

Infomedia Ltd

ABN 63 003 326 243

Appendix 4D

Half-Year Ended 31 December 2008

CONTENTS

- Result For Announcement To The Market
- Half-Year Financial Report
- Independent Review Report

Appendix 4D

Half-year report

Name of entity

Infomedia Ltd

ABN or equivalent company reference

A.B.N 63 003 326 243

Half yearly (tick)

Preliminary final (tick)

Financial year ended ('current period')

6 months ended 31 December 2008

Results for announcement to the market

				\$A'000
Sales revenue	Up	4%	to	26,388
Profit after tax attributable to members	Down	8%	to	6,479
Profit (loss) from extraordinary items after tax attributable to members		Nil		Nil
Net profit for the period attributable to members	Down	8%	to	6,479
Dividends (distributions)		Amount per security	Franked amount per security	
Current Year:				
Interim dividend		0.7¢	0.7¢	
Previous Corresponding Period:				
Final dividend		1.4¢	1.4¢	
Interim dividend		1.8¢	1.8¢	
Record date for determining entitlements to the dividend	3 March 2009			
Date the dividend is payable	19 March 2009			
		31 December 2008	31 December 2007	
Net Tangible Assets per security		1.4¢	4.5¢	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood: Refer to page 3 of Half Year Financial Report.				

Infomedia Ltd

ABN 63 003 326 243

Financial Report
for the half-year ended 31 December 2008

ABN 63 003 326 243

Directors

Richard Graham – Chairman
Gary Martin – Chief Executive Officer
Frances Heron
Myer Herszberg
Andrew Moffat

Company Secretary & Alternate Director

Nick Georges

Chief Financial Officer

Jonathan Pollard

Registered Office

357 Warringah Road
Frenchs Forest NSW Australia 2086

Auditors

Ernst & Young

Share Register

Registries Ltd

Solicitors

Thomson Playford Lawyers

Internet Address

www.infomedia.com.au

CONTENTS

Directors' Report	3
Auditor's Independence Declaration	5
Income Statement	6
Balance Sheet	7
Cash Flow Statement	8
Statement of Changes in Equity	9
Notes to the Half-Year Financial Statements	10
Note 1 - Corporate information	10
Note 2 - Summary of significant accounting policies	10
Note 3 - Revenues and expenses	11
Note 4 - Income tax	12
Note 5 - Dividends proposed or paid.....	12
Note 6 - Issued capital	12
Note 7 - Segment information	13
Note 8 - Subsequent events.....	13
Directors' Declaration	14
Independent Review Report	15

DIRECTORS' REPORT

Your Directors submit their report for the half-year ended 31 December 2008.

DIRECTORS

The names of the company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Richard Graham	Chairman
Gary Martin	Chief Executive Officer
Frances Hernon	Non-executive Director
Myer Herszberg	Non-executive Director
Andrew Moffat	Non-executive Director (Chairman of Audit, Risk & Governance Committee)

COMPANY SECRETARY

Nick Georges	General Counsel & Company Secretary
--------------	-------------------------------------

PRINCIPAL ACTIVITIES

Infomedia Ltd is a company limited by shares that is incorporated and domiciled in Australia.

The principal activities during the period of entities within the consolidated entity were:

- developer and supplier of electronic parts catalogues and service quoting systems for the automotive industry globally; and
- information management, analysis and creation for the domestic automotive and oil industries.

There have been no significant changes in the nature of those activities during the half year.

REVIEW AND RESULTS OF OPERATIONS

Sales revenue

CONSOLIDATED	
2008	2007
\$'000	\$'000
26,388	25,481

The Company's reported sales revenue for the six months was \$26,388,000 which is in line with the earnings guidance range that the Company provided the market on 21 January 2009 (Earnings Guidance). This result represents an increase of \$907,000 over the previous corresponding period. Electronic Parts Catalogue subscriptions declined 1% to 53,686 but this was offset by Superservice Menu subscriptions growth of 42% to 4,865, giving rise to a net 1% increase in total subscriptions over the previous corresponding period. This increase combined with a more favourable Australian dollar during the period gave rise to the increase in sales revenue reported between periods.

The reported net profit after tax for the six months was \$6,479,000 and exceeds the Earnings Guidance. The Company experienced increased operational expenses during the period as it continued preparations to release new products over the coming months. The Company's first half results included a net tax credit of \$727,000 which lowered the effective tax rate from the prior year to 14%. The Company anticipates the second half effective tax rate to return to historical averages.

