



# Infomedia Ltd

## Half Year Report — FY2007

Wednesday 28 February, 2007 (4.30pm), Frenchs Forest, Sydney NSW

Infomedia is pleased to present the half-year financial results for FY2007 and a review of Infomedia's Q2 activities. In addition to this report, an independently reviewed copy of the half-year financial report and the Appendix 4D are available from the Company's Internet web site or from the ASX.

- The Company achieved Sales Revenue for the half year of \$27,689,000 and net profit after tax of \$7,789,000.
- Electronic Parts Catalogue (EPC) subscription numbers grew by 10% over the previous corresponding period to 52,403.
- Superservice Menus subscription numbers grew by 114% to 2,018 over the previous corresponding period.
- New EPC rolled out across Kia in Europe and Australia.
- Product launches to Mazda and Isuzu.
- Sale of Business Systems Division assets for gross proceeds of \$1.5 million.
- A special fully franked dividend of 3.5 cents was paid to shareholders on 6 October 2006.
- An interim half-year fully franked dividend of 1.9 cents per share has been declared. The record date to determine entitlements to the dividend distribution is 12 March 2007 and the date on which the dividend distribution is payable will be 29 March 2007.
- The Company projects full year 2007 sales revenue to be in a range of \$55 million to \$57 million and net profit after tax in a range of \$15 million to \$16 million.

### Subscription numbers continue to grow

Following on from Q1, subscription numbers continued to rise in the second quarter of FY2007. Subscriptions to the Company's electronic parts selling systems were driven by the continued take up of Microcat® by Kia dealers across Europe and Australia. This continued strong momentum followed on from the product's on-time launch and initial take up by 2,600 Kia dealers.

### Focus on the core

During the quarter the Company sold the AutoLedgers® and NOVA™ dealer management business to Reynolds & Reynolds Australia. The decision was in line with the Company's strategic vision to be the leading provider of aftersales parts and service selling solutions. At the same time, the Company continues to focus on the creation of data assets that can be used within Infomedia applications or distributed to third parties.

Following on from the sale of the AutoLedgers and NOVA dealer management systems to Reynolds & Reynolds, both companies are working together to enhance the integration of their respective products, thereby increasing dealer productivity and profitability. Infomedia's parts and service systems along with other data sets all form part of the strategic cooperation with Reynolds & Reynolds.

### New agreement with Jiangling Motors Co. Ltd

Infomedia has recently signed a three year agreement with Jiangling Motors Co. Ltd (JMC) for the supply of Microcat that includes two parts catalogues specific to their market. JMC is located in China and is a joint venture partner of Ford Motor Company. Infomedia anticipates the Microcat system will be distributed to approximately 200 dealers before the end of the financial year.



### Successful data licence renewals

The Company announced the successful renewal of major agreements with Ford of Canada, and with Land Rover globally.

Ford of Canada extended their agreement for the supply of Microcat through to May 2009. This extension marks a 10 year relationship

between Infomedia and Ford of Canada. CEO of Infomedia, Gary Martin, said, "Since 1999 we have enjoyed a successful partnership with Ford of Canada. During that time we have developed a close working relationship and have been able to continually deliver a solution which meets the developing needs of Ford of Canada dealers."

Negotiations with Land Rover management also saw the successful extension of their agreement for the delivery of Microcat through to June 2010. In announcing the renewal, Mr Martin said, "The renewal of this agreement is testimony to the fact that Microcat has continued to satisfy the needs of Land Rover dealers. Land Rover is one of the world's most trusted brands and we're delighted that they continue to realise productivity benefits through the use of this mission critical system."

### Superservice Menus cements footprint

The European market continues to deliver a healthy pipeline for the Superservice Menus system. During the quarter, Hyundai dealers in both Belgium and Finland began using Superservice Menus. Initial adoption was positive and the Company anticipates take up to continue at a steady rate in the next few months. Successful launches to Daihatsu Germany and Subaru UK continued to add subscription numbers within the European market.



### Another Microcat MARKET release for Australia

Microcat® MARKET™ is currently being rolled out to the Ford Australia Dealer network. Infomedia has been working with Ford Dealers to illustrate the powerful yet simple to use system and to help spread the word to their trade clients. The feedback received to date has been very positive. Trade clients of the Ford dealers utilising the system today provided the following comments:

"The automatic transmission business involves many specialist parts that Dealer staff are sometimes not familiar with. Using Microcat MARKET lets us efficiently view and choose the parts we need to complete a repair and decreases our phone ordering time significantly." – **Russell Rathbone**, *Wyong Automatic Transmission Service*.

"Microcat MARKET makes it easy for us to find imported parts and also to see if certain parts are packaged in a kit or singularly. And being able to quote and price our own repairs has definitely helped us to speed up our turnaround time on repairs."  
– **Anthony Paterson**, *Novocastrian Smash Repairs*.

The Company now provides the Microcat MARKET system to Toyota in Australia and Europe, and Ford in Australia and Europe. More franchises are expected to launch this powerful B2B ecommerce tool before the end of the financial year.

