Annual Report 2008

A Celebration of Innovation

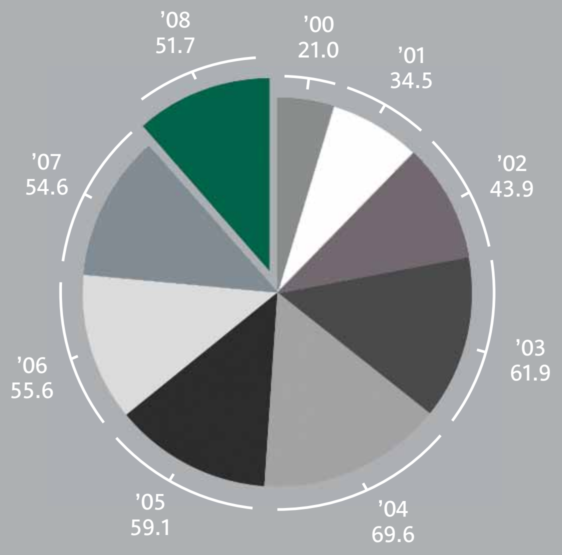
Infomedia™

Table of Contents

Infomedia™

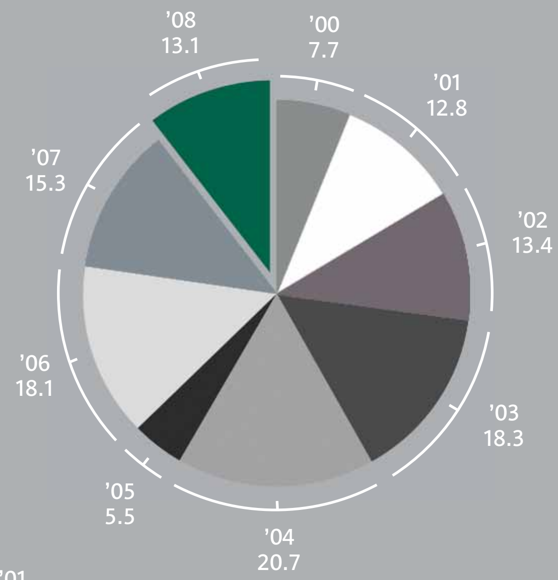
Sales Revenue

(in $ millions)



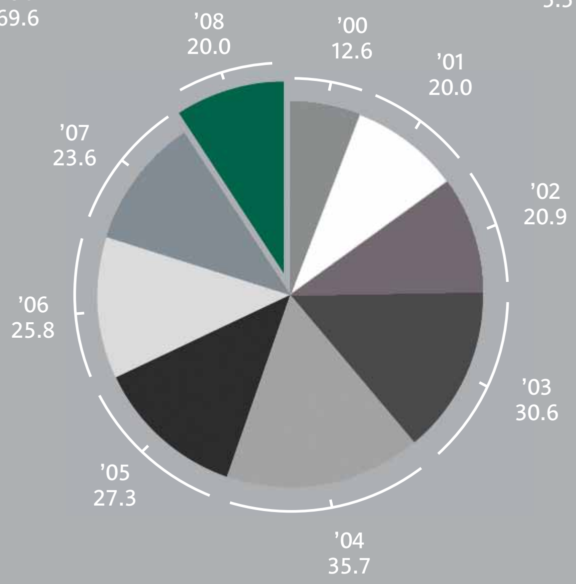
NPAT

(in $ millions)

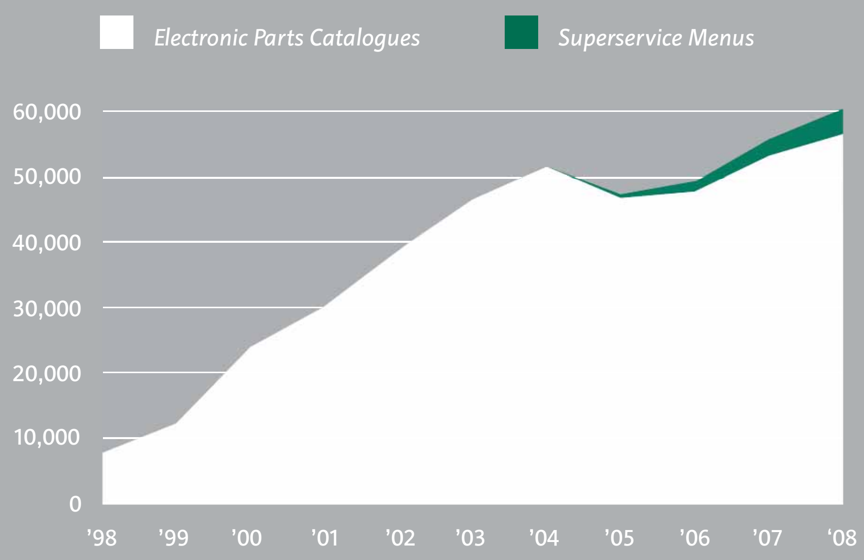


EBITDA

(in $ millions)



Product Subscriptions



Chairman's Letter

Microcat® and Partfinder®, which grew by 6% – a growth which, when taken together with Superservice Menus, saw the Company's total subscription numbers exceed 60,000 for the first time in our history.

Dear Fellow Shareholders,

In reflecting on FY2008, I am pleased to report that your Company has made further strides towards consolidating the business in what has undoubtedly been a challenging economic climate.

Encouragingly, the Company's cash flows and recurring revenue sales both remain strong. In particular, Superservice Menus™ continues to be positively received by the automakers. The Company signed a global agreement with Hyundai for the Superservice Menus solution, as part of which Hyundai will endorse the use of the Company's service menu pricing systems to all Hyundai service departments worldwide. And of particular interest is our agreement to supply Superservice Menus to General Motors Corporation (GM). Under the terms of this agreement, Infomedia will offer Superservice Menus to the huge network of General Motors dealerships, representing the brands of Buick, Cadillac, Chevrolet, GMC Truck, Oldsmobile, Pontiac, Saturn, H2, H3 and Saab.

The Company also successfully renewed a number of existing contracts for our world class Electronic Parts Catalogue (EPC) during the year, with Ford Mexico, Ford Asia Pacific, Toyota Mexico and Toyota USA. All of these contracts are for multi-year terms, and in the case of Ford, represent another successful chapter in our long association.

Overall, I believe you can be particularly encouraged by the continuing strength in our core products, Microcat® and Partfinder®, which grew by 6% – a growth which, when taken together with Superservice Menus, saw the Company's total subscription numbers exceed 60,000 for the first time in our history.

In view of your Board's confidence in the underlying strength of our Company, and in line with our current payout policy, I am pleased to report a fully franked dividend of 3.2 cents for the year. And in order to more effectively manage our capital, in April this year the Company announced its intention to commence an on-market share buy back. This began on April 15 and will end no later than April 2009. As of this writing, we have purchased 5,517,157 shares at an average price of 37.78 cents for a total cost of $2,084,644.

As mentioned in previous Letters, and despite an active hedging policy, the Company continues to be affected by foreign currency translation. This currency impact, together with the cessation of our General Motors EPC subscription revenue, has had a dampening effect on revenue. Sales Revenue declined by 5.3% from $54.6 million in FY2007 to $51.7 million in FY2008, and Normalised Net Profit After Tax (NPAT) declined by 14.4% from $15.3 million in FY2007 to $13.1 million in FY 2008.

Rest assured your Board and Management is not content with this result. Performance is at the centre of our thinking, and whilst we are pleased by the continuing growth in our subscriptions, and by the rising demand for Superservice Menus, we have also moved to trim our operating costs and to invest in new technology as a powerful accelerator for our next generation of innovative ideas.

... the need for our solutions in the dealership and aftermarket has never been greater.

Infomedia stands as a proven partner who delivers world class productivity solutions to automakers and their dealers, priced to add value rather than cost.

I imagine that you would be aware of the current volatile state of the automotive industry. However difficult the times may be, I believe that for Infomedia, the current environment represents many opportunities.

Infomedia stands as a proven partner who delivers world class productivity solutions to automakers and their dealers, priced to add value rather than cost. The continuing growth of our subscriptions in the face of currency headwinds and a challenging retail environment shows that our expertise is highly regarded by our customers. New car sales may have declined this year, but the longer people hold on to their current cars, the more they will need Parts and Service.

Through our Auto PartsBridge™ system, originally developed for Toyota in the USA, and our Microcat® MARKET™ solution, Infomedia can help to ensure that this demand is met by genuine parts sales rather than aftermarket parts. The Company also provides tools for the after sales area to help dealers either find parts with our EPCs (Microcat, Microcat® LIVE™ and Microcat MARKET) or sell service schedules, repair operations and accessory fitments with our service menu pricing tool (Superservice Menus).

In essence, the need for our solutions in the dealership and aftermarket has never been greater.

I mentioned our requirement for innovation underpinned by technology. At our core, Infomedia is a company that turns data into information. We recognise that to maintain and extend our position we must continually invest in our personnel and in new technology. In FY2008 we recruited a number of highly experienced technical personnel, including Dr Michael Bodner, who commenced as Chief Information Officer in May 2008. Michael is responsible for guiding the Solution Development and Information Technology teams.

The Company has also commenced a rapid development program to provide a path for our customers to move from disc based solutions to entirely web based solutions. This evolution will deliver lower supply chain costs and faster data and application development turnaround time for our customers. The first of these new web based solutions was released in September 2008 and releases will continue during the next 12 months.

We recognise that to maintain and extend our position we must continually invest in our personnel and in new technology.

As you may have read, Peter Adams resigned from the position of the Chief Financial Officer in March this year. Mr Adams commenced with the Company in 2001 and contributed significantly to the growth of the Company during his tenure. I would like to take this opportunity to sincerely thank Peter for his contribution to the Company and wish him the very best for the future. Mr Jonathan Pollard, who was the Company's Finance Manager, was subsequently appointed to the position of Acting Chief Financial Officer effective 31 March 2008.

Finally, I would like to take this opportunity to thank you for your continued support of Infomedia and convey to you my confidence in the continuing growth of your Company. I hope that you enjoy this Annual Report and would welcome the opportunity to meet you at the Company's Annual General Meeting if you are able to attend.

Richard David Graham
Chairman of the Board

INFOMEDIA LTD IS A LEADING SUPPLIER OF INFORMATION SOLUTIONS TO THE PARTS AND SERVICE SECTOR OF THE GLOBAL AUTOMOTIVE INDUSTRY.

Subscribed to by over 60,000 users from franchised and independent auto dealers and auto repairers, the Company's products are used every day in more than 160 countries and are provided in 28 languages. Infomedia's Electronic Parts Catalogues (EPCs) allow dealers to quickly and precisely identify replacement parts manufactured by the world's leading automotive companies. As the auto manufacturers' data is constantly changing, a recurring monthly subscription for Infomedia's products ensures that customers receive and access the most current parts information on CD, DVD or via the Internet.

> ***"...the Company's products are used every day in more than 160 countries and are provided in 28 languages."***

Infomedia produces other complementary parts and service related data products. Superservice Menus™ is a system that enables the service department to produce quick and accurate service quotations for its customers. By using the Company's technology and expertise, Infomedia has also introduced EPCs to other parts and service industries, such as the whitegoods industry.

Infomedia has been developing its products since 1991. The expertise and experience gained over the years position the Company to continue to produce reliable products well into the future.

A Celebration of Innovation

You will notice that this year's Annual Report has a theme – this being a "celebration of innovation". This is a reflection of the challenges that the Company must continually face in a changing technological world and our continual evolution to meet and overcome them.

We have chosen to celebrate eight inventions that fundamentally changed the world as we know it. Some are well known and some not so well known, but they have changed the lives of all mankind and helped to forge the new paths we travel down today.

We hope that they will be an inspiration for us to be inventive, innovative and, to always seek to find the answer in the unorthodox and the unconventional.

> ***"By using the Company's technology and expertise, Infomedia has also introduced EPCs to other parts and service industries, such as the whitegoods industry."***

A reconstruction of the Antikythera Mechanism

1. Antikythera Mechanism (c. 150 B.C.)

The Antikythera Mechanism was discovered by a Greek sponge diver, Elias Stadiatis, in the wreck of an ancient ship off the coast of Greece's Antikythera Island in April 1900.

Its function was speculated over for many years, not helped by its advanced state of corrosion. Theories formed that it was an astrolabe, an orrery (mechanical device that shows the relative positions and motions of the planets and moons in the solar system), or an astronomical clock.

Only a few years ago, using advanced digital radiography, additional cogs and gears were revealed, buried underneath layers of corrosion.

The Antikythera Mechanism has a system of up to 70 gears, each with teeth of equilateral triangles – a clockwork of such complexity and miniaturisation, nothing of its kind was seen again until well into the 18th century.

It was designed to calculate astronomical positions in the solar system. The orbits of the moon, the five then known planets, and the position of the sun are plotted on dials, possibly for astrological purposes or for setting and adjusting the calendars of the ancient world.

The past year has been a busy and positive one for Infomedia Ltd. As Chief Executive Officer, I am proud of what we have accomplished, and the direction in which we are heading. Our teams around the world have been focused on the task at hand and worked together in a coordinated effort to deliver as promised to our customers.

Early in 2008 our software subscription numbers surpassed 60,000 for the first time ever – an improvement of more than 8% over the previous corresponding period. I am confident that over the coming year we will continue to see more subscription increases as we expand our current solutions to new markets, and strengthen our share in existing markets.

Superservice Menus Maintains Solid Growth

As in prior years, the success of Superservice Menus™ continues, and this year subscriptions reached a record high of 3,946, representing an increase of 51% on last year's figures.

A number of launches to new markets occurred throughout Asia Pacific and Europe in the past year. In Europe, Superservice Menus was launched to Daihatsu Norway, Hyundai Turkey, Kia France, Kia Norway and Subaru Norway. Within Asia Pacific, the product was introduced to Holden New Zealand, Kia Australia, Lexus Australia and Suzuki Australia – with Lexus and Suzuki representing two new automakers to adopt Superservice Menus. Both Lexus and Suzuki recognised the tremendous value of the solution and signed an exclusive agreement with Infomedia, which means that all Lexus and Suzuki dealers in Australia now subscribe to Superservice Menus.

Existing customer subscriptions also continued to grow, with a total of 65%

"The growing success of Superservice Menus can be attributed... to the efficiency and productivity advantages it provides to service personnel using the system..."

"Early in 2008 our software subscription numbers surpassed 60,000 for the first time ever – an improvement of more than 8% over the previous corresponding period."

of Toyota dealers in Australia now using Superservice Menus. As at the end of the 2008 financial year, Infomedia provides Superservice Menus to 11 automotive manufacturers in over 20 countries.

The growing success of Superservice Menus can be attributed not only to the efficiency and productivity advantages it provides to service personnel using the system, but, just as importantly, to the benefits it provides to their customers. Superservice Menus gives a clear and accurate breakdown of the work required for a customer's vehicle, and an explanation of the charges. For the customer, their satisfaction with the service increases, as well as their confidence in the dealer being fair and honest. This transparency strengthens customer loyalty, and leads to repeat business for the service department of the dealership.

Solution Expansion Continues Around the Globe

Infomedia's solutions continue to experience growth around the world. The Company's Microcat® Electronic Parts Catalogue continues its expansion, with subscriptions rising in Latin America and China. In particular, China's light truck company, Jiangling Motors Co., Ltd (JMC), has increased its Microcat subscriptions over the past year.

2. Gutenberg Press (1440)

The earliest dated book was printed in China in 868AD, and in 1041 movable clay type was first invented. Johannes Gutenberg, a goldsmith and businessman from the German city of Mainz, changed the world of printing when he borrowed money to invent the Gutenberg Press.

After an idea that came to him in a "ray of light", Gutenberg embarked on a secret project with financial backing from a wealthy gem cutter and the owner of a paper mill. Gutenberg's secret was the use of a screw based press in combination with movable metal type. His background in metalwork was invaluable in this development, which used an alloy of lead, tin and antimony, poured into moulds to create letters. A new ink which was oil based was invented to replace previously existing water based inks. This new technique could transfer printed characters to vellum (calf skin parchment) or paper. The Gutenberg Press was completed by 1440, and it brought down the price of printed materials to make them available to the masses – not just the elite.

The impact of Gutenberg's invention on Europe was enormous and was a major contributor to the blooming of scientific discovery, the humanistic revolution of the Renaissance and even the Reformation. Almanacs, travel books, chivalric romances, poetry, music, scientific discoveries and more were widely distributed. The use of Latin as the language of scholars declined as literacy rose and texts were published in native languages. Human knowledge and creativity were never before so accessible.

Time Life magazine named Gutenberg's Press as the most important invention of the second millennium.

Microcat® LIVE™ has extended its reach with launches to Toyota dealers in New Zealand, as well as nine new markets in Europe, including: Belgium, France, Germany, Netherlands, Spain and Switzerland.

Microcat® MARKET™, our Internet parts ordering system that links independent repairers to their genuine parts dealer, has experienced notable growth in both Europe and the Asia Pacific region. Dealer licences in Asia Pacific increased by 134% and trade customer licences increased by 189%. It is anticipated that the product's growth will continue, with further launches scheduled in the coming months.

New Contracts Signed and Existing Contracts Extended

The past year has seen the renewal of a number of Infomedia's current contracts, and the signing of several new contracts. The first renewal was the Company's agreement to supply Ford Mexico with Microcat for a further five years, until 2012. As part of the contract, Microcat LIVE and Microcat MARKET will also be delivered to Ford Mexico, building on the strong partnership we've developed since 1999. Toyota Mexico also renewed their contract with Infomedia to supply Microcat for a further five years. This continues the exclusive distribution agreement that Infomedia and Toyota Mexico have shared since 2002.

"The past year has seen the renewal of a number of Infomedia's current contracts, and the signing of several new contracts."

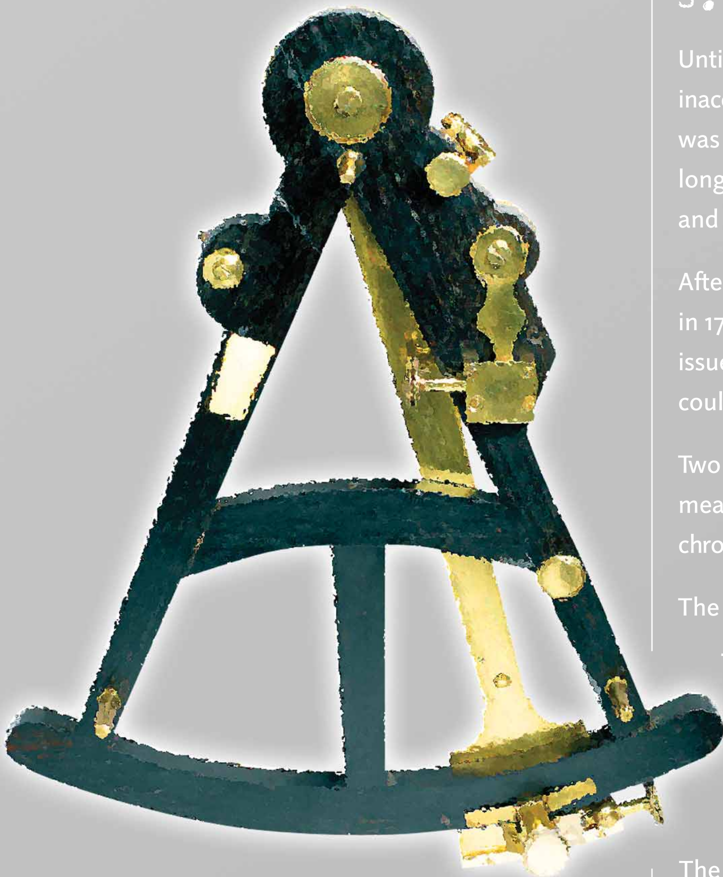
Three separate agreements were signed between Toyota and Infomedia throughout the year. The first was a renewal of our contract with Toyota USA to supply Infomedia's EPC products for a further three years, to 2011. The second was an agreement for Infomedia to also supply Toyota USA with a web-based product that allows the processing of parts orders between an Independent Repair Facility (IRF) and a Toyota dealership. Finally, Toyota Material Handling USA (TMHU) signed a five year exclusive agreement with Infomedia to supply a web-based EPC for its forklift division. The system will be utilised by repairers of Toyota industrial equipment to search for parts and electronically submit orders to their parts dealer. All TMHU dealers (over 180 in the USA), will be provided with the EPC solution. The signing of these contracts extends and strengthens the Company's relationship, as more of Infomedia's products are adopted by Toyota.

