Appendix 4D & Half-Yearly Financial Report

LaserBond Limited

ABN 24 057 636 692

Half Year Information given to the ASX under Listing Rule 4.2A

For half-year ended 31st December 2012

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CHAIRMAN'S LETTER

Dear Shareholder,

On the following pages you will find LaserBond Limited's Appendix 4D and Financial Report for the half year to 31st December 2012. Underlying results for the period are as follows:

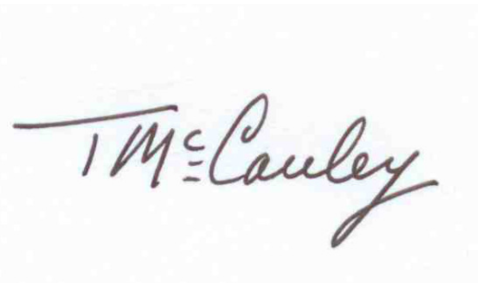
	Half Year To 31st December 2012		Half Year To 31st December 2011
Revenues from continuing operations	$7,225,106	**Down 5.6% from**	$7,651,119
Underlying EBITDA	<$36,538>	**Down 103.0% from**	$1,228,219
Underlying NPAT	<$120,163>	**Down 115.3% from**	$786,484
Underlying Earnings per share (cents)	<0.14>	**Down 113.1% from**	1.07

The underlying results above exclude a one off impairment loss for the goodwill in consideration for the purchase of our Queensland division. After this impairment loss the profit after tax attributable to members is showing a loss of <$3,120,163>.

The Board has considered this impairment loss at great length and it was considered necessary to write off this goodwill at this time. Detail on the reasoning behind this decision, and further information on the results from both the New South Wales and Queensland divisions, can be found in the Directors' Report.

Whilst the reported results are disappointing, they are predominantly the consequence of temporary factors. LaserBond is looking forward to continuing growth in revenue and profits. The Board has declared a 2013 interim dividend of 0.2 cents per share.

Yours sincerely



Tim McCauley
Chairman
LaserBond Limited

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Half Year To 31st December 2012		Half Year To 31st December 2011
Revenues from continuing operations	$7,225,106	**Down 5.6% from**	$7,651,119
Net Profit / <Loss> from Ordinary Operating Activities after Tax Attributable to Members	<$3,120,163>	**Down 496.7% from**	$786,484
Net Profit / <Loss> Attributable to Members	<$3,120,163>	**Down 496.7% from**	$786,484
Earnings per share (cents)	<3.66>	**Down 442.1% from**	1.07
Net Tangible Assets per Ordinary Share (NTA Backing - cents)	7.61	**Up 37.4% from**	5.54

Dividend Information

Dividends	Amount Per Share (cents)	Total	Franked Amount	Record Date	Payment Date
2012 Final	0.2	$169,452	100%	28 September 12	12 October 12
2013 Interim	0.2	$170,705	100%	12 April 2013	26 April 2013
		$340,157			

The Board has resolved to pay a 0.2 cent per share fully franked interim. With the forecasted continued growth, the Board expects to be able to continue to pay dividends. As the Board resolution regarding dividends was made after 31st December 2012, the dividend will be paid from retained earnings but is not recognized as a liability in the half-year financial statements.

Dividend Reinvestment Plans

During the period LaserBond Limited had a Dividend Reinvestment Plan (DRP) in operation. Under the DRP shareholders may elect to have dividends on some or all of their ordinary shares automatically reinvested in additional LaserBond shares, at a discount to the market price. Full details of the operation of the DRP are contained in the Terms and Conditions available on the LaserBond website: www.laserbond.com.au.

The Board has resolved to offer the DRP for the 2013 Interim Dividend. The discount applied to determine the Market Price in accordance with the DRP Terms and Conditions will be 5%.

In order to participate in the DRP for this dividend, shareholders that have not already done so must return a completed DRP Application Form to arrive at the share registry (Boardroom Pty Ltd) by 25th April 2012. The form will be mailed shortly to all shareholders that have not already submitted a completed form. The form is also available on our website: www.laserbond.com.au. Shareholders that have already returned the form need not complete another, unless a change in the level of participation is being requested.

