

LEGEND CORPORATION LIMITED
ABN 69 102 631 087

APPENDIX 4D – HALF-YEAR REPORT

RESULTS FOR ANNOUNCEMENT TO THE MARKET
HALF-YEAR ENDED 31 DECEMBER 2008

(Previous corresponding period 31 December 2007)

The information contained in this report should be read in conjunction with the most recent annual financial report.

This report is all the half-year information provided to the Australian Securities Exchange under listing rule 4.2A. The report also satisfies the half-year reporting requirements of the Corporations Act 2001.

	Current period \$'000	Previous corresponding period \$'000	Increase/(decrease) over previous corresponding period %
Revenue from ordinary activities			
• Continuing operations	48,071	63,940	(24.5)
• Discontinued operations	-	25,240	(100.0)
• Total	48,071	89,180	(45.8)
Profit / (loss) from ordinary activities after tax attributable to members			
• Continuing operations	3,131	(15,281)	120.5
• Discontinued operations	(427)	(24,279)	98.2
• Total	2,704	(39,560)	106.3
Net profit / (loss) for the period attributable to members			
• Continuing operations	3,131	(15,281)	120.5
• Discontinued operations	(427)	(24,279)	98.2
• Total	2,704	(39,560)	106.3
Earnings per share			
• Continuing operations	1.45	(10.56)	113.7
• Discontinued operations	(0.20)	(16.79)	104.9
• Overall operations	1.25	(27.35)	108.3
Net tangible asset backing per ordinary share	\$0.05	\$0.02	

Dividends

No dividends have been declared.

The dividend reinvestment plan continues to operate in accordance with previous ASX disclosures.

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Legend Corporation Ltd
ACN 102 631 087
ABN 69 102 631 087

Legend Corporate Services Pty Ltd
ACN 006 722 292
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Brief explanation of the figures reported above necessary to enable the figures to be understood:

During the first half of the year to 31 December 2008 the Group recorded a net profit after tax of \$3.13 million for the continuing operations, representing 1.45 cents per share. Positive cash flows from operating activities were achieved, with all divisions of the Group recording profitable trading results.

Net Debt has decreased from \$34.09 million at 31 December 2007 to \$24.46 million as at 31 December 2008. The lower net debt and lower interest rates will translate to lower finance charges in the second half. The company is ahead of its debt reduction planning with total repayments of \$5.87 million during the half.

The restructuring activities announced in February 2008 are substantially complete apart from minor accounting and administrative functions to close some foreign operations. Restructuring activities have improved our ability to deliver products and services to meet client needs and resulted in operational efficiencies in manufacturing, sales and administration.

Revenue is down \$15.87 million (25%) on the corresponding period reflecting consolidation of business operations into continuing operations and in part due to contraction of electrical wholesale markets that the company serves.

Gross profit is up by \$1.58 million (9%) and EBIT is up by \$0.80 million (17%) reflecting the Group's focus on quality of earnings.

Overview of results

	31 December 2008 (Half-Year) \$'000	31 December 2007 (Half-Year) \$'000	30 June 2008 (Full-Year) \$'000
Continuing Operations			
Revenue	48,071	63,940	103,762
Gross Profit	19,501	17,924	38,360
Gross Profit Margin	41%	28%	37%
EBITDA	6,555	5,568	10,364
EBITDA Margin	14%	9%	10%
EBIT	5,486	4,690	8,450
EBIT Margin	11%	7%	8%
Impairment of Goodwill	-	(17,308)	(17,308)
Continuing NPAT	3,131	(15,281)	(13,259)
Discontinued Operations	(427)	(24,279)	(27,420)
Consolidated NPAT	2,704	(39,560)	(40,679)

Net Tangible Assets

Net tangible assets have increased by 27% (\$31.61 million as at 31 December 2007 to \$40.24 million as at 31 December 2008) further strengthening the balance sheet. Net tangible asset backing per ordinary share increased from \$0.02 to \$0.05.

Performance by division

Legend Corporation has four divisions:

CABAC operates throughout Australia focusing on electrical sales and distribution. The business supplies a wide range of house brand electrical and data products, as well as manufacturing a range of specialised electrical connectors and other unique products.