Another important contract the Company renewed was with Ford Asia Pacific. Under the terms of the renewal, the Company is authorised to use Ford's parts data for producing the Microcat EPC through to 2010. Hyundai USA also renewed its agreement for Infomedia to produce Microcat for Hyundai for another three years. In Canada, Infomedia now has an exclusive agreement with Kia and all dealers use the Microcat EPC.

"The increasing awareness and traction of Superservice Menus is evident in the two new contracts that the Company signed during the financial year."

The increasing awareness and traction of Superservice Menus is evident in the two new contracts that the Company signed during the financial year. General Motors (GM) became the first North American customer for Superservice Menus when they signed an agreement to supply the product to its North American dealers. As GM is the the world's largest automaker, and has over 7,000 dealerships in North America alone, the non-exclusive contract represents sizeable growth opportunities for Superservice Menus.

The Company also signed a five year agreement with Hyundai Motor Company, which is endorsing the use of Superservice Menus to Hyundai service departments worldwide. Hyundai has committed to recommending the use, and promoting the merits, of Superservice Menus to its distributors and dealers. Hyundai also invited Infomedia to participate alongside its management team at Hyundai service conferences around the world.



3. The John Bird Sextant (1759)

Until the sextant was created, ocean navigation had been inaccurate and very dangerous. The determination of latitude was in use from around 120AD, yet the calculation of longitude proved elusive, making sea travel dangerous and expensive.

After four English warships were wrecked on the Scilly Isles in 1714 due to navigational error, the British parliament issued the Longitude Act, with a large cash prize for whoever could discover a useable method of determining longitude.

Two technologies solved this problem. One was the precise measure of time using accurate and transportable marine chronometers and the other was the sextant.

The first sextant was produced by the instrument maker John Bird in 1759. Using two double-reflecting mirrors, the angular distance of the sun, a star, or other heavenly body, could be measured from the horizon. The angle and time measured could then be used to calculate a position line on a nautical chart.

The impact of the device was huge. It directly led to the great voyages of discovery by Captain James Cook and others, and helped the expansion of the British Empire.

The sextant was used exclusively until the First World War and merchant vessels are still required to have one today, in the event of electronic failure. The skilled use of a sextant is still considered to be the ultimate test of seamanship.

The Year Ahead

Operational Outlook

Infomedia is committed to developing and delivering solutions that represent the best value for our customers. Our adaptation to evolving customer and market needs has always been approached with both eagerness and enthusiasm, as we recognise that to maintain our competitive advantage we need to always be ahead of the competition.

Re-evaluating and re-inventing our ways of doing business are essential factors to our continued success. In today's climate, this involves a shift in technology. More specifically for us, it means moving our traditionally disc-based products to web-based products. Over the next year, we are focused on transitioning our Microcat and Microcat LIVE disc solutions to a web platform that will enable our customers to do their business more productively, whilst improving our own production processes and opportunities for increased revenue.

With the launch of Superservice Menus to new markets in North America and existing markets in Europe and Asia Pacific in the coming year, it is anticipated that strong growth will be maintained around the world. The commercial launch of Auto PartsBridge and scheduled launches of Microcat MARKET further increase our global reach and opportunities for revenue.

> ***"Over the next year, we are focused on transitioning our Microcat and Microcat LIVE disc solutions to a web platform that will enable our customers to do their business more productively..."***

Financial Outlook

In the year ahead, the Company will see through to conclusion the previously communicated reduction in General Motors subscriptions. However, growth in other subscriptions, particularly Superservice Menus, is forecasted to give rise to net subscription growth for the 2009 year. While the Company maintains an active foreign currency hedging program, the projected strength of the Australian dollar during the course of the 2009 year is likely to have a further dampening effect on reported profit, despite the anticipated net subscription growth.

The recent successful contract renewals in Europe, North America and Asia Pacific, along with the positive reception of our new solutions, provide a solid platform for growth in subscription volumes. Further advances in EPC technology for both the franchised automotive dealer and the independent motor trade will create increased sales momentum and diversification of the Company's customers and product portfolio over the medium term.

The outlook for Superservice Menus remains strong, with continuing growth expected into 2009 and beyond. The Company continues to expand both domestically and internationally with new automakers and organic growth from current releases.

I look forward to leading the Infomedia team in the coming year. With our expertise, commitment, enthusiasm and adaptability, I am confident that we will continue to deliver solutions which our customers value and provide a return on your investment.

Gary Martin
Chief Executive Officer

4. Sholes & Glidden Typewriter (1873)

The idea of a machine to replace the hand written word is not a new one. In 1714, an English engineer named Henry Mill patented an "artificial machine for the impressing or transcribing of letters" but lacked the patience to build the complex machine.

It took three American inventors, Christopher Latham Sholes, Carlos Glidden and Samual Soule, to bring such a machine to reality. The "Type-Writer" as they named it, was first developed in 1867 with almost 30 prototypes following. The prototypes were horribly unreliable. If the operator typed at any reasonable speed, the machine jammed. Sholes (who later left the trio) got around the problem by inventing the "QWERTY" keyboard layout, still used well over a century later. The intention was to slow the operator down by separating common "digraphs" or two letter combinations forming one sound, such as "sh". Even after reliability problems were later solved, the keyboard layout remained.

An entrepreneur named James Densmore sold the inventors' design to gun and sewing machine manufacturer, Remington. Remington's sewing machine engineers ironed out remaining reliability issues and even added a sewing machine style foot pedal to advance the paper.

The first machine was released for sale in 1873 and between 1873 and 1878 only 5,000 units were sold. Additional models were released a few years later, when sales suddenly skyrocketed as the public saw what a productivity advantage the renamed "Typewriter" gave them. By the late 1880s, in a remarkably short period of time, typewriters were common around offices in America and Europe.

Technology

INFOMEDIA CONTINUES TO EVALUATE NEW TECHNOLOGIES AND COMPETITIVE FORCES AS PART OF ITS NORMAL BUSINESS PRACTICE.

In order for Infomedia to continue to lead in the always evolving, information driven industry, the technology platform currently in use must be transformed. This involves providing a path for our customers from disc-based solutions to web-based solutions. By doing so, not only does the Company improve efficiencies and lower supply chain costs, but the ability to provide higher quality solutions to customers is increased. The web platform provides the flexibility for data to be more frequently updated than the current format permits, and modifications and improvements to the program itself can be released almost instantaneously. Removing the need to install a disc each month, as well as the previously mentioned benefits, are at the forefront of automaker and dealer requirements, and the Company is confident that the new solutions will deliver the desired functionality.

DR MICHAEL BODNER

As a part of a review of Infomedia's technology, Dr Michael Bodner was appointed to the position of Chief Information Officer in May. Dr Bodner is a senior technology executive and widely respected IT professional who brings with him nearly 30 years of experience in a number of ventures. Prior to joining Infomedia, Dr. Bodner held positions with leading software companies including The Thomson Corporation and ProQuest Business Solutions. Among his various roles at ProQuest, he was responsible for transitioning existing applications from traditional technology to Service Oriented Architecture based platforms.

In his position at Infomedia, Dr Bodner is responsible for leading and developing the Solution Development and Information Technology teams to deliver on the Company's technology vision. Upon his appointment as Chief Information Officer, Dr Bodner said, "I am very excited to be joining Infomedia. I believe the Company has the technology prowess and executive leadership to take full advantage of opportunities in the information service provider's market space and I'm delighted to be a part of it."

"As a part of a review of Infomedia's technology, Dr. Michael Bodner was appointed to the position of Chief Information Officer in May."

"In order for Infomedia to continue to lead in the always evolving, information-driven industry, the technology platform currently in use must be transformed."

5. Fender Telecaster (1950)

The Fender Telecaster was the first mass produced solid body electric guitar. Pure and simple in design, the Telecaster revolutionised popular music. Updated models are still sold by Fender today.

The Telecaster or "Tele" was developed by Leo Fender during the 1940s and was based on other solid body electric guitars which had little impact on the market. A crude prototype was built as early as 1943 and proved to be popular with country musicians, which spurred on further development.

A second hand built prototype appeared in 1949, with almost all the features of a production Telecaster. It had a simple and modular design suited for mass production and ease of repair, accessible electronics, two single coil pickups (transducers that capture mechanical vibrations) controlled by a selector switch placed with a volume control and a tone control.

When released for production in 1950, the Telecaster proved to be very popular. The bright, cutting, steel guitar like tone of a Tele found a natural home in country music, but it was also a direct influence on a new musical genre that emerged in the early 1950s – rock and roll. Buddy Holly played on a Telecaster and his backing band, The Crickets, defined the format for the modern rock band, still with us more than half a century later. The "bite" of a Tele also proved well suited for outdoor playing but, perhaps more importantly, was also well suited to a TV or radio studio. The Telecaster is a true instrument of the modern age.

Artists who have used a Telecaster include Keith Richards, Jimmy Page, Eric Clapton, George Harrison, Muddy Waters, Jeff Beck, Joe Strummer and Bruce Springsteen.

New Traineeship Program

In July 2008, Infomedia implemented a traineeship program whereby two trainee computer programmers were appointed. In line with the Company's ongoing goal of providing career opportunities for employees, one of the appointees was an existing employee, whilst the other trainee was appointed from a group of external candidates.

The traineeship has been designed to educate programmers in methodologies and systems that are applicable to Infomedia. The initiative is supported and supplemented with studies at the Technical College of Advanced and Further Education (TAFE).

The trainees will gain skills in languages used in commercial systems and upon completion of their training they will work as entry level programmers. Although they require mentoring, it is expected that the trainees work and contribute as a part of the team.

By administering the traineeship, Infomedia is eligible for Commonwealth and State Government incentives. However, the real benefits are that the Company is offsetting skills shortages, improving mentoring opportunities for team leaders, inspiring Company values, and preparing a workforce for the future.

Career Development Initiatives for Infomedia Employees

Infomedia Ltd is committed to ensuring that staff reach their full potential. As part of this ongoing commitment, Infomedia embarked upon a career development initiative with the specific objective of providing a range of business skills to staff to enable them to becomemore proficient and productive in their roles now and into their future with Infomedia.

In February 2007, our team leaders and managers commenced the Certificate IV in Business with a Frontline Management focus. The 12 month course provided a trainer facilitated program of learning to develop skills and competencies in the areas of business planning, business development, team leadership and staff management. Through evaluation and analysis of current practices and the development of new practices, participants learnt modern management and leadership principles and procedures.

In addition to the Frontline Management course, Infomedia's Customer Service Specialists undertook Certificate IV in Customer Contact. The course gave an insight into team leadership and analysed and evaluated current practices. The Customer Service team focused on improving customer service techniques by developing communication methods, encouraging a greater awareness of customer needs and enhancing customer relationships to increase revenue.

Infomedia's traineeship program participants – Jessica Canabou and Tarek Bisher

> ***Infomedia Ltd is committed to ensuring that staff reach their full potential.***

6. RCA Victor CT-100 Colour Television (1954)

The RCA Victor CT-100 was the first all-electronic colour television shipped in volume to consumers' living rooms. It effectively changed forever how people spent their non-working hours.

The CT-100 was known as "Merrill" to RCA Victor and was manufactured at a plant in Bloomington, Indiana. It had a tiny 15" colour picture tube when measured diagonally, had 36 vacuum tubes and colour phosphors that fully utilised the colour capability of the NTSC signal, still the standard in the United States. Thus, the CT-100 actually had a wider colour range than many modern sets, with richly saturated reds and greens. However, overall picture quality did look strangely artificial. In marked contrast to modern television, the CT-100 had a red mahogany cabinet.

Over 4,000 were produced and were sold for $995 – roughly equivalent to the cost of a car for the 1950s consumer. The price soon fell to $495, but after spending $100 million in technology and research during the nine years it took to get the CT-100 to production, RCA Victor didn't see a profitable return on its investment until 1962.

On the CT-100's introduction in 1954, special TV shows were produced to show off its capabilities, including NBC's "Living Colour" Saturday evening program.

Only about 30 CT-100s are still functional and today they are a collectors' item.

> *For us as an international organisation it is imperative that product solutions and communications are delivered in all of the languages spoken by the Company's customers...*

Both courses were structured towards providing tailored education for Infomedia employees to enable them to reach their full potential. Participation in these programs enabled Infomedia to take advantage of the Federal Government incentives, which equated to $39,500.

Feedback received from participants from both courses has been positive, with many experiencing greater confidence as a result of their newly acquired skill sets.

Innovation via Enhanced Localisation and Translation Methods

For us as an international organisation it is imperative that product solutions and communications are delivered in all languages spoken by the Company's customers, and new languages are offered to customers in emerging markets.

In order to face the challenges of operating in a multilingual market, Infomedia has revised its translation and localisation processes, and implemented an advanced and innovative solution for localisation and terminology management.

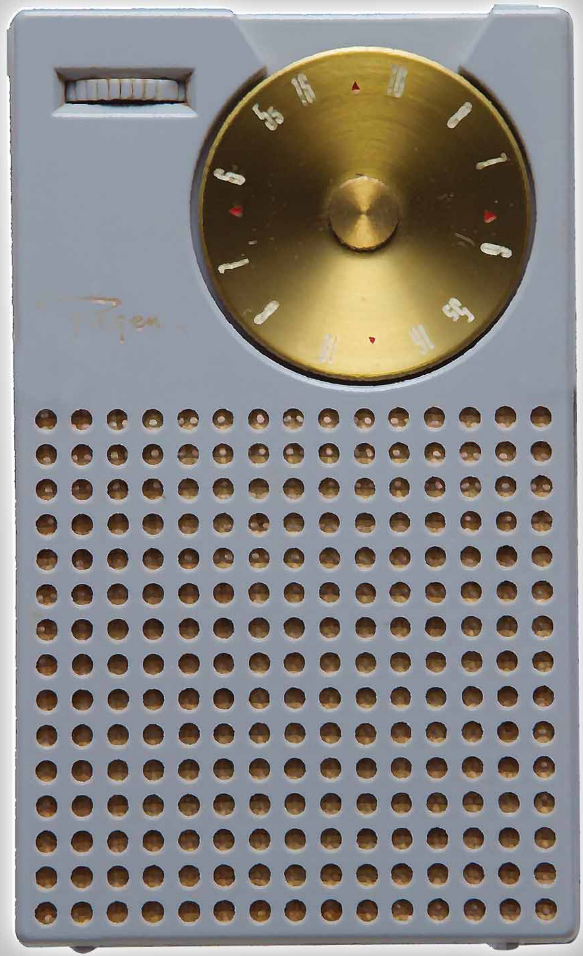
Localisation is the process of reviewing text and terms to ensure their applicability to the market in which they will be delivered. It differs from translation in that it doesn't look just at the words, but considers specific market idiosyncrasies.

Supported by localisation specialists, new translation service providers, and the most advanced tools for translation management, Infomedia has developed:

- a new process for terminology, localisation and quality assessment management that mirrors the highest and most recognised international standards of the localisation industry;
- a localisation knowledge base that enables translators to more effectively retrieve relevant information and access various terminology resources such as an online glossary of Infomedia's customers;
- an online localisation forum that gives translators a tool for collaborating on problem solving activities and gives Infomedia employees the ability to submit a terminology request for explanation direct to the terminology specialist; and
- a feedback management tool that enables Infomedia to collect terminology requests from customers and employees for correction and improvement.

These new tools have had an immediate positive impact on the overall quality of the translations and a reduction in translation costs. Internally, the use of technical writing, terminology style guides and controlled vocabulary will continue to improve the quality of the Company's intra-departmental communication – leading to more effective communication both internally and externally.

> *These new tools have had an immediate positive impact on the overall quality of the translations and a reduction in translation costs.*



7. Regency Transistor Radio (1954)

The transistor was a piece of high technology created in the Bell Telephone Laboratories in 1947. William Shockley, John Bardeen and Walter Brattain discovered a semi conducting device capable of amplifying an electrical signal as well as rectifying it, thus making the vacuum tube obsolete. For this, the trio were awarded the Nobel Prize in Physics.

For something as groundbreaking as the transistor, it's somewhat surprising that a commercial application for the invention was, at first, difficult to find.

Texas Instruments recognised its potential and designed and built a prototype radio using the transistor – immediately making the device far smaller, less power hungry, much less complicated and more reliable. No major existing radio manufacturers were interested but a small company in Indianapolis, I.D.E.A, was very interested.

In 1954 the Regency TR-1 transistor radio was sold for $49.95, about the equivalent price of a high end iPod today. The TR-1 was encased in futuristic plastic packaging, was small enough to hold in your hand or pocket and came in four colours at first, with seven more added afterwards. Advertising used the slogan, "See it! Hear it! Get it!" The youth market immediately seized upon it as rock and roll spread throughout the globe.

Music was for the first time mobile and accessible almost everywhere. The technology within went on to morph into the integrated circuit, the silicon chip and the modern computer.

Your Company is led by a management team with extensive experience across multiple disciplines and industries. The group works together closely to ensure a consistent direction across all areas of the business and in all locations in which the Company operates.

