Limited and selected business assets of Ecco Pacific Limted on 31 October 2012. See Note 32 for acquisition details.

c. Credit Standby Arrangements and Loan Facilities with Banks

	2013 $'000	2012 $'000
Credit facilities	31,764	29,500
Amounts utilised	(24,138)	(19,497)
	7,626	**10,003**

The National Australia Bank Limited provided facilities with a total limit of $30.9 and are summarised as follows:

i. Fully Interchangeable Multi Option / Multi Currency Facility (MOF) of $4.6 million. The original MOF was subject to annual review and expired on 30 June 2013. Agreement was reached with the Bank on 26 June 2013 to extend the facility for a further 12 months. The MOF includes the following facilities:

- $0.6 million business overdraft facility
- $1.14 million bank guarantee facility
- $1.31 million documentary letter of credit and / or trade refinance facility
- $1.55 million standby letter of credit facility

ii. National Australia Bank Limited will continue to provided finance so long as the Parent Entity and Consolidated Group do not breach borrowing requirements or financial ratios as detailed in Note 18.

The ANZ Bank New Zealand Limited provided facililties with a total limit of $0.86 million and are summaried as follows:

- $0.29 million overdraft facility
- $0.46 million trade finance facility
- $0.1 million FX settlement and business bank card facilities

NOTE 27: SHARE-BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2013:

On 2 November 2012, two tranches of 225,000 share options were granted to non-executive directors to accept ordinary shares at exercise prices of $0.3019 subject to vesting conditions. These options are exercisable after 26 October 2013 and 26 October 2014, all with an expiry date of 26 November 2016. The first tranche options will vest if the volume weighted average sale price of the Share traded on ASX in the in the 20 trading days commencing on 27 October 2013 exceeds $0.40. The second tranche options will vest if the volume weighted average sale price of the Share traded on ASX in the in the 20 trading days commencing on 27 October 2014 exceeds $0.45.The options hold no voting or dividend rights and are not transferable. When a director ceases employment the options are deemed to have lapsed. Since reporting date, no director has ceased their employment.

All options granted to key management personnel are ordinary shares in Legend Corporation Limited, which confer a right of one ordinary share for every option held.

	CONSOLIDATED GROUP			
	2013		2012	
	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE $	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE $
Outstanding at the beginning of the year	450,000	0.49	600,000	0.39
Granted	450,000	0.30	-	-
Exercised	-	-	(150,000)	0.10
Forfeited	(450,000)	0.49	-	-
Outstanding at year-end	**450,000**	**0.30**	**450,000**	**0.49**
Exercisable at year-end	**-**	**-**	**450,000**	**0.49**

The options outstanding at 30 June 2013 had a weighted average exercise price of $0.30 and a weighted average remaining contractual life of 3.3 years. The share price at year end was $0.23.

Included under employee benefits expense in the statement of comprehensive income is $135,110 (2012: $75,000), which relates, in full, to equity-settled share-based payment and Group Level Incentive Plan transactions.

Employee Share Plan

The company has established an employee share plan (ESP) by which the Company's Board may issue shares to employees and executive directors of the company or its subsidiaries.

The ESP is administered in accordance with the terms of the ESP rules, which are summarised below:

- Shares may be issued under the ESP at the discretion of the Board to employees and executive directors of the company or its subsidiaries upon such terms as the Board may determine, including restrictions as to when shares issued under the ESP can be sold. Any proposed issue of shares to executive directors require shareholder approval under the Listing Rules.
- The aggregate number of shares on issue under the plan should not exceed 5% of the total number of shares on issue at any time. The number of shares which may be allocated to any one eligible employee shall be restricted so that the eligible employee is able to cast no more that 5% of votes at a General Meeting of the company.
- The company may issue shares under the ESP at a price up to the equivalent of 90% of the weighted average ASX market price for shares during the 5 trading days prior to the date of invitation to participate.
- Shares issued under the ESP will be ordinary fully paid shares in the company and from the date of issue will rank equally with all other ordinary fully paid shares in the company.
- Participants must not sell, transfer, assign, mortgage, charge or otherwise encumber a share issued under the plan until the later of the following;
  a) for shares issued for nil consideration until such time as the Board may determine in its absolute discretion;
  b) the expiry of any service continuity period specified by the company;
  c) the satisfaction of any performance criteria specified by the company.
- The company may (but is not obligated to) buy-back shares, within 12 months of cessation of employment, at a price equal to the weighted average ASX market price for shares during the 5 trading days immediately preceding the date of cessation (or $0.01 in the case of no cash consideration).

