

Legend Corporation Announces Record 80 per cent Increase in Operating Profit for Financial Year

Legend Corporation (ASX:LGD) has today reported a net operating profit \$4.7 million for the 12 months ended June 30, 2005. This is an 80 per cent increase on the previous corresponding period ending June 30, 2004. Legend nominates a complimentary sales model as one reason for the financial growth.

Legends sales in traditional geographies of Australia, New Zealand and South Africa grew from \$92.6 million in 2004 to 116.7 million in 2005. A 26 percent increase in sales in the mature markets should be extremely highly regarded and demonstrates the success of the Legend business model, said Legend CEO Bradley Dowe.

Legends unique model of manufactured products with vendor lines such as AMD processors and Hitachi storage products and a strong local sales relationships has enabled some great synergies that is reflected in the results we are announcing today, said Rob Kester, Legend Sales Director. Our aim has been to enhance client value and these results indicate that our approach is right on target.

Another key driver behind the companys strong result was the efficient utilisation of the working capital received in the March 2004 IPO. This enabled Legend to continue to accelerate growth in existing and new markets.

In terms of growth, Legend now services 42 nations from 14 offices in nine countries, says Kester.

In 2004 The Legend Digital launched a range of consumer digital products including Digital SetTop box products and a Personal Video Recorder (PVR) that enables viewers to record digital broadcasts to a hard drive to be viewed at a later time.

In March 2005 Legend started local production of their Secure Digital Flash Media and is the only company in Australia to produce the technology. The release of the Secure Digital Flash Media was very significant for us, we are proud of the fact that we have the technology and local skills to produce these locally. The digital age is experiencing a huge boom and we are thrilled that as an Australian company we can be at the heart of it, said Kester.

Legend has also rapidly developed its sales and distribution network, developing several existing and new Asean markets including;

XHong Kong has expanded sales by almost 50 per cent

XThailand sales and distribution center has been established and shows strong growth

XTaiwan commenced business in June 2005 and shows strong sales growth

XSingapore currently establishing a sales, administration and production facility to assist in the development of Asean regions.

XIn South Africa, Legend has taken over its former partner and has moved to strong sales with the support of former joint venture employees.

About Legend

Legend is a leading Australian electronics engineering and manufacturing company that designs, manufactures and distributes memory based products including memory modules and related computer components. Legend is globally competitive with operations extending throughout Australia, New Zealand, South Africa, Singapore, Hong Kong, Thailand and Europe. Legend was established in 1989 and commenced manufacture operations in 1993. LEGEND has manufacturing facilities in Adelaide (South Australia) and is currently establishing new facilities in Singapore. Legend has a broad range of clients from key global companies including Acer, Sony, Xerox, NEC and Dell, through to major Australian based computer systems integrators such as Volante, ASI and Optima. Legend branded products are supported by most major merchandising chains including Dick Smith Electronics, Kmart, Myer and Harvey Norman.

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