Gary Martin – Chief Executive Officer

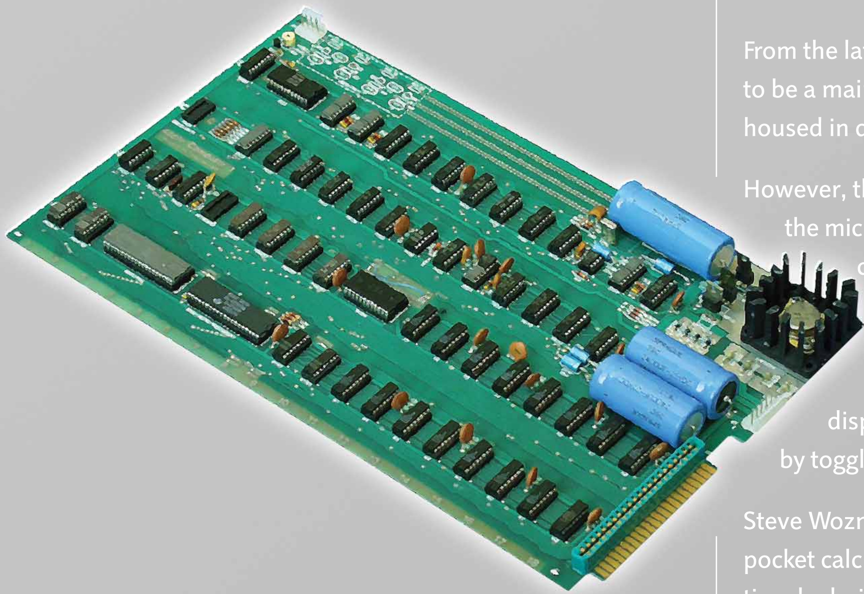
Gary Martin joined the Company as International Sales Manager in 1998 and was appointed as General Manager, Electronic Catalogues Division in August 2001. Mr Martin was appointed to the Board in 2004 and then to the position of CEO in January 2005. Mr Martin has extensive experience in the automotive industry, having held various positions at automotive dealerships since 1987. In his time with Ford dealers, Mr Martin was awarded the Ford Management Excellence Award in four consecutive years and participated on various automaker committees. In his role as CEO, Gary provides strategic direction and oversees all areas of the business.

Michael Bodner – Chief Information Officer

Dr Michael Bodner has almost 30 years experience across a number of high technology ventures. He has a Ph.D. in Theoretical Physics and was one of the scientists assigned to the Apollo project at NASA. He has been a college professor, and then entered the emerging microcomputer industry, in which he worked in a number of small and very large companies. After several years at The Thomson Corporation, where he served as the Chief Technology Officer and Senior Director of Technology Strategy in Zurich, he returned to the US and entered the automotive information provider industry. Immediately prior to joining Infomedia in May 2008 as Chief Information Officer, Dr Bodner worked for a leading software company in the position of Vice President, Emerging Technologies and Global Architecture and Standards, and then as Acting Chief Information Officer responsible for development of the company's corporate technology strategy. At Infomedia, Michael is responsible for the Company's global technology direction and delivery and leads the Development and Systems teams in creating new customer solutions.

Nick Georges – General Counsel & Company Secretary

Nick Georges is a qualified lawyer, admitted to the Supreme Courts of Victoria in 1991 and New South Wales in 1999. Prior to joining Infomedia and becoming its General Counsel & Company Secretary in 1999, Mr Georges worked in general practice as a solicitor in Victoria before moving to Sydney in 1995 to take up an executive role with an international software development company where he obtained extensive experience in the information technology industry. Nick provides legal advice and support to all areas of the business globally, as well as performing his duties as Company Secretary.



8. Apple I Personal Computer (1976)

From the late 1950s, a computer was generally considered to be a mainframe computer sold by huge companies housed in dedicated rooms and run by highly trained staff.

However, things changed in the 1970s. The introduction of the microprocessor, a stand alone chip with miniaturised components, led a small number of hobbyists to dream of owning their own computer. These first personal computers were primitive by today's standard. They had no keyboard, display or even storage, and input was performed by toggling switches, giving an output of blinking lights.

Steve Wozniak (or "Woz") was an engineer working for the pocket calculator division of Hewlett Packard. In his spare time he built digital telephone hacking devices to make free long distance phone calls with a teenage delinquent named Steve Jobs. Jobs dragged a reluctant Wozniak to the newly formed "Homebrew Computer Club", which also had a young Bill Gates as a member.

As Woz was too broke to buy a computer, he decided to build his own, and designed the Apple I – a computer of brilliant simplicity and advanced technology. All the elements we see in computers today were present. Keyboard input, graphical output (to any TV) and storage in RAM or tape. Jobs convinced Wozniak that there was a market for them (the idea of selling it never occurred to Woz) and the two built circuit boards in Jobs' parents' garage in California.

Wozniak improved his design with the Apple II in 1977, which added high resolution graphics (Woz "threw it in" as he "didn't know if people would use it"), colour and sound on a circuit board of staggering simplicity and expandability. Woz challenged himself to design with as few chips as possible, always finding ways to do more with less while also writing most of the software for the new machine, which Jobs encased in a marketable plastic box.

Huge sales of the Apple II heralded the personal computer revolution. The Apple II sold with little change until October 1993 – around the same time another innovation, the Internet, was born.

Mark Kujacznski – Vice President of Product Strategy

Mark Kujacznski joined Infomedia as Vice President of Infomedia North America in August, 2005. Mr Kujacznski has extensive experience in both the automotive retail and IT industries. Prior to joining Infomedia, he was Senior Project Manager at RouteOne, a joint venture between GMAC, Chrysler Financial, Ford Credit and Toyota Financial, where he had responsibility for all business and technical aspects of Dealer Management System (DMS) integration with RouteOne. Before joining RouteOne, Mr Kujacznski spent 18 years at EDS in numerous leadership positions and was the Product Development Manager for the EDS Parts Imager electronic parts catalogue and Program Manager of EDS' DealerSphere initiative. As Vice President of Product Strategy at Infomedia, Mark is responsible for projects aimed at increasing the usage of Infomedia solutions through strategic alliances and deeper product integration with third parties.

Alison MacFarlane – Director of Marketing

Alison MacFarlane has over 15 years of experience in the field of marketing, having worked for a large Australian bank for five years, and immediately prior to joining Infomedia in October 2003, she worked for an accounting software firm for six years. She has extensive experience in software development and marketing and is passionate about technology. Her particular areas of expertise are product marketing, communications and brand management. Ms MacFarlane has a Bachelor degree (Information Science – Computing) and a Masters of Business (Marketing). Ms MacFarlane is responsible for representing the voice of the customer and providing leadership on customer communication and support.

Andrew Pattinson – Managing Director, IFM Europe Ltd

Andrew Pattinson joined Infomedia in April 1988 from the finance industry to work on the administration team and has since held roles in many areas of the Company. Mr Pattinson ran the Production and Operations area of the business for six years prior to taking on the Melbourne based role of General Manager, Data Management Division, following its acquisition in April 2000. In January 2002, he returned to Sydney and accepted the role of Vice-CEO. Mr Pattinson relocated to the UK in April 2004 to open Infomedia's European operations. He served on the Infomedia Board from October 2001 until October 2004.

Jonathan Pollard – Acting Chief Financial Officer

Jonathan Pollard is a Chartered Accountant and has over 10 years financial experience in both European and Australian companies. Mr Pollard joined Infomedia in July 2004 in the position of Finance Manager and in April 2008 was promoted to the position of Acting Chief Financial Officer. Mr Pollard has extensive experience in financial reporting, management accounting, auditing and financial modelling. Before joining Infomedia, Mr Pollard held a position as a senior accountant with an Australian software company and prior to that a senior audit position with KPMG UK. Mr Pollard has a Bachelor of Science degree (Mathematics). Jonathan is responsible for managing all finance and accounting functions of the Company.

Michael Roach – Director of Sales/General Manager Asia Pacific

Michael Roach joined Infomedia in 1979 in the field of electronic publishing. Mr Roach has held various positions during his tenure, including Production Manager and Operations Manager, before he was promoted to General Manager of the Data Management Division in 2002. He was then promoted to the position of General Manager of the Catalogues & Publishing Division in January 2005. Mr Roach has extensive experience in the automotive cataloguing industry. He is responsible for key relationships throughout the world with automakers, as well as leading the global New Business, Client Management and Sales teams.

Dan Stedem – Vice President Operations, IFM North America

Dan Stedem has worked alongside Infomedia since 1999, when Microcat was first launched to Ford dealers in North America. Since that time, he has been a subject matter expert, trainer, salesman and all-around customer support person. In February 2008, Mr Stedem was appointed Vice President Operations for IFM North America. Prior to his work with Infomedia, Mr Stedem spent over 25 years working in various positions at Ford dealerships, leaving as General Manager with 15 President's Awards for Customer Satisfaction during his tenure. Mr Stedem has a Bachelor of Science degree from State University of New York. Dan is responsible for customer satisfaction and operational excellence in North America.

Linda Williams – Human Resources Manager

Linda Williams joined Infomedia in November 2000. Mrs Williams has extensive human resources management experience in the corporate sector including banking and finance, hospitality, the Sydney Organising Committee for the Olympic Games and information technology. Mrs Williams has been responsible for the integration of staff from the three acquisitions Infomedia has undertaken, the establishment of overseas offices, recruitment of new hires and advice to senior management on a range of human resource issues. Mrs Williams has obtained a Registered Nursing Certificate, a Human Resources Certificate and an Advanced Diploma of Human Resources. Her expertise in human resources spans over 15 years and includes recruitment, equal employment opportunity and employee relations.

Your Directors submit their Report for the year ended 30 June 2008.

DIRECTORS

Directors were in office from the beginning of the financial year until the date of this report, unless otherwise stated.

The names and details of the Directors of the Company in office during the financial year and until the date of this Report are:

Richard Graham – Chairman of the Board

Richard Graham has held senior management positions in the American and Australian computer industry since 1977. Mr Graham co-founded the Company in 1988 and was its Chairman and Managing Director/CEO from its establishment until he retired as CEO in December 2004. Since then, Mr Graham has continued as Chairman. Mr Graham was last re-elected to the Board in October 2005.

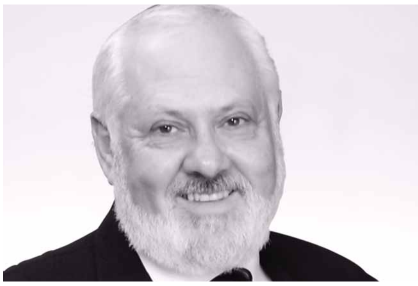
Gary Martin – Chief Executive Officer

Gary Martin was promoted to the position of Chief Executive Officer on 1 January 2005. Mr Martin has extensive experience in the automotive industry. He has been with Infomedia since 1998, when he joined the Company as International Sales Manager. Mr Martin was appointed as General Manager, Electronic Catalogues Division in August 2001. Prior to joining Infomedia, he had 12 years of experience at automotive dealerships, including as General Manager, Parts & Accessories of a large multi-franchised dealership group. In his time with Ford dealers, Mr Martin was awarded the Ford Management Excellence Award in four consecutive years and participated on various automaker committees. Mr Martin was elected to the Board in October 2004.

Frances Hernon – Non-executive Director

Frances Hernon was appointed to the Infomedia Board of Directors on 19 June 2000. Ms Hernon has extensive experience in media, publishing, marketing and technology. She has held senior editorial positions at News Ltd and Murdoch Magazines and was General Manager, Harrison Communications; Director of Publicity at Channel Ten; Managing Editor of the NRMA's member magazine *The Open Road*; Manager, Business Communications for NRMA; and Senior Account Manager, Group IT&T for the Insurance Australia Group (IAG). Ms Hernon is currently the Corporate Affairs Manager for Nestlé Australia Ltd.

Ms Hernon serves on the Audit, Risk & Governance Committee and also serves the Board as Lead Non-executive Director for all matters that formerly fell within the ambit of the Remuneration & Nomination Committee. Ms Hernon was last re-elected to the Board in October 2006.



Myer Herszberg – Non-executive Director

Myer Herszberg has been a Director of Infomedia since 1992. Mr Herszberg has extensive consumer electronics experience and was active in bringing home computers to Australia in the early 1980s, as well as many other leading edge electronic products. He also has extensive experience in the commercial property market, and is active in a number of community service organisations. Mr Herszberg currently serves on the Company's Audit, Risk & Governance Committee. Mr Herszberg was last re-elected to the Board in October 2005.

Andrew Moffat – Non-executive Director (Chairman of Audit, Risk & Governance Committee)

Andrew Moffat was appointed to the Infomedia Board of Directors on 31 March 2005. Mr Moffat has more than 20 years of corporate and investment banking experience and is the sole principal of Cowoso Capital Pty Ltd, a company providing strategic corporate advisory services. Mr Moffat was a Director of Equity Capital Markets & Advisory for BNP Paribas Equities (Australia) Limited with principal responsibility for mergers and acquisition advisory services and a range of equity capital raising mandates including placements, initial public offerings, rights issues and dividend reinvestment plan underwritings. His corporate banking experience was gained whilst working in the United Kingdom and Australia with Standard Chartered Bank Group, National Westminster Banking Group and BNP Paribas. Mr Moffat was elected to the Board in October 2005.

COMPANY SECRETARY

Nick Georges – General Counsel & Company Secretary

Nick Georges is a qualified lawyer, admitted to the Supreme Courts of Victoria in 1991 and New South Wales in 1999. Prior to joining Infomedia and becoming its General Counsel & Company Secretary in 1999, Mr Georges worked in general practice as a solicitor in Victoria before moving to Sydney to take up an executive role with Altium Limited, where he obtained extensive experience in the information technology industry.

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, the interests of the Directors in the shares and options of the Company were:

Infomedia Ltd		
	Ordinary Shares fully paid	Options over Ordinary Shares
Wiser Equity Pty Limited	100,277,501	-
Yarragene Pty Limited	23,421,599	-
Wiser Centre Pty Limited	1,000,000	-
Richard Graham	926,559	-
Gary Martin	507,590	1,000,000
Frances Hernon	5,000	-
Andrew Moffat	-	-

Richard Graham is the sole Director and beneficial shareholder of Wiser Equity Pty Limited. Richard Graham is a Director of Wiser Centre Pty Limited, trustee for the Wiser Centre Pty Ltd Superannuation Fund. Myer Herszberg is a Director and major shareholder of Yarragene Pty Limited.

Directorships of other publicly listed entities

During the past five years, Andrew Moffat has been the non-executive chairman of Pacific Star Network Limited. He is also a Non-executive Director of Cash Converters International Ltd and an Executive Director of Rubik Financial Limited.

PRINCIPAL ACTIVITIES

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

The principal activities during the year of entities within the consolidated group were:

- developer and supplier of Electronic Parts Catalogues (EPCs) 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 year.

EMPLOYEES

The Company employed 213 (2007: 204) full time employees as at 30 June 2008.

DIVIDENDS

	Cents	$'000
Final dividends recommended:		
On ordinary shares – final – fully franked	1.40	4,491
Dividends paid in the year:		
On ordinary shares – 2008 interim – fully franked	1.80	5,867
Final for the 2007 year:		
On ordinary shares – as recommended in the 2007 report	2.10	6,845

NET TANGIBLE ASSETS PER SECURITY

	Cents
The Company's net tangible assets per security are as follows:	
Net tangible assets per share at 30 June 2008	3.5
Net tangible assets per share at 30 June 2007	4.4

REVIEW AND RESULTS OF OPERATIONS

The following table presents sales revenue and profit after tax. There were no non-recurring significant items during the 2007 or 2008 financial years:

	CONSOLIDATED	
	2008	2007
	$'000	$'000
Sales revenue – Catalogue & Publishing	51,731	52,990
Sales revenue – Business systems (sold 1 December 2006)	-	1,576
Consolidated sales revenue	51,731	54,566
Profit after tax	13,066	15,294

The Company is pleased to report net profit after tax of $13,066,000 for the 2008 financial year, which is within the guidance range previously advised in December 2007.

Electronic Parts Catalogue subscription numbers grew by 6% to 56,470 and Superservice Menus subscription numbers grew by 51% to 3,946 over the previous corresponding period.

Electronic Parts Catalogue subscription growth was driven primarily through the successful release of Microcat LIVE into more Toyota Europe markets. Superservice Menus subscription growth was driven by growth in Europe and Asia Pacific.

The consolidated sales revenue was impaired as a result of the rising strength of the Australian dollar throughout the year and by the previously communicated loss of General Motors EPC subscriptions.

On 1 April 2008, the Company commenced a share buy back (on market within 10/12 limit). As at 30 June 2008 the Company had repurchased 3,597,966 shares for a total consideration of $1,370,000.

REVIEW AND RESULTS OF OPERATIONS (CONTINUED)

Cash flows from operations remain strong with $13,181,000 in cash generation. Total dividend payments to shareholders over the 2008 financial year amounted to $12,713,000. Notwithstanding these returns, the balance sheet remains in a strong position, with $14,247,000 cash on hand at 30 June 2008.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There has been no significant change in the state of affairs of the Company since the last Directors' Report.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There has been no matter or circumstance that has arisen since the end of the financial year that has significantly affected the operations of the Company, the results of those operations, or the state of affairs of the Company.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the year ahead, the Company will see through to conclusion the previously communicated reduction in General Motors subscriptions in North America. However, growth in other subscriptions, particularly Superservice Menus, is forecasted to give rise to net subscription growth for the 2009 year. While the Company maintains an active foreign currency hedging program, the projected strength of the Australian dollar during the course of the 2009 year is likely to have a further dampening effect on reported profit, despite the anticipated net subscription growth.

The recent successful contract renewals in Europe, North America and Asia Pacific, along with the positive reception of our new products, provide a solid platform for growth in subscription volumes. Further advances in EPC technology for both the franchised automotive dealer and the independent motor trade will create increased sales momentum and diversification of the Company's customers and product portfolio over the medium term.

The outlook for Superservice Menus remains strong, with continuing growth expected into 2009 and beyond. The Company continues to expand both domestically and internationally with new automakers and organic growth from current releases.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is not subject to any particular or significant environmental regulation under a law of the Commonwealth of Australia or of a State or Territory.

SHARE OPTIONS

Unissued shares

At the date of this report, there were 1,950,000 unissued ordinary shares under options. Refer to Note 24 to the financial statements for further details of the options outstanding.

Shares issued as a result of the exercise of options

There were no shares issued as a result of the exercise of options during the year. Since the end of the financial year there have been no further options exercised.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the year the Company paid a premium in relation to insuring Directors and other officers against liability incurred in their capacity as a Director or officer of the Company. The insurance contract specifically prohibits the disclosure of the nature of the policy and amount of premium paid.

REMUNERATION REPORT – AUDITED

This remuneration report outlines the director and executive remuneration arrangements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 and its regulations. For the purposes of this report, Key Management Personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

Details of Key Management Personnel

(i) Directors

Richard Graham	Chairman
Gary Martin	Chief Executive Officer
Myer Herszberg	Non-executive Director
Frances Hernon	Non-executive Director
Andrew Moffat	Non-executive Director

(ii) Executives

Andrew Pattinson	Managing Director – IFM Europe Ltd
Peter Adams*	Chief Financial Officer
Nick Georges	Company Secretary & General Counsel
Michael Roach	Director of Sales/General Manager Asia Pacific
Michael Bodner**	Chief Information Officer
Jonathan Pollard***	Acting Chief Financial Officer

* Resigned 31 March 2008
** Appointed 1 May 2008
*** Appointed 1 April 2008

Compensation Philosophy

The performance of the Company depends upon the quality of its Directors and executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and executives. To this end, the Company embodies the following principles in its compensation framework:

- Provide competitive rewards to attract high calibre executives
- Link executive rewards to shareholder value
- Establish appropriate performance hurdles in relation to variable executive compensation

Remuneration Committee

Ms Hernon, in her capacity as lead Director for all matters that formally fell within the ambit of the former Remuneration & Nomination Committee of the Board of Directors is responsible for recommending to the Board the Company's remuneration and compensation policy arrangements for all Key Management Personnel. Ms Hernon, together with the non-executive members of the Board, assesses the appropriateness of the nature and amount of these emoluments on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

REMUNERATION REPORT – AUDITED (CONTINUED)

Compensation Structure

In accordance with best practice corporate governance recommendations, the structure of Non-executive Director and senior executive compensation is separate and distinct.