With respect to debtors, the Company has not seen a material increase in debtor days compared to the prior corresponding period. Nevertheless, given the uncertain economic climate, the Company has taken the precautionary step of increasing its doubtful debt provision by \$630,000 for the period ending 31 December 2008.

DIRECTORS' REPORT

The Company reconfirms that it anticipates 2009 financial year sales revenue to be between \$51 million and \$53 million and net profit after tax to be between \$10 million and \$11 million.

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

AUDITOR INDEPENDENCE DECLARATION

The Directors received an auditor's independence declaration from the auditor of the Company (refer next page).



Richard David Graham

Chairman

Sydney, 19 February 2009

Auditor's Independence Declaration to the Directors of Infomedia Limited

In relation to our review of the financial report of Infomedia Limited for the half-year ended 31 December 2008 to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

A stylized, handwritten signature of the Ernst & Young firm, written in black ink on a light background.

Ernst & Young

A handwritten signature of Garry Wayling, written in black ink on a light background.

Garry Wayling
Partner

Date: 19 February 2009

INCOME STATEMENT

HALF-YEAR ENDED 31 December 2008

	Notes	CONSOLIDATED	
		31 December 2008 \$'000	31 December 2007 \$'000
Sales revenue		26,388	25,481
Finance revenue		296	391
Revenue		26,684	25,872
Cost of sales	3(i)	(10,812)	(9,717)
Gross Profit		15,872	16,155
Other income	3(ii)	383	138
Employee benefits expense	3(iii)	(4,355)	(3,819)
Depreciation and amortisation	3(iv)	(1,743)	(2,160)
Finance cost		(30)	(64)
Operating lease rental		(676)	(518)
Other expenses		(1,949)	(1,309)
Profit before income tax		7,502	8,423
Income tax expense	4	(1,023)	(1,395)
Profit after income tax		6,479	7,028
Basic earnings per share (cents per share)		2.0	2.2
Diluted earnings per share (cents per share)		2.0	2.2
Interim dividends per share - ordinary (cents per share)	5	0.7	1.8

BALANCE SHEET

At 31 December 2008

Notes

CONSOLIDATED

	31 December	30 June
	2008	2008
	\$'000	\$'000
CURRENT ASSETS		
Cash and cash equivalents	11,463	14,247
Trade and other receivables	7,138	5,220
Inventories	55	82
Prepayments	939	529
Derivatives	-	888
TOTAL CURRENT ASSETS	19,595	20,966
NON-CURRENT ASSETS		
Property, plant and equipment	1,955	2,052
Intangible assets and goodwill	22,841	20,453
Deferred tax assets	2,753	1,141
TOTAL NON-CURRENT ASSETS	27,549	23,646
TOTAL ASSETS	47,144	44,612
CURRENT LIABILITIES		
Trade and other payables	4,022	3,826
Provisions	2,000	2,042
Income tax payable	643	331
Deferred revenue	974	569
Derivatives	3,657	-
TOTAL CURRENT LIABILITIES	11,296	6,768
NON-CURRENT LIABILITIES		
Provisions	1,237	1,372
Deferred tax liabilities	4,555	3,937
TOTAL NON-CURRENT LIABILITIES	5,792	5,309
TOTAL LIABILITIES	17,088	12,077
NET ASSETS	30,056	32,535
EQUITY		
Contributed equity	14,729	16,368
Reserves	(1,206)	1,628
Retained earnings	16,533	14,539
TOTAL EQUITY	30,056	32,535

6

CASH FLOW STATEMENT

HALF YEAR ENDED 31 December 2008

Notes

	CONSOLIDATED	
	31 December 2008 \$'000	31 December 2007 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	26,046	26,507
Payments to suppliers and employees	(20,398)	(18,233)
Interest received	296	391
Borrowing costs	-	(64)
Income tax paid	(2,173)	(2,237)
NET CASH FLOWS FROM OPERATING ACTIVITIES	3,771	6,364
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(431)	(290)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(431)	(290)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share buy back	(1,639)	-
Dividends paid on ordinary shares	(4,485)	(6,845)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(6,124)	(6,845)
NET DECREASE IN CASH HELD	(2,784)	(771)
Add opening cash brought forward	14,247	15,690
CLOSING CASH CARRIED FORWARD	11,463	14,919

