Annual Report 2009

A Blue Ocean of Opportunities

Infomedia™

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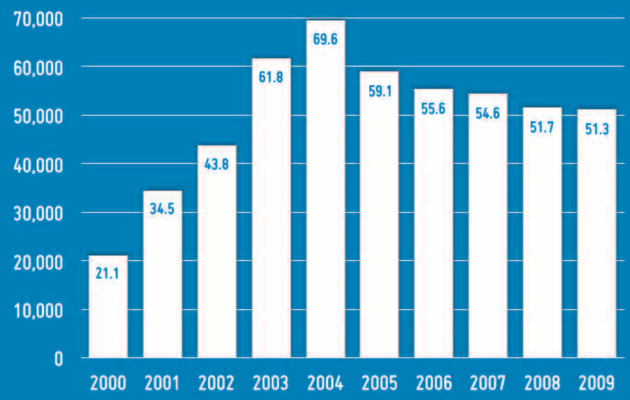
Infomedia™

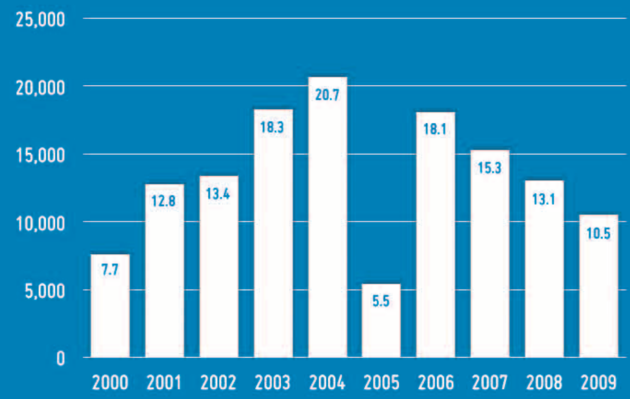
Sales Revenue

(in $millions)



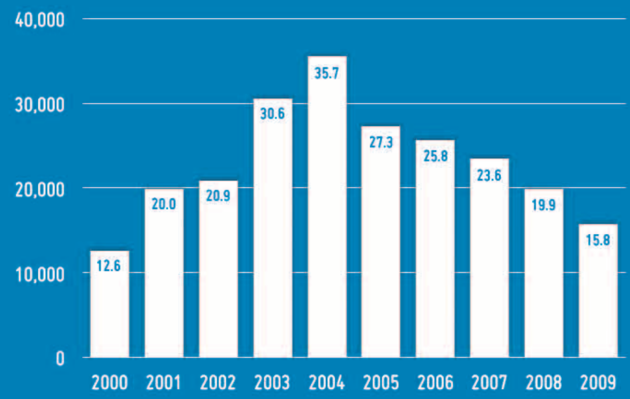
NPAT

(in $millions)



EBITDA

(in $millions)



Infomedia™

"Our diversification of solutions and customer segments continues on-track, and solutions like Microcat MARKET are experiencing encouraging growth..."

Dear Fellow Shareholders,

Much like the Australian economy, Infomedia was buoyed by its sound foundation and material substance during the economic upheavals — the so-called global financial crisis (GFC) — of the past year. Except for the extraordinary uplift on the Australian dollar exchange rate vis-à-vis our predominant trading currencies, the GFC had little effect on our business plan for the year.

Sales revenue of $51.3 million and normalised net profit After Tax (NPAT) of $10.5 million were consistent with our product development activities and the wind down of General Motors subscription revenues that commenced in August 2005. Your Board and management's confidence in the Company's future was demonstrated by the declaration of a 0.7 cents interim and 2.1 cents final dividend for the year (a payout ratio of 83% of NPAT), and the Company's buy back campaign throughout the year that repurchased 14,701,578 shares on-market.

The Company's positive cash flow model remains effective. This year was the first in which the Company paid part of its dividend unfranked; this was a result of both the strength of the cash flow and the amortisation of previous years' development capitalisation beginning to be reflected in the Income Statement.