Non-executive Director Compensation

Objective

The Board seeks to set aggregate compensation at a level which provides the Company with the ability to attract and retain Directors of appropriate calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and the Australian Securities Exchange (ASX) Listing Rules specify that the aggregate compensation of Non-executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then available between the Directors as appropriate (for the year ended 30 June 2008, Non-executive Directors' compensation totalled $309,341 (2007: $350,136)). The latest determination was at the Annual General Meeting held on 30 October 2002 when shareholders approved a maximum aggregate compensation of $450,000 per year.

The Board has historically considered the advice from external consultants as well as the fees paid to Non-executive Directors of comparable companies when undertaking a review process.

Senior Executive and Executive Director Compensation

Objective

The Company aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the Company and so as to:

- reward executives for Company and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure that total compensation is competitive by market standards.

Structure

In determining the level and make-up of executive compensation, the Board engages an external consultant from time to time to provide independent advice in the form of a written report detailing market levels of compensation for comparable executive roles.

Compensation consists of the following key elements:

- Fixed Compensation
- Variable Compensation - Short Term Incentive (STI); and
- Variable Compensation - Long Term Incentive (LTI).

The actual proportion of fixed compensation and variable compensation (potential short term and long term incentives) is established for Key Management Personnel (excluding the CEO and Non-executive Directors) by the CEO in conjunction with

REMUNERATION REPORT – AUDITED (CONTINUED)

the lead Director (Ms Hernon) for all remuneration matters, and in the case of the CEO, by the Chairman of the Board in conjunction with Ms Hernon. Other executive salaries are determined by the CEO with reference to market conditions.

Fixed Compensation

Objective

The level of fixed compensation is set so as to provide a base level of compensation which is both appropriate to the position and competitive in the market. Fixed compensation is reviewed periodically by the CEO in conjunction with Ms Hernon for the Key Management Personnel (excluding the CEO and Non-executive Directors), and in the case of the CEO, by the Chairman of the Board in conjunction with Ms Hernon. All other executive positions are reviewed periodically by the CEO. As noted above, Ms Hernon has access to external advice independent of management.

Structure

Executives are given the opportunity to receive their fixed (primary) compensation in a variety of forms including cash or other designated employee expenditure such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

Variable Compensation – Short Term Incentive (STI)

Objective

The objective of short term compensation is to link the achievement of both individual performance and Company performance with the compensation received by the executive.

Structure

The structure of short term compensation is a cash bonus dependent upon a combination of individual performance objectives and Company objectives being met. This reflects the Company wide practice of Performance Planning & Review (PPR) procedures. Individual performance objectives centre on key focus areas. Company objectives include achieving budgetary targets that are set at the commencement of the financial year (adjusted where necessary for currency fluctuations).

These performance conditions were chosen, in the case of individual performance objectives, to promote and maintain the individual's focus on their own contribution to the Company's strategic objectives through individual achievement in Key Result Areas (KRAs) which include, for example, leadership, decision making, results and risk management. In the case of Company objectives, budgetary performance conditions were chosen to promote and maintain a collaborative, Company wide focus on the achievement of those targets.

In assessing whether an individual performance condition has been satisfied, pre-agreed Key Performance Indicators (KPIs) are used. In assessing whether Company objectives have been satisfied, Board level pre-determined budgetary targets are used. These methods have been chosen to create clear and measurable performance targets.

Variable Compensation – Long Term Incentive (LTI)

Objective

The objective of the LTI plan is to reward executives in a manner which aligns this element of compensation with the creation of shareholder wealth. As such LTI grants are made to executives who are able to influence the generation of

REMUNERATION REPORT – AUDITED (CONTINUED)

shareholder wealth and thus have a direct impact on the Company's performance against the relevant long term performance hurdle.

Structure

The structure of long term compensation is in the form of share options pursuant to the employee option and employee share plans. Performance hurdles have been introduced for all share options issued after 31 December 2004 and are determined upon grant of those share options. These hurdles typically relate to the Company's share price reaching or exceeding a particular level. These methods were chosen to create clear and measurable performance expectations.

REMUNERATION REPORT – AUDITED (CONTINUED)

Details of Directors, Key Management Personnel and the five highest remunerated specified executives for the year ended 30 June 2008 and 30 June 2007.

	Short-Term			Post Employment	Share Based Payments	Long-Term	Total	Percentage Performance Related
2008 Financial Year:	Salary & Fees	Bonus	Non Monetary Benefits	Super-annuation	Options	Other		
	$	$	$	$	$	$	$	%
Directors								
Richard Graham	115,000	-	-	10,350	-	-	125,350	-
Gary Martin	290,000	102,400	-	26,100	22,571	5,000	446,071	20%
Myer Herszberg	56,300	-	-	5,067	-	-	61,367	-
Frances Hernon	56,250	-	-	5,062	-	-	61,312	-
Andrew Moffat	56,250	-	-	5,062	-	-	61,312	-
Executives								
Andrew Pattinson	303,658	-	25,405	27,329	-	14,073	370,465	-
Peter Adams*	207,254	51,300	-	13,353	1,716	-	273,623	10%
Nick Georges	177,500	22,300	-	15,975	5,328	2,850	223,953	15%
Michael Roach	174,869	25,000	-	15,525	3,150	3,200	221,744	11%
Mark Kujacznski	158,748	21,689	12,231	-	-	-	192,668	-
Michael Bodner**	42,704	22,280	3,629	-	2,000	-	70,613	-
Jonathan Pollard***	37,500	-	-	3,375	-	-	40,875	-
	1,676,033	244,969	41,265	127,198	34,765	25,123	2,149,353	
2007 Financial Year:								
Directors								
Richard Graham	115,000	-	-	10,350	-	-	125,350	-
Gary Martin	280,000	83,200	-	25,200	48,846	3,267	440,513	30%
Myer Herszberg	56,300	-	-	5,067	-	-	61,367	-
Frances Hernon	56,250	-	-	5,062	-	-	61,312	-
Andrew Moffat	56,250	-	-	5,062	-	-	61,312	-
Geoffrey Henderson	37,427	-	-	3,368	-	-	40,795	-
Executives								
Andrew Pattinson	314,276	24,746	15,258	28,285	-	5,238	387,803	6%
Peter Adams	190,742	38,000	-	17,220	17,961	2,225	266,148	21%
Mark Kujacznski	182,692	25,641	12,434	-	-	-	220,767	12%
Michael Roach	167,215	25,000	-	14,850	7,332	2,787	217,184	15%
Nick Georges	165,000	23,000	-	14,850	5,700	1,925	210,475	14%
	1,621,152	219,587	27,692	129,314	79,839	15,442	2,093,026	

*Resigned 31 March 2008
**Appointed 1 May 2008
***Appointed 1 April 2008

REMUNERATION REPORT – AUDITED (CONTINUED)

Contract for Services

The table and notes below summarise current executive employment contracts with the Company as at the date of this report:

	Commencement date per latest contract	Duration	Notice Period - Company	Notice Period - Executive
Gary Martin	1 January 2008	3 years	6 months*	6 months
Nick Georges	1 January 2008	3 years	6 months*	6 months
Michael Roach	1 January 2006	3 years	3 months	3 months
Mark Kujacznski	22 August 2005	3 years	3 months	3 months
Michael Bodner	1 May 2008	3 years	6 months**	6 months

The Company may terminate each of the contracts at any time without notice if serious misconduct has occurred. Options that have not yet vested upon termination will be forfeited.

* In the event of redundancy, in addition to six months' notice, the Company will provide the individual with a severance payment equivalent to three weeks' base salary for each completed year of continuous service with the Company provided, however, that the minimum severance payment will be 26 weeks' base salary and the maximum severance payment will not exceed 52 weeks' base salary.

** In the event of redundancy, in addition to six months notice, the Company will provide the individual with a severance payment equivalent to three weeks' base salary for each completed year of continuous service with the Company.

Shares issued on exercise of compensation options (Consolidated)

No options were exercised during the year.

Compensation options: Granted and vested during the year ended 30 June 2008

		Terms and Conditions for each Grant				Vested	
	Options Issued No.	Grant date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date	No.	%
Directors							
Gary Martin	1,000,000	1/1/2008	0.076	0.53	5/2/2011	-	-
Executives							
Michael Bodner	500,000	1/5/2008	0.076	0.42	13/5/2011	-	-
Nick Georges	250,000	1/1/2008	0.076	0.53	5/2/2011	-	-
Total	1,750,000					-	-

There were no options granted in the prior year.

DIRECTORS' MEETINGS

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the numbers of meetings attended by each Director were as follows:

		Committee Meetings
	Directors' Meetings	Audit, Risk & Governance
Number of meetings held:	**16**	**6**
Number of meetings attended:		
Richard Graham	16	-
Gary Martin	14	-
Myer Herszberg	16	4
Frances Hernon	13	4
Andrew Moffat	14	6

In June 2007, the Board resolved to appoint Ms Hernon to the Audit & Risk Committee and to subsequently merge that Committee and the Corporate Governance Committee into the Audit, Risk & Governance Committee. It also resolved that the Board itself would re-absorb the Remuneration & Nomination Committee functions. These changes took effect from 1 July 2007, with the exception of Ms Hernon's appointment to the Audit & Risk Committee (as it then was), which took effect on 25 June 2007.

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.

CORPORATE GOVERNANCE

In recognising the need for high standards of corporate behaviour and accountability, the Directors of Infomedia Ltd support and have adhered to the principles of good corporate governance. The Company's corporate governance statement is in the annual report.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

The Directors received an auditor's independence declaration from the auditor of the Company (refer to page 35).

NON-AUDIT SERVICES

Ernst & Young did not provide any non-audit services during the financial year ended 30 June 2008.

Signed in accordance with a resolution of the Directors.

Richard David Graham
Chairman
Sydney, 19 August 2008

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Auditor's Independence Declaration to the Directors of Infomedia Limited

In relation to our audit of the financial report of Infomedia Limited for the financial year ended 30 June 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.

Ernst & Young

Garry Wayling
Partner
19 August 2008

YEAR ENDED 30 June 2008	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2008	2007	2008	2007
		$'000	$'000	$'000	$'000
Sales revenue		51,731	54,566	39,394	42,967
Finance revenue		760	791	740	778
Revenue		52,491	55,357	40,134	43,745
Cost of sales	3(i)	(19,477)	(17,448)	(11,489)	(11,106)
Gross Profit		33,014	37,909	28,645	32,639
Net profit/(loss) on sale of business	22	-	15	-	(76)
Employee benefits expense	3(ii)	(8,061)	(8,374)	(7,334)	(7,017)
Depreciation and amortisation	3(iii)	(3,985)	(3,492)	(3,492)	(3,016)
Finance costs		(107)	(134)	(107)	(134)
Operating lease rental		(1,038)	(1,072)	(531)	(533)
Other expenses		(3,151)	(4,119)	(1,765)	(1,868)
Profit before income tax		16,672	20,733	15,416	19,995
Income tax expense	4	(3,606)	(5,439)	(3,302)	(5,498)
Profit after income tax		13,066	15,294	12,114	14,497
Basic earnings per share (cents per share)	5	4.01	4.70		
Diluted earnings per share (cents per share)	5	4.01	4.68		
Dividends per share – ordinary (cents per share)	6	3.20	4.00		

Balance Sheet

AT 30 June 2008	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2008	2007	2008	2007
CURRENT ASSETS		$'000	$'000	$'000	$'000
Cash and cash equivalents	21(b)	14,247	15,690	13,299	13,544
Trade and other receivables	7	5,220	6,944	2,949	3,818
Inventories	8	82	52	58	52
Prepayments		529	432	436	297
Derivatives	31	888	-	888	-
Intercompany	9	-	-	-	1,623
TOTAL CURRENT ASSETS		20,966	23,118	17,630	19,334
NON-CURRENT ASSETS					
Other financial assets	10	-	335	248	583
Property, plant and equipment	12	2,052	2,817	1,598	2,222
Intangible assets and goodwill	13	20,453	17,139	16,413	13,465
Deferred tax assets	4	1,141	1,443	942	1,250
TOTAL NON-CURRENT ASSETS		23,646	21,734	19,201	17,250
TOTAL ASSETS		44,612	44,852	36,831	36,854
CURRENT LIABILITIES					
Trade and other payables	15	3,826	2,482	3,115	1,752
Provisions	16	2,042	2,284	1,381	1,612
Income tax payable		331	2,272	138	2,228
Deferred revenue	17	569	506	265	254
Intercompany	18	-	-	1,457	-
TOTAL CURRENT LIABILITIES		6,768	7,544	6,356	5,846
NON-CURRENT LIABILITIES					
Provisions	19	1,372	1,706	1,223	1,568
Deferred tax liabilities	4	3,937	2,700	3,473	2,353
TOTAL NON-CURRENT LIABILITIES		5,309	4,406	4,696	3,921
TOTAL LIABILITIES		12,077	11,950	11,052	9,767
NET ASSETS		32,535	32,902	25,779	27,087
EQUITY					
Contributed equity	20	16,368	17,738	16,368	17,738
Reserves	20	1,628	978	1,684	1,023
Retained profits		14,539	14,186	7,727	8,326
TOTAL EQUITY		32,535	32,902	25,779	27,087

YEAR ENDED 30 June 2008	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2008	2007	2008	2007
		$'000	$'000	$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		53,597	54,284	40,358	43,535
Payments to suppliers and employees		(36,900)	(35,448)	(22,483)	(25,438)
Interest received		760	791	740	778
Borrowing costs		-	(3)	-	(3)
Income tax paid		(4,276)	(5,580)	(4,271)	(5,239)
NET CASH FLOWS FROM OPERATING ACTIVITIES	21(a)	13,181	14,044	14,344	13,633
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of property, plant and equipment		(541)	(873)	(506)	(692)
Proceeds from sale of business	22	-	1,169	-	185
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		(541)	296	(506)	(507)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from exercise of share options	20	-	250	-	250
Repayment of borrowings		-	(500)	-	(500)
Share buy back payment	20	(1,370)	-	(1,370)	-
Dividends paid on ordinary shares	6	(12,713)	(24,421)	(12,713)	(24,421)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		(14,083)	(24,671)	(14,083)	(24,671)
NET (DECREASE) IN CASH HELD		(1,443)	(10,331)	(245)	(11,545)
Add opening cash brought forward		15,690	26,021	13,544	25,089
CLOSING CASH CARRIED FORWARD	21(b)	14,247	15,690	13,299	13,544

Statement of Changes in Equity

YEAR ENDED 30 June 2008	CONSOLIDATED			
	Contributed equity	Retained earnings	Other reserves	Total
	$'000	$'000	$'000	$'000
At 1 July 2007	17,738	14,186	978	32,902
Profit for the year	-	13,066	-	13,066
Income/(expense) recognised directly in equity				
- Exchange difference on translating foreign operations	-	-	(11)	(11)
- Cashflow hedge gain	-	-	626	626
Total income/(expense) recognised directly in equity	-	-	615	615
Total income/(expense) for the year	-	13,066	615	13,681
EQUITY TRANSACTIONS				
Cost of share based payments	-	-	35	35
Share buy back	(1,370)	-	-	(1,370)
Equity dividends	-	(12,713)	-	(12,713)
At 30 June 2008	16,368	14,539	1,628	32,535

YEAR ENDED 30 June 2007	CONSOLIDATED			
	Contributed equity	Retained earnings	Other reserves	Total
	$'000	$'000	$'000	$'000
At 1 July 2006	17,488	23,313	1,010	41,811
Profit for the year	-	15,294	-	15,294
Income/(expense) recognised directly in equity				
- Exchange difference on translating foreign operations	-	-	(79)	(79)
- Cashflow hedge gain	-	-	-	-
Total income/(expense) recognised directly in equity	-	-	(79)	(79)
Total income/(expense) for the year	-	15,294	(79)	15,215
EQUITY TRANSACTIONS				
Cost of share based payments	-	-	47	47
Exercise of options	250	-	-	250
Equity dividends	-	(24,421)	-	(24,421)
At 30 June 2007	17,738	14,186	978	32,902

YEAR ENDED 30 June 2008	INFOMEDIA LTD			
	Contributed equity	Retained earnings	Other reserves	Total
	$'000	$'000	$'000	$'000
At 1 July 2007	17,738	8,326	1,023	27,087
Profit for the year	-	12,114	-	12,114
Income/(expense) recognised directly in equity				
- Exchange difference on translating foreign operations	-	-	-	-
- Cashflow hedge gain	-	-	626	626
Total income/(expense) recognised directly in equity	-	-	626	626
Total income/(expense) for the year	-	12,114	626	12,740
EQUITY TRANSACTIONS				
Cost of share based payments	-	-	35	35
Share buy back	(1,370)	-	-	(1,370)
Equity dividends	-	(12,713)	-	(12,713)
At 30 June 2008	16,368	7,727	1,684	25,779

YEAR ENDED 30 June 2007	INFOMEDIA LTD			
	Contributed equity	Retained earnings	Other reserves	Total
	$'000	$'000	$'000	$'000
At 1 July 2006	17,488	18,250	976	36,714
Profit for the year	-	14,497	-	14,497
Income/(expense) recognised directly in equity				
- Exchange difference on translating foreign operations	-	-	-	-
- Cashflow hedge gain	-	-	-	-
Total income/(expense) recognised directly in equity	-	-	-	-
Total income/(expense) for the year	-	14,497	-	14,497
EQUITY TRANSACTIONS				
Cost of share based payments	-	-	47	47
Exercise of options	250	-	-	250
Equity dividends	-	(24,421)	-	(24,421)
At 30 June 2007	17,738	8,326	1,023	27,087

30 June 2008

1. CORPORATE INFORMATION

The financial report of Infomedia Ltd for the year ended 30 June 2008 was authorised for issue in accordance with a resolution of the Directors on 19 August 2008.

Infomedia Ltd is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX).

The nature of the operations and principal activities of the Company are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The financial report has also been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value.

(b) Statement of compliance

This financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board. This financial report also complies with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(c) Adoption of new accounting standard

The group has adopted AASB 7 Financial instruments: Disclosures and all consequential amendments which became applicable on 1 January 2007. The adoption of this standard has only affected the disclosure in these financial statements. There has been no effect on profit and loss or the financial position of the entity.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of Infomedia Ltd and its subsidiaries ("the Company"). The financial statements of subsidiaries are prepared for the same reporting period as those of 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 Company and cease to be consolidated from the date on which control is transferred out of the Company. 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.

(e) Significant accounting judgements, estimates and assumptions

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

30 June 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Impairment of goodwill

The Company determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units to which the goodwill and intangibles with indefinite useful lives are allocated. The assumptions used in this estimation of recoverable amount and the carrying amount of goodwill and intangibles with indefinite useful lives are discussed in Note 14.

- Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, using the assumptions detailed in Note 24.

