Investor Update
February 2014

Disclaimer

Outlook Statement

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

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

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

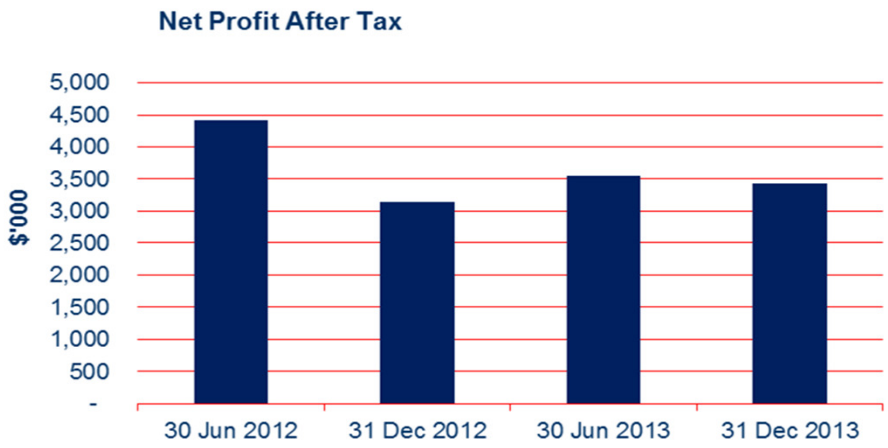
Legend Profit Up 9%

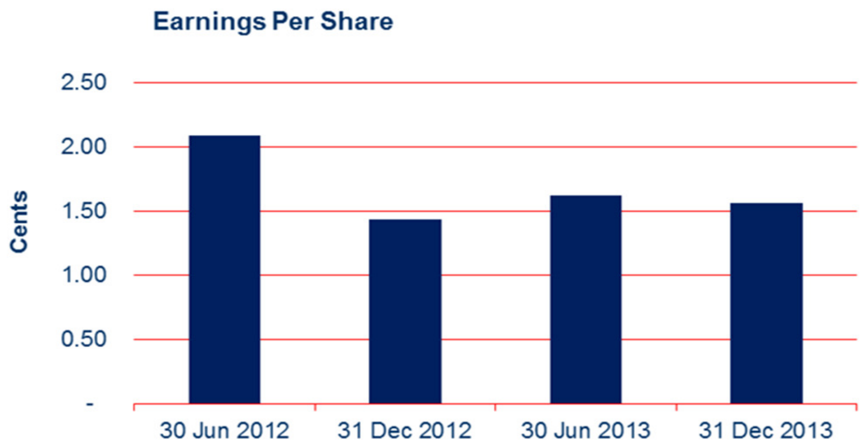
NPAT of $3.4 million up 9% on pcp

EPS 1.6 cents per share up 9% on pcp

Key contributors to NPAT growth:

- **Overhead expenses down $1.2m or 7%, the result of actions taken during the 2013 financial year to match expenses to business conditions**
- **Depreciation and amortisation totalled $1.2 million, a decrease of 10% on the pcp, and finance costs net of interest income were down 6% to $582,000, the product of lower gross debt and lower variable interest rates.**





Key Financial Results

	31 Dec 2013 $000	31 Dec 2012 $000	% Change
Income			
Sales revenue	52,524	51,621	1.7%
Gross profit	22,661	23,543	(3.7%)
Gross profit margin	43.1%	45.6%	
EBITDA	6,858	6,508	5.4%
EBITDA margin	13.1%	12.6%	
EBIT	5,650	5,164	9.4%
EBIT margin	10.8%	10.0%	
NPBT	5,068	4,542	11.6%
NPBT margin	9.7%	8.8%	
NPAT	3,436	3,151	9.0%
NPAT margin	6.5%	6.1%	
Earnings per share	1.6 cents	1.4 cents	9.0%
Dividends paid	1.1 cents	1.1 cents	0.0%
Dividends announced	0.75 cents	0.6 cents	25.0%
Cash Flow			
Operating cash flow	4,764	3,072	55.1%

	31 Dec 2013 $000	30 June 2013 $000	% Change
Financial Position			
Net assets	62,316	61,242	1.8%
Net bank debt	(16,101)	(15,868)	(1.5%)

Electrical, Power and Infrastructure

Segment Results	30 Jun 2012	31 Dec 2012	30 Jun 2013	31 Dec 2013
	$'000	$'000	$'000	$'000
REVENUE	46,134	46,173	48,759	47,485
EBITDA	7,615	4,844	5,503	4,957
Segment Profit	6,193	3,634	3,894	3,847