Our diversification of solutions and customer segments continues on track, and solutions like Microcat® MARKET™ are

"Going into FY2010, Superservice Menus enjoys a healthy pipeline of new business prospects."

experiencing encouraging growth, particularly throughout the Asia Pacific and European regions. Staff and management are committed to the Company being the leader in the provision of self-serve ecommerce tools for genuine parts sales to the important trade repairer segment. This segment is a vital contributor to franchised dealer viability around the world. During the coming year, we are releasing more trade repairer solutions that are projected to deliver record revenues from this segment.

Superservice Menus® continues to experience growth around the world, with its revenue growing by 41% over the previous year. Going into FY2010, Superservice Menus enjoys a healthy pipeline of new business prospects. Land Rover and Jaguar recently joined the growing number of automakers who have licensed the use of their data for us to create Superservice Menus for their dealers. It's great seeing our technology solutions continuing to be recognised as making an important positive contribution to the productivity, viability and customer loyalty of vehicle dealers around the world.

After nearly two decades of providing our flagship and game changing product, the Microcat® parts selling system, we are now successfully replacing our DVD based solution with a more powerful Internet based re-invention. Its significant improvements have begun to provide our customers with more frequent data and application updates, lowering their cost of hardware platforms and providing links to reach out beyond the dealership to serve their customers electronically. In addition to better empowering our customers, the re-invention to the web has created a more efficient application development platform for the Company.

Building upon the FY2009 base that's been stabilised in terms of subscription wind downs, the coming to market of our new technology solutions, and substantial forward coverage on our foreign exchange exposure, FY2010 is poised with potential. I am confident that we will see meaningful growth across all segments in the next financial year and beyond.

Thank you all for your continuing support of Infomedia and I look forward to seeing you at the Annual General Meeting.

Richard David Graham

Chairman of the Board

"It is more than just systems that make our service different.
It is the expertise of our people who stand behind them."

At Infomedia, we've made it our business to ensure that information flows as efficiently as possible through the aftersales section of our customers' business. Our suite of parts and service data solutions has been developed specifically for the purpose of improving parts and service data performance.

Our systems help our automotive partners to sell billions of dollars worth of parts every year. This is our core business. We are proud of our spirit of innovation that has brought these ideas to life, changing the way the industry operates.

Over the years, our products have changed, and adapted, based not only on technological advancements, but also on customer needs. We take the time to get to know our customers. We believe it is a crucial part of building lasting relationships. With an unrivalled knowledgebase built on feedback from over 56,000 users in over 160 countries around the world, we are constantly improving our products to meet evolving customer needs.

It is more than just systems that make our service different. It is the expertise of our people who stand behind them. For our customers this means a global network of local trainers and support staff. With offices in Australia, China, North America and Europe, and partners in Japan and Latin America, we are where our customers are, when they need us, with local knowledge on hand to help.

Infomedia has a genuine desire to improve our customers' business and a successful history to prove it. We know transparency, reliability and accessibility are the keys to a quality data solution. We believe they are also the keys to our successful approach to business.

Local Market Information

Global Network

Language Support

Software as a Service

Data Quality Improvement

Quality Assurance

Comprehensive Training

Dealership Best Practice

"...SUCCESS CAN BE ACHIEVED NOT BY OUT-PERFORMING THE COMPETITION IN THE EXISTING INDUSTRY, BUT BY BEING INNOVATIVE AND CREATING A NEW MARKET SPACE OR BLUE OCEAN, THEREBY MAKING THE COMPETITION IRRELEVANT."

As Chief Executive Officer (CEO) of Infomedia, I acknowledge that we've faced our share of challenges during the past financial year. The global financial crisis has affected many companies around the world — and we have not been immune to its impact. It's not surprising that the force of the crisis has been so extreme, when we've witnessed some of the worst financial conditions many of us will ever experience in our lives, and in the lifespan of our companies.

Despite this climate, I am proud to say that as a Company, we're doing well and that the future is bright. You will notice the Blue Ocean theme throughout this year's Annual Report, based on the idea that success can be achieved not by out-performing the competition in the existing industry, but by being innovative and creating a new market space or Blue Ocean, thereby making the competition irrelevant. Red Oceans, on the other hand, are those market spaces that already exist, and competition is fierce as companies try to out-perform their rivals and get a greater portion of existing demand and market share.