- Research & Development

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an internal project is recognised only when the Company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development. Following the initial recognition of the development expenditure, the cost model is applied, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure so capitalised is amortised over the period of expected benefits from the related project commencing from the commercial release of the project.

The carrying value of an intangible asset arising from development expenditure is tested for impairment annually when the asset is not yet available for use or more frequently when an indication of impairment arises during the reporting period.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(f) Foreign currencies

Translation of foreign currency transactions

Transactions in foreign currencies of the Company are converted to local currency at the rate of exchange ruling at the date of the transaction.

Amounts payable to and by the Company that are outstanding at the balance date and are denominated in foreign currencies have been converted to local currency using rates of exchange ruling at the end of the reporting period.

All currency exchange differences in the consolidated financial report are taken to the income statement.

Translation of financial reports of overseas operations

Both the functional and presentation currency of Infomedia Ltd and its Australian subsidiaries is Australian dollars (A$).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

30 June 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The functional currencies of the overseas subsidiaries are as follows:

IFM Europe Ltd	Euros
IFM Germany GmbH	Euros
IFM North America Inc	United States Dollars (USD)

As at the reporting date, the assets and liabilities of these overseas subsidiaries are translated into the presentation currency of Infomedia Ltd at the rate of exchange ruling at the balance sheet date and the income statements are translated at the weighted average exchange rates for the period.

The exchange differences arising on the retranslation are taken directly to a separate component of equity.

(g) Cash and cash equivalents

Cash on hand and in banks and short-term deposits are stated at nominal values.

For the purposes of the Cash Flow Statement, cash includes cash on hand and in banks, and money market investments readily convertible to cash within three months, net of outstanding bank overdrafts.

(h) Trade and other receivables

Trade receivables, which generally have 30-60 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

(i) Investments and other financial assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. For the Company the relevant categories are listed below:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Investments in Subsidiaries

Investments in subsidiaries are recorded at cost.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials – purchase cost on a first-in-first-out basis

30 June 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Goodwill

Goodwill acquired in a business combination is initially measured at cost, being the excess of the cost of the business combination over the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units, or groups of cash generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Company are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Company at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Company's primary or the Company's secondary reporting format determined in accordance with AASB 114 Segment Reporting.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. When the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a cash-generating unit (group of cash-generating units) and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

Impairment losses recognised for goodwill are not subsequently reversed.

(l) Intangible assets

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

(m) Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases, the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed (with the exception of goodwill) only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(n) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Land and buildings are measured at cost less accumulated depreciation on buildings and less any impairment losses recognised.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

30 June 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Major depreciation periods are:	2008	2007
Leasehold improvements:	5 to 20 years	5 to 20 years
Other plant and equipment:	3 to 15 years	3 to 15 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of property, plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

(ii) Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year in which the asset is derecognised.

(o) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

(i) Company as a lessee

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. Lease incentives are recognised in the income statement as an integral part of the total lease expense.

(p) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

30 June 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(r) Deferred revenue

Certain contracts allow annual subscriptions to be invoiced in advance. The components of revenue relating to the subscription period beyond balance date are recorded as a liability.

(s) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(t) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Subscriptions

Subscription revenue is recognised when the copyright article has passed to the buyer with related support revenue being recognised over the service period. Where the copyright article and related support revenue are inseparable, then the revenue is recognised over the service period.

Interest

Control of a right to receive consideration for the provision of, or investment in, assets has been attained.

(u) Cost of sales

Cost of sales includes the direct cost of raw materials, direct salary and wages, and agency costs associated with the manufacture and distribution of the product.

30 June 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Derivative financial instruments and hedging

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives, except for those that qualify as cash flow hedges, are taken directly to profit or loss for the year.

The fair values of forward currency contracts are calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

For the purpose of hedge accounting, hedges are classified as cash flow hedges when they hedge the exposure to variability in cash flows that is attributable either to a particular risk associated with a recognised asset or liability or to a forecast transaction. Infomedia Ltd currently has cash flow hedges attributable to future foreign currency sales.

Cash flow hedges

Cash flow hedges are hedges of the Group's exposure to variability in cash flows that is attributable to a particular risk associated with anticipated future sales that could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in profit or loss.

Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs.

The Group tests each of the designated cash flow hedges for effectiveness on a monthly basis both retrospectively and prospectively using the "matched terms" principle.

At each balance date, hedge effectiveness is measured in the first instance by determining whether there have been any changes to these "matched terms". When there have been no changes to these "matched terms", the hedge is considered to be highly effective. When there has been a change to these terms, effectiveness is measured using the hypothetical derivative method.

(w) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint

ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

The tax consolidated current tax liability and other deferred tax assets are required to be allocated to the members of the tax consolidated group in accordance with UIG 1052. The group uses a group allocation method for this purpose where the allocated current tax payable, deferred tax assets and other tax credits for each member of the tax consolidated group are determined as if the Company were a stand-alone taxpayer but modified as necessary to recognise membership of a tax consolidated group. Recognition of amounts allocated to members of the tax consolidated group has regard to the tax consolidated group's future tax profits.

(x) Other taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;

30 June 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

and

- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(y) Employee leave benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash flows.

(z) Share-based payment transactions

The Company provides benefits to employees in the form of share-based payment transactions, whereby employees render services in exchange for shares or options over shares ("equity-settled transactions").

There are currently two plans in place to provide these benefits:

(i) the Employee Share Plan (ESP); and

(ii) the Employee Option Plan (EOP).

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Infomedia Ltd ("market conditions").

30 June 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the option ("vesting date").

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of options that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met, as the effect of these conditions is included in the determination of fair value at grant date.

Where the terms of an equity-settled option are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled option is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the option is recognised immediately. However, if a new option is substituted for the cancelled option, and designated as a replacement option on the date that it is granted, the cancelled and new option are treated as if they were a modification of the original option, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(aa) Earnings per share

Basic earnings per share is determined by dividing the profit attributed to members of the parent after related income tax expense by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated as net profit attributable to members, adjusted for:

- cost of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses;
- other non-discretionary changes in revenue or expenses during the period that would result from the dilution of potential ordinary shares; and

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

30 June 2008	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2008	2007	2008	2007
		$'000	$'000	$'000	$'000
3. EXPENSES					
(i) Cost of sales					
Direct wages		11,090	11,642	4,275	6,015
Other		8,387	5,806	7,214	5,091
Total cost of sales		19,477	17,448	11,489	11,106
(ii) Employee benefit expense					
Salaries and wages (including on-costs)		8,026	8,327	7,299	6,970
Share based payment expense		35	47	35	47
Total employee benefit expense		8,061	8,374	7,334	7,017
(iii) Depreciation and amortisation					
Depreciation of non-current assets:					
– Leasehold improvements		132	180	103	121
– Office equipment		845	1,140	715	993
– Furniture and fittings		27	42	10	26
– Plant and equipment		302	219	302	219
Total depreciation of non-current assets		1,306	1,581	1,130	1,359
Amortisation of non-current assets					
– Intellectual property		698	744	698	681
– Deferred development costs		1,981	1,167	1,664	976
Total amortisation of non-current assets		2,679	1,911	2,362	1,657
Total depreciation and amortisation		3,985	3,492	3,492	3,016
(iv) Research & development costs					
Total research & development costs incurred during the period		9,575	5,182	8,746	4,629
Less: development costs deferred	13	(5,993)	(3,235)	(5,310)	(2,682)
Net research and development costs expensed		3,582	1,947	3,436	1,947

30 June 2008	CONSOLIDATED		INFOMEDIA LTD	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
4. INCOME TAX				
The major components of income tax expense are:				
Income statement				
Current income tax				
Current income tax charge	3,286	4,853	3,057	4,497
Adjustments in respect of current income tax of previous years	(952)	(84)	(915)	(118)
Adjustments in respect of capital gains tax of previous years	-	(315)	-	-
Deferred income tax				
Relating to origination and reversal of temporary differences	1,272	985	1,160	1,119
Income tax expense reported in the income statement	3,606	5,439	3,302	5,498
A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Company's applicable income tax rate is as follows:				
Accounting profit before income tax	16,672	20,733	15,416	19,995
At the Company's statutory income tax rate of 30% (2007: 30%)	5,002	6,220	4,625	5,999
Adjustments in respect of current income tax of previous years	(952)	(84)	(915)	(118)
Adjustments in respect of capital gains tax of previous years	-	(315)	-	-
Additional research and development deduction	(560)	(388)	(509)	(347)
Expenditure not allowable for income tax purposes	116	145	101	138
Other	-	(139)	-	(174)
Income tax expense reported in the income statement	3,606	5,439	3,302	5,498

Tax consolidation

Effective 1 July 2002, for the purposes of income taxation, Infomedia Ltd and its 100% owned Australian subsidiaries have formed a tax consolidated group. Members of the group have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly-owned subsidiaries. In addition, the agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At the balance date, the possibility of default is remote.

Members of the tax consolidated group have also entered into a tax funding agreement. The tax funding agreement provides for the funding of allocated tax liabilities, tax losses and foreign tax credits for the current period based on the recognition criteria set out in the accounting policy for income taxes. Allocations under the tax funding agreement are made after the finalisation of the group's income tax return. The allocation of taxes under the tax funding agreement is recognised as an increase/decrease in the subsidiaries' intercompany accounts with the tax consolidated group head company, Infomedia Ltd.

30 June 2008	BALANCE SHEET		INCOME STATEMENT	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
4. INCOME TAX (CONTINUED)				
Deferred income tax				
Deferred income tax at 30 June relates to the following:				
CONSOLIDATED				
Deferred tax liabilities				
Prepayments	-	(1)	(1)	(7)
Derivatives	(267)	-	-	(69)
Property plant and equipment	(90)	(120)	(30)	(30)
Deferred development costs	(3,399)	(2,195)	1,204	621
Intellectual property	(175)	(384)	(209)	141
Currency exchange	(6)	-	6	(18)
	(3,937)	(2,700)		
CONSOLIDATED				
Deferred tax assets				
Allowance for doubtful debts	48	77	29	(2)
Copyright intellectual property	-	-	-	176
Other payables	92	116	24	(19)
Employee entitlement provisions	540	551	11	159
Other provisions	408	565	157	167
Currency exchange	53	134	81	(134)
	1,141	1,443		
Deferred tax income/(expense)			1,272	985
PARENT				
Deferred tax liabilities				
Prepayments	-	(2)	(2)	(3)
Derivatives	(267)	-	-	(69)
Property plant and equipment	(90)	(120)	(30)	(30)
Deferred development costs	(2,941)	(1,847)	1,094	512
Intellectual property	(175)	(384)	(209)	384
Currency exchange	-	-	-	(17)
	(3,473)	(2,353)		
PARENT				
Deferred tax assets				
Allowance for doubtful debts	43	75	32	(6)
Copyright intellectual property	-	-	-	176
Other payables	64	107	42	(16)
Employee entitlement provisions	374	389	15	135
Other provisions	408	565	157	167
Currency exchange	53	114	61	(114)
	942	1,250		
Deferred tax income/(expense)			1,160	1,119

5. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of dilutive options).

The following reflects the income and share data used in the total operations basic and diluted earnings per share computations:

	Notes	CONSOLIDATED	
		2008	2007
		$'000	$'000
Net profit attributable to equity holders from continuing operations		13,066	15,294
		Number of shares	Number of shares
Weighted average number of ordinary shares for basic earnings per share		325,818,373	325,693,490
Effect of dilution:			
Share options		-	899,919
Adjusted weighted average number of ordinary shares for diluted earnings per share		325, 818,373	326,593,409

Since the reporting date, prior to the completion of these financial statements, the Company has repurchased a further 1,587,801 shares through its buy back program at a weighted average price of 36.92 cents per share and granted a further 150,000 share options to eligible employees.

The options are considered not to be dilutive.

30 June 2008	CONSOLIDATED		INFOMEDIA LTD	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
6. DIVIDENDS PROPOSED OR PAID				
(a) Dividends paid during the year:				
Franked interim dividend – 1.8 cents (2007: 1.9 cents) per share	5,867	6,194	5,867	6,194
Prior year final franked dividend – 2.1 cents (2007: 2.1 cents) per share	6,845	6,836	6,845	6,836
Special dividend – 3.5 cents (2007: 3.5 cents) per share	-	11,391	-	11,391
Rounding	1	-	1	-
Total dividends paid during the year	12,713	24,421	12,713	24,421
(b) Dividends proposed and not recognised as a liability:				
Final franked dividend – 1.4 cents (2007: 2.1 cents) per share	4,491	6,845	4,491	6,845
(c) Franking credit balance:				
The amount of franking credits available for the subsequent financial year are:				
– franking account balance as at the end of the financial year			940	1,135
– franking credits that will arise from the payment of income tax payable as at the end of the financial year			137	2,228
			1,077	3,363

The tax rate at which paid dividends have been franked is 30% (2007: 30%). Dividends proposed will be franked at the rate of 30% (2007: 30%).

7. TRADE AND OTHER RECEIVABLES (CURRENT)

	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Trade debtors	5,048	6,850	2,705	3,553
Allowance for doubtful debts (b)	(272)	(487)	(145)	(250)
	4,776	6,363	2,560	3,303
Other debtors	444	581	389	515
	5,220	6,944	2,949	3,818

(a) Trade debtors are non-interest bearing and are generally on 30-60 day terms. An allowance for doubtful debts is made when there is objective evidence that a trade debtor is impaired. The amount of the allowance/impairment loss is recognised as the difference between the carrying amount of the debtor and the estimated future cash flows expected to be received from the relevant debtors.

(b) The movement in the allowance for doubtful debts in the year represents a reduction in the provision.

(c) There are no material trade debtors that are past due at balance date and not considered impaired.

(d) The allowance for doubtful debts relates to debtors aged greater than 30–60 days. No collateral is held against this debt.

30 June 2008	Notes	CONSOLIDATED 2008 $'000	CONSOLIDATED 2007 $'000	INFOMEDIA LTD 2008 $'000	INFOMEDIA LTD 2007 $'000
8. INVENTORIES					
Raw materials					
At cost		82	52	58	52
Total inventories at the lower of cost and net realisable value		82	52	58	52
9. INTERCOMPANY (CURRENT)					
Wholly-owned controlled entities		-	-	-	1,623
		-	-	-	1,623
10. OTHER FINANCIAL ASSETS (NON-CURRENT)					
Investments in controlled entities	11	-	-	248	248
Other receivables		-	335	-	335
		-	335	248	583

11. INTERESTS IN CONTROLLED ENTITIES

Name	Country of incorporation	Percentage of equity interest held by the Company (directly or indirectly) 2008 %	INFOMEDIA LTD 2008 $'000	INFOMEDIA LTD 2007 $'000
IFM Europe Ltd - ordinary shares	United Kingdom	100	247	247
Infomedia Investments Pty Ltd - ordinary shares - $2 only	Australia	100	-	-
Datateck Publishing Pty Ltd - ordinary shares - $4 only	Australia	100	-	-
AutoConsulting Pty Ltd - ordinary shares - $1 only	Australia	100	-	-
IFM North America Inc - ordinary shares	United States of America	100	1	1
IFM Germany GmbH*	Germany	100	-	-
			248	248

* Investment is held by IFM Europe Ltd.

30 June 2008	CONSOLIDATED		INFOMEDIA LTD	
	2008	2007	2008	2007
12. PROPERTY, PLANT & EQUIPMENT	$'000	$'000	$'000	$'000
(a) Leasehold improvements				
At cost	944	944	518	515
Accumulated amortisation	(512)	(380)	(205)	(101)
	432	564	313	414
Office equipment				
At cost	6,036	5,675	4,932	4,583
Accumulated depreciation	(4,890)	(4,075)	(4,036)	(3,321)
	1,146	1,600	896	1,262
Furniture and fittings				
At cost	275	266	140	123
Accumulated depreciation	(116)	(93)	(66)	(57)
	159	173	74	66
Plant and equipment				
At cost	2,938	2,800	2,938	2,800
Accumulated depreciation	(2,623)	(2,320)	(2,623)	(2,320)
	315	480	315	480
Total property, plant and equipment				
At cost	10,193	9,685	8,528	8,021
Accumulated depreciation and amortisation	(8,141)	(6,868)	(6,930)	(5,799)
Total written down amount	2,052	2,817	1,598	2,222

30 June 2008	CONSOLIDATED		INFOMEDIA LTD	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
12. PROPERTY, PLANT & EQUIPMENT (CONTINUED)				
(b) Reconciliation of property, plant and equipment carrying values				
Leasehold Improvements				
Carrying amount – opening balance	564	917	414	767
Additions	-	81	2	15
Disposals	-	(254)	-	(247)
Depreciation	(132)	(180)	(103)	(121)
Carrying amount – closing balance	432	564	313	414
Office equipment				
Carrying amount – opening balance	1,600	2,309	1,262	1,891
Additions	391	686	349	602
Disposals	-	(255)	-	(238)
Depreciation	(845)	(1,140)	(715)	(993)
Carrying amount – closing balance	1,146	1,600	896	1,262
Furniture and fittings				
Carrying amount – opening balance	173	215	66	119
Additions	13	31	18	-
Disposals	-	(31)	-	(27)
Depreciation	(27)	(42)	(10)	(26)
Carrying amount – closing balance	159	173	74	66
Plant and equipment				
Carrying amount – opening balance	480	625	480	625
Additions	137	74	137	74
Depreciation	(302)	(219)	(302)	(219)
Carrying amount – closing balance	315	480	315	480

30 June 2008	CONSOLIDATED				INFOMEDIA LTD			
	Development costs[1]	Intellectual Property[2]	Goodwill [2]	Total	Development costs[1]	Intellectual Property[2]	Goodwill [2]	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
13. INTANGIBLE ASSETS AND GOODWILL								
At 1 July 2007								
Cost (gross carrying amount)	9,464	2,096	8,541	20,101	8,114	2,096	6,026	16,236
Accumulated amortisation	(2,147)	(815)	-	(2,962)	(1,956)	(815)	-	(2,771)
Net carrying amount	7,317	1,281	8,541	17,139	6,158	1,281	6,026	13,465
Year ended 30 June 2008								
At 1 July 2007, net of accumulated amortisation and impairment	7,317	1,281	8,541	17,139	6,158	1,281	6,026	13,465
Additions – development	5,993	-	-	5,993	5,310	-	-	5,310
Amortisation	(1,981)	(698)	-	(2,679)	(1,664)	(698)	-	(2,362)
At 30 June 2008, net of accumulated amortisation and impairment	11,329	583	8,541	20,453	9,804	583	6,026	16,413
At 30 June 2008								
Cost (gross carrying amount)	15,457	2,096	8,541	26,094	13,423	2,096	6,026	21,545
Accumulated amortisation	(4,128)	(1,513)	-	(5,641)	(3,619)	(1,513)	-	(5,132)
Net carrying amount	11,329	583	8,541	20,453	9,804	583	6,026	16,413

1. Internally generated.
2. Purchased as part of business/territory acquisition.

Development costs that meet the recognition criteria as an intangible asset have been capitalised at cost. This intangible asset has been assessed as having a finite life and is amortised using the straight-line method over a period not exceeding four years commencing from the commercial release of the project. If an impairment indication arises, the recoverable amount is estimated and an impairment loss is recognised to the extent that the recoverable amount is lower than the carrying amount.