- **Segment revenue was up 3% on the pcp. Monthly results were mixed with the second quarter into Christmas underperforming expectations after a strong opening to the financial year.**

- **Segment profit was up 6%, the outcome of an 8% reduction in overhead expenses.**

Innovative Electrical Products

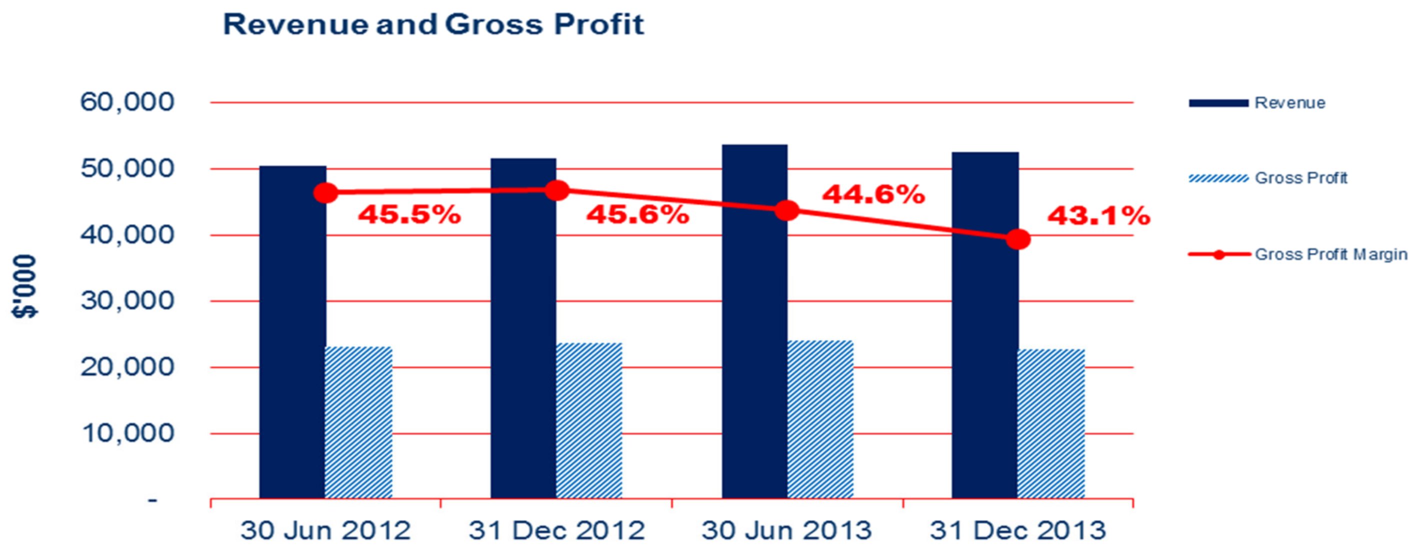
Segment Results	30 Jun 2012	31 Dec 2012	30 Jun 2013	31 Dec 2013
	$'000	$'000	$'000	$'000
REVENUE	4,813	5,795	4,479	6,356
EBITDA	575	1,729	1,644	1,900
Segment Profit	437	1,596	1,543	1,803

- **Segment profit was up 13% on the pcp through an increase in revenue of 10%.**

- **Inter-segment revenue was up $1 million, a result of the release of new and innovative products designed and engineered in-house. These new products are distributed though the groups various sales channels.**

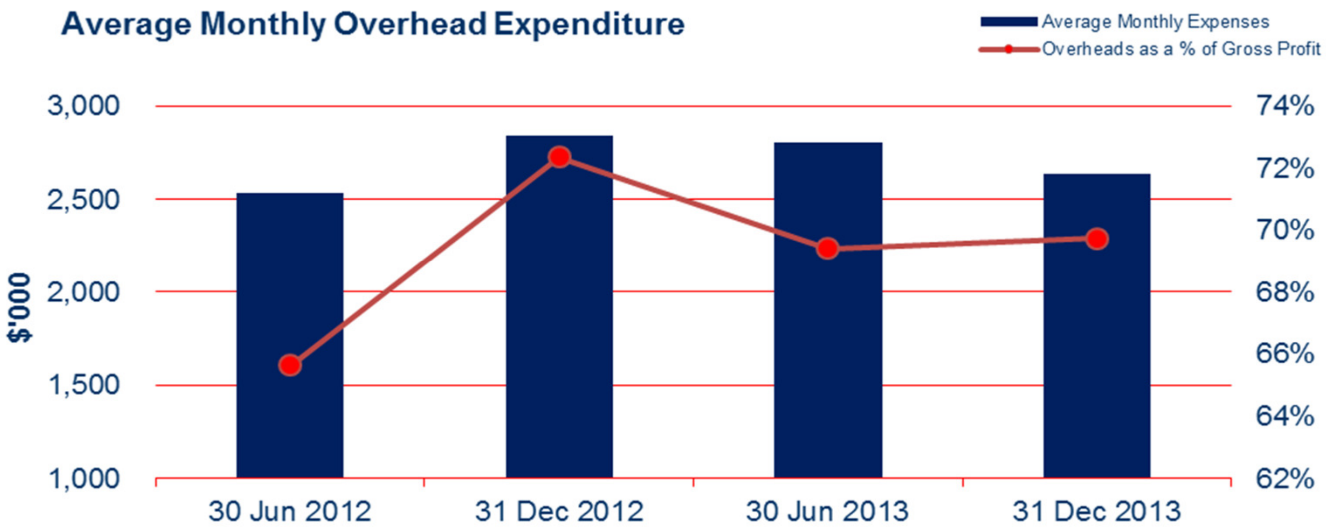
- **The development of in-house designed and engineered products remain a key focus with inter-segment revenue for the period constituting 21% of segment revenue, up from 6% on the pcp.**