NOTE 27: SHARE-BASED PAYMENTS (CONTINUED)

Employee Share Plan (continued)

	NUMBER OF SHARES GRANTED	FAIR VALUE AT ISSUE DATE (PER SHARE) $	FAIR VALUE AT ISSUE DATE (AGGREGATE) $'000
16 March 2004 - issued	2,187,000	0.59	1,290
22 November 2004 - bought back	(15,500)	-	-
10 December 2004 - issued	100,000	0.53	53
30 June 2005 - issued	855,000	0.60	513
21 October 2005 - bought back	(10,500)	-	-
29 March 2006 - bought back	(46,000)	-	-
22 December 2006 - issued	268,000	0.775	208
26 August 2009 - issued	462,863	0.092	43
16 August 2010 - issued	196,883	0.164	32
30 September 2010 - option exercised	300,000	0.100	30
3 November 2010 - issued	92,001	0.164	15
29 March 2011 - issued	40,046	0.340	14
6 September 2011 - option exercised	150,000	0.100	15
1 November 2011 - issued	234,375	0.320	75
18 April 2012 - issued	14,706	0.340	5
15 August 2012- issued	50,834	0.313	51
TOTAL ISSUED	**4,879,708**		

Group Level Incentive Plan

The Company has established a Group Level Incentive Plan (GLIP) which provides a collective bonus for distribution to nominated group level executives leveraged to a minimum growth requirement of 10% year on year in Net Profit Before Tax (NPBT).

Accumulation of the bonus occurs after the achievement of the minimum growth requirement, up to a maximum accumulation of 5% of NPBT. Merger and acquisition activities attract a further hurdle of 10% on funds invested additional to the minimum growth requirement.

The minimum NPBT growth requirement for the 2012 financial year was achieved. Shares have been issued to nominated group level executives during the 2013 financial year in accordance with the Group's Limited Recourse Loan Agreement. Under the Agreement the shares have a three year vesting period. Nominated group level executives are entitled to three times the value of share component of their GLIP apportionment with a loan from the Company of equal value. The term of the loan is five years after which time the outstanding balance is repayable in full. Non-executive Directors are not entitled to participate in the GLIP.

	NUMBER OF SHARES GRANTED	FAIR VALUE AT ISSUE DATE (PER SHARE) $	FAIR VALUE AT ISSUE DATE (AGGREGATE) $'000
15 August 2012 - issued	1,896,774	0.31	588
TOTAL ISSUED	**1,896,774**		

NOTE 28: EVENTS AFTER THE REPORTING PERIOD

There have been no events between 30 June 2013 and the date of these financial statements which necessitate adjustments to the statements of financial position and comprehensive income at that date.

NOTE 29: RELATED PARTY TRANSACTIONS

	NOTES	CONSOLIDATED GROUP 2013 $	2012 $

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

a. Director-Related Entities

		2013 $	2012 $
Legend Corporate Services Pty Ltd leases a number of properties from the Backstop Property Trust, which is owned and controlled by Bradley Dowe. Lease charges for the year were:		115,000	144,000

NOTE 30: FINANCIAL INSTRUMENT RISK

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

The totals for each category of financial instruments measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		2013 $'000	2012 $'000
Financial Assets			
Cash and cash equivalents	9	5,160	6,758
Loans and receivables	10	17,500	18,677
		22,660	**25,435**
Financial Liabilities			
Trade and other payables	16	12,454	18,015
Other financial liabilities	17	-	2
Borrowings	18	21,028	17,775
		33,482	**35,792**

Financial Risk Management Policies

A Finance Committee consisting of senior executives of the Group meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Committee's overall risk management strategy seeks to assist the Consolidated Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The Committee operates under the direction of the Board of Directors. In conjunction with the committee, the Board reviews the current strategies on a regular basis, including the use of hedging derivative instruments, credit risk policies and future cash flow requirements.

