Investor Update
August 2016

LEGEND
CORPORATION

Disclaimer

Outlook Statement

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

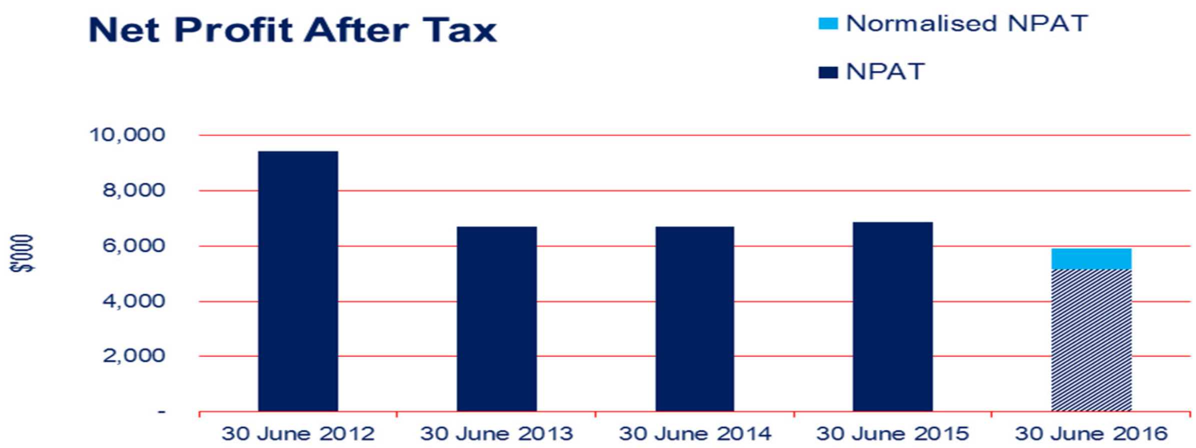
No representation is made as to the accuracy or reliability of the forecasts or the assumptions on which they are based.

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

Legend Revenue up 16% and Profit Forecast Met

Group revenue was $119 million up 16% with growth largely driven by the addition of System Control Engineering (SCE) which offset lower sales in our existing business segments.

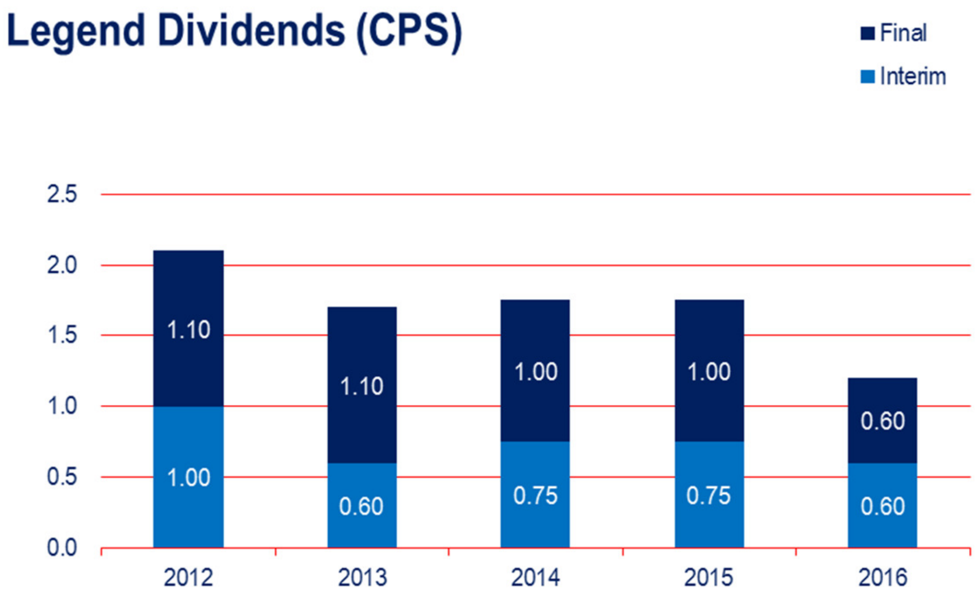
Net Profit after Tax (NPAT) for the year ended 30 June 2016 was $5.2 million. This result included $230,000 in one off SCE integration costs (acquired May 2015), a non-cash charge to profit of $399,000 required by accounting standards relating to an implied interest cost on the deferred settlement payments for SCE, and restructuring costs of $277,000 associated with right sizing our power business. On a normalized basis after tax profit was $5.9 million or 14% lower than the prior corresponding period (pcp). This decline in profit was due to lower sales in both our Electrical, Power and Infrastructure (5%) and Innovative Electrical Solutions (20%).