Trends in Operations



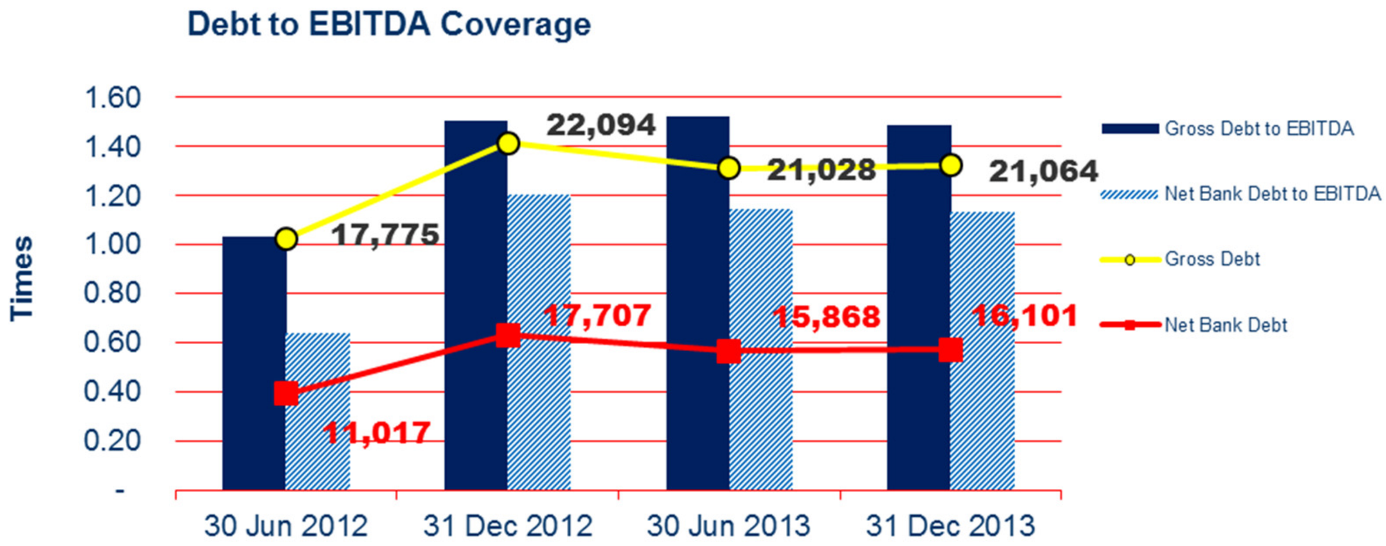
- Group revenue was up 2% on the pcp to $52.5 million. The Group's two segments both achieved revenue growth on the pcp; Electrical, Power and Infrastructure up 3%, and Innovative Electrical Solutions (including inter-segment revenue) up 10%.
- Gross profit was 4% lower on a margin of 43.1%, the significant decline in the Australian dollar across the first half and its impact on the landed cost of imported goods being the major contributing factor. Approximately 65% of the Group's cost of goods is purchased in foreign currency.
- In response to the higher landed cost of goods, the Group is repositioning pricing across all markets.

