

Australian Securities Exchange Announcement

19 August 2013

The Manager
Companies Announcements Office
Australian Securities Exchange
Electronic Lodgment

Dear Sir/Madam

LEGEND RETURNS TO GROWTH

- Revenues \$105.3 million (pcp \$103.2 million)
- Operating cash flow \$6.6 million (pcp \$6.4 million)
- NPAT \$6.7 million (pcp \$9.4 million)
- Strengthened balance sheet; net tangible assets per share of 7.7 cps (pcp 6.5 cps)

The Directors advise that Legend delivered growth in revenue, operating cash and net tangible assets and that as a consequence of the market environment and lower than expected client demand for the Group's products Net Profit After Tax (NPAT) was reduced when compared to the prior year.

Having invested in growth at the commencement of the year, unexpected impacts on demand were occasioned by reduced mining activity particularly in northern NSW and throughout QLD, reduced activity levels in NSW and QLD power utilities, and a further decline in dwelling construction.

Results were also impacted by non-recurring expenses including a bad debt of \$751,000 and costs associated with relocation of operations in WA to larger premises a result of rapid growth.

Management moved to decrease costs and increase sales in the second half of the year. Expense reductions resulted in a 7% half-on-half saving, whilst new products and the acquisition of selected assets of Ecco Pacific delivered revenue growth in the second half.

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

As a result of the return to earnings growth in the second half and the expected positive impact from anticipated growth in residential and office construction looking forward, **the directors have declared a final dividend for 2013 of 1.1 cents per share (cps)** (further to the 0.6 cps interim dividend), set at the upper limit of the dividend policy (35-50% NPAT) after allowing for the reversal of the non-recurring expenses.

Adelaide
1 Butler Drive
Hendon SA 5014
Telephone (61) 8 8401 9888
Facsimile (61) 8 8244 9520

Brisbane
Virginia Professional Business Centre
Unit 4, 67 Robinson Road East
Virginia QLD 4014

Melbourne
Unit 2, 4 Garden Road
Clayton VIC 3168

**MSS Fibre Systems/
MSS Power**
2/77 Bayfield Road
Bayswater North VIC 3168

Perth
6A Hunt St
Malaga WA 6090

Sydney
8 Distribution Place
Seven Hills NSW 2147

**Singapore
China**

Legend Corporation Ltd
ACN 102631087
ABN 69 102631087

Legend Corporate Services Pty Ltd
ACN 006 722 292
ABN 81 006 722 292

www.legendcorporate.com



Brad Dowe, Chief Executive Officer, said: "Legend performed well in a challenging environment; management was quick to respond to unexpected change in our markets and returned the business to growth in the second half. The improved dividend outcome for the second half underlines our confidence in continued growth despite the challenges that remain".

The Group's balance sheet remains strong with Net Tangible Asset growth of 18%, while net debt remains at modest levels circa 1.1 times EBITDA.

Management's outlook for the coming year is one of improved results through a combination of continued organic growth and prudent selection of acquisition opportunities aligned with the company's strategic plan.

For further information contact:

Brad Dowe

Chief Executive Officer

Phone (02) 9678 5102

bdowe@legendcorporate.com