The Blue Ocean theme represents the Company's journey during the past financial year on its path to convert our disc based products to online solutions. In pursuing this, Infomedia has ventured into a new market space by producing online selling systems and other web service solutions that can deliver information and intelligence to drive business performance.

Our online presence opens more doors of opportunity for the Company. Utilising the web allows us to service our customers better by tailoring our solutions more to their current needs.

The new solutions are generating excitement in the marketplace and our customers are seeing the real value the solutions add to their businesses — particularly in trying times such as these.

Our business is to add value to our customers and create productivity increases to everyone in the supply and service chain — generating real improvements to the way our customers do business and real improvements to their bottom lines. By continuing to listen to our customers' needs and wants and delivering solutions that meet and exceed those needs, we will uncover opportunities. Not only have we cemented long term relationships with current customers, but we're also opening doors to new customers. Infomedia is set to take advantage of the investment made in new technology during the past year that will see the Company into the unchartered waters of a Blue Ocean.

Infomedia's Shanghai Representative Office, China

Early in 2009, Infomedia's Shanghai Representative Office was established in China. The North Asia region presents the Company with numerous growth opportunities in the provision of aftersales information services and solutions. Major automakers and suppliers are based in Shanghai and the

"SALES REVENUE FOR SUPERSERVICE MENUS CONTINUES TO EXPERIENCE GROWTH AROUND THE GLOBE WITH AN INCREASE OF 41% OVER LAST FINANCIAL YEAR..."

surrounding Yangtze River delta, so the location is a sound base from which Infomedia can develop business in the region.

China's domestic vehicle market continues to grow and while the global financial crisis has had some impact, foreign automakers such as Ford, General Motors (GM), Hyundai, Toyota and the Volkswagen (VW) Group are continuing their aggressive expansions into the Chinese market. Despite economic conditions slowing growth, Chinese brands are keen to continue their overseas expansion because it gives them a good international brand image and therefore provides them with a real marketing advantage as they become more than just Chinese companies.

SHANGHAI, CHINA

Our first Shanghai office staff member, Waters Wang, has been making many inroads into the region, developing a number of contacts with automaker customers. His primary goals are to: explore market potential for Infomedia's solutions within China; develop strategic industry relationships; begin promoting our solutions; and investigate new product opportunities.

Infomedia's vast global aftersales experience can provide great support to the Chinese automakers as they embark on long term market development strategies.

Infomedia's Solutions Continue to Experience Growth

Despite conditions, sales increased around the globe for our parts selling solutions. When added to the previously forecast loss of GM Microcat® subscriptions, overall sales revenue decreased by only 1% from last financial year. Sales revenue for Superservice Menus® continues to experience growth around the globe with an increase of 41% over last financial year and was primarily driven by a number of launches in Europe and the Asia Pacific region.

In Europe, Superservice Menus was launched to eight new markets for Subaru (Denmark, Iceland, Ireland, Estonia, Finland, Latvia, Lithuania and Sweden). The solution was rolled out to Hyundai Spain and for Kia in Sweden, Denmark and Italy. Two new automakers in Europe also signed on to receive Superservice Menus – Isuzu for the United Kingdom and Mitsubishi for Sweden.

In Asia Pacific, Superservice Menus for Subaru Australia and Suzuki QLD was launched to dealers and a number of new Dealer Management System partners came on board for both Australia and New Zealand.

> "Growth is expected from both existing and new automaker partners around the globe due to the release of the new Microcat LIVE Plus parts selling solution."

Microcat® MARKET™ has also experienced growth with an overall revenue increase of 153% globally. Subscriptions for Ford Europe increased by 30%, with Italy, Germany and France the countries that experienced the most growth.

New Contracts Signed and Existing Contracts Renewed

The past financial year has seen a number of new contracts signed and existing contracts renewed.

In Europe, agreements were signed with Kia to supply Superservice Menus in further markets including: Austria Belgium, Germany, Ireland and Slovakia. In the Asia Pacific region, Toyota Australia continued our long term partnership with the renewal of Superservice Menus, as well as Microcat MARKET and Microcat until the end of 2011. Honda Australia also renewed its contract with us to supply Microcat to its dealerships for another three years. Ford agreements for our parts selling solutions were renewed around the globe with Canada, Europe and the USA, extending our long standing partnership with the Ford Motor Company.