Hendon Semiconductors, based in South Australia, designs and manufactures integrated circuits (IC's), thick film hybrid and printed circuit board (PCB) module assemblies. Hendon's products are applied in a wide range of industries including: medical, telecommunications, automotive and consumer electrical.

Legend Performance Technology manufactures a wide range of application specific memory for high end information technology applications; the business supplies a wide range of digital products, computer peripherals and accessories.

Cabac Power focuses on the delivery of unique, in house developed, specialized products and services to power utilities and related original equipment manufacturers and contractors.

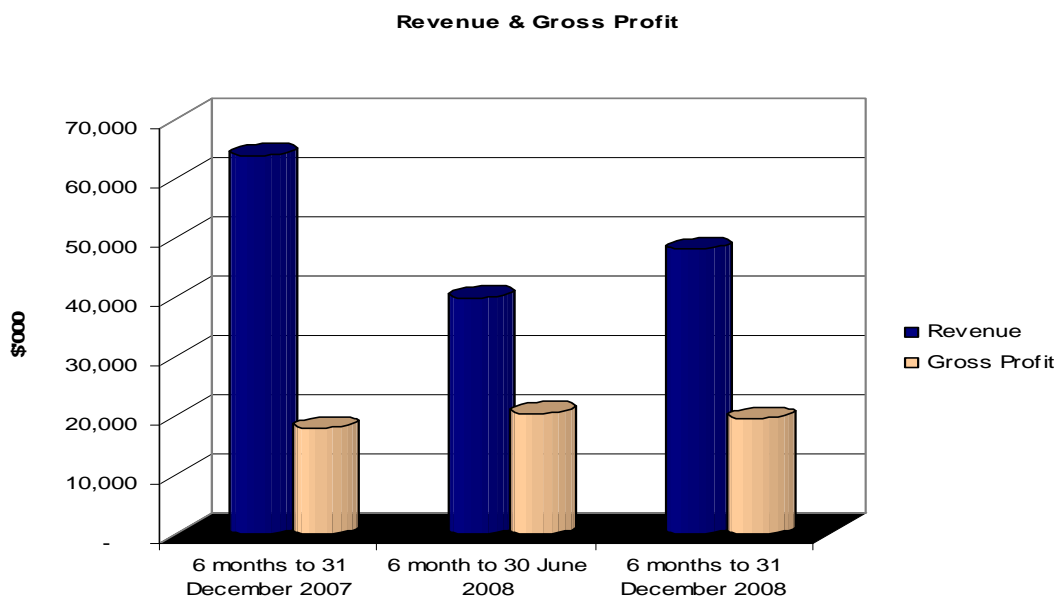
Cabac's electrical business has been impacted by the falls in new housing and commercial building starts resulting in contraction of electrical wholesale markets. Consequently whilst new and improved products have been brought to market and Cabac's market share has improved, overall the business performed below expectations.

Hendon Semiconductors continues to deliver leading technology solutions to manufacturers and has significantly outperformed expectations during the first half.

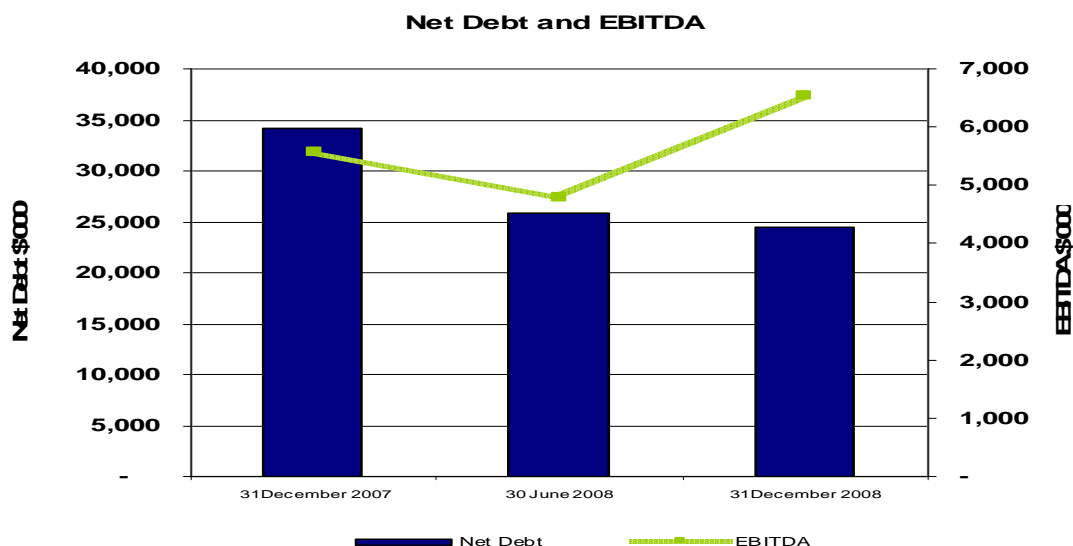
Legend Performance Technologies' renewed focus on delivery of high margin specialised memory products and computer accessories is delivering results in advance of expectations.