Brief Explanation of Results:

For commentary on our half yearly results please refer to the Directors' Report on pages 5 to 9.

Details of Subsidiaries

During the period from 1st July 2012 to 31st December 2012, LaserBond Limited has not gained or lost control over any entities

Details of Associates and Joint Venture Entities

During the period from 1st July 2012 to 31st December 2012, LaserBond Limited has no interest in any Associates or Joint Venture Activities

Accounting Standards

Australian Accounting Standards have been used in compiling the information contained in this Appendix 4D.

Audit Modified Opinion, Emphasis of Matter or other matter

None.

Directors Report

Your directors present their report on the consolidated entity for the half-year ended 31st December 2012

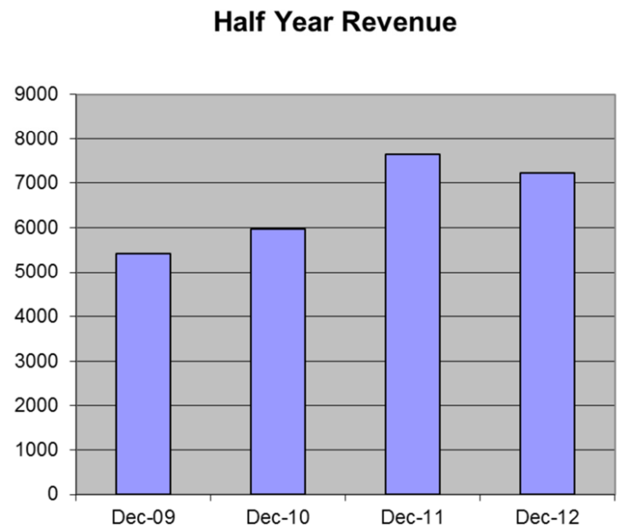
Directors

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

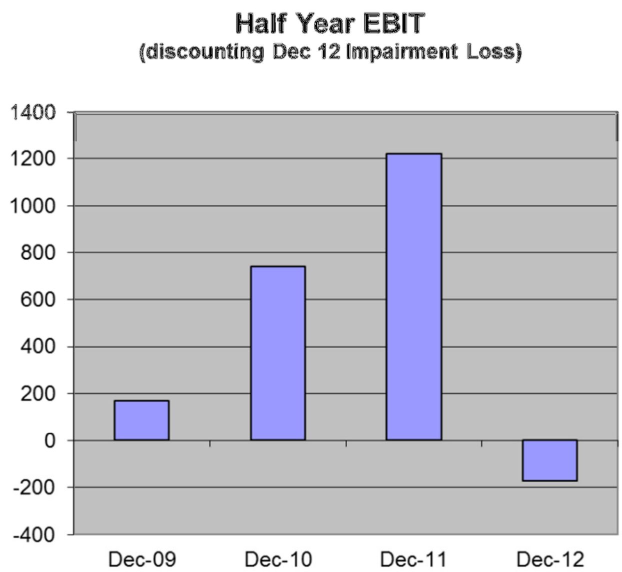
Mr Wayne Hooper
Mr Gregory Hooper
Mr Timothy McCauley
Mr Philip Suriano

Results for Half Year Dec 2012

The loss shown for the December 2012 half year is predominantly the result of an impairment from the write down of Goodwill in Consideration for our Queensland division. The reasons for this write-down and the underlying results are discussed further below.



Consolidated half year revenue was down by 5.6% over the previous corresponding period to $7.23 million.



- Consolidated underlying half year EBIT down to <$171,076>.
- LaserBond (NSW) underlying half year EBIT down to $78,719.
- LaserBond (Qld) half year EBIT to <$249,795>.

LaserBond (NSW)

The NSW division's results for the July to December 2013 period has shown a revenue decline of 16.2%, Gross Profit results of 46% of revenue in comparison to 50% for the previous corresponding period, and a $366,831 increase in Fixed Expenses. This has resulted in an $85,109 underlying profit before tax for the NSW division for the July to December 2012 period (before the effect of the impairment loss).

a) Revenue

The revenue for the NSW division declined as a result of a number of factors including market conditions and some temporary capacity constraints. Capacity was affected by the down-time associated with the relocation of large items of production equipment to our new, larger premises, which predominantly occurred from August to October.