Dividends

A final fully franked dividend of 0.6 cents was declared for 2016 with a Record Date of 4 November 2016 and Payment Date of 5 December 2016.

Dividends for the year were 1.2 cents per share.



Of the $9.2 million generated in operating cash during FY17; $3.5 million was paid out in dividends, $4.8 million in debt repayments and $1 million in deferred consideration for the acquisition of SCE.

Operational & Financial Highlights

System Control Engineering revenue was $29.6 million, 4% on their full year performance in the prior year. Further growth in this business is budgeted in the coming year. SCE has been successfully integrated SCE into our business through:

- The consolidation of New South Wales, South Australian and New Zealand offices and warehouses into existing facilities.
- The integration of information technology, marketing, finance and administration within existing Group resources.
- The reorganization of stock holdings to provide greater visibility for improved management and reduced working capital demands.
- The consolidation of ERP and sales reporting tools.

The consolidation of SCE's Victorian operations to a new warehouse and office facility, housing all the Group's Victorian businesses, will be completed by September 2016. This will lower future costs.

Operational & Financial Highlights

After a strong performance in the 2015 financial year for Innovative Electrical Solutions which was driven by defence related contracts and a demand spike from a major customer, the segment has returned to historical levels of sales.

Profit for Electrical, Power and Infrastructure was down 15% on pcp as a result of continued reduced demand for our products from east coast power utilities who continue to restructuring and defer capital works. There are however several major infrastructure works near commencement that should provide a very strong pipeline of opportunities. We have addressed the changing market conditions within this segment by reducing our operating expenses.

The past financial year has been one of mixed results with SCE achieving revenue growth and margin improvement over the pre-acquisition business, overshadowed by reduced returns from our traditional business.

Costs efficiencies associated with the consolidation of SCE and restructuring our Electrical, Power & Infrastructure segment have resulted in cost reductions of $1 million for the next financial year. Management continues to seek out additional savings that will not impact the efficient operation of the business.

Financial Summary	30 June 2016	30 June 2015	Change
Revenue	**$119.0m**	**$102.3m**	**16.4%**
Cost of Goods	$70.6m	$57.0m	23.9%
Gross Profit Gross Profit Margin	**$48.5m** 40.7%	**$45.3m** 44.3%	**7.0%**
EBITDA EBITDA Margin	**$11.2m** 9.4%	**$13.2m** 12.9%	**(15.2%)**
EBIT EBIT Margin	**$8.9m** 7.5%	**$10.8m** 10.5%	**(16.9%)**
NPBT NPBT Margin	**$7.6m** 6.3%	**$9.9m** 9.6%	**(23.4%)**
NPAT NPAT Margin	**$5.2m** 4.3%	**$6.9m** 6.7%	**(24.6%)**
NPAT Margin	754	-	100.0%
Underlying NPAT Underlying NPAT Margin	**$5.9m** 5.0%	**$6.9m** 6.7%	**(13.6%)**
Earnings Per Share	**$0.024**	**$0.031**	**(22.6%)**
Net Assets Net Assets per Share	**$68.5m** $0.314	**$67.0m** $0.306	**2.2%** 2.6%
Net Bank Debt	**($17.9m)**	**($21.2m)**	**15.7%**
Operating Cash Flow	**$9.2m**	**$6.4m**	**45.0%**

Revenue & Gross Profit

Revenue for the period was $119.0 million, a 16% increase on the prior year (2015: $102.3 million) due to the full year inclusion of SCE. Revenue for SCE was $29.6 million this year versus $5.8 million last year (2 months).

Despite the late onset of cold weather this year SCE achieved a 4% increase in revenue over the prior (full) year.

As identified in last year's report, Innovative Electrical Solutions benefited during the 2015 financial year from a demand spike from an existing customer and defence related contracts. Having delivered on several one off contracts, revenue returned to historical levels down 20% on pcp.

Electrical, Power and Infrastructure revenue declined 5% compared to the pcp due to weaker electrical wholesale demand power utilities issues mentioned previously.

Margins in our pre-existing business were generally maintained with a slight decline of 2.3% attributable to product sales mix. SCE has traditionally operated on margins lower than the Group's average and although we achieved an improvement in margins at SCE the overall Company gross profit margin was down 3.6% on pcp to 40.7%.