Among our oil industry partners, Castrol Australia and BP Australia renewed their agreements for two years for the creation of the Lubricants Recommendation Database, whilst Valvoline Australia renewed its service contract for three years. A new business contract was signed with another oil industry partner, Fuchs, to supply it with a Lubricants Recommendation Database to CASE IH, New Holland and BT Equipment.

The Year Ahead

Operational Outlook

Our investment in our new technology web services platform has positioned the Company to take full advantage of new opportunities in the coming financial year. The outlook is a challenging, yet positive one for Infomedia.

Microcat® LIVE™ Plus for Toyota's industrial equipment division, Toyota Motor Handling, U.S.A. (TMHU) was launched early in 2009 along with Microcat LIVE Plus for Ford Mexico. We are currently releasing further versions of Microcat LIVE Plus with current customers throughout North America.

Growth is expected from both existing and new automaker partners around the globe due to the release of this new parts selling solution.

Superservice Menus revenue is forecast to continue to increase during the next financial year. Early in 2010, the solution will start migrating to a web platform as we launch an online version of Superservice Menus to Jaguar and Land Rover, the result of a recent three year agreement to supply Superservice Menus to Jaguar and Land Rover dealerships worldwide. The launch of Superservice Menus to GM dealerships in North America is imminent, with further automakers to follow.

The recent appointment of Warren Webermin to the role of Director of Global Sales and New Business Development is a positive step forward in the new business arena for Infomedia. Warren brings extensive experience and skills to the position and is responsible for directing business opportunities in new markets whilst consolidating business opportunities in current markets.

Financial Outlook

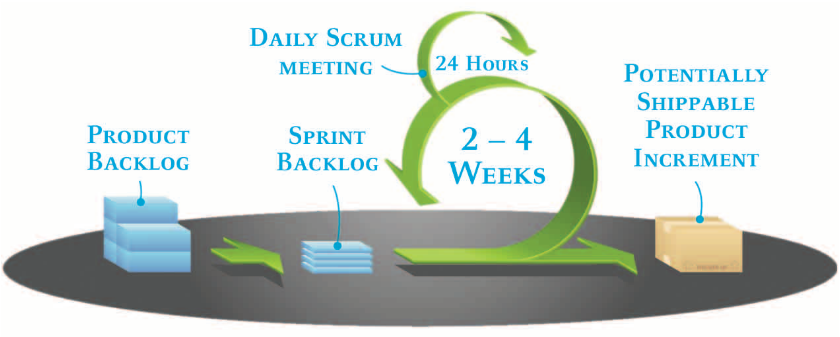
In the year ahead, the Company is releasing its new generation products. While some releases will be web upgrades to existing products, the Company expects the investment made in the new web platform technology will give rise to new revenue streams from existing and new markets.

The Company regards the year ahead for the global automotive market as challenging, with many automakers continuing to feel the effects of the global financial crisis. However, the emergence of a new and revitalised automotive sector will present many opportunities for Infomedia's solutions. Therefore, the previously issued net profit after tax guidance for financial year 2010 of between $13,000,000 and $14,000,000 remains consistent with the Company's expectations at this time.

I'm confident it's going to be a Blue Ocean year and I'm really looking forward to working with all the Infomedia team to realise our vision.

Gary Martin
Chief Executive Officer

"...development can now occur around the clock, 24 hours a day. When development ceases in the Asia Pacific region at the end of the working day, it soon begins in the United States..."



Scrum Methodology Process

Impact of the Global Economy on Business

Turbulent is a term that many businesses would use to sum up what has been happening in the global economy over the past financial year. The global financial crisis has affected most businesses in one way or another. Many are suffering as a result of falling stock markets and the collapse of large institutions, and are also experiencing lost revenue and, inevitably, increased costs.

The negative impact has particularly been felt in the global automotive market. Like all businesses, dealerships have been forced to cut costs to survive the storm and, in some instances, this has meant some decline in subscriptions to some of Infomedia's solutions or, in the worst case scenario, dealerships have closed altogether.