Specific Financial Risk Exposure and Management

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk.

a. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

The Group's policy is to minimise interest rate cash flow risk exposure on long term financing using a blend of fixed and floating interest rate debt. As at year end $7,960,250 is fixed at 5.2% pa and the remaining floating. Quarterly amortisation of the bill facility includes reduction of both the fixed and floating proportion. Fixed rates mature on 30 June 2015.

b. Foreign currency risk

Exposure to fluctuations in foreign currencies arises from the Group's overseas sales and purchases, which are primarily denominated in US dollars (USD).

To mitigate the Group's exposure, non AUD cash flows are monitored and forward exchange contracts are entered into in accordance with the Group's risk management policy. Due to the nature of USD denominated transactions, being relatively small in size and frequent, it is not practical to formally designate forward contracts as hedging instruments, rather management consider these contracts to be part of economic hedge arrangements. The Group continues to assess the use of derivative financial instruments and forward exchange contracts to minimise the impact of fluctuations on earnings.

NOTE 30: FINANCIAL RISK MANAGEMENT (CONTINUED)

c. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to operational, investing and financing activities
- monitoring undrawn credit facilities
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- investing only in surplus cash with major financial institutions
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets

The Group's policy is to ensure no more than 20% of borrowings should mature in any 12-month period.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. Bank bills have been disclosed in accordance with the approved budgeted repayment schedule and facility terms as management do not consider that there is any material risk that the Bank will terminate such facilities. The Bank does however maintain the right to terminate the facilities without notice should the Group breach any of the covenants as disclosed in Note 18: Borrowings.

Cash flows realised from financial assets reflect management's expectations as to the timing of realisation. Actual timing may therefore differ from the disclosure. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis.

CONSOLIDATED GROUP	WITHIN 1 YEAR		1 TO 5 YEARS		OVER 5 YEARS		TOTAL	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Financial liabilities due for payment								
Bank bills	4,058	3,704	14,259	13,019	6,574	6,535	24,892	23,258
Other loans	327	-	-	-	-	-	327	-
Trade and other payables	11,781	18,015	673	47	-	-	12,454	18,015
Total expected outflows	16,166	21,672	14,932	13,066	6,574	6,535	37,673	41,273

NOTE 30: FINANCIAL RISK MANAGEMENT (CONTINUED)

d. Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments for example by granting loans and receivables to customers and placing deposits. The Group's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised at reporting date, as summarised below:

	CONSOLIDATED GROUP 2013 $'000	2012 $'000
Classes of financial assets- carrying amounts:		
Cash and cash equivalents	5,160	6,758
Trade and other receivables	17,500	18,677
Carrying amount	22,660	25,435

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to only deal with creditworthy counterparties.

The Group's management considers that all of the above financial assets that are not impaired or past due for each of the reporting dates are of good credit quality.

Collateral has been given in the form of personal guarantees and second registered mortgages over the properties of the directors of Cabac Electrical Pty Ltd, the acquirer of Legend Tech (RSA) Pty Ltd, which owes Legend Corporate Services Pty Ltd an amount of $297,000 included in other receivables at 30 June 2013. There are no other material amounts of collateral held as at 30 June 2013.

Some of the unimparied trade receivables are past due at reporting date. Financial assets past due but not impaired can be shown as follows:

	CONSOLIDATED GROUP 2013 $'000	2012 $'000
Less than 30 days	2,239	1,635
30 to 59 days	459	546
60 to 90 days	148	99
Greater than 90 days	671	60
Total	**3,517**	**2,340**

The Group has no significant concentration of credit risk with any single counter party, however the top 20 customers of the Group represents approximately 55% (2012: 54%) of year end receivables. The class of assets described as Trade and Other Receivables is considered the main source of credit risk related to the Group.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

NOTE 30: FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair Value

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Group. Most of these instruments which are carried at amortised cost (i.e. loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the Group.