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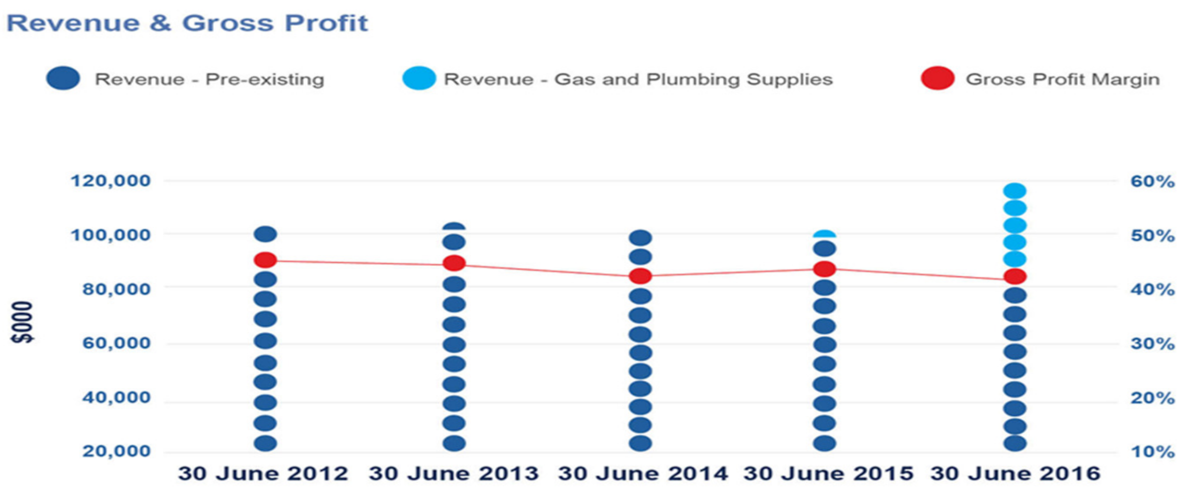


Electrical, Power and Infrastructure

	30 June 2016	30 June 2015	Change	
	$'000	$'000	$'000	%
REVENUE	79,740	83,779	(4,039)	(5%)
EBITDA	4,829	6,455	(1,626)	(25%)
Operating Profit	3,641	4,270	(629)	(15%)

This division's earnings in the past have been closely tied to residential & commercial building approvals, engineering construction associated with primary resources and capital works associated with power networks and infrastructure construction.

While there is currently very strong activity in residential construction, this has been more than offset by significant reductions in activity and demand from engineering construction associated with primary resources. These changes resulted in a small decline in electrical market revenues.

Expenditure on power networks, in particular base load power generation and power transmission, has remained at very low levels across all east coast power utilities resulting in significant revenue declines.

Revenue for this segment fell by 5% to $79.7 million (2015: $83.8 million) and as a result EBITDA was down 25% to $4.8 million (2015: $6.5 million).

Further enhancements to product range, widening the client base and strategies to take advantage of the opportunities to better create demand for our brands together with infrastructure construction is the primary focus for this segment.

Innovative Electrical Products

	30 June 2016	30 June 2015	Change	
	$'000	$'000	$'000	%
REVENUE	12,286	15,355	(3,069)	(20%)
EBITDA	4,203	6,344	(2,141)	(34%)
Operating Profit	4,001	6,152	(2,151)	(35%)

Defence related contracts and a demand spike from a major client were the key contributors to a revenue increase of 23% during the prior year. Having completed supply on these contracts, FY16 revenues returned to a more normal level of $12.3 million (2015: $15.4 million). As a result of the reduced revenue, EBITDA was down 34% to $4.2 million (2015: $6.3 million).

The development of new products remains the key focus of this segment. Further product launches will be made in the coming year; which are expected to result in revenue growth.

Whilst the segment has performed well in terms of its long term average, the drop of $2.2 million in segment profit was a major contributor to the Group's reduced earnings in FY16.

Gas and Plumbing

	30 June 2016	30 June 2015	Change	
	$'000	$'000	$'000	%
REVENUE	29,576	5,803	23,773	410%
EBITDA	2,148	787	1,361	173%
Operating Profit	1,298	748	550	74%

This is our newest segment resulting from the acquisition of SCE 1 May 2015.

The segment contributed $29.6 million in revenue and $2.1 million in EBITDA for the year, the first full year of contribution to the Group.

In addition to consolidation activities, SCE management have been successful in securing agreements with ongoing key supply partners as well as engaging new supply partners providing further opportunity for growth.