However, notwithstanding all the media reports and the re-organisations happening within automakers globally, never before has the wider automotive community been focused so intently on keeping customers through professional and efficient service. This is the area where Infomedia provides maximum benefit to the users of our many parts and service solutions and where our sales teams are working hard with automakers as a value add partner.

Infomedia continues to help dealerships achieve greater efficiencies in their service and parts departments. With service and parts department profits accounting for almost 100% of total dealership operating profits in North American dealerships (National Automobile Dealers Association Data 2009), Infomedia's solutions will help enable dealerships to reduce costs and increase productivity – contributing positively to their bottom lines.

The Company has been able to leverage its global presence, experience and reputation to add value for customers and it continues to stand together with its automotive partners to help them achieve greater efficiencies and make the most out of every precious dollar earned... and spent.

New Solutions, New Ways of Development

With Infomedia's disc based solutions migrating to the Internet, new processes and procedures have been adopted in order to produce the new solutions quickly and responsively.

Development of the Company's solutions has traditionally occurred in the Sydney and Melbourne offices. Within the past year, however, a team of developers has been established in the United States. Now, not only can the Company broaden its skills and knowledge across continents, but software development can also "follow the sun". Not restricted to the Asia Pacific daylight working hours, development can now occur around the clock, 24 hours a day. When development ceases in the Asia Pacific region at the end of the working day, it soon begins in the United States when their day commences.

New software development processes have also been implemented and have improved the way that Infomedia's solutions are created. *Scrum* methodology and, as a part of this, *Agile* development, are processes that are being used to deliver the highest business value in the shortest amount of time.

"All members of the Senior Management team contribute to, and are committed to, Infomedia's success."

Scrum methodology is a framework for software development that focuses on delivering business value that is repeatable, measurable, adaptive, predictive and visible. Rather than focusing on how software development is implemented, the *Scrum* framework concentrates on how the project is organised and planned. The process encourages the team to take ownership of the project and improves its ability to respond quickly to changing market needs by reducing stress and wasted time. The method incorporates regular change whilst protecting the project from uncontrolled change.

Agile software development is a part of *Scrum* methodology and involves many cycles of short "sprints". Evaluation of what was achieved in the sprint occurs at the end of each two week sprint cycle, and then a new scope is developed for the following sprint cycle based on the previous cycle, and so on. The benefit of this method is that work is continually evaluated, and the risk of not delivering as required is reduced. Because smaller portions of development are tackled each time, updates can be implemented more regularly.

At Infomedia, these new ways of software development have created an environment that promotes change and improvement – elements that drive the Company forward, faster.

Strong Senior Management

In order for Infomedia to deliver its solutions and services successfully, the Company needs a strong Senior Management team to maximise every opportunity possible. Over the past financial year, current members' roles have been consolidated and new roles have been created, strengthening the Senior Management team while reinforcing the foundations of the Company as a whole.

Two new Senior Managers have joined the team and bring with them extensive skills and management experience in the automotive industry. Early in 2009, Rob Whalley assumed the role of Managing Director, IFM Europe. The position became available when Andrew Pattinson relocated back to our Sydney head office to assume the role of Director of Operations and Global Solutions. Rob's 30 years of experience in sales and marketing within the automotive industry will add to our solid foundation and provide strategic direction to the Company's European subsidiary. Rob's focus will be on developing new markets and increasing sales in Europe, the Middle East and Africa.

More recently, Warren Webermin commenced in a newly created role, as Director of Global Sales and New Business Development. Warren has 25 years of management experience in many areas including sales, operations, finance and strategic planning. In Warren's global role, he will be responsible for identifying and managing growth opportunities in new markets and working closely with the regional leaders to ensure that all opportunities are maximised.

The Senior Management team is made up of regional managers and functional managers, forming a matrix reporting structure whereby the team works together closely to achieve the Company's goals. The functional managers are in charge of the Company's major disciplines globally and they are specialists in their fields.

All members of the Senior Management team contribute to, and are committed to, Infomedia's success. They are focused on working together and with the rest of the Company to deliver on Infomedia's vision whilst consolidating and expanding on its firm foundations.