5

STATEMENT OF CHANGES IN EQUITY

HALF-YEAR ENDED 31 December 2008

	CONSOLIDATED			Total \$'000
	Contributed equity \$'000	Retained earnings \$'000	Other reserves \$'000	
At 1 July 2008	16,368	14,539	1,628	32,535
Profit for the period		6,479	-	6,479
Income/(expense) recognised directly in equity				
- Exchange difference on translating foreign operations	-	-	320	320
- Cashflow hedge loss	-	-	(3,186)	(3,186)
Total income/(expense) recognised directly in equity	-	-	(2,866)	(2,866)
Total income/(expense) for the period	-	6,479	(2,866)	3,613
Cost of share based payments	-	-	32	32
Share buy back	(1,639)	-	-	(1,639)
Equity dividends	-	(4,485)	-	(4,485)
At 31 December 2008	14,729	16,533	(1,206)	30,056

HALF-YEAR ENDED 31 December 2007

	CONSOLIDATED			Total \$'000
	Contributed equity \$'000	Retained earnings \$'000	Other reserves \$'000	
At 1 July 2007	17,738	14,186	978	32,902
Profit for the period	-	7,028	-	7,028
Income/(expense) recognised directly in equity				
- Exchange difference on translating foreign operations	-	-	22	22
- Cashflow hedge gain	-	-	268	268
Total income/(expense) recognised directly in equity	-	-	290	290
Total income/(expense) for the period	-	7,028	290	7,318
Cost of share based payments	-	-	11	11
Share buy back	-	-	-	-
Equity dividends	-	(6,845)	-	(6,845)
At 31 December 2007	17,738	14,369	1,279	33,386

NOTES TO THE FINANCIAL STATEMENTS

31 December 2008

1. CORPORATE INFORMATION

The financial report of Infomedia Ltd for the half-year ended 31 December 2008 was authorised for issue in accordance with a resolution of the directors on 19 February 2009. Infomedia Ltd is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Stock Exchange. The nature of the operations and principal activities of the consolidated entity are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of Infomedia Ltd as at 30 June 2008.

It is also recommended that the half-year financial report be considered together with any public announcements made by Infomedia Ltd and its controlled entities during the half-year ended 31 December 2008 in accordance with the continuous disclosure obligations arising under the *ASX listing rules*.

(a) Basis of preparation

The half-year consolidated financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, AASB 134 *Interim Financial Reporting* and other mandatory professional reporting requirements. The half-year financial report has been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(b) Significant accounting policies

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2008, except for the adoption of amending standards mandatory for annual periods beginning on or after 1 January 2008, as described in Note 2(d).

(c) Basis of consolidation

The financial statements comprise the financial statements of Infomedia Ltd and its subsidiaries ('the Consolidated Entity'). The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist. All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Subsidiaries are consolidated from the date on which control is transferred to the Consolidated Entity and cease to be consolidated from the date on which control is transferred out of the Consolidated Entity. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which Infomedia Ltd has control.

(d) Changes in accounting policies

Certain Australian Accounting Standards and interpretations have been recently issued or amended but are not yet effective. These standards have not been adopted by the Group for the half-year reporting period ended 31 December 2008. The Director's have yet to finalise their assessment of the impact of these new or amended standards (to the extent relevant to the Group) and interpretations.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2008

Notes

	CONSOLIDATED	
	2008	2007
	\$'000	\$'000
3. REVENUE AND EXPENSES		
(i) Cost of sales		
Direct wages (including on-costs)	6,632	5,402
Other	4,180	4,315
Total cost of sales	10,812	9,717
(ii) Other income		
Foreign currency exchange gain	383	138
Total other income	383	138
(iii) Employee benefit expense		
Salaries and wages (including on-costs)	4,323	3,808
Share based payment expense	32	11
Total employee benefit expense	4,355	3,819
(iv) Depreciation and amortisation		
Depreciation of non-current assets:		
- Leasehold improvements	66	67
- Office equipment	323	441
- Furniture and fittings	13	12
- Plant and equipment	127	156
Total depreciation of non-current assets	529	676
Amortisation of non-current assets		
- Intellectual property	349	349
- Deferred development costs	865	1,135
Total amortisation of non-current assets	1,214	1,484
Total depreciation and amortisation	1,743	2,160
(v) Research & development costs		
Total research & development costs incurred during the period	5,841	4,484
Less: development costs deferred	(3,603)	(3,085)
Net research & development costs expensed	2,238	1,399