		2013		2012	
CONSOLIDATED GROUP	FOOTNOTE	NET CARRYING VALUE $'000	FAIR VALUE $'000	NET CARRYING VALUE $'000	FAIR VALUE $'000
Financial assets					
Cash and cash equivalents	(i)	5,160	5,160	6,758	6,758
Trade and other receivables	(i)	17,500	17,500	18,677	18,677
Total financial assets		22,600	22,600	25,435	25,435
Financial liabilities					
Trade and other payables	(i)	12,454	12,454	18,015	18,015
Bank bills	(ii)	20,713	21,051	17,775	17,902
Other loan		315	320	-	-
Total financial liabilities		33,482	33,825	35,790	35,917

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value.

(ii) Fair values are determined using a discounted cash flow model incorporating current commercial borrowing rates. The fair values of fixed rate bank debt will differ to the carrying values.

(iii) Fair values are determined using a discounted cash flow model incorporating current commercial borrowing rates. The fair values of other loan provided by Macquarie Bank will differ to the carrying values.

Sensitivity Analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates and exchange rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	CONSOLIDATED GROUP	
	PROFIT $'000	EQUITY $'000
Year Ended 30 June 2013		
+/- 2% interest rates	+/- 242	+/- 242
+/- 15% $A/$US	+/- 1,891	+/- 1,891
Year Ended 30 June 2012		
+/- 2% interest rates	+/- 221	+/- 221
+/- 15% $A/$US	+/- 1,722	+/- 1,722

The percentages have been determined based on the average market volatility in interest and exchange rates in the previous 12 months

NOTE 31: LEGEND CORPORATION LIMITED PARENT COMPANY INFORMATION

	2013 $'000	2012 $'000
PARENT ENTITY		
Assets		
Non-current assets		
Trade and other receivables	1,326	1,242
Deferred tax assets	325	325
Financial assets	45,014	48,998
Total non-current assets	46,665	50,565
Total assets	46,665	50,565
Net assets	**46,665**	**50,565**
EQUITY		
Issued capital	74,281	74,230
Reserves	199	115
Accumulated losses	(27,815)	(23,780)
Total equity	**46,665**	**50,565**
FINANCIAL PERFORMANCE		
Loss for the year	(4,035)	1,386
Total comprehensive income	**(4,035)**	**1,386**

a. Contingent liabilities of the Parent Entity

As described in Note 15b: Controlled Entities and Note 18b: Borrowings, Legend Corporation Limited is party to the cross guarantee between the wholly-owned entities of the Group under which each company guarantees the debts of the other.

NOTE 32: ACQUISITIONS

Ecco Pacific Limited

On 31 October 2012 Legend Corporate Services Pty Ltd acquired selected business assets of Ecco Pacific Limited.

The details of the business combination are as follows:

	$'000
Fair value of consideration transferred	
Amount settled in cash	1,350
Fair value of contingent consideration	1,269
TOTAL	**2,619**

The amounts recognised at the acquisition date of the acquirees assets, liabilities and contingent liabilites are as follows:

Inventories	1,831
TOTAL CURRENT ASSETS	**1,831**
Goodwill on acquisition	788

Consideration transferred

The acquisition of selected assets of Ecco Pacific Limited was settled in cash of $1,350,278.

The purchase agreement included additional consideration of 2 deferred payments no later than 31 October 2013 and 31 October 2014 of up to approximately $0.6 million each determined on the basis of the net identifiable assets on hand at settlement. The Directors have assessed that the deferred payments will be required and therefore have included in the cost of acquisition.

Goodwill

The transaction has been provisionally accounted for as at 30 June 2013 with further work required to complete the purchase price allocation.

NOTE 32: ACQUISITIONS (CONTINUED)

Spectron (NZ) Limited

On 31 October 2012 Legend Corporation Limited acquired 100% of the issued capital of Spectron (NZ) Limited.

