

Infomedia™



FINANCIAL RESULTS HALF YEAR FY2016

Disclaimer

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Half Year FY16 Highlights

- Revenue up 16% from Half Year FY15 to \$33.9m
 - *Revenue growth achieved in all regions*
 - *Annualised recurring revenue at HY: \$61m*
- Adjusted EBITDA up 9%
 - *Using the Company's standard measure*
- Excluding hedging impact, NPAT margins sustained above 20%
- Increased operating costs due to:
 - *One-off costs including CEO transition and operational review*
 - *Increased sales and delivery capacity*
- Jonathan Rubinsztein appointed CEO - commencing 14 March
- Ongoing investment in R&D and product innovation
- Strong balance sheet
- Dividend of 1.65c per share, unfranked

Jaguar Land Rover EPC Agreement

- Infomedia has renewed its electronic parts catalogue (EPC) data licence agreement for Land Rover dealers until December 2017
- Clifford Thames has announced that it has won a competitive tender to design, develop and deploy (among other solutions) an EPC to Jaguar Land Rover dealers
- JLR tender combined EPC with other services outside IFM's scope
- As a result, the Company does not anticipate that its EPC data licence agreement with JLR will be renewed beyond January 2018
- Revenue from this contract is currently USD \$4.0 million p.a.
- Financial impact not anticipated until FY2018

Maintaining competitive advantage for growth

- New R&D investment in next generation solutions
 - *Contemporary, flexible platform*
- Hybrid development outsourcing model, now operational
 - *Delivers efficiency and scalability*
- Creating solutions for regional Automaker/Dealer requirements
 - *Delivering Microcat Market trade EPC for Ford in India*
- Increased sales and delivery capacity
 - *Superservice installations continue to grow in the Americas*
 - *Arrangements made to deploy additional development resources*

OEM Parts Platform

Microcat
ELECTRONIC PARTS SELLING SYSTEM

OEM Service Platform

Superservice[™]



Oil Industry Platform

 **LUBRICANT**
RECOMMENDATIONS

HY FY16 Financial Results

\$'000	HY16	HY15	Change	%	Constant currency change	Constant currency change %	FX Impact
Sales	33,923	29,336	4,587	16%	828	3%	3,759
Opex costs	(24,894)	(21,077)	(3,817)	18%	(2,128)	10%	(1,689)
Adjusted EBITDA	9,029	8,259	770	9%	(1,300)	(16%)	2,070
Hedging & Currency gain/(loss)	(901)	982	(1,883)	(192%)	0	0%	(1,883)
R&D Capitalised	3,836	3,484	352	10%	352	10%	0
D&A	(4,348)	(3,669)	(679)	19%	(630)	17%	(49)
Interest & Tax	(1,592)	(2,051)	459	(22%)	501	(24%)	(42)
Net Profit after Tax	6,024	7,005	(981)	(14%)	(1,077)	(15%)	96
NPAT Margin	17.8%	23.9%					

Average	HY16	HY15
USD spot rate	72c	90c
Euro spot rate	66c	69c

- Sales revenue grew by 16% or by 3% in real terms
- Excluding the impact of the loss of JLR Superservice revenue from January 2015, sales increased by 6% in real terms
- Increased OpEx costs due to expansion of sales and delivery capacity and one-off costs including CEO transition
- Product version releases led to increased amortisation
- Excluding the impact of hedging, NPAT margin of 20.4% (1H15 20.5%)

HY FY16 vs HY FY15 Sales Revenue Detail

\$'000	HY FY16	HY FY15	Change	%	Constant currency change	Constant currency change %	Fx Impact
Parts Platform	25,481	21,604	3,877	18%	504	2%	3,373
Service Platform	6,694	6,497	197	3%	(182)	(3%)	379
Lubrication / Other sales	1,748	1,235	513	42%	506	41%	7
Sales Revenue	33,923	29,336	4,587	16%	828	3%	3,759

\$'000	HY FY16	HY FY15	Change	%	Constant currency change	Constant currency change %	Fx Impact
Asia Pacific	7,623	7,237	386	5%	198	3%	188
EMEA	15,389	13,708	1,681	12%	184	1%	1,497
Americas	10,911	8,391	2,520	30%	446	5%	2,074
Sales Revenue	33,923	29,336	4,587	16%	828	3%	3,759

- Annualised recurring revenue at HY: \$61m
- Sales increase in the Americas region is being driven by Superservice
- Excluding impact of JLR SSM, Service Platform sales increased by 13% in real terms and EMEA sales increased by 8% in real terms

Strong balance sheet

	HY16 \$'m	FY15 \$'m
Cash	15.0	16.1
Trade Receivables	6.9	5.1
Derivatives	(0.4)	(0.5)
Goodwill & Intangibles	34.6	34.8
Property, Plant and Equipment	1.3	1.1
Provisions & Other	(12.9)	(12.8)
Net Assets	44.5	43.8

- Ongoing cash generation – net cash from operations of \$5.2m for 1H16

Dividends

	HY16	HY15
Basic earnings per share (cents)	1.95	2.28
Dividends per share (cents)	1.65	1.94
Franked per share (cents)	0.00	0.00
Dividend paid - Interim (\$'m)	5.12	6.00
Record date: 3 March 2016, Payment date: 18 March 2016		

- The Company has launched a dividend reinvestment plan which will operate for the purposes of the interim dividend. Shares will be acquired on market with no discount applied

Hedging Policy

	FY quarter	Policy quarter	Lower policy limit	Upper policy limit
FY16	Q3	1	50%	100%
FY16	Q4	2	50%	100%
FY17	Q1	3	40%	85%
FY17	Q2	4	40%	85%
FY17	Q3	5	0%	50%
FY17	Q4	6	0%	50%
FY18	Q1	7	0%	40%
FY18	Q2	8	0%	40%

- 8 rolling quarter policy
- Lower and Upper policy limits (% of net cash receipts)
- 80% of 1H16 revenues are denominated in foreign currency

Cover in place

HY FY16	HY FY16	HY FY15	HY FY15
USD'm	Euro'm	USD'm	Euro'm
6.6	6.0	10.9	9.5

- Reduced cover while remaining within policy, in order to take advantage of current spot rates
- USD hedging down by 39%
- Euro hedging down by 37%

Outlook for 2H FY16



- Jonathan Rubinsztein commences as CEO on 14 March
- Focus on core business EPC and SSM:
 - *Executing the strong sales pipeline opportunity in front of us*
 - *Increased sales and delivery capacity*
 - *Global Superservice installs to accelerate in 2H*
 - *Ongoing Product Innovation to maintain competitive advantage*
- Full year guidance provided at AGM reaffirmed
 - *On track to achieve revenue growth within a high single digit to low double digit percentage range for FY16 (cf.FY15)*
 - *Majority of FY16 revenue guidance underpinned by recurring revenue*
 - *NPAT margin for FY16 is expected to be broadly in line with 1H16, taking into account additional expenditure of up to \$2.5m as announced at the AGM*