The main industries served by LaserBond (NSW) have endured some market conditions that have slowed project and maintenance activities and consequently demand for the company's services. Whilst it is difficult to accurately forecast client demand, the decline is expected to be temporary. Further, the activities of the sales team since the restructuring from June 2012 has stimulated demand in new industry sectors. The revenue for the second quarter of the reporting period was up by 16% over the first quarter, and the activities since the reporting period have resulted in increased sales in January & February. This recent demand from new clients and industries has arrested the reported revenue loss. Whilst we experienced a 16% decline in revenue for the reporting period over the p.c.p., the financial year to date revenue as at 28 February 2013 is expected to be only 8% less than the corresponding period last year.

Over the coming months the target of the NSW division is return the full year revenue to growth compared to FY2012. This target is based on assuming current historical demand remains subdued with new client and industry demand continuing to grow. Future revenue will show substantial growth again as market conditions improve and the historical demand for LaserBond (NSW)'s services returns.

b) Gross Profit

The decline in Gross Profit percentage can be directly attributed to the temporary reduction in production efficiencies caused by the move from the Ingleburn and Minto premises to the new premises in Smeaton Grange.

The majority of the move occurred between August and October 2012. However due to client demand, it was found to be impossible to disrupt production by dismantling and relocating some of the larger, critical pieces of equipment until January & February 2013. Each of these pieces of equipment individually require several weeks to dismantle, relocate, assemble and re-commission. At the end of the reporting period, the company was operating from 3 sites located some 20 minutes drive from each other, and transporting work between them. This temporarily reduced efficiency and affected the gross profit. With the division now working from the one facility, Gross Profit will return to historical levels.

Further, LaserBond (NSW) is currently in the process of streamlining of the operational areas by implementing lean manufacturing principles, and reinforcing role responsibilities and accountability. This program is expected to re-focus the division in order to drive efficiencies and assist improvements and protection of Gross Profit results for the future.

c) Fixed Expenses

Three specific areas stand out causing significant increases to Fixed Expenses for the NSW division. Note that these costs had been planned and were budgeted for the business moving forward.

1. Employment Expenses –

   $167,003 increase to costs related to In-Direct or Administrative wages. These increases are directly attributable to the wage and related on-costs for the National Sales Manager (commenced March 2012) and two Technical Sales Representatives (commenced May / June 2012). These positions form the basis of the new Sales team structure discussed in previous reports or market updates and are crucial for the continued strong growth of the division.

2. Property Rent & Rates –

   $134,229 increase to costs related to the lease and on-costs for rental of properties by the NSW division. This included 3 months of the reporting period where rent was being paid for the new, 5,400m^2 premises as well as the old Minto & Ingleburn facilities. At the time of this report, the Ingleburn & Minto sites have been vacated, with all activities now being carried out at Smeaton Grange.

3. Expenses related to Financing –

   $53,900 increase to costs related to the financing of machinery or other equipment during the 2012 calendar year. This equipment includes a large capacity CNC Borer, motor vehicles for the additional sales staff, and new equipment at the Smeaton Grange premises including phone system, security systems, IT hardware / software and a new Thermal spray room package.

   At this stage there are no further plans for investment in capital equipment by the NSW division unless opportunities warrant the investment in order to secure continued revenue generating projects.

d) Underlying Profits Before Tax

The NSW division achieved an underlying profit before tax of $85,109 for the first half of 2012-2013. The issues noted in the points above resulted in a loss for the July-September quarter as advised in our Market Update in October 2012. Improved results were experienced for the October to December quarter.

LaserBond (Qld)

The results for the Queensland division for the reporting period include revenue growth of 17% over the prior corresponding period. Whilst this is strong growth, the division remains under budgeted revenue targets and has experienced a loss for the half year to December 2012.

Financial forecasts for FY2013 for the Queensland division allowed for a loss for the July to December 2012 period, predominantly due to increasing fixed costs as a consequence of the gas project boom in the area. In particular:

1. rising property rental costs (market reviews for property leases resulted in an average 27% increase in rent over and above CPI increases applied in previous years)

2. ongoing pressure on wages within the region and
3. recruitment plans (continued recruitment of skilled shop floor staff)

It was also expected that revenue would be increased over the period due to the efforts of the new Technical Sales Representative employed in Queensland in June 2012 to generate business from new clients and industry sectors throughout Central Queensland.