The details of the business combination are as follows:

	$'000
Fair value of consideration	
Amount settled in cash	-
TOTAL COST OF ACQUISITION	**-**

The amounts recognised at the acquisition date of the acquirees assets, liabilities and contingent liabilities are as follows:

Trade and other receivables	370
Inventories	378
TOTAL CURRENT ASSETS	**748**
Property plant and equipment	120
TOTAL NON CURRENT ASSETS	**120**
Trade and other payables	571
Borrowings	384
Provisions	134
TOTAL CURRENT LIABILITIES	**1,089**
Net identifiable assets and liabilities	(222)
Goodwill on acquisition	222

Goodwill

The transaction has been provisionally accounted for as at 30 June 2013 with further work required to complete the purchase price allocation.

Contribution to Group Results

The acquisition of Ecco Pacific Limited was made as part of the Group's overall strategy of expanding its product offering and geographical sales region to electrical wholesale and power distribution markets. The acquisition of Spectron (NZ) Limited was made to provide distribution and infrastructure for the integration of the New Zealand based assets of Ecco Pacific Limited. Earnings Before Interest, Tax, Depreciation and Amortisation for the combined business was $998,000.

Deferred Settlement Payment

During the year the Group paid deferred settlement payments of $4,673,000 in relation to the MSS Fibre Pty Ltd, MSS Power Systems Pty Ltd and Extreme Safety Equipment from the previous financial year.

The final deferred settlment payment for MSS Power Systems Pty Ltd of $1,100,000 is payable by 31 August 2013.

NOTE 33: COMPANY DETAILS

The registered office of the company is:

Legend Corporation Limited
1 Butler Drive
HENDON SA 5014

The principle places of business are:

Legend Corporate Services Pty Ltd
1 Butler Drive
HENDON SA 5014

Legend Corporate Services T/A CABAC
8 Distribution Place
SEVEN HILLS NSW 2147

Hendon Semiconductors Pty Ltd
1 Butler Drive
HENDON SA 5014

MSS Fibre Systems Pty Ltd
2/77 Bayfield Road East
BAYSWATER NORTH VIC 3135

Ecco Pacific Limited
15-16 761 Great South Road
PENROSE, AUCKLAND NZ 1061

DIRECTORS' DECLARATION

1. In the opinion of the directors of Legend Corporation Limited:
    a. The consolidated financial statements and notes of Legend Corporation Limited are in accordance with the Corporations Act 2001, including
        i. giving a true and fair view of its financial position as at 30 June 2013 and of its performance for the year ended on that date; and
        ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
    b. There are reasonable grounds to believe that Legend Corporation Limited will be able to pay its debts when they become due and payable.

The company and its wholly-owned subsidiaries, Legend Corporate Services Pty Ltd, Legend Pacific Pty Ltd, Cable Accessories (Holdings) Pty Ltd, Cable Accessories (Australia) Pty Ltd, Cable Projects Pty Ltd, IES Investments Pty Ltd, Hendon Semiconductors Pty Ltd, Legend Performance Technology (Thailand) Company Ltd, MSS Fibre Systems Pty Ltd, MSS Power and Fibre Systems Pty Ltd, and MSS Power Systems Pty Ltd have entered into a deed of cross guarantee under which the company and its subsidiaries guarantee the debts of each other.

At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become subject to, by virtue of the deed.

2. The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and the chief financial officer for the year ended 30 June 2013.

3. The consolidated financial statements comply with the International Financial Reporting Standards.

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

Bruce E Higgins
Chairman of Directors
Legend Corporation Limited

19 August 2013

Grant Thornton Audit Pty Ltd
ACN 130 913 594

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Independent Auditor's Report
To the Members of Legend Corporation Limited

Report on the financial report

We have audited the accompanying financial report of Legend Corporation Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of profit and loss statement and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

Auditor's opinion

In our opinion:

a the financial report of Legend Corporation Limited is in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

  ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in pages 35 to 39 of the directors' report for the year ended 30 June 2013. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

GrantThornton

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Legend Corporation Limited for the year ended 30 June 2013, complies with section 300A of the Corporations Act 2001.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C F Farley
Partner - Audit & Assurance

Sydney, 19 August 2013

SHAREHOLDER INFORMATION

SHAREHOLDER INFORMATION

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 15 July 2013.