NOTES TO THE FINANCIAL STATEMENTS

31 December 2008

Notes

CONSOLIDATED

2008	2007
\$'000	\$'000

4. INCOME TAX

The major components of income tax expense for the half-year ended 31 December 2008 and 31 December 2007 are:

Consolidated Income statement
Current income tax

Current income tax charge

Adjustments in respect of current income tax of previous years

Deferred income tax

Relating to origination and reversal of temporary differences

Income tax expense reported in the consolidated income statement

1,378	1,563
(727)	(972)
372	804
1,023	1,395

5. DIVIDENDS PROPOSED OR PAID
(a) Dividends declared and paid during the half-year on ordinary shares:

Final franked dividend for the financial year 30 June 2008: 1.4 cents (2007: 2.1 cents)

Dividends paid on ordinary shares

4,485	6,845
4,485	6,845

(b) Dividends proposed and not yet recognised as a liability:

Interim franked dividend for the half-year 31 December 2008: 0.7 cents (2007: 1.8 cents)

2,215	5,867
-------	-------

6. ISSUED CAPITAL
Issued and paid up capital

– 317,789,415 shares fully paid (June 2008: 322,373,606)

December 2008	June 2008
14,729	16,368

Movement in Shares on Issue

During the period the company repurchased and cancelled 4,584,191 shares for a total consideration of \$1,639,000, including brokerage, under its share buy back program. As at 30 June 2008 the company had repurchased 3,597,966 shares for a total consideration, including brokerage, of \$1,370,000.

Employee Option Plan

During the six months to 31 December 2008 there were a total of 400,000 options granted at an average exercise price of 37.4c.

Since 31 December 2008, there have been 250,000 options granted at an exercise price of 29c.

No options were exercised or lapsed during the period.

NOTES TO THE FINANCIAL STATEMENTS

7. SEGMENT INFORMATION

31 December 2008

	Notes	Distributors				Corporate	Eliminations	Total
		Asia Pacific	Europe	North America	Latin & South America	Asia Pacific		
Business Segments		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE								
Segment revenue		5,895	12,614	7,031	2,431	19,440	(21,023)	26,388
Finance revenue								296
Consolidated revenue								<u>26,684</u>
Segment result		(459)	(43)	(507)	(2)	8,217	-	7,206
Finance revenue								296
Consolidated profit before income tax								<u>7,502</u>
Income tax expense	4							<u>(1,023)</u>
Consolidated profit after income tax								<u>6,479</u>

31 December 2007

	Notes	Distributors				Corporate	Eliminations	Total
		Asia Pacific	Europe	North America	Latin & South America	Asia Pacific		
Business Segments		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE								
Segment revenue		5,846	10,271	7,499	1,805	19,365	(19,305)	25,481
Finance revenue								391
Consolidated revenue								<u>25,872</u>
Segment result		(94)	(148)	216	73	8,049	-	8,096
Finance revenue								391
Finance costs								(64)
Consolidated profit before income tax								<u>8,423</u>
Income tax expense	4							<u>(1,395)</u>
Consolidated profit after income tax								<u>7,028</u>

Segment products and locations

Geography is the primary segment. The geographic policy is based on customer location.

Secondary segment information is reported in a distributor and corporate classification. The corporate function designs and owns the intellectual property of the products. The distributors perform the distribution functions for the group. The distributors purchase the products from corporate and mark the prices up for resale to customers.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue and segment result include transfer between business segments. Those transfers are eliminated on consolidation.

8. SUBSEQUENT EVENTS

Since 31 December 2008, there have been 250,000 employee options granted at an exercise price of 29c.

There has been no other matter or circumstance that has arisen since the end of the period that has significantly affected the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Infomedia Ltd, I state that:

- (1) In the opinion of the Directors:
 - (a) the financial statements and notes of the Company and of the consolidated entity are 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 2008 and of its performance for the period ended on that date; and
 - (ii) complying with Accounting Standard AASB134 Interim Financial Reporting and Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Richard David Graham
Chairman

Sydney, 19 February 2009

To the members of Infomedia Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Infomedia Limited, 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, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end 31 December 2008.

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 controls 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 half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements 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 Infomedia Limited and the entities it controlled during the half-year, 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 have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Infomedia Limited 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 2008 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A stylized, handwritten signature of 'Ernst & Young' in black ink.

Ernst & Young

A handwritten signature of 'Garry Wayling' in black ink.

Garry Wayling

Partner

Sydney

Date: 19 February 2009