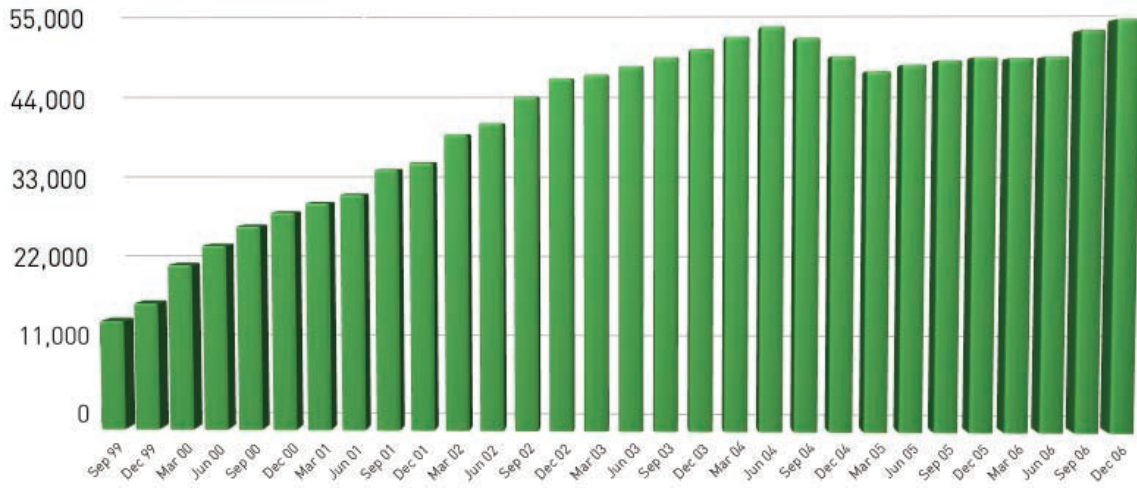
### Documentation projects for Daimler Chrysler and Australian Army

The Data Management group continued to fulfil its contract obtained in July 2006 with Daimler Chrysler. Infomedia is contracted to Daimler Chrysler for the supply of various documentation and illustrating services. The major deliverable during this financial year is the compilation of Baseline Repair Parts Inventory Lists (RPIL) for the Australian Army's Unimog vehicle. These RPILs are used by Army personnel to identify parts that need to be repaired or replaced on a given vehicle either in the field or back at base.

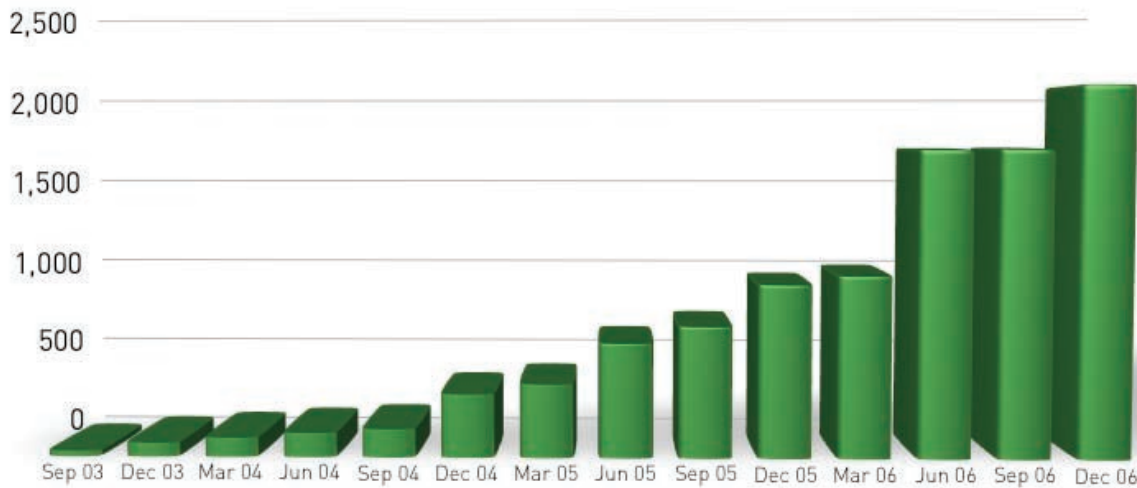
The Data Management group is also providing documentation and illustrating services on various projects to the Australian Army. This includes the compilation of both Electrical and Mechanical Engineering Instructions (EMEI) and RPIL documentation for a range of Defence Force initiatives. The EMEIs are a range of handbooks that provide both information and instruction on the usage, repair and servicing of Army vehicles.

Consolidated First Half Financials		
\$'000	FY2007	FY2006
Sales Revenue	27,689	27,390
less		
Cost Of Sales	9,090	8,355
Gross Margin	18,599	19,035
less		
Expenses	8,407	7,973
Net Profit Before Tax	10,192	11,062
less		
Taxation	2,403	2,635
Net Profit After Tax	7,789	8,427

**EPC Subscription Historical Trend**



**SSM Subscription Historical Trend**



**Combined Subscription Historical Trend**