The actual loss for the December 12 half year was higher than forecast mainly as a result of a Queensland Office of State Revenue audit on payroll tax instigated by the OSR after changes implemented to payroll tax calculations. These changes were as per directions by the OSR after last financial year's audit by the NSW Office of State Revenue. However the Office's of State Revenue between states have differing rulings and directions given by the NSW office were not in line with Queensland OSR rulings.

Impairment Loss

The parent entity's balance sheet has included an intangible asset for the Goodwill in Consideration for the purchase of our Queensland division.

Companies are continually seeking cost-savings. The surface engineering technologies offered by LaserBond provide a service that improves efficiencies through increased production, reduced down-time and lower costs. The applications developed by the parent entity provide a unique service. There is currently no similar technology in the Central Queensland region, and where this technology may exist in other areas of Queensland competition remains low for the surface applications the LaserBond group provide.

Because of these particular points, since the purchase, financial forecasts and short term plans for the Queensland division have shown considerable potential, which remains to be fully realised.

In September 2012, LaserBond released its 2012 Annual Report with no impairment adjustment to the Goodwill in Consideration. At the time, the business had recently exhibited at the Queensland Mining & Engineering Exhibition in Mackay and the team put in place in Queensland of a full time estimator and full time technical sales representative were making significant advances with potential new clients or new industry sectors.

Forecasts were developed based on this continuing potential which showed the Queensland division's results exceeding the existing goodwill value over a period of time. Initially the forecasts showed a small loss for the July to December 2012 period. This was based on the restructured sales team being given time to turn new opportunities into tangible results and the increasing cost of doing business in the Gladstone area (in particular rent and wages pressure discussed earlier). Results for Queensland for the December 2012 half year has shown progress and growth in areas essential to the division's continued growth and profitability.

However issues outside of the company's control are undermining this growth and profitability for the January to March 2013 quarter. Recent floods in Queensland and the downturn in both the Alumina and Coal industries have meant that in the short term production is down for most of our major clients in Queensland, with many businesses contending with reduced maintenance budgets and projects being placed on hold. There is some evidence from discussions with clients that local spending is likely to pick up again in March / April 2013, and if this is the case, and continues, our Queensland division will return to our planned growth phase.

The Board cannot accurately determine the full impact of the downturn in the Alumina and Coal industries, and based on the history of the Queensland division's financial results to date an impairment loss of this Goodwill in Consideration is necessary as at 31 December 2012.

Expansion

Recently, LaserBond raised approximately $2 million in capital via a share placement to new professional and sophisticated investors. These funds are to be used for further growth initiatives with the plan originally to extend the company's reach into South Australia or Western Australia.

In determining the best use of these funds the Board is being cautious to ensure greater value for shareholders by investing only in assets that will offer the most attractive return on investment. From initial reviews of Western Australia it has been determined that, like our Queensland division, the state suffers from high costs of doing business, related specifically to high costs of living and pressures on wages. Any return on investment will subsequently be diminished because of these cost burdens.

South Australia remains a low cost state in regards to operating costs and discussions with customer's who are industry leaders and based in this state lead the Board to believe South Australia is the right option to return the most on any investment. The Board are currently seeking some level of commitment from customer's before moving forward.

LaserBond expects to make an announcement within the next quarter in regards to our next growth phase through expansion into other states.

Dividends

Dividends details are discussed in the Results for Announcement to Market on page 3 of this report

Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is included on page ten (10) for the half-year ended 31 December 2012.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the director's by:

Wayne Hooper	Gregory Hooper
Director	Director
Dated this 28th Day of February 2013	

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AUDITORS INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF LASERBOND LIMITED AND CONTROLLED ENTITIES

I declare that to the best of my knowledge and belief, during the half-year ended 31 December 2012, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

2. no contraventions of any applicable code of professional conduct in relation to the review.