The Power division, established in July 2008 to supply unique products to electricity distribution utilities, has performed well; in line with expectations.

Trends in operations



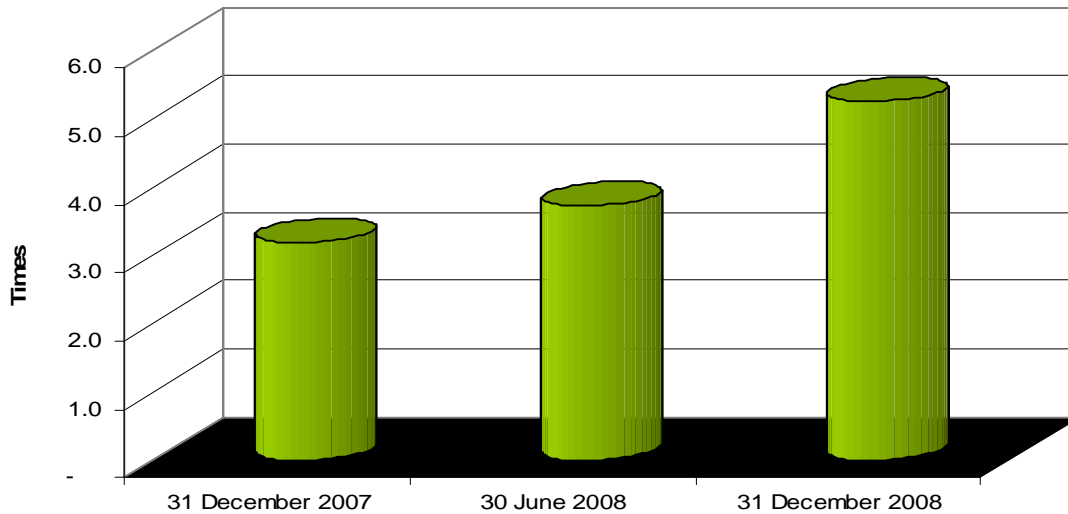
Revenue down \$15.87 million (25%) on the corresponding period, however gross profit up by \$1.58 million (9%) reflecting the Group's focus on quality earnings.



Net Debt to EBITDA ratio has improved from 3.1 times at 31 December 2007 to 2.2 times at 31 December 2008. (EBITDA calculated on a 12 months cumulative basis)

Net debt has decreased from \$34.09 million at 31 December 2007 to \$24.46 million at 31 December 2008. The Directors have received written confirmation that National Australia Bank Limited has formally approved revisions to the borrowing facilities. Formal documentation is currently being finalised. The Multi-Option working capital facility is approved for extension until 1 January 2010. The term debt facility expires on 23 November 2014. The company is in compliance with all banking covenants and we expect to extend the term of debt further in the normal course of business and will report on the progress in the annual accounts.

Interest Cover



As a result of improved EBITDA, interest rates and debt levels, interest cover on EBITDA has improved from 3.2 times during the period to 31 December 2007 to 5.2 times during the period to 31 December 2008

Foreign currency impact

Hedging strategies enacted during the period proved effective in sheltering the profits of the business from the declining US dollar.