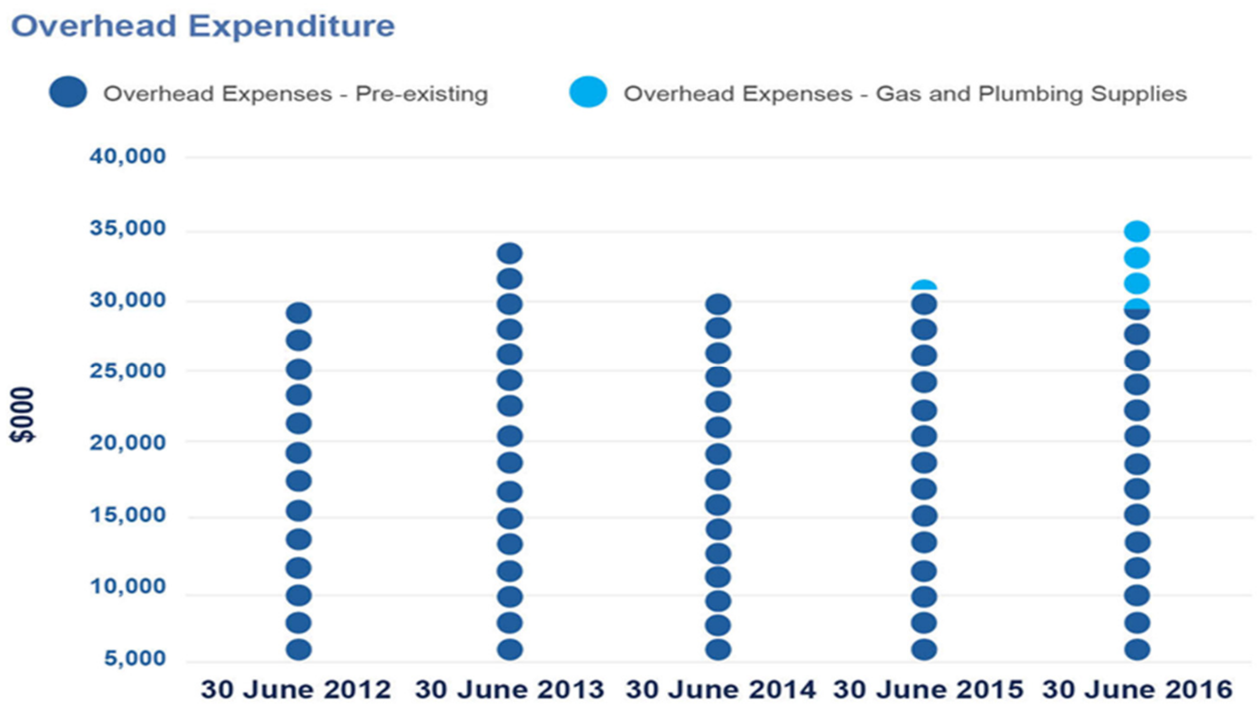
We have rebuilt larger and better merchandised trade counters for SCE in Brisbane, Sydney and Adelaide and we are expecting this to provide a revenue (and profit) boost to this business in the coming year.

Overhead Expenditure

Overhead expenses increased by $5.2 million or 16% to $37.4 million ($32.8 million pcp) as a result of the addition of SCE overheads for the full year.

Expenses for the Group's pre-existing business were down 6% on the prior year.

With the integration of SCE almost complete, we are forecasting a reduction in overhead expenses in FY17 of more than $1 million.