Lachlan Nielson Partners Pty Limited

Robert Nielson **Date 28 February 2013**

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 14 to 21:

    a. comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

    b. give a true and fair view of the consolidated entity's financial position as at 31st December 2012 and of its 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.

Wayne Hooper Director	Gregory Hooper Director

Dated this 28th Day of February 2013

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
LASERBOND LIMITED AND CONTROLLED ENTITIES

Report on the Half-Year Financial Report

We have reviewed the accompanying half year financial report of Laserbond Limited and controlled entities ('the consolidated company'), which comprises the consolidated condensed statement of financial position as at 31 December 2012, consolidated condensed statement of comprehensive income, consolidated condensed statement of changes in equity and consolidated condensed cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors' of Laserbond Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of an Financial Report 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 Laserbond Limited and controlled entities financial position as at 31 December 2012 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 the Laserbond Limited and controlled entities, 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.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of the Laserbond Limited and controlled entities for the half-year ended 31 December 2012 included on the website of Laserbond Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to or from the financial report If users of this report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the reviewed financial report to confirm the information contained in this website version of the financial report

Independence

In conducting our review, we have 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 Laserbond Limited and controlled entities is not in accordance with the *Corporations Act 2001* including:

i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

ii. complying with Accounting Standards AASB 134 *Interim Financial Reporting and the Corporation Regulations 2001.*

Lachlan Nielson Partners Pty Ltd

Robert Nielson **Date 28 February 2013**

Statement of Comprehensive Income
For the Half-Year Ended 31 December 2012

	Note	Dec 12	Dec 11
Revenue		7,225,106	7,651,119
Cost of Sales		(4,199,422)	(4,022,587)
Gross Profit		**3,025,684**	**3,628,532**
Other Income		117,102	123,294
Depreciation & Amortisation		(207,615)	(109,437)
Employment Expenses		(1,299,364)	(840,263)
Property Rental & Rates Expenses		(585,915)	(403,473)
Administration Expenses		(771,178)	(722,272)
Operating Lease Expenses		(215,230)	(336,472)
Borrowing Costs		(98,159)	(33,913)
Impairment Loss	2	(3,000,000)	-
Other Expenses		(169,906)	(199,114)
Profit before income tax expense		**(3,204,581)**	**1,106,882**
Income tax expense		84,418	(320,398)
Profit after tax from continuing operations		**(3,120,163)**	**786,484**
Other Comprehensive Income		-	-
Net profit attributable to members of LaserBond Limited		**(3,120,163)**	**786,484**
Earnings per share (cents)		(3.66)	1.07
Diluted earnings per share (cents)		(3.66)	1.05

These Financial Statements should be read in conjunction with the accompanying notes.

Statement of Financial Position
for the Half-Year Ended 31 December 2012

	Note	Dec 12	Jun 12
CURRENT ASSETS			
Cash and cash equivalents		2,900,346	2,782,949
Trade and Other Receivables		2,966,257	3,614,430
Inventories		2,048,856	1,770,561
Total Current Assets		**7,915,459**	**8,167,940**
NON-CURRENT ASSETS			
Property, plant and equipment		2,146,830	1,804,590
Deferred tax assets		298,549	237,174
Other Non-Current Assets		500	500
Intangible assets	2	609,586	3,611,014
Total Non-Current Assets		**3,055,465**	**5,653,278**
TOTAL ASSETS		**10,970,924**	**13,821,218**
CURRENT LIABILITIES			
Trade and Other Payables		1,451,319	1,407,579
Provisions		600,884	506,842
Interest-bearing liabilities		460,075	424,651
Current tax liabilities		40,249	158,885
Total Current Liabilities		**2,552,527**	**2,497,957**
NON-CURRENT LIABILITIES			
Interest-bearing liabilities		1,232,595	987,470
Provisions		82,046	98,265
Other Non-Current Liabilities		-	12,500
Total Non-Current Liabilities		**1,314,641**	**1,098,235**
TOTAL LIABILITIES		**3,867,168**	**3,596,192**
NET ASSETS		**7,103,756**	**10,225,026**
EQUITY			
Issued Capital	3	5,601,301	5,410,011
Retained earnings		1,502,455	4,815,015
TOTAL EQUITY		**7,103,756**	**10,225,026**

These Financial Statements should be read in conjunction with the accompanying notes.