Outlook and business strategies


We will continue our focus on debt reduction, cost reduction, improved inventory management whilst maintaining the quality and consistency of earnings.

Our client value proposition is; product quality, range, availability and service. Our markets remain competitive and world events are now driving a tightening of local markets that will increase challenges over the remainder of the financial year. We have enacted a number of strategies to maintain gross profits in the declining sales environment.

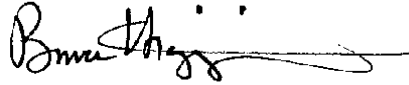
The Group has not forecast earnings for the remainder of this financial year as this would require a view of the future dependent on a number of uncertain variables such as the strength of the Australian economy, demand for our products, Australian currency variations, cost movements of suppliers and many other factors which are currently displaying unprecedented volatility. Accordingly the directors will not be offering a forecast and caution against the extrapolation of the half-year result as a reflection of the company's possible performance for the full year.

Legend Group has performed well over the first half. We are confident that the restructuring we have completed and strategies we have in place with each of our businesses place the Group in a strong position for the future and we look forward to delivering continuing improved results from a stronger and more competitive Legend Corporation.

Yours sincerely



Bradley R Dowe
Chief Executive Officer
Legend Corporation Limited



Bruce E Higgins
Chairman of Directors
Legend Corporation Limited

26 February 2009

LEGEND CORPORATION LIMITED
ABN 69 102 631 087

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2008.

Directors

The names of the directors who held office during or since the end of the half-year:

Mr Bruce Higgins (Chairman)
Mr Bradley Dowe
Mr Ian Fraser

Review of Operations

The Directors review of operations of the consolidated group for the half-year and the results of those operations are set out in the attached Results for Announcement to the Market for the Half-Year Ended 31 December 2008.

Rounding of Amounts

The consolidated group has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest \$1,000.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 8 for the half-year ended 31 December 2008, and forms part of this report.

This report is signed in accordance with a resolution of the Board of Directors.



Bruce E Higgins
Chairman of Directors
Legend Corporation Limited

26 February 2009



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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 review of Legend Corporation Limited for the half-year ended 31 December 2008, 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 review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.

GRANT THORNTON NSW
Chartered Accountants

A J Archer
Partner
Sydney, 26 February 2009

CONSOLIDATED INCOME STATEMENT
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Notes	Consolidated Group	
		31 December 2008 \$000	31 December 2007 \$000
Revenue from continuing operations		48,071	63,940
Other income		303	106
Changes in inventories of finished goods and work in progress		(318)	5,167
Raw materials and consumables used		(28,252)	(51,183)
Employee benefits expense		(8,545)	(8,280)
Depreciation and amortisation expense		(1,069)	(878)
Finance costs		(1,445)	(1,762)
Other expenses		(4,510)	(4,172)
Impairment of goodwill		-	(17,308)
Profit/(loss) before income tax		4,235	(14,370)
Income tax expense		(1,104)	(911)
Profit/(loss) from continuing operations		3,131	(15,281)
Profit/(loss) from discontinued operations	2	(427)	(24,279)
Profit/(loss) attributable to members of the parent entity		2,704	(39,560)
		Cents	Cents
Overall Operations			
Basic earnings/(loss) per share		1.25	(27.35)
Diluted earnings/(loss) per share		1.25	(27.35)
Continuing Operations			
Basic earnings/(loss) per share		1.45	(10.56)
Diluted earnings/(loss) per share		1.45	(10.56)
Discontinued Operations			
Basic earnings/(loss) per share		(0.20)	(16.79)