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 Chief Executive Officer 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.

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 (CTO) 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 (CIO) responsible for development of the Company's corporate technology strategy. During his career, Dr Bodner has made significant contributions to the technology industry including a large number of methodologies, designs and applications that have influenced the industry during its most expansive phase. Dr Bodner has published several books and dozens of magazine articles, and is an experienced public speaker.

Alison Clinch
Director of Marketing

Alison Clinch has more than 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. All her roles have been marketing oriented, with a strong emphasis on technology, both as a product and as an integrated marketing tool. Her particular areas of expertise are marketing, communications and brand management. Ms Clinch has a Bachelor degree (Information Science — Computing) and a Masters of Business (Marketing).

Nick Georges
General Counsel and 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 and 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.

Strong Management

Andrew Pattinson

Director of Operations and Global Solutions

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. 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 and in February 2009 he returned to Australia to take up the position of Director of Operations and Global Solutions.

Jonathan Pollard

Chief Financial Officer

Jonathan Pollard is a chartered accountant and has over 10 years of 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 (CFO). Mr Pollard has extensive experience in financial reporting, management accounting, audit 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).

Michael Roach

Director of 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 and Publishing Division in January 2005 and, in June this year, he was appointed Director of Asia Pacific. Mr Roach has extensive experience in the automotive cataloguing industry. He is responsible for key relationships throughout Asia Pacific with automakers and suppliers.

Dan Stedem

Vice President, 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 and subsequently promoted to Vice President, IFM North America in June this year. 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.

Warren Webermin

Director of Global Sales and New Business Development

Warren Webermin has 25 years of diverse management experience in many areas including sales, operations, finance, and strategic planning. Prior to joining Infomedia in July 2009, Mr Webermin held several senior management positions including: President of SPX Valley Forge, Vice President of Global Accounts for Snap-on Business Solutions and Vice President of Business Development for TechTeam Global. Warren possesses excellent negotiation skills and has extensive experience in business development and sales. Mr Webermin has a Bachelor of Business Administration degree and advanced degrees in Computer Science, Liberal Arts and Psychology.

Rob Whalley

Managing Director, IFM Europe Limited

Rob Whalley joined Infomedia as Managing Director of IFM Europe in March 2009. Mr Whalley has more than 30 years of experience in the automotive industry and a proven track record of business growth and strategic development, along with a strong commitment to the delivery of high quality customer service. Prior to joining Infomedia, he was Managing Director of MSX International for Northern Europe and prior to that Managing Director for Experian's Automotive Division with responsibilities both locally and globally as part of the Global Management Team. Mr Whalley has a Bachelor degree in Management Sciences (Marketing and Finance).

Linda Williams

Human Resources Manager

Linda Williams joined Infomedia in November 2000. Ms Williams has extensive Human Resources (HR) management experience in the corporate sector including banking and finance, hospitality, the Sydney Organising Committee for the Olympic Games and information technology. Ms Williams has been responsible for the integration of staff from the three acquisitions Infomedia has undertaken, the establishment of overseas offices, significant recruitment of new hires and advice to Senior Management, on a range of HR issues. Ms 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. Ms Williams recently accepted a voluntary Board Member position with the Northern Beaches Interchange.

Your Directors submit their report for the year ended 30 June 2009.

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
Non-executive Chairman

Mr 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 2008.

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 Corporate Affairs Manager for Nestlé Australia Ltd.

Ms Hernon currently 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 and 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 2008.

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 and 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 last re-elected to the Board in October 2007.

COMPANY SECRETARY

Nick Georges

General Counsel and 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 and 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	23,421,589	–
Wiser Centre Pty Limited	1,000,000	–
Richard Graham	926,559	–
Gary Martin	607,590	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 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 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 240 (2008: 213) full time employees as at 30 June 2009.