Intellectual property includes intangible assets acquired through business or territory acquisition and relates primarily to copyright and software code over key products. Intellectual property is amortised over its useful life, being three years.

	CONSOLIDATED				INFOMEDIA LTD			
	Development costs	Intellectual Property	Goodwill	Total	Development costs	Intellectual Property	Goodwill	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
13. INTANGIBLE ASSETS AND GOODWILL (CONTINUED)								
At 1 July 2006								
Cost (gross carrying amount)	6,229	3,910	8,837	18,976	5,432	2,410	6,026	13,868
Accumulated amortisation	(980)	(621)	-	(1,601)	(980)	(134)	-	(1,114)
Net carrying amount	5,249	3,289	8,837	17,375	4,452	2,276	6,026	12,754
Year ended 30 June 2007								
At 1 July 2007, net of accumulated amortisation and impairment	5,249	3,289	8,837	17,375	4,452	2,276	6,026	12,754
Additions – development	3,235	-	-	3,235	2,682	-	-	2,682
Disposals – Business systems assets	-	(950)	(296)	(1,246)	-	-	-	-
Other movements	-	(314)	-	(314)	-	(314)	-	(314)
Amortisation	(1,167)	(744)	-	(1,911)	(976)	(681)	-	(1,657)
At 30 June 2007, net of accumulated amortisation and impairment	7,317	1,281	8,541	17,139	6,158	1,281	6,026	13,465
At 30 June 2007								
Cost (gross carrying amount)	9,464	2,096	8,541	20,101	8,114	2,096	6,026	16,236
Accumulated amortisation	(2,147)	(815)	-	(2,962)	(1,956)	(815)	-	(2,771)
Net carrying amount	7,317	1,281	8,541	17,139	6,158	1,281	6,026	13,465

14. IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through business combinations or territory acquisition have been allocated to four individual cash generating units, each of which is a reportable segment (refer to Note 29) for impairment testing as follows:

- Asia Pacific
- Europe
- North America
- Latin and South America.

The recoverable amount of each cash generating unit has been determined based on a value in use calculation using cash flow projections as at 30 June 2008 based on financial budgets approved by senior management for FY09 extrapolated for a five year period on the basis of zero growth.

The pre-tax discount rate applied to cash flow projections is 14% (2007: 14%). The discount rate reflects management estimate of the time value of money and the rates specific to the unit.

Carrying amount of goodwill allocated to each of the cash generating units is as follows:

	Infomedia		Total	
	2008	2007	**2008**	2007
CONSOLIDATED	**$'000**	$'000	**$'000**	$'000
Carrying amount of goodwill	**8,541**	8,541	**8,541**	8,541
PARENT				
Carrying amount of goodwill	**6,026**	6,026	**6,026**	6,026

Key assumptions used in value in use calculations

The following describes each key assumption on which management has based its cash flow projections when determining the value in use of its cash generating units:

- The Company will continue to have access to the data supply from automakers over the budgeted period;
- The Company will not experience any substantial adverse movements in currency exchange rates;
- The Company's research and development program will ensure that the current suite of products remains leading edge;
- The Company is able to maintain its current gross margins; and
- The discount rates estimated by management are reflective of the time value of money.

With regard to the assessment of the value in use of the cash generating units, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

30 June 2008	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2008	2007	2008	2007
		$'000	$'000	$'000	$'000
15. TRADE AND OTHER PAYABLES (CURRENT)					
Trade creditors	15(a)	796	443	592	139
Other creditors		3,030	2,039	2,523	1,613
		3,826	2,482	3,115	1,752
(a) Trade creditors are non-interest bearing and are normally settled on 30 day terms. Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.					
16. PROVISIONS (CURRENT)					
Employee benefits		1,803	1,790	1,142	1,118
Provision for non-cancellable surplus lease space and other lease incentives	19(a)	239	494	239	494
		2,042	2,284	1,381	1,612
17. DEFERRED REVENUE (CURRENT)					
Revenue in advance		569	506	265	254
		569	506	265	254
18. INTERCOMPANY (CURRENT)					
Wholly-owned controlled entities		-	-	1,457	-
		-	-	1,457	-

30 June 2008	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2008	2007	2008	2007
		$'000	$'000	$'000	$'000
19. PROVISIONS (NON-CURRENT)					
Employee benefits		253	315	104	177
Provision for non-cancellable surplus lease space and other lease incentives	19(a)	619	891	619	891
Make good provision	19(b)	500	500	500	500
		1,372	1,706	1,223	1,568
(a) Movement in non-cancellable surplus lease space and other lease incentives provision:					
Carrying amount at the beginning of the year		1,385	1,942	1,385	1,942
Arising during the year		-	-	-	-
Utilised		(634)	(688)	(634)	(688)
Discount rate adjustment		107	131	107	131
Carrying amount at the end of the year		858	1,385	858	1,385
Current	16	239	494	239	494
Non-current		619	891	619	891
		858	1,385	858	1,385
The provision for non-cancellable lease space and other lease incentives has been made pursuant to the lease obligations under contract to the extent that no future benefits are anticipated.					
(b) Movement in make good provision:					
Carrying amount at the beginning of the year		500	500	500	500
Arising during the year		-	-	-	-
Carrying amount at the end of the year		500	500	500	500
The provision for make good has been estimated pursuant to the Company's obligation to restore leased premises to original condition at the end of the lease term.					

30 June 2008	CONSOLIDATED		INFOMEDIA LTD	
	2008	2007	2008	2007
20. CONTRIBUTED EQUITY AND RESERVES	$'000	$'000	$'000	$'000
Ordinary shares	16,368	17,738	16,368	17,738
	16,368	17,738	16,368	17,738

Effective 1 July 1998, the Corporations legislation in place abolished the concepts of authorised capital and par value shares. Accordingly, the Parent does not have authorised capital or par value in respect of its issued shares. Fully paid ordinary shares carry one vote per share and carry the right to dividends.

	Notes	Number	$'000
Movement in ordinary shares on issue:			
At 1 July 2006		325,471,573	17,488
Employee Options Exercised	24	499,999	250
At 30 June 2007		325,971,572	17,738
Shares repurchased		(3,597,966)	(1,370)
At 30 June 2008		322,373,606	16,368

On 1 April 2008, the Company commenced a share buy back (on market within 10/12 limit). As at 30 June 2008 the Company had repurchased 3,597,966 shares for a total consideration, including brokerage of $1,370,000.

Capital Management

When managing capital, the Company's objective is to ensure that the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

Subject to the Company's financial position and future financial performance, the Company's current dividend policy is to distribute, as a franked dividend, in the order of 75-85% of profit after tax.

During the 2008 financial year, the Company paid dividends of $12.7 million (2007: $24.4 million).

The company has no current plans to issue further shares on the market but intends to further reduce the capital structure through its share buy back policy.

20. CONTRIBUTED EQUITY AND RESERVES (CONTINUED)

Employee Option Plan

There were 1,750,000 options issued during the current year at an average exercise price of $0.50. There we no options issued during the prior year.

30 June 2008	CONSOLIDATED				INFOMEDIA LTD		
	Employee equity benefits reserve	Foreign currency translation reserve	Derivatives reserve	Total	Employee equity benefits reserve	Derivatives reserve	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Movement in reserves:							
At 1 July 2006	976	34	-	1,010	976	-	976
Currency translation differences	-	(79)	-	(79)	-	-	-
Share based payments	47	-	-	47	47	-	47
At 30 June 2007	1,023	(45)	-	978	1,023	-	1,023
Currency translation differences	-	(11)	-	(11)	-	-	-
Share based payments	35	-	-	35	35	-	35
Derivatives marked to market	-	-	626	626	-	626	626
At 30 June 2008	1,058	(56)	626	1,628	1,058	626	1,684

Nature and purpose of reserves

Employee equity benefits reserve

This reserve is used to record the value of equity benefits provided to employees and Directors as part of their compensation. Refer to Note 24 for further details.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

Derivatives reserve

The derivatives reserve is used to record the mark to market valuation of forward currency contracts at the balance sheet date that are considered effective hedges.

30 June 2008	CONSOLIDATED		INFOMEDIA LTD	
	2008	2007	2008	2007
21. STATEMENT OF CASH FLOWS	$'000	$'000	$'000	$'000
(a) Reconciliation of profit after tax to the net cash flows from operations				
Profit from ordinary activities after income tax expense	13,066	15,294	12,114	14,497
Depreciation of non-current assets	1,306	1,581	1,130	1,359
Amortisation of non-current assets	2,679	1,911	2,362	1,657
Amortisation of employee options	35	47	35	47
Net (profit)/loss on sale of business	-	(15)	-	76
Other	5	-	5	-
Changes in assets and liabilities				
(Increase)/decrease in trade and other debtors	2,264	415	4,391	(1,279)
(Increase)/decrease in inventories	(30)	32	(6)	20
(Increase)/decrease in prepayments	(97)	97	(139)	144
(Increase)/decrease in future income tax benefit	302	348	308	341
(Increase)/decrease in deferred development costs	(5,993)	(3,235)	(5,310)	(2,682)
Increase/(decrease) in trade and other creditors	1,344	(1,168)	1,363	(917)
Increase/(decrease) in allowance for doubtful debts	(215)	8	(105)	23
Increase/(decrease) in provision for employee entitlements	(49)	(505)	(49)	(485)
Increase/(decrease) in other provisions	(527)	(270)	(527)	(270)
Increase/(decrease) in income tax payable	(1,942)	(1,180)	(2,091)	476
Increase/(decrease) in deferred income tax liability	970	639	853	777
Increase/(decrease) in revenue in advance	63	45	11	(151)
Net cash flow from operating activities	13,181	14,044	14,345	13,633
(b) Reconciliation of cash				
Cash balance comprises:				
– cash at bank	2,959	4,404	2,231	3,116
– cash on deposit	11,288	11,286	11,068	10,428
	14,247	15,690	13,299	13,544
(c) Financing facilities available				
At reporting date, the following financing facilities had been negotiated and were available:				
Total facilities:				
USD13 million multi-currency cash advance facility	13,537	15,350	13,537	15,350
Facilities used at reporting date:	-	-	-	-
Facilities unused at reporting date:	13,537	15,350	13,537	15,350

30 June 2008	CONSOLIDATED		INFOMEDIA LTD	
	2008	2007	2008	2007
22. SALE OF BUSINESS	$'000	$'000	$'000	$'000
On 1 December 2006, Infomedia sold its Business Systems division to an unrelated third party. The components of the disposal were:				
Gross consideration	-	1,500	-	150
Net working capital adjustments	-	(331)	-	35
Cash proceeds	-	1,169	-	185
Net book value of assets and liabilities disposed:				
Plant and equipment	-	540	-	512
Intangible assets	-	1,245	-	-
Other net liabilities	-	(631)	-	(251)
Total net assets disposed	-	1,154	-	261
Net profit on sale of business	-	15	-	(76)
23. COMMITMENTS & CONTINGENCIES				
(a) Lease expenditure commitments				
Operating leases (non-cancellable):				
Minimum lease payments				
– not later than one year	1,102	1,540	667	1,098
– later than one year and not later than five years	2,802	4,093	2,344	3,463
– aggregate operating lease expenditure contracted for at balance date	3,904	5,633	3,011	4,561

Operating lease commitments are for office accommodation both in Australia and abroad.

(b) Performance Bank Guarantee

Infomedia Ltd has a performance bank guarantee to a maximum value of $700,000 relating to the lease commitments of its corporate headquarters.

(c) Interlocking Guarantees

The bank loan drawings have been made pursuant to a multi-currency cash advance facility. The facility has been provided on the condition of interlocking guarantees between the Parent entity and its controlled entities (the guarantors).

24. SHARE BASED PAYMENT PLANS

Employee Option Plan

The Employee Option Plan entitles the Company to offer "eligible employees" options to subscribe for shares in the Company. Options will be granted at a nil issue price unless otherwise determined by the Directors of the Company and each option enables the holder to subscribe for one share. The exercise price for the options granted will be as specified on the option certificate or, if not specified, the volume weighted average price for shares of the Company for the five days trading immediately before the day on which the options were granted. The options may be exercised in accordance with the date determined by the Board, which must be within four years of the option being granted.

Information with respect to the number of options granted under the employee share incentive scheme is as follows:

	Notes	2008		2007	
		Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	24(a)	1,300,001	$0.51	1,950,000	$0.52
- granted	24(b)	1,750,000	$0.50	-	-
- forfeited		(1,100,001)	$0.43	(150,000)	$0.75
- exercised	24(c)	-	-	(499,999)	$0.50
Balance at end of year	24(d)	1,950,000	$0.50	1,300,001	$0.51

(a) Options held at the beginning of the year

The following table summarises information about options held by employees at 1 July 2007.

Number of options	Grant date	Earliest vesting date	Expiry date	Weighted average exercise price
100,000	20/9/2004	20/9/2005	20/9/2007	$0.67
83,334	8/7/2005	5/1/2006	5/2/2008	$0.50
666,667	27/10/2005	5/1/2006	5/2/2008	$0.50
250,000	6/10/2005	5/1/2006	5/2/2008	$0.48
200,000	16/12/2005	16/12/2006	16/1/2009	$0.49

(b) Options granted during the year

The following table summarises information about options granted during the year.

Number of options	Grant date	Earliest vesting date	Expiry date	Weighted average exercise price
1,000,000	1/1/2008	5/1/2009	5/2/2011	$0.53
250,000	1/1/2008	5/1/2009	5/5/2011	$0.53
500,000	1/5/2008	1/5/2009	13/5/2011	$0.42

(c) Options exercised during the year

There were no options exercised during the year.

24. SHARE BASED PAYMENT PLANS (CONTINUED)

(d) Options held at the end of the year

The following table summarises information about options held by employees at 30 June 2008.

Number of options	Grant date	Earliest vesting date	Expiry date	Weighted average exercise price
200,000	16/12/2005	16/12/2006	16/1/2009	$0.49
1,000,000	1/1/2008	5/1/2009	5/2/2011	$0.53
250,000	1/1/2008	5/1/2009	5/2/2011	$0.53
500,000	1/5/2008	1/5/2009	13/5/2011	$0.42

(e) Other details regarding options

The weighted average fair value of options granted during the year was $0.076 (there were no options granted during the prior year).

The fair value of the equity-settled options granted under the option plan is estimated as at the grant date using a binomial model taking into account the term and conditions upon which the options were granted.

The following table lists the inputs to the model used for the year.

	Granted 1/1/2008	Granted 1/5/2008
Dividend yield	6.0%	7.5%
Expected volatility	30%	35%
Risk free rate	6.8%	6.5%
Option exercise price	$0.53	$0.42
Weighted average share price at grant date	$0.53	$0.42

25. PENSIONS AND OTHER POST-EMPLOYMENT PLANS

Superannuation Commitments

Contributions are made by the Company in accordance with the relevant statutory requirements. Contributions by the Company for the year ended 30 June 2008 were 9% (2007: 9%) of employees' wages and salaries which are legally enforceable in Australia. The superannuation plans provide accumulation benefits.

26. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Compensation of Key Management Personnel

(i) Compensation by Category: Key Management Personnel

	CONSOLIDATED		INFOMEDIA LTD	
	2008	2007	2008	2007
	$	$	$	$
Short-Term	1,769,599	1,868,431	1,371,923	1,101,169
Post Employment	127,198	129,314	99,869	86,179
Other Long-Term	25,123	15,442	11,050	7,417
Termination Benefits	-	-	-	-
Share-based Payments	34,765	79,839	32,765	72,507
	1,956,685	2,093,026	1,515,607	1,267,272

26. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(b) Option holdings of Key Management Personnel (Consolidated)

30 June 2008	Balance at beginning of period	Granted as compensation	Options exercised	Expired	Balance at end of period	Vested at 30 June 2008		
	1 July 2007				30 June 2008	Total	Not exercisable	Exercisable
Directors								
Gary Martin	666,667	1,000,000	-	(666,667)	1,000,000	1,000,000	1,000,000	-
Executives								
Michael Bodner	-	500,000	-	-	500,000	500,000	500,000	-
Peter Adams*	83,334	-	-	(83,334)	-	-	-	-
Nick Georges	250,000	250,000	-	(250,000)	250,000	250,000	250,000	-
Michael Roach	200,000	-	-	-	200,000	200,000	200,000	-
	1,200,001	1,750,000	-	(1,000,001)	1,950,000	1,950,000	1,950,000	-

30 June 2007	Balance at beginning of period	Granted as compensation	Options exercised	Net change other	Balance at end of period	Vested at 30 June 2007		
	1 July 2006				30 June 2007	Total	Not exercisable	Exercisable
Directors								
Gary Martin	1,000,000	-	(333,333)	-	666,667	666,667	333,334	333,333
Executives								
Peter Adams	250,000	-	(166,666)	-	83,334	83,334	83,334	-
Nick Georges	250,000	-	-	-	250,000	250,000	166,667	83,333
Michael Roach	200,000	-	-	-	200,000	200,000	133,334	66,666
	1,700,000	-	(499,999)	-	1,200,001	1,200,001	716,669	483,332

* Resigned 31 March 2008.

26. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(c) Shareholdings of Key Management Personnel

30 June 2008 Number of shares held in Infomedia Ltd	Balance 30 June 2007	Granted as compensation	On exercise of options	Net change other	Balance 30 June 2008
Directors					
Richard Graham	102,204,060	-	-	-	102,204,060
Myer Herszberg	23,421,599	-	-	-	23,421,599
Gary Martin	407,590	-	-	100,000	507,590
Frances Hernon	5,000	-	-	-	5,000
Executives					
Andrew Pattinson	2,447,567	-	-	-	2,447,567
Peter Adams*	100,000	-	-	(60,000)	40,000
Nick Georges	24,421	-	-	-	24,421
Michael Roach	18,721	-	-	-	18,721
Jonathan Pollard**	1,996	-	-	-	1,996
Total	128,630,954	-	-	40,000	128,670,954

30 June 2007 Number of shares held in Infomedia Ltd	Balance 1 July 2006	Granted as compensation	On exercise of options	Net change other	Balance 30 June 2007
Directors					
Richard Graham	102,204,060	-	-	-	102,204,060
Myer Herszberg	39,421,599	-	-	(16,000,000)	23,421,599
Gary Martin	74,257	-	333,333	-	407,590
Frances Hernon	5,000	-	-	-	5,000
Executives					
Andrew Pattinson	2,447,567	-	-	-	2,447,567
Peter Adams	11,421	-	166,666	(78,087)	100,000
Nick Georges	24,421	-	-	-	24,421
Michael Roach	18,721	-	-	-	18,721
Total	144,207,046	-	499,999	(16,078,087)	128,628,958

*Resigned 31 March 2008. ** Appointed 1 April 2008.

All equity transactions with Key Management Personnel other than those arising from the exercise of compensation options and compensation shares have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arm's length.

(d) Loans to Key Management Personnel

There were no loans at the beginning or the end of the reporting period to Key Management Personnel. No loans were made available during the reporting period to Key Management Personnel.

(e) Other transactions and balances with Key Management Personnel (including related entities)

(i) Infomedia Ltd rented office space from Richard Graham. The total rent payments for the year ended 30 June 2008 of $nil (2007: $79,209) were on commercial terms.