Statement of Cash Flows
for the Half-Year Ended 31 December 2012

	31 Dec 2012 $	31 Dec 2011 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	7,845,197	7,803,819
Payments to suppliers and employees	(7,540,856)	(7,116,724)
Interest paid	(98,159)	(322,736)
Interest received	64,654	(33,913)
Income taxes paid	107,462	22,013
Net cash provided by operating activities	**378,298**	**352,459**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for plant and equipment	(547,985)	(47,690)
Loans to employees	3,100	2,560
Payment for subsidiary / business	-	-
Net cash (used in) / provided by investing activities	**(544,885)**	**(45,130)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments from borrowings	380,549	(37,148)
Dividends paid	(96,565)	(187,957)
Net cash used in financing activities	**283,984**	**(225,105)**
NET (DECREASE) / INCREASE IN CASH HELD	117,397	82,224
Cash at beginning of period	2,782,949	982,639
CASH AT END OF PERIOD	**2,900,346**	**1,064,864**

These Financial Statements should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
for the Half-Year Ended 31 December 2012

	Issued ordinary capital $	Retained earnings $	Total equity $
Opening Balance at 1st July 2011	**3,062,907**	**3,918,438**	**6,981,345**
Profit attributable to members of parent entity	-	786,484	786,484
Dividends Payable	-	(222,862)	(222,862)
Issue of Share Capital (net of transaction costs)	162,372	-	162,372
Deferred Tax Adjustment – Capitalisation of costs incurred for IPO	(21,074)	-	(21,074)
Closing Balance at 31st December 2011	**3,204,205**	**4,482,060**	**7,686,265**
Opening Balance at 1st July 2012	**5,410,011**	**4,815,015**	**10,225,026**
Profit attributable to members of parent entity	-	(3,120,163)	(3,120,163)
Dividends Payable	-	(192,397)	(192,397)
Issue of Share Capital (net of transaction costs)	191,290	-	191,290
Closing Balance at 31st December 2012	**5,601,301**	**1,502,455**	**7,103,756**

These Financial Statements should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note 1: Significant Accounting Policies

a) Summary of Significant Accounting Policies

The condensed consolidated financial report does not include notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and activities of the consolidated entity as the full financial report. It is recommended this condensed consolidated financial report be read in conjunction with the most recent annual financial report.

It is also recommended that the condensed consolidated financial report be considered together with any public announcements made during the half year to 31 December 2012 in accordance with the continuous disclosure obligations within the Corporations Act 2001.

b) Basis of Preparation

The condensed consolidated financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001,* applicable Accounting Standards (including AASB 134 *Interim Financial Reporting)* and other mandatory professional reporting requirements.

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

c) Changes in Accounting Policies

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the company's 2012 annual financial report for the financial year ended 30 June 2012. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

d) Impact of Standards Issued but not yet Applied by the Entity

The Group has reviewed all other new standards and interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods on or after 1 July 2012. It has been determined that there is no impact, material or otherwise, of the new or revised standards and interpretations on its business and therefore no changes to the accounting policies.

e) Basis of Consolidation

The condensed consolidated financial statements comprise the financial statements of LaserBond Ltd and its controlled subsidiaries.

Note 2: Impairment Loss of Goodwill in Consideration

Intangible Assets:	31 Dec 2012	30 Jun 2012
Goodwill in Consideration	598,927	3,598,927
Other Intangible Assets	10,659	12,087
	609,586	3,611,014

	31 Dec 2012	31 Dec 2011
Impairment Loss	3,000,000	-

(a) Movement of Intangible Assets

Opening Balance 1st July 2012	3,611,014
Impairment Loss	(3,000,000)
Amortisation Expense	(1,428)
Closing Balance 31st December 2012	609,586

Note 3: Contributed Equity

	31 Dec 2012	30 Jun 2012
Issued and Paid Up Capital	5,410,011	5,410,011

Reconciliation of Issued and Paid Up Capital		
84,059,543 Existing Shares	5,410,011	3,062,907
1,238,118 Issued Shares	191,290	2,389,252
Deferred Tax Asset from Capitalised IPO Costs	-	(42,148)
	5,601,301	5,410,011