The accompanying notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2008

	Consolidated Group	
	31 December 2008 \$000	30 June 2008 \$000
CURRENT ASSETS		
Cash and cash equivalents	8,968	12,247
Trade and other receivables	15,606	15,137
Inventories	15,621	15,701
Other current assets	646	831
TOTAL CURRENT ASSETS	40,841	43,916
NON-CURRENT ASSETS		
Property, plant and equipment	9,962	10,195
Deferred tax assets	4,577	5,536
Intangible assets	29,218	29,287
TOTAL NON-CURRENT ASSETS	43,757	45,018
TOTAL ASSETS	84,598	88,934
CURRENT LIABILITIES		
Trade and other payables	8,301	10,179
Financial liabilities *	22,661	6,730
Current tax liabilities	491	1,030
Short-term provisions	1,478	1,589
TOTAL CURRENT LIABILITIES	32,931	19,528
NON-CURRENT LIABILITIES		
Financial liabilities *	10,767	31,403
Deferred tax liability	172	28
Long-term provisions	492	470
TOTAL NON-CURRENT LIABILITIES	11,431	31,901
TOTAL LIABILITIES	44,362	51,429
NET ASSETS	40,236	37,505
EQUITY		
Issued capital	74,001	74,001
Reserves	76	49
Accumulated losses	(33,841)	(36,545)
TOTAL EQUITY	40,236	37,505

* On 25 February 2009 the Directors received written confirmation that National Australia Bank Limited had formally approved revisions to the Multi Option Facility. The Bank is in the process of finalising the formal loan documentation. The approved facility reschedules \$15,529,750 of this facility, which is currently disclosed as current, to an expiry date of 1 January 2010, and in accordance with Accounting Standards is a non-adjusting subsequent event.

The accompanying notes form part of these financial statements

LEGEND CORPORATION LIMITED
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

Consolidated Group	Issued Ordinary Capital \$000	Option Reserve \$000	Foreign Currency Translation Reserve \$000	Retained Profits/ (Accumulated Losses) \$000	Minority Equity Interest \$000	Total \$000
Balance at 1 July 2007	68,062	24	(1,860)	6,202	98	72,526
Exchange differences on translation of foreign operations	-	-	517	-	-	517
Net income recognised directly in equity	-	-	517	-	-	517
Loss attributable to members of the parent entity	-	-	-	(39,560)	-	(39,560)
Total recognised income and expense	-	-	517	(39,560)	-	(39,043)
Shares issued during the year	297	-	-	-	-	297
Dividends paid or provided for	-	-	-	(2,166)	-	(2,166)
Balance at 31 December 2007	68,359	24	(1,343)	(35,524)	98	31,614
Balance at 1 July 2008	74,001	49	-	(36,545)	-	37,505
Profit attributable to members of the parent entity	-	-	-	2,704	-	2,704
Total recognised income and expense	-	-	-	2,704	-	2,704
Option expense	-	27	-	-	-	27
Balance at 31 December 2008	74,001	76	-	(33,841)	-	40,236

The accompanying notes form part of these financial statements

LEGEND CORPORATION LIMITED
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CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Consolidated Group	
	31 December	31 December
	2008	2007
	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	45,873	98,246
Payments to suppliers and employees	(41,174)	(89,722)
Interest received	194	106
Finance costs	(1,445)	(1,861)
Income tax paid	(766)	(629)
	<hr/>	<hr/>
Net cash provided by operating activities	2,682	6,140
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of plant and equipment	35	-
Purchase of property, plant and equipment	(1,459)	(1,495)
Payment for subsidiaries net of cash acquired	-	(5,702)
Proceeds from the sale of subsidiaries net of cash disposed	182	-
	<hr/>	<hr/>
Net cash used in investing activities	(1,242)	(7,197)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	817	-
Repayment of borrowings	(5,868)	(2,270)
Dividends paid	-	(1,867)
	<hr/>	<hr/>
Net cash used in financing activities	(5,051)	(4,137)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents held	(3,611)	(5,194)
Effect of exchange rates on cash holdings in foreign currencies	332	(66)
Cash at beginning of the period	12,247	13,089
	<hr/>	<hr/>
Cash at end of the period	8,968	7,829

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

NOTE 1: BASIS OF PREPARATION

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2008 and any public announcements made by Legend Corporation Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by the entity in the consolidated group and are consistent with those in the 30 June 2008 financial report.

The half-year report does not include full disclosure of the type normally included in an annual financial report.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

NOTE 2: DISCONTINUED OPERATIONS

Details relating to discontinued operations can be found at Note 5 of the 30 June 2008 financial report.

Financial information for the period relating to the discontinued operations is set out below and at Note 3 Segment Reporting.