Substantial shareholders

The following were substantial shareholders as at 15 July 2013:

NAME	NUMBER OF FULLY PAID ORDINARY SHARES HELD	% HELD
Dowe Holdings Pty Ltd	62,304,578	28.38
Tiga Trading Pty Ltd & Thorney Holdings Pty Ltd & Thorney Pty Ltd	36,850,000	16.95
Hunter Hall Investment Management Ltd & Hunter Hall International Ltd & Hampshire Assets and Services Pty Ltd & Peter James Hall	13,340,217	6.08
Keith Knowles	13,076,998	5.96

Voting Rights

Ordinary shares	Subject to any rights or restrictions attached to any class of shares, at a meeting of members, on a show of hands, each member present (in person, by proxy, attorney or representative) has one vote and on a poll, each member present (in person, by proxy, attorney or representative) has one vote for each fully paid share they hold.
Options	No voting rights.

Distribution of equity security holders

CATEGORY	HOLDERS OF ORDINARY SHARES	% OF ISSUED CAPITAL
1 – 1000	118	0.01
1,001 – 5,000	299	0.41
5,001 – 10,000	211	0.80
10,001 – 100,000	668	11.66
100,001 – and over	138	87.12
Total number of security holders	1,432	100.00

Unmarketable Parcels

	MINIMUM PARCEL SIZE	NUMBER OF HOLDERS	UNITS
Ordinary Shares	$500.00 at $0.23/unit	230	220,042

Securities exchange listing

The Company is listed on the Australian Securities Exchange.

On market buy-back

There is currently no on-market buy back for any of the Company's securities.

Twenty largest shareholders – ordinary shares as at 15 July 2013

NAME	NUMBER OF FULLY PAID ORDINARY SHARES HELD	% HELD
Dowe Holdings Pty Ltd	47,370,858	21.58
UBS Nominees Limited	31,884,003	14.53
J P Morgan Nominees Australia Limited	17,103,488	7.79
National Nominees Limited	7,986,841	3.64
Keith Knowles	6,398,927	2.92
Dowe Holdings Pty Ltd	6,250,000	2.85
Thorney Holdings Pty Ltd	5,942,500	2.71
Cornish Group Investments Pty Ltd	3,500,000	1.59
Dowe Holdings Pty Ltd	3,437,900	1.57
Parks Australia Pty Ltd	3,181,263	1.45
MFM Properties Pty Ltd	2,969,048	1.35
Backstop Pty Ltd	2,900,000	1.32
J and S D Yates	2,850,503	1.30
M R and J N Simpson	2,549,473	1.16
Keith Knowles	2,040,337	0.93
M and J Potter Pty Ltd	2,000,000	0.91
P and J Higgins	2,000,000	0.91
Mrs Ruth Janine Higgins	1,875,000	0.85
Mrs Edna Knowles	1,456,471	0.66
Mr Con Panayotopoulos	1,375,000	0.63
TOTAL	**155,071,612**	**70.65**

Restricted and Escrowed Securities

Shares issued under the Group Level Incentive Plan to key management personnel total 1,896,774. These shares are ordinary shares having the same voting rights and rights to dividends as other issued capital. The shares however have a three year vesting period from the date of issues and can only be traded after the repayment of the loan provided by the Company to fund the purchase of these shares.

Options over Issued Shares

A total of 450,000 unquoted options are on issue under the Legend Corporation Limited Employee Option Plan. Option holders will be entitled on the payment of the exercise price per share to be allotted one ordinary fully paid share in the Company for each Option exercised. Options are exercisable in whole or in part until the expiry date. Any Options not exercised before expiry will lapse.

DIRECTORY OF OFFICES

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Facsimile (61) 3 9545 3970

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LEGEND

CORPORATION

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