(a) Ordinary Shares

Date	Details	No. Shares	Issue Price (Cents per Share)
1st July 2012	Opening Balance	84,059,543	
6th July 2012	Conversion of Convertible Notes	666,667	15.00
12th October 2012	Dividend Reinvestment Plan	571,451	16.67
31st December 2012	Closing Balance	85,297,661	

Note 4: Dividends

	31 Dec 2012	31 Dec 2011
Declared fully franked 2012 final dividend of 0.2 cents per share (2012: Nil)	169,354	-
Declared fully franked 2013 interim dividend of Nil cents per share (2012: 0.3)	-	222,140

(a) Dividends not recognised during reporting period

Since 31 December 2012, the Directors have recommended the payment of an interim dividend of 0.2 cents per fully paid ordinary share (2012: 0.3), fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 26th April 2012 out of retained earnings at 31 December 2012, but not recognized as a liability, is $170,705.

Note 5: Contingent Liabilities

The Directors are not aware of any contingent liabilities that would have an effect on these financial statements.

Note 6: Related Party Transactions

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

	31 Dec 2012	31 Dec 2011
Labour Hire	33,229	286,343

Basin Enterprises Pty Ltd, a director related entity, provided casual shop floor staff. When staff performed and passed any probation periods, employment was transferred to LaserBond directly except for one employee who has chosen to remain employed casually through Basin Enterprises.

Loans – Related Parties

	31 Dec 2012	30 Jun 2012
Director Loan	50,174	50,174
Employee Loans	2,798	5,899
Employee Personal Expenses	902	7,760
	53,874	63,833

All loans to related parties are classified current, unsecured and interest free.

The director loan is receivable from Mr. Greg Hooper.

The employee loans are receivable from three (3) employees.

The employee personal expenses are receivable from employees who have used, at the approval of directors, a supplier expense account for purchases of a personal use. These loans are repaid as an after tax deduction from the employees salary or wage.

Note 7: Segment Reporting

The Company has identified its operating segments based on internal reports that are reviewed by the Board and management. The Company operated in one business segment during the half year, being engineering and in two geographical areas, being Sydney NSW and Gladstone Queensland.

	LaserBond (NSW)			LaserBond (Qld)			Consolidated	
	31 Dec 12	31 Dec 11		31 Dec 12	31 Dec 11		31 Dec 12	31 Dec 11
Revenue	4,360,452	5,202,104		2,864,654	2,449,015		7,225,106	7,651,119
Profit Before Income Tax	(2,914,891)	1,145,311		(289,689)	(38,429)		(3,204,581)	1,106,882
Assets	10,931,437	10,521,006		1,475,369	1,755,390		10,970,925	10,690,496

Liabilities	2,931,458	2,346,149		2,792,524	2,243,983		3,867,168	3,004,231

Included in LaserBond Ltd (Sydney, NSW) Assets and Peachey's Engineering Pty Ltd Liabilities (Gladstone, Qld) are amounts related to Intercompany Loans. These are ignored for the Consolidated Asset & Liability values.

There are no assets or liabilities that have not been allocated to a segment.

Please refer to the Directors' Report on Pages 5 to 9 of this half year financial report for further detail on segment results.

Note 8: Subsequent Events

There are no matters to report subsequent to the end of the reporting period.

Note 9: Company Details

Registered Office and Principal Place of Business:

LaserBond Ltd

Principal Place of Business

2/57 Anderson Road
SMEATON GRANGE NSW 2565
Phone: 02 4631 4500
Fax: 02 4631 4555

Subsidiaries:

Peachey's Engineering Pty Ltd - Trading as LaserBond (Qld)

Machine Shop

10 Blain Drive
GLADSTONE QLD 4680
Phone: 07 4972 5422
Fax: 07 4972 5411

LaserBond® Cladding / Fabrication

5 George Mamalis Place
GLADSTONE QLD 4680
Phone / Fax: 07 4972 7608

Share Registry:

Boardroom Pty Ltd

Level 7, 207 Kent Street
SYDNEY NSW 2000
Phone: 1300 737 760
www.boardroomlimited.com.au