Trends in Operations



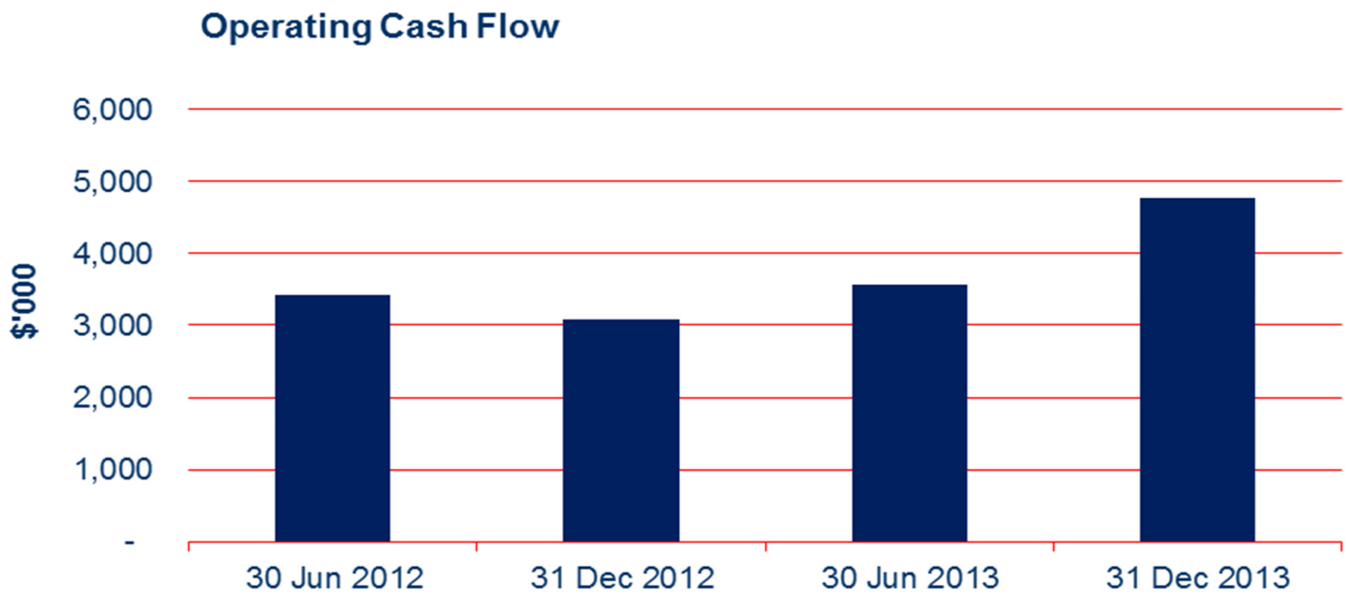
- **Overhead expenses were maintained at 70% of gross profit despite the 4% decline in gross profit.**
- **Employee expenses remained approximately 70% of total overheads. Management continues to focus on expense review and believes that together with revenue and margin enhancement the desired level of 65% can be achieved.**

Trends in Operations



- **There has been minimal change in the Group's debt level during the period. Net bank debt increased by 1% to $16.1 million at period end, remaining at a modest 1.1 times EBITDA.**
- **Bill repayments for the 6 months totalled $1.73 million, with an additional $1.75 million in debt drawn during the period to fund deferred payments on acquisitions.**
- **Banking facilities do not require renegotiation until 2015 and offer capacity for further organic and acquisitive growth.**

Trends in Operations



- Operating cash flow of $4.8 million was up 55% on the pcp (pcp; $3.1 million).
- Working capital requirements were up $1.1 million with an increase in stock on hand offset by a reduction in debtor days.
- Management is focused on matching working capital to business conditions.

Acquisition Activities

$1.8 million was invested in acquisition activities during the period:

- **MSS Power Systems acquired 1 July 2011; on achievement of the 4 times EBIT target for the 2013 financial year, a final deferred payment of $1.1 million was made 31 August 2013 bringing total consideration for this acquisition to $5.5 million.**

- **Ecco Pacific Limited selected business asset acquisition 31 October 2012; a deferred payment of $700,000 was made 31 October 2013 bringing consideration paid to date of $2.05 million. A final deferred payment of approximately $700,000 remains payable 31 October 2014.**

Outlook

Our markets remain highly competitive. The second quarter into Christmas underperformed expectations due to the continued decline in mining related construction, the falling Australian dollar and weakness in some sectors of the economy.

Despite these present and very considerable challenges, indicators for traditional core markets of residential and commercial construction point towards growth for some years to come.

Management is focused on the delivering of both revenue and margin growth, addressing market challenges effectively whilst continuing to review expenses and match working capital to levels appropriate to business conditions.

Legend remains well positioned for both organic and acquisitive growth. We are confident that the strategies we have in place in each of our businesses positions the Group well for the future.

Thankyou

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