DIVIDENDS

	Cents	$'000
Final dividends recommended:		
On ordinary shares — final — franked at 0.7cents	2.1	6,534
Dividends paid in the year:		
On ordinary shares — 2009 interim — fully franked	0.70	2,215
Final for the 2008 year:		
On ordinary shares — as recommended in the 2008 report	1.40	4,485

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 2009	**2.8**
Net tangible assets per share at 30 June 2008	3.5

REVIEW AND RESULTS OF OPERATIONS

The following table presents sales revenue and profit after tax. There were no non-recurring significant items during the 2008 or 2009 financial years:

	CONSOLIDATED	
	2009	2008
	$'000	$'000
Sales revenue — Catalogue & Publishing	**51,317**	51,731
Consolidated sales revenue	**51,317**	51,731
Profit after tax	**10,536**	13,066

The Company reports net profit after tax of $10,536,000 for the 2009 financial year which is within the range previously advised in its earnings guidance, released to the market on 21 January 2009.

Electronic Parts Catalogue revenue declined by 4% to $45,042,000 and Superservice Menus® revenue grew by 41% to $3,628,000 over the previous corresponding period. The reduction in Electronic Parts Catalogue revenue was primarily due to the cessation of the General Motors contract; this decline was offset by growth in other markets. The increase in Superservice Menus was due to growth over a range of automakers in both Europe and Asia Pacific. Revenues from other products increased 21% to $2,647,000.

Cash flows from operations reduced to $5,204,000 primarily due to the timing of royalty payments and increased headcount as the Company prepares new products for release to market during the course of the 2010 financial year.

On 1 April 2008 the Company commenced a share buyback (on market within 10/12 limit). This was reinitiated on 8 April 2009. As at 30 June 2009 the Company had repurchased 14,701,578 shares for a total consideration of $4,875,000. The balance sheet remains debt free with $8,005,000 cash on hand at 30 June 2009.

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 is releasing its new generation products. While some releases will be web upgrades to existing products, the Company expects the investment made in the new web platform technology will give rise to new revenue streams from existing and new markets.

The Company regards the year ahead for the global automotive market as challenging with many automakers continuing to feel the effects of the global financial crisis. However, the emergence of a new and revitalised automotive sector will present many opportunities for Infomedia's solutions. As such, the previously issued net profit after tax guidance for financial year 2010 of between $13,000,000 and $14,000,000 remains consistent with the Company's expectations at this time.

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 2,650,000 unissued ordinary shares under options. Refer to Note 23 of 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 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	Non-executive Chairman
Gary Martin	Chief Executive Officer
Myer Herszberg	Non-executive Director
Frances Hernon	Non-executive Director
Andrew Moffat	Non-executive Director

(ii) Executives

Jonathan Pollard	Chief Financial Officer
Michael Bodner	Chief Information Officer
Nick Georges	Company Secretary and Legal Counsel
Andrew Pattinson*	Director of Operations and Global Solutions
Michael Roach	Director of Asia Pacific

*Resigned as Managing Director of IFM Europe and commenced as Director of Operations and Global Solutions for Infomedia Ltd on 9 March 2009.

REMUNERATION REPORT – AUDITED (CONTINUED)

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; and
- establish appropriate performance hurdles in relation to variable executive compensation.

Remuneration decisions

Ms Hernon, in her capacity as Lead Director for all matters that formerly 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.

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 2009, non-executive Directors' compensation totalled $309,341 (2008: $309,341)). 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 total compensation is competitive by market standards.

REMUNERATION REPORT – AUDITED (CONTINUED)

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

Structure

The structure of the short term incentive 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 and 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.

REMUNERATION REPORT – AUDITED (CONTINUED)

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. Therefore, grants are made to executives who are able to influence the generation of 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)

Directors, Key Management Personnel and the five highest remunerated specified executives for the year ended 30 June 2009 and 30 June 2008:

	Short term			Post employment	Share based payments	Long service leave	Total	Percentage performance related
2009 Financial Year:	Salary and Fees	Bonus	Non monetary benefits	Superannuation	Options	Other		
	$	$	$	$	$	$	$	%
Directors:								
Richard Graham	115,000	–	–	10,350	–	–	125,350	–
Gary Martin	300,000	105,000	–	27,000	34,524	5,000	471,524	22
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	288,952	49,377	65,578	26,006	1,960	4,667	436,540	11
Michael Bodner	304,169	66,928	16,031	–	19,616	–	406,744	16
Michael Roach	190,000	36,000	–	17,100	3,360	3,333	249,793	14
Nick Georges	190,000	29,125	–	17,100	8,634	3,167	248,026	12
Jonathan Pollard	172,784	43,512	–	15,504	6,930	1,500	240,230	18
	1,729,705	329,942	81,609	128,251	75,024	17,667	2,362,198	
2008 Financial Year:								
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	