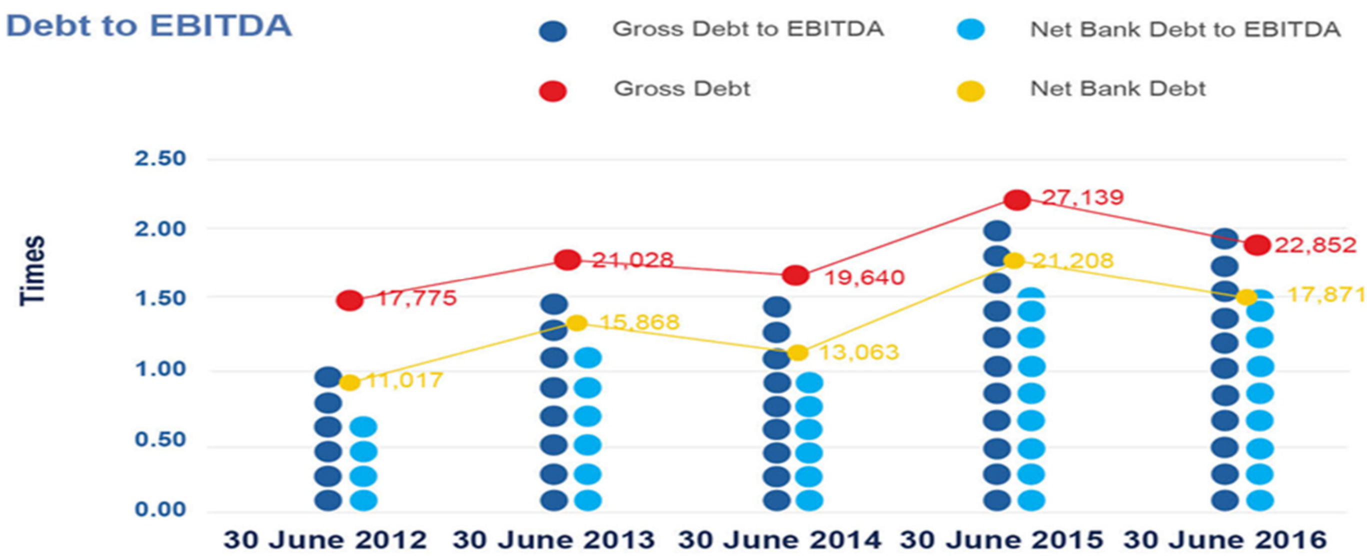
Bank Debt

Gross Debt decreased by $4.3 million over the year. Net debt was $17.9 million at year end (2015: $21.2 million), a low 1.6 times EBITDA.

We anticipate net debt levels at the end of June 2017 to decline to approximately 1 times EBITDA.

Banking facilities with Australian and New Zealand Banking Group Limited were renewed on 21 June 2016 and extend until 23 June 2018.

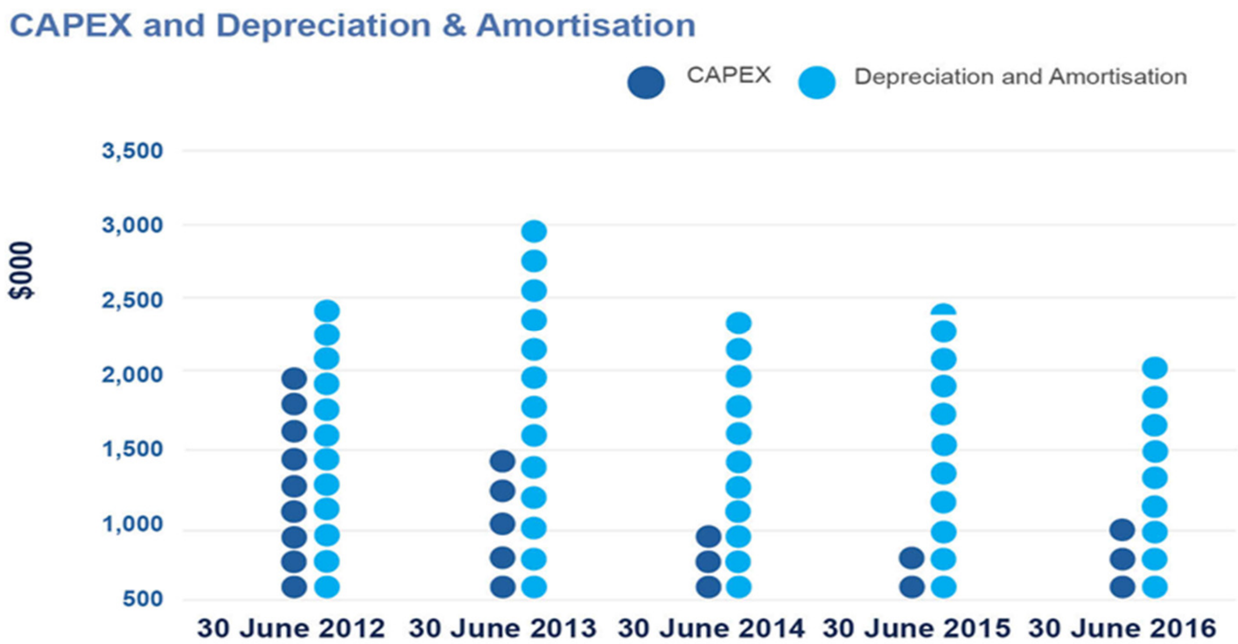
These facilities provide additional capacity for further organic and acquisitive growth.