The financial performance of the discontinued operations which is included in the profit/(loss) from discontinued operations per the income statement is as follows:

	Consolidated Group	
	31 December 2008	31 December 2007
	\$000	\$000
Revenue	-	25,240
Cost of sales	-	(24,204)
	<hr/>	<hr/>
Gross profit	-	1,036
Other expenses from ordinary activities	8	(2,027)
Discontinuance expenses		
- Inventory write-downs	-	(19,515)
- Bad debts expense	(i) (435)	(3,354)
- Impairment of assets	-	(1,225)
- Office closure and associated costs	-	(1,213)
	<hr/>	<hr/>
Loss before income tax	(427)	(26,298)
Income tax benefit	-	2,019
	<hr/>	<hr/>
Total profit/(loss) after tax attributable to discontinuing operations	(427)	(24,279)

The net cash flows of the discontinued operations which have been incorporated into the cash flow statement are as follows:

Net cash outflow from operating activities	(105)	(2,351)
Net cash outflow from investing activities	-	(100)
	<hr/>	<hr/>
Net cash decrease in cash generated by the discontinuing operations	(105)	(2,451)

- (i) In accordance with the terms of the Management Buy-out Agreement for the sale of Legend Tech (RSA) Pty Ltd, receivables included in the completion balance sheet as at 30 April 2008 that the purchaser is unable to recover within 6 months from the date of sale revert back to the seller. All such amounts have been provided for in full.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

NOTE 3: SEGMENT REPORTING

	Memory modules and Semiconductors		Electrical, Data and Communications		Consolidated Group (Continuing Operations)		Discontinued Operations	
	31 Dec 2008	31 Dec 2007	31 Dec 2008	31 Dec 2007	31 Dec 2008	31 Dec 2007	31 Dec 2008	31 Dec 2007
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Primary Reporting - Business Segments								
REVENUE								
Total revenue	14,598	11,899	33,473	52,041	48,071	63,940	-	25,240
RESULT								
Segment Result	3,591	2,114	3,252	2,586	6,843	4,700	(427)	(26,298)
Impairment of goodwill					-	(17,308)	-	-
Finance costs					(1,445)	(1,762)	-	-
Exchange loss on foreign currency denominated borrowings					(1,163)	-	-	-
Profit before income tax					4,235	(14,370)	(427)	(26,298)
Income tax expense					(1,104)	(911)	-	2,019
Profit after income tax					3,131	(15,281)	(427)	(24,279)
ASSETS								
Segment assets	20,329	13,773	29,919	28,941	50,248	42,714	555	13,915
Discontinued operations assets					555	13,915		
Unallocated assets					33,795	33,982		
Total assets					84,598	90,611		
LIABILITIES								
Segment liabilities	4,089	2,248	6,060	9,611	10,149	11,859	294	6,325
Discontinued operations liabilities					294	6,325		
Unallocated liabilities					33,919	40,813		
Total liabilities					44,362	58,997		

NOTE 4: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 5: EVENTS AFTER THE BALANCE SHEET DATE

On 25 February 2009 the Directors received written confirmation that National Australia Bank Limited had formally approved revisions to the Multi Option Facility. The Bank is in the process of finalising the formal loan documentation. The approved facility reschedules \$15,529,750 of this facility, which is currently disclosed as current, to an expiry date of 1 January 2010, and in accordance with Accounting Standards is a non-adjusting subsequent event.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 9 to 14;
 - a. comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
 - b. give a true and fair view of the consolidated group's financial position as at 31 December 2008 and of the performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Bruce E Higgins
Chairman of Directors
Legend Corporation Limited

26 February 2009



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF LEGEND CORPORATION LIMITED

Report on the half-year financial report

We have reviewed the accompanying half-year financial report of Legend Corporation Limited (the Company), which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration. The consolidated entity comprises both the Company and the entities it controlled at the half-year's end or from time to time during that half-year.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards including the Australian Accounting Interpretations and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement ASRE 2410: Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Legend Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Legend Corporation Limited is not in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON NSW
Chartered Accountants



A J Archer
Partner

Sydney, 26 February 2009