(ii) Infomedia Ltd received financial consulting services from Cowoso Capital Pty Limited, a company in which Andrew Moffat is a Director. The total consulting services paid for the year ended 30 June 2008 of $nil (2007: $57,500) were on commercial terms.

26. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(iii) Infomedia Ltd sold a painting to Richard Graham. The painting was independently valued and sold on commercial terms. The total amount received for the year ended 30 June 2008 was $8,000 (2007: $nil).

	CONSOLIDATED		INFOMEDIA LTD	
	2008 $	2007 $	2008 $	2007 $
27. AUDITORS REMUNERATION				
Amounts received or due and receivable by the auditors of Infomedia Ltd for:				
– an audit or review of the financial report of the entity and any other entity in the consolidated entity	199,250	191,900	172,150	165,850
– other services in relation to the entity and any other entity in the consolidated entity	-	-	-	-
	199,250	191,900	172,150	165,850

28. RELATED PARTY DISCLOSURES

Ultimate Parent

Infomedia Ltd is the ultimate Australian parent company.

Wholly-owned group transactions

(a) An unsecured, interest free loan of $5,002 (2007: $5,002) remains owing from IFM Germany GmbH to Infomedia Ltd.

(b) An unsecured, interest free loan of $3,131,065 (2007: $3,131,065) remains owing to Infomedia Investments Pty Limited from Infomedia Ltd.

(c) An unsecured, interest free loan of $3,202,370 (2007: $2,767,113) remains owing from Datateck Publishing Pty Limited to Infomedia Ltd. The loan is repayable in seven days upon demand.

(d) An unsecured, interest free loan of $386,219 (2007: $386,219) remains owing from AutoConsulting Pty Limited to Infomedia Ltd. The loan is repayable in seven days upon demand.

(e) An unsecured, interest free loan of $nil (2007: $59,810) remains owing from IFM Europe Ltd to Infomedia Ltd.

(f) An unsecured, interest free loan of $2,455,113 (2007: $nil) remains owing to IFM Europe Ltd from Infomedia Ltd.

(g) An unsecured, interest free loan of $536,003 (2007: $1,535,477) remains owing from IFM North America Inc to Infomedia Ltd.

(h) During the year a management fee of $480,000 (2007: $480,000) was paid to Datateck Publishing Pty Limited by Infomedia Ltd.

(i) During the year Infomedia Ltd received $13,543,755 (2007: $13,117,364) from IFM Europe Ltd for intra-group sales.

(j) During the year Datateck Publishing Pty Limited received $1,090,427 (2007: $746,110) from IFM Europe Ltd for intra-group sales.

(k) During the year IFM Europe Ltd received $432,071 (2007: $565,934) from Infomedia Ltd for intra-group distribution services.

(l) During the year Infomedia Ltd received $8,973,238 (2007: $10,363,329) from IFM North America Inc for intra-group sales.

(m) During the year IFM North America Inc received $501,370 (2007: $554,699) from Infomedia Ltd for intra-group distribution services.

(n) During the year IFM Europe paid $534,304 (2007: $398,384) to IFM Germany GmbH for intra-group distribution services.

Entity with deemed significant influence over the Company

Wiser Equity Pty Limited, a company in which Richard Graham is a Director, owns 31.1% of the ordinary shares in Infomedia Ltd (2007: 30.8%).

29. SEGMENT INFORMATION

30 June 2008		Distributors				Corporate	Eliminations	Total
Business Segments	Notes	Asia Pacific	Europe	North America	Latin & South America	Asia Pacific		
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
REVENUE								
Segment revenue		12,022	21,042	14,336	3,669	39,504	(38,842)	51,731
Finance revenue								760
Consolidated revenue								52,491
Segment result		16	146	201	87	15,569	-	16,019
Finance revenue								760
Finance costs								(107)
Consolidated profit before income tax								16,672
Income tax expense	4							(3,606)
Consolidated profit after income tax								13,066
Assets								
Segment assets		-	1,740	628	-	-	-	2,368
Unallocated assets								42,244
Total assets								44,612
Liabilities								
Segment liabilities		-	748	353	-	-	-	1,101
Unallocated liabilities		-	-	-	-	-	-	10,708
Total liabilities								11,809
Capital Expenditure		-	2	12	-	527	-	541
Amortisation		-	-	-	-	2,679	-	2,679
Depreciation		25	19	28	-	1,234		1,306

29. SEGMENT INFORMATION (CONTINUED)

30 June 2007		Distributors				Corporate	Eliminations	Total
Business Segments	Notes	Asia Pacific	Europe	North America	Latin & South America	Asia Pacific		
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
REVENUE								
Segment revenue		13,868	20,511	16,344	3,843	41,180	(41,180)	54,566
Finance revenue								791
Consolidated revenue								55,357
Segment result		1,100	88	41	100	18,747	-	20,076
Finance revenue								791
Finance costs								(134)
Consolidated profit before income tax								20,733
Income tax expense	4							(5,439)
Consolidated profit after income tax								15,294
Assets								
Segment assets		-	1,454	526	-	-	-	1,980
Unallocated assets		-	-	-	-	-	-	42,872
Total assets								44,852
Liabilities								
Segment liabilities		-	604	425	-	-	-	1,029
Unallocated liabilities		-	-	-	-	-	-	10,921
Total liabilities								11,950
Capital Expenditure		-	8	7	-	858	-	873
Amortisation		-	-	-	-	1,911	-	1,911
Depreciation		31	22	28	-	1,500	-	1,581

Segment products and locations

On 1 December 2006, Infomedia sold its Business Systems division to an unrelated third party. The sale of this division made reporting by product segment less meaningful. Consequently management has promoted geography to be its primary segment commencing 1 July 2007. The comparative figures have been restated accordingly.

Secondary segment information is reported in a distributor and corporate classification. The corporate function designs and owns the intellectual property of the products as well as manages head office functions for the group. 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.

Segment accounting policies

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. These transfers are eliminated on consolidation. Segment accounting polices are the same as the Company's accounting policies described in Note 2. The geographical segment revenue is classified according to customer destination as opposed to the billing source. Geographical assets have been classified according to location of the asset.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments, other than derivatives, comprise cash and short-term deposits.

The Company has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The Company also enters into derivative transactions through forward currency contracts. The purpose is to manage the currency risks arising from the Company's operations. It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Company's financial instruments are cash flow interest rate risk, liquidity risk, foreign currency risk and credit risk.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

Cash flow interest rate risk

The Company's exposure to the risk of changes in market interest rates relates solely to the Company's cash holding of $14,247,000 (2007: $15,690,000) with a floating interest rate.

The Company's policy is to accept the floating interest rate risk with both its cash holdings and bank loans. Cash is held primarily with leading Australian banks for periods not exceeding 30 days, therefore any reasonably expected change in interest rates (+/- 1%) would not have a significant impact on post tax profit or equity.

Foreign currency risk

The Company has transactional currency exposures. These exposures mainly arise from the transactional sale of products and to a lesser extent the associated cost of sales component relating to these products. As the Company's product offerings are typically made on a recurring monthly subscription basis, there is a relatively high degree of reliability in estimating a proportion of future cash flow exposures. Approximately half of the Company's sales are denominated in United States dollars and around one-third of the Company's sales are denominated in Euro. The Company seeks to mitigate exposure to movements in these currencies by entering into forward exchange derivative contracts under an approved hedging policy.

As a result of the Company's recent investment in both its European and United States subsidiaries, the Company's balance sheet can be affected by movements in both the Euro and the United States dollar against the Australian dollar.

At 30 June 2008, the group had the following exposure to USD foreign currency that is not designated in cash flow hedges:

	CONSOLIDATED		INFOMEDIA LTD	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Financial Assets				
Cash and cash equivalents	**1,324**	2,819	**1,031**	2,238
Trade and other receivables	**2,094**	3,578	**1,940**	3,722
Other assets	**104**	135	**-**	-
	3,522	6,532	**2,971**	5,960
Financial Liabilities				
Trade and other payables	**1,107**	1,235	**938**	1,038
Other liabilities	**416**	311	**233**	82
	1,523	1,546	**1,171**	1,120
Net Exposure	**1,999**	4,986	**1,800**	4,840

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

At 30 June 2008, the group had the following exposure to Euro foreign currency that is not designated in cash flow hedges:

	CONSOLIDATED		INFOMEDIA LTD	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Financial Assets				
Cash and cash equivalents	1,432	1,301	1,007	56
Trade and other receivables	1,138	1,313	-	804
Other assets	13	34	-	-
	2,583	2,648	1,007	860
Financial Liabilities				
Trade and other payables	714	372	2,749	6
Other liabilities	412	238	-	-
	1,126	610	2,749	6
Net Exposure	1,457	2,038	(1,742)	854

The following sensitivity is based on the foreign currency risk exposures in existence at the balance sheet date.

At 30 June 2008, had the Australian dollar moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as shown.

Judgements of reasonably possible movements:

	Post tax profit Higher/(Lower)		Equity Higher/(Lower)	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Consolidated				
AUD/USD +10%	(127)	(317)	(127)	(317)
AUD/USD - 15%	210	524	210	524
AUD/EUR +10%	(93)	(130)	(93)	(130)
AUD/EUR - 15%	153	214	153	214
Parent				
AUD/USD +10%	(115)	(308)	(115)	(308)
AUD/USD - 15%	189	508	189	508
AUD/EUR +10%	111	(54)	111	(54)
AUD/EUR - 15%	(183)	90	(183)	90

Management believes the balance date risk exposures are representative of the risk exposure inherent in the financial instruments.

Credit risk

The Company's credit risk with regard to accounts receivable is spread broadly across three automotive groups – manufacturers, distributors and dealerships. Receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. As the products typically have a monthly life cycle and are priced on a relatively low subscription price, the concentration of credit risk is typically low, with automotive manufacturers being the exception.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

With respect to credit risk arising from the other financial assets of the Company, which comprise cash and cash equivalents, available-for-sale financial assets and certain derivative instruments, the Company's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

Since the Company trades only with recognised third parties, there is no requirement for collateral.

Liquidity risk

The Company's exposure to liquidity risk is minimal given the relative strength of the balance sheet and strong cash flows from operations.

Given the nature of the Company's operations and no borrowings, the Company does not have fixed or contracted payments at balance date other than with respect of its cash flow hedges which are disclosed at Note 31. Consequently, the remaining contractual maturity of the group's and the parent entity's financial liabilities is as stated in the balance sheet and is less than 60 days. Deferred revenue requires no cash outflow.

31. FINANCIAL INSTRUMENTS

Fair values

Set out below is a comparison by category of carrying amounts and fair values of all of the Company's financial instruments recognised in the financial statements. The fair values of derivatives have been calculated by discounting the expected future cash flows at prevailing interest rates.

	Carrying Amount		Fair Value	
CONSOLIDATED	2008	2007	2008	2007
Financial assets	$'000	$'000	$'000	$'000
Cash and cash equivalents	14,247	15,690	14,247	15,690
Trade and other debtors	5,220	6,944	5,220	6,944
Derivatives	888	-	888	-
Other financial assets (non-current)	-	335	-	335
Financial liabilities				
Trade and other creditors	3,826	2,482	3,826	2,482
Interest-bearing loans and borrowings	-	-	-	-

	Carrying Amount		Fair Value	
PARENT	2008	2007	2008	2007
Financial assets	$'000	$'000	$'000	$'000
Cash and cash equivalents	13,299	13,544	13,299	13,544
Trade and other debtors	2,949	3,818	2,949	3,818
Derivatives	888	-	888	-
Intercompany	-	1,623	-	1,623
Other financial assets (non-current)[1]	248	583	7,004	6,150
Financial liabilities				
Trade and other creditors	3,115	1,752	3,115	1,752
Intercompany	1,457	-	1,457	-
Interest-bearing loans and borrowings	-	-	-	-

1. Other financial assets for the parent entity include investment in wholly-owned subsidiaries. The fair value of the underlying net assets of the subsidiaries is higher than the carrying amount in the parent entity accounts.

31. FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk

The following table sets out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

YEAR ENDED 30 JUNE 2008	CONSOLIDATED				INFOMEDIA LTD			
	Less than one year $'000	Two to five years $'000	Greater than five years $'000	Weighted average effective interest rate %	Less than one year $'000	Two to five years $'000	Greater than five years $'000	Weighted average effective interest rate %
Floating rate								
Cash and cash equivalents	14,247	-	-	6.1	13,299	-	-	6.1
Interest-bearing liabilities	-	-	-	-	-	-	-	-

YEAR ENDED 30 JUNE 2007	CONSOLIDATED				INFOMEDIA LTD			
	Less than one year $'000	Two to five years $'000	Greater than five years $'000	Weighted average effective interest rate %	Less than one year $'000	Two to five years $'000	Greater than five years $'000	Weighted average effective interest rate %
Floating rate								
Cash and cash equivalents	15,690	-	-	5.7	13,544	-	-	5.7
Interest-bearing liabilities	-	-	-	-	-	-	-	-

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until maturity of the instrument. The other financial instruments of the group and parent that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

Derivative contracts

The following table summarises the forward exchange contracts on hand at 30 June 2008. There were no derivative contracts on hand at 30 June 2007.

Maturity	CONSOLIDATED			INFOMEDIA LTD		
	Company buys	Company sells	Exchange rate	Company buys	Company sells	Exchange rate
Company sells United States dollars (USD)	$A'000	USD'000		$A'000	USD'000	
Quarter 1 2009 financial year	2,892	2,500	0.8645	2,892	2,500	0.8645
Quarter 2 2009 financial year	1,987	1,700	0.8556	1,987	1,700	0.8556
Quarter 3 2009 financial year	1,656	1,425	0.8605	1,656	1,425	0.8605
Quarter 4 2009 financial year	1,747	1,533	0.8775	1,747	1,533	0.8775
Company sells Euros (EUR)	$A'000	E '000		$A'000	E '000	
Quarter 1 2009 financial year	3,503	2,060	0.5881	3,503	2,060	0.5881
Quarter 2 2009 financial year	2,621	1,544	0.5891	2,621	1,544	0.5891
Quarter 3 2009 financial year	1,735	1,006	0.5798	1,735	1,006	0.5798
Quarter 4 2009 financial year	1,489	872	0.5856	1,489	872	0.5856

The mark to market valuation of these contracts at 30 June 2008 was $894,000, $888,000 of which were considered effectively hedges and booked directly in equity with $6,000 booked to profit and loss.

32. SUBSEQUENT EVENTS

There has been no matter or circumstance that has arisen since the end of the financial year that has significantly affected the operations of the Company, the results of those operations, or the state of affairs of the Company.

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

In the opinion of the Directors:

(a) the financial statements and notes of the Company and the consolidated entities are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's and consolidated entities' financial position as at 30 June 2008 and
of their performance for the year ended on that date; and

(ii) complying with Accounting Standards and the 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.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2008.

On behalf of the Board

Richard David Graham
Chairman
Sydney
19 August 2008

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Independent auditor's report to the members of Infomedia Ltd

Report on the Financial Report

We have audited the accompanying financial report of Infomedia Limited, which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the 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 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. In Note 2, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have met 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.

Auditor's Opinion

In our opinion:

1. the financial report of Infomedia Limited is in accordance with the Corporations Act 2001, including:

   i giving a true and fair view of the financial position of Infomedia Limited and the consolidated entity at 30 June 2008 and of their performance for the year ended on that date; and

   ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

2. the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2008. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Infomedia Limited for the year ended 30 June 2008, complies with section 300A of the Corporations Act 2001.

Ernst & Young

Ernst & Young

Garry Wayling
Partner
Sydney, 19 August 2008

Liability limited by a scheme approved under
Professional Standards Legislation.

How to Read this Corporate Governance Statement

This Corporate Governance Statement is divided into the following sections:

- an introduction, providing an overview of Infomedia's approach to corporate governance;
- details of the composition of the Board of Directors and its Committee;
- a discussion of major corporate governance initiatives during the reporting period;
- a discussion of the major areas where Infomedia Ltd reports under the "if not, why not?" obligation; and
- a subject based commentary on Infomedia Ltd's approach to the ASX Corporate Governance Council Guidelines.

Introduction

This Corporate Governance Statement, which is current as at the date of the Directors' Report, addresses the approach adopted by the Company to the ASX Corporate Governance Council's *Second Edition – Revised Corporate Governance Principles and Recommendations* and has been updated to reflect the actions taken by the Company since its last annual report.

By way of background, the Board first began its consideration of the Australian Securities Exchange (ASX) Corporate Governance Council (CGC) Guidelines during the course of the 2003 financial year. To aid the review process, the Board made initial adjustments to the structure of its Committees so that they comprised the Corporate Governance Committee, the Audit & Risk Committee and the Remuneration & Nomination Committee. However, in June 2007, the Board requested that the then Remuneration & Nomination Committee revisit the question of how the Company could best maintain its corporate governance practices in ways that are, given the level of implementation reached, pragmatic and appropriate to its size and available resources. These adjustments are discussed in more detail in the section headed "Composition of the Board of Directors and Committees" below.

The material set out in this Corporate Governance Statement has been prepared in accordance with the ASX Listing Rules and, in particular, the various "Guide(s) to reporting..." included in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations (Revised Principles and Recommendations).* Unless otherwise indicated, the measures taken were in place for the whole financial year.

Composition of the Board of Directors and Committees

In June 2007, the Board approved a number of changes to the structure, composition and responsibilities of the Board itself and its Committees which continue to this day. These changes include:

(a) The amalgamation of the Audit & Risk Committee and the Corporate Governance Committee to form a new Audit, Risk & Governance Committee; and

(b) The Board re-assuming the functions of remuneration and nomination and appointing Ms Frances Hernon as Lead Non-executive Director for all matters that formerly fell within the ambit of the Remuneration & Nomination Committee.

To coincide with the Company's financial year and reporting obligations, these changes took effect from 1 July 2007, with the exception of Ms Hernon's appointment to the Audit & Risk Committee, which was effective from 25 June 2007.

The re-named Audit, Risk and Governance Committee'comprises:

- Andrew Moffat (Chair);
- Myer Herszberg;
- Frances Hernon.

Major Corporate Governance Initiatives

During the reporting year, the Board continued, through its committee, to monitor the charters, policies and procedures adopted by the Company in support of the Revised Principles and Recommendations and remains satisfied that the Company's corporate governance practices are consistent with the spirit and intent of the Revised Principles and Recommendations.

As with last year, once again Senior Management, with the assistance of external consultants, examined the effectiveness of Infomedia's risk management initiatives. This process, once again, bridged the gap between the FY2008 Risk Management Plan and the FY2009 Risk Management Plan. The FY2009 Risk Management Plan was considered and, as appropriate, approved by both the Audit, Risk & Governance Committee and the Board in August 2008.

At its 18 and 19 June 2008 meeting, the Board considered and accepted recommendations from the Audit, Risk & Governance Committee regarding changes to the Share Trading Policy. The Committee's recommendations were based around the practical issue of allowing Directors, officers and employees some flexibility with respect to when they could buy or sell the Company's securities provided that they were not in possession of "price sensitive information". The main change was to remove the concept of a "trading window" and replace it with the concept of a "blackout period". A summary of the Company's Share Trading Policy has been updated and forms part of the various charters and policies included on Infomedia's website.