Capital Expenditure

During the year we invested in upgrades to information technology systems and improvements to existing office, warehousing and trade desk facilities to accommodate SCE operations. Total CAPEX for the year was $1.2 million (2015: $809,000).

Depreciation charges were down 34% to $1.4 million (2015: $2.1 million), with Amortisation charges for intangible assets generated through the MSS, Ecco and SCE acquisitions, including intellectual property, customer lists and restraint of trade agreements, up $523,000 to $858,000 (2015: $335,000).



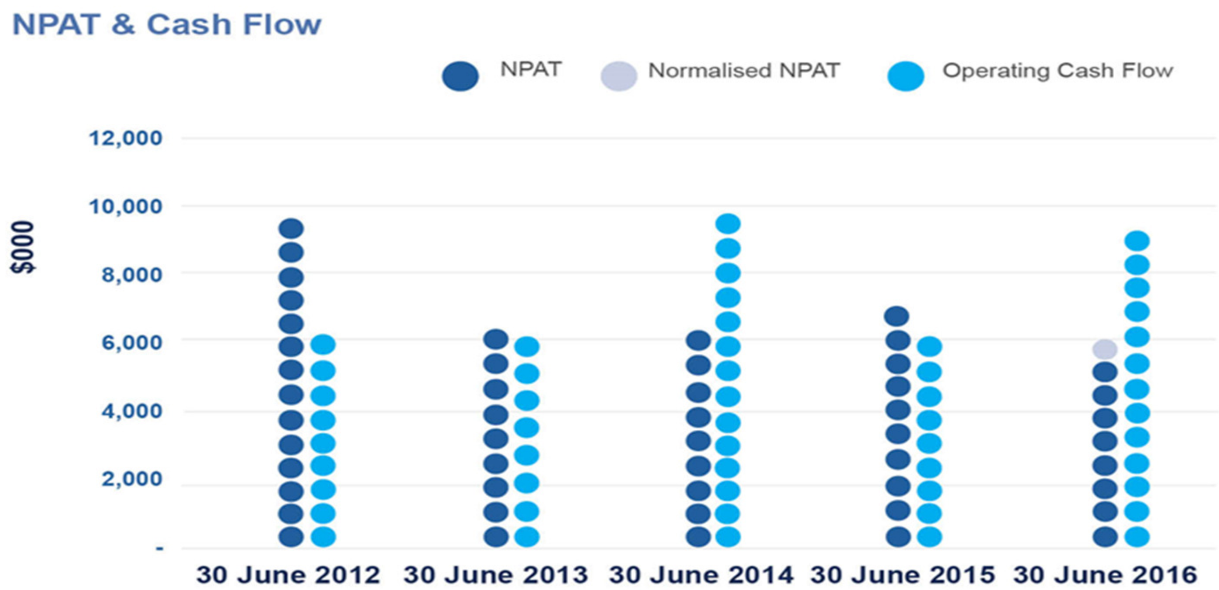
Operating Cash Flow

On a normalized basis after tax profit was $5.9 million, 14% lower than pcp.

The Government's change in company tax instalments from quarterly to monthly during the 2015 year negatively impacted cash flow for that year by $1.3 million.

FY16 operating cash flow increased 45% on pcp to $9.2 million (2015: $6.4 million). We expect operating cash to remain strong over the GY17 year as we see the benefits of continual improvement in working capital management.

Stock management remains a key focus for further improvement in cash flow.



Acquisitions

Whilst possible acquisitions continue to be explored, the focus this year has been the integration of the operations of SCE with our existing businesses where appropriate.

SCE has performed well over the past 12 months achieving targeted earnings. A $1 million deferred payment was made in January 2016 with a further settlement payment of $1 million due at the end of August 2016.

Total consideration paid to date has been $11 million with a further maximum $7.72 million payable over the coming 3 years on achievement of earnings targets.

Outlook

While our markets have been challenging in recent years due to the major decline in Australian engineering construction, the declining dollar and the deferral of capital works by power utilities, the Australian dollar has now stabilised and there are major infrastructure works underway, or in the pipeline, that provide opportunities for our business.

Our outlook in the coming year is for an improved profit and we expect to achieve this through a combination of the reduction in operating expenses of $1 million, the launch of new products, a new on line sales channel (2nd quarter) and continued improvement in our Gas, Plumbing and Infrastructure businesses

Our strong balance sheet, modest net debt levels and prudent management of operating costs will allow continued investment in organic and acquisitive growth in the year ahead.