* 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 Bodner	1 May 2008	3 years	6 months**	6 months
Jonathan Pollard	1 October 2008	3 years	3 months	3 months
Michael Roach	1 January 2009	3 years	3 months	3 months
Andrew Pattinson	1 February 2009	3 years	3 months	3 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 during the year ended 30 June 2009

Terms and Conditions for each Grant					
	Options issued number	Grant date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date
Executives					
Jonathan Pollard	250,000	1/10/2008	0.061	0.37	31/10/2011
Michael Roach	250,000	1/1/2009	0.032	0.29	5/1/2012
Andrew Pattinson	250,000	1/2/2009	0.031	0.29	5/2/2012
Total	**750,000**				

Compensation options: Vested during the year ended 30 June 2009

Terms and conditions for each grant							
	Options issued number	Grant date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date	Number	%
Directors							
Gary Martin	1,000,000	1/1/2008	0.078	0.53	5/2/2011	333,333	33.3
Executives							
Michael Bodner	500,000	1/5/2008	0.071	0.42	13/5/2011	166,666	33.3
Nick Georges	250,000	1/1/2008	0.078	0.53	5/5/2011	83,333	33.3
Jonathan Pollard	250,000	1/10/2008	0.061	0.37	31/10/2011	–	–
Michael Roach	250,000	1/1/2009	0.032	0.29	5/1/2012	–	–
Andrew Pattinson	250,000	1/2/2009	0.031	0.29	5/2/2012	–	–
Total	**2,500,000**					**583,332**	**23.3**

REMUNERATION REPORT – AUDITED (CONTINUED)

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

Terms and Conditions for each Grant							
	Options issued number	Grant date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date	Number	%
Directors							
Gary Martin	1,000,000	1/1/2008	0.078	0.53	5/2/2011	–	–
Executives							
Michael Bodner	500,000	1/5/2008	0.071	0.42	13/5/2011	–	–
Nick Georges	250,000	1/1/2008	0.078	0.53	5/5/2011	–	–
Total	**1,750,000**					–	–

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:	**9**	**2**
Number of meetings attended:		
Richard Graham	9	–
Gary Martin	9	–
Myer Herszberg	8	1
Frances Hernon	9	2
Andrew Moffat	9	2

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 page 71).

NON-AUDIT SERVICES

Ernst & Young provided tax consulting services totalling $18,540 during the financial year ended 30 June 2009. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of the non-audit service provided means that auditor independence was not compromised.

Signed in accordance with a resolution of the Directors.

Richard David Graham
Chairman
Sydney, 26 August 2009

Ernst & Young Centre
680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
www.ey.com/au

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 2009, 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
26 August 2009

YEAR ENDED 30 June 2009	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
Sales revenue		51,317	51,731	45,227	39,394
Finance revenue		419	760	404	740
Revenue		51,736	52,491	45,631	40,134
Cost of sales	3(i)	(22,107)	(19,477)	(13,268)	(11,489)
Gross profit		29,629	33,014	32,363	28,645
Employee benefits expense	3(ii)	(9,306)	(8,061)	(9,189)	(7,334)
Depreciation and amortisation	3(iii)	(3,442)	(3,985)	(3,030)	(3,492)
Finance costs		(61)	(107)	(61)	(107)
Operating lease rental		(1,373)	(1,038)	(891)	(531)
Other expenses		(2,674)	(3,151)	(707)	(1,765)
Profit before income tax		12,773	16,672	18,485	15,416
Income tax expense	4	(2,237)	(3,606)	(1,844)	(3,302)
Profit after income tax		10,536	13,066	16,641	12,114
Basic earnings per share (cents per share)	5	3.32	4.01		
Diluted earnings per share (cents per