"If Not, Why Not?"

ASX CGC Recommendation 2.1 – A majority of the board should be independent directors

ASX CGC Recommendation 2.2 – The chair should be an independent director

ASX CGC Recommendation 2.3 – The roles of chair and chief executive officer should not be exercised by the same individual

Traditionally, the Board has applied an Executive Director/Non-executive Director classification to its members and is currently comprised of four Non-executive Directors and one Executive Director.

The role of Chairman and Chief Executive Officer has, as contemplated by ASX CGC Recommendation 2.3, been split since 31 December 2004. Despite having retired within the past four years as an executive, Mr Richard Graham remains the Company's largest shareholder and is, therefore, not considered by the Board as an independent Chairman. Accordingly, the Company does not fully comply with ASX CGC Recommendation 2.2 that the chairperson be an independent director. Nevertheless, the Board remains of the view that its independence as a whole is not compromised and that it is in the best interests of the Company for Mr Graham to continue as Chairman. The Board believes that during this stage of growth, Infomedia is best served by keeping a strong focus on the development and implementation of strategic platforms. It believes that Mr Graham's industry knowledge, both technological and automotive, uniquely positions him for the kind of strategic thinking required of the Chairman. As suggested in the commentary accompanying ASX CGC Recommendation 2.2, under the Board Charter, Board members may elect a lead Non-executive Director to chair informal discussion meetings of Non-executive Directors.

Mr Gary Martin, in his role as Director and Chief Executive Officer, is also not considered by the Board as independent. However, two of the Company's continuing Directors, Ms Hernon and Mr Andrew Moffat, meet the objective criteria for independence. A third Non-executive Director, Mr Myer Herszberg, whilst being a major shareholder, is considered by the Board, having regard to the quantitative, qualitative and cumulative criteria, to operate independently and objectively.

The Board is firmly of the view that good, or sound, leadership and judgement and ethical practice are driven by the culture of an organisation, not process. Infomedia has long had a strong and well developed informal culture of corporate governance and compliance. Originally grounded in proprietary company roots, this culture has now become more formalised as is appropriate for a publicly listed company.

The Board's approach finds support in this view in other corporate governance commentary, including in the observations the Royal Commissioner, Mr Justice Owen, who in his official report into the collapse of HIH stated that the critical issue is not so much whether, on objective criteria, the director is independent but rather whether he or she is subjectively capable of exercising independent judgement. Mr Justice Owen also said that, "...I am not convinced that a mandatory requirement for boards to have a majority of non-executive directors is either necessary or desirable. In most cases it will be desirable (assuming the non-executive directors are truly independent) but flexibility ought to be maintained to enable corporations to be structured in a way that best suits their circumstances."

Accordingly, the Board believes it comprises a majority of independent Directors and so complies with ASX CGC Recommendation 2.1.

This independence will continue to be reviewed periodically by the Board to ensure its continued good practice in this area. Ultimately, however, the Board accepts that its members remain in office upon the vote of the Company's shareholders and that they may elect members to the Board regardless of their standing, independent or otherwise.

In order to facilitate the discharge of their duties, including in respect of independent decision making, the Board confirmed in April 2004 its policy for Directors obtaining independent professional advice at the expense of the Company.

COMMENTARY

The Board and Senior Management – Structure and Remuneration

ASX CGC Principle 1 – Lay solid foundations for management and oversight

Recognise and publish the respective roles and responsibilities of board and management

ASX CGC Principle 2 – Structure the board to add value

Have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties

ASX CGC Principle 8 – Remunerate fairly and responsibly

Ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear

The Company's Constitution requires a minimum of three and a maximum of seven Directors, of whom at least two must ordinarily be resident in Australia. Under the Company's Constitution, one third of the Directors, and any other Director not in such one third who has held office for three years or more, other than the Chief Executive Officer, must retire by rotation each year. If eligible, the retiring Directors may offer themselves for re-election.

The Infomedia Board currently comprises five Directors and details of the names, terms of office, committee memberships, meeting attendance record, skills, experience and expertise of each, along with photographs, appear in the Directors' Report.

Since listing on the ASX in August 2000 in particular, the composition and size of the Infomedia Board has been shaped by its Constitution and the contribution Directors are able to make, both individually and collectively. An emphasis has been, and through the interaction of the Board and the Lead Non-executive Director for all matters that formerly fell within the ambit of the Remuneration & Nomination Committee, will continue to be, placed on promoting, among other attributes, an appropriate mix of relevant skills, independence, expertise, business knowledge and executive and non-executive participation.

ASX CGC Recommendation 1.1 – Establish the functions reserved to the board and those delegated to management and disclose those functions

A formal Charter of the Board of Directors was adopted in early July 2004, following careful and considered deliberation by both the then Corporate Governance Committee and the Board itself. As noted in the introduction above, the priority was to document an appropriate division of Board and management responsibilities. The Board's focus is on the Company's objectives, determining the strategy for achieving those objectives and setting the overall policy framework within which the business of the Company is conducted whilst ensuring that the Company operates in accordance with good management and governance practices. A summary of the Charter of the Board can be found on the Company's website.

ASX CGC Recommendation 2.1 – A majority of the board should be independent directors

ASX CGC Recommendation 2.2 – The chairperson should be an independent director

ASX CGC Recommendation 2.3 – The roles of chairperson and chief executive officer should not be exercised by the same individual

Commentary on these three ASX CGC Recommendations is found under the heading "If Not, Why Not?" above.

ASX CGC Recommendation 2.4 – Establish a nomination committee

ASX CGC Recommendation 8.1 – Establish a remuneration committee

As mentioned above, since July 2007 the Board has re-assumed the functions of remuneration and nomination and then appointed a Lead Non-executive Director for all matters that formerly fell within the ambit of the Remuneration & Nomination Committee.

The Lead Non-executive Director and the Board, as appropriate, consider all Board nominees, having regard to both the nominee's individual merits and overall Board composition. In each case, the recommendations of the Lead Non-executive Director are considered by the Board and, where a new appointment has been made, put to the shareholders at the next annual general meeting.

The Company has formalised a policy for the nomination and induction of Directors, which was adopted by the Board in early July 2005. A summary of the Director Nomination & Induction Policy is available on the Infomedia website.

The Company no longer strictly complies with ASX CGC Recommendations 2.4 and 8.1 that it should establish remuneration and nomination committees. Nevertheless, the Board is of the view that, given its size and available resources, the appointment of a Lead Non-executive Director for all matters that formerly fell within the ambit of its Remuneration & Nomination Committee is a better utilisation of its resources.

ASX CGC Recommendation 8.3 – Provide the information indicated in the Guide to reporting on Principle 8

Upon recommendation of the then Remuneration & Nomination Committee, a Remuneration and Performance Evaluation Policy for Directors and Senior Executives was adopted by the Board in July 2004. The Policy outlines the criteria for assessing the performance of the Board as a whole, the Directors as individuals, the Chairman of the Board and the senior executives, and aims to provide a framework for structuring total remuneration that will facilitate both the short and long term growth and success of the Company, that is competitive with the market place and that is demonstrably linked to the Company's overall performance as discussed more fully in the Remuneration Report included within the Directors' Report.

The Company also has two equity based incentive plans: an Employee Option Plan, applicable to certain eligible employees, including senior executives and Executive Directors and an Employee Share Plan, applicable to all permanent employees of one or more years of service, including senior executives but excluding both Executive and Non-executive Directors. These plans were established prior to Infomedia's listing in August 2000 in accordance with both the Corporations Act and the ASX Listing Rules and were disclosed in the 14 July 2000 prospectus. As a result of the altered accounting treatment required under the Australian equivalents to International Financial Reporting Standards, in June 2005 the Board resolved to indefinitely suspend the Employee Share Plan with effect immediately following the scheduled July 2005 allocation.

Given this background, there is no present intention to obtain shareholder approval of the Employee Option Plan (or, if re-activated, the Employee Share Plan) as proposed by ASX CGC Recommendation 9.4 unless otherwise required by the Corporations Act and/or the ASX Listing Rules.

Further detail of senior executive remuneration under these plans is included in the Remuneration Report.

ASX CGC Recommendation 8.2 – Clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior management

In formulating the Remuneration and Performance Evaluation Policy for Directors and Senior Executives, regard was had to both market practice and to the then best practice guidance provided in the ASX CGC Commentary.

In contrast to Executive Directors, Non-executive Directors are remunerated by way of fees and statutory superannuation contributions only: they do not receive any additional retirement benefits and nor do they currently participate in any of the Company's incentive arrangements. Non-executive Directors have previously received options, but this practice was reconsidered with the introduction of the Remuneration and Performance Evaluation Policy for Directors and Senior Executives in FY2004. The Board will continue to monitor this issue as it subscribes to the view that, for smaller companies, option based remuneration may be an appropriate method of remunerating Non-executive Directors when accompanied by an appropriate framework and proper disclosure.

Business Conduct

ASX CGC Principle 3 – Promote ethical and responsible decision making

Actively promote ethical and responsible decision making

ASX CGC Recommendation 3.1 – Establish a code of conduct and disclose the code or a summary of the code

A formal Code of Conduct was adopted in April 2004 following careful and considered deliberation by both the then Corporate Governance Committee and the Board itself.

The Infomedia Code of Conduct applies to all Infomedia personnel, including Directors, senior executives and employees and was developed having regard to the ASX CGC Commentary accompanying ASX CGC Recommendation 3.1. Whilst Infomedia has long held and emphasised personal integrity, respect and ethical business practices as core tenets, the Infomedia Code of Conduct strengthens the Company's commitment to them by further articulating the cultural values which permeate the Company and better guiding dealings with all non-shareholder stakeholders.

Under the direction of the then Corporate Governance Committee, the Code of Conduct was refined during FY2006, primarily to formalise guidelines for the resolution of internal grievances. The soundings conducted as part of the review process served to promote greater awareness and use of enhanced procedures for seeking guidance where areas of concern exist, for the management of grievance issues and for the notification of matters which potentially involve a compliance or business risk element. A summary of the Code of Conduct can be found on the Company's website.

ASX CGC Recommendation 3.2 – Establish a policy concerning trading in company securities by directors, senior executives and employees, and disclose the policy or a summary of the policy

A formal Policy on Share Trading by Company Directors, officers and employees was originally established in October 2001 and was reviewed, amended and adopted by the Infomedia Board in April 2004, upon the recommendation of the then Corporate Governance Committee. It was further reviewed in the last quarter of FY2006 and more recently in May 2008. On 29 May 2008, a revised Policy on Securities Trading by Company Directors, Officers and Employees was adopted by the Board and a summary was placed on the Company's website. Further commentary on this point can be found in the "Major Corporate Governance Initiatives" section, above.

Financial Reporting and Risk Management

ASX CGC Principle 4 – Safeguard integrity in financial reporting. Have a structure to independently verify and safeguard the integrity of the company's financial reporting

ASX CGC Recommendation 4.1 – Establish an audit committee

ASX CGC Recommendation 4.2 – The audit committee should be structured so that it: consists only of non-executive directors; consists of a majority of independent directors; is chaired by an independent chair, who is not chair of the board; has at least three members

During this reporting period Infomedia complied with the ASX CGC Recommendations accompanying ASX CGC Recommendation 4.2, relating to audit committee composition, operation and responsibility.

ASX CGC Recommendation 4.3 – The audit committee should have a formal charter

ASX CGC Recommendation 4.3 – Provide the information indicated in the Guide to reporting on Principle 4

Infomedia originally established an audit committee prior to its listing on the ASX in August 2000. The Board continues to firmly believe that the Audit, Risk & Governance Committee is of "...sufficient size, independence and technical expertise to discharge its mandate effectively". As noted in the discussion around ASX CGC Recommendation 2.1 above, although traditionally the Board has applied an Executive Director/Non-executive Director classification to its membership, the Board believes that the Audit, Risk & Governance Committee's members meet an objective assessment of quantitative and qualitative criteria for independence. Therefore, the Committee meets the requirements for an independent Chairman and a majority of independent Directors under ASX CGC Recommendation 4.2.

A formal Audit & Risk Committee Charter was originally adopted in 2000 and an amended version approved by the Board in April 2004 following careful and considered deliberation by both the then Audit & Risk Committee and the Board itself. Consistent with the Company's policy, a summary of the Charter was placed on the Company's website during FY2005.

The current Audit, Risk & Governance Committee acknowledges the importance of external auditor independence and has formalised procedures for the rotation of engagement partners. The Company's external auditor's engagement partner was rotated in FY2007.

ASX CGC Principle 7 – Recognise and manage risk. Establish a sound system of risk oversight and management and internal control

ASX CGC Recommendation 7.1 – The board or appropriate committee should establish policies on risk oversight and management

Upon the recommendation of the then Audit & Risk Committee, the Board adopted the Risk Management Policy in July 2004. During the FY2006 reporting period, the then Audit & Risk Committee reviewed it closely and recommended that the Board adopt a revised Risk Management Policy and a Risk Management Plan which would better promote the establishment and implementation of an effective and appropriate risk management framework for the Company.

The revised Risk Management Policy allocates oversight responsibility to the Board and the Audit, Risk & Governance Committee whilst the establishment of risk management procedures, compliance and control rests with the Chief Executive Officer, Chief Financial Officer and Senior Executives and, at a daily operating level, with departmental managers, line managers and individuals as part of regular business conduct.

Work undertaken during FY2008 examining the effectiveness of Infomedia's risk management initiatives is discussed under the heading "Major Corporate Governance Initiatives" above.

A summary of the Company's Risk Management Policy is available on the Company's website; however, given the strategic nature of its content, details of the Company's Risk Management Plan have not been made public.

ASX CGC Recommendation 7.2 – Require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks

ASX CGC Recommendation 7.3 – Disclose whether it has received assurances from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations

Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks

The Company's financial reporting obligations for FY2008 have been fulfilled, as they have in previous years, in accordance with applicable legal and accounting requirements: see the financial statements and notes contained in the Directors' Report and the Independent Audit Report.

Having acted in accordance with the Board endorsed revised Risk Management Policy and Board endorsed Risk Management Plan, the Chief Executive Officer and the Chief Financial Officer have provided the Board with the necessary certifications under ASX CGC Recommendation 7.3 and the Corporations Act.

ASX CGC Principle 5 – Make timely and balanced disclosure

Promote timely and balanced disclosure of all material matters concerning the company

ASX CGC Recommendation 5.1 – Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance

ASX CGC Recommendation 5.2 – Provide the information indicated in the Guide to reporting on Principle 5

A Market Disclosure Policy was adopted by the Board in April 2004 following careful and considered deliberation by both the then Corporate Governance Committee and the Board itself. The Market Disclosure Policy was developed having regard to the ASX CGC Commentary and suggested content accompanying ASX CGC Recommendation 5.1.

A review of the Market Disclosure Policy was conducted by the then Corporate Governance Committee as part of its review calendar in the final quarter of FY2006. The review concluded that both the continuous and periodic reporting obligations imposed under the ASX Listing Rules, and the Company's internal procedures in respect of them, were well understood by Senior Management. A summary of the Market Disclosure Policy can be found on the Company's website.

Shareholders

ASX CGC Principle 6 – Respect the rights of the shareholders

Respect the rights of shareholders and facilitate the effective exercise of those rights

ASX CGC Recommendation 6.1 – Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings

ASX CGC Recommendation 6.2 – Provide the information in the Guide to reporting on Principle 6

Through a series of initiatives, Infomedia continues to demonstrate its commitment to promoting effective communication with all shareholders. Such initiatives include the continued development of the Company website, where this Corporate Governance Statement, summaries of the various corporate governance charters, policies and guidelines, annual, half yearly and quarterly reports, a synopsis of the Infomedia business model, media releases, achievements, share price information and the July 2000 prospectus, along with the FY2008 Notice of Annual General Meeting and Explanatory Statement are all available.

Infomedia has considered and adopted as appropriate to its circumstances, the various means of using electronic communications effectively as described in the commentary following ASX CGC Recommendation 6.1.

Shareholder participation at general meetings is encouraged and Infomedia's auditor, Ernst & Young, will attend the Annual General Meeting and be available to answer shareholder questions.

Additional Information

TOP 20 HOLDERS OF SHARES AS AT 29 AUGUST 2008			
Name	Shares	% of Total	Rank
WISER EQUITY PTY LTD	100,277,501	31.29	1
YARRAGENE PTY LIMITED	23,421,599	7.31	2
J P MORGAN NOMINEES AUSTRALIA LIMITED	12,687,711	3.96	3
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,642,661	2.38	4
MR ANDREW PATTINSON	2,447,567	0.76	5
NATIONAL NOMINEES LIMITED	2,345,629	0.73	6
TOM HADLEY ENTERPRISES PTY LTD	2,000,000	0.62	7
CITICORP NOMINEES PTY LIMITED	1,744,398	0.54	8
BRAZIL FARMING PTY LTD	1,250,000	0.39	9
MR PETER ALEXANDER BROWN	1,000,000	0.31	10
WISER CENTRE PTY LTD WISER CENTRE P/L S/F A/C	1,000,000	0.31	11
MR RICHARD GRAHAM	926,559	0.29	12
MR JOHN KENDALL PERRETT	800,000	0.25	13
MR CRAIG EVAN COLEMAN	505,000	0.16	14
APPLIED SENSORS PTY LTD MULLIGAN PENSION FUND A/C	500,000	0.16	15
WOODCLIFF SUPER PTY LTD	500,000	0.16	16
ELISE NOMINEES PTY LIMITED	490,000	0.15	17
MR YET KWONG CHIANG MRS HO YUK LIN CHIANG	459,205	0.14	18
BONGAT PTY LTD BONGAT SUPER FUND A/C	450,000	0.14	19
HOAD HOLDINGS PTY LTD HOAD SUPER FUND A/C	410,000	0.13	20

RANGE OF SHARES AS AT 29 AUGUST 2008			
Range	Shareholders	Shares held	% of total
1 – 1,000	472	388,825	0.12
1,001 – 5,000	2,500	8,099,434	2.53
5,001 – 10,000	1,901	15,955,077	4.98
10,001 – 100,000	3,374	100,681,636	31.42
100,001 – 9,999,999,999	209	195,329,443	60.95
Total	8,456	320,454,415	100.00

As at 30 August 2008 there were 590 shareholders less than a marketable parcel of shares (minimum parcel $500.00).

Infomedia Ltd	357 Warringah Road Frenchs Forest NSW 2086 ABN 63 003 326 243 Telephone: (02) 9454 1500 Facsimile: (02) 9454 1844
Directors	Richard Graham – Chairman of the Board Gary Martin – Chief Executive Officer and Executive Director Frances Hernon Myer Herszberg Andrew Moffat
Company Secretary	Nick Georges
Acting Chief Financial Officer	Jonathan Pollard
Registered Office	357 Warringah Road Frenchs Forest NSW 2086
Auditors	Ernst & Young Ernst & Young Centre 680 George Street Sydney NSW 2000
Share Registry	Computershare Registry Services Pty Ltd GPO Box 7045 Sydney NSW 1115
Lawyers	Thomson Playford Lawyers Level 25 Australia Square Tower 264 George Street Sydney NSW 2000
Internet Address	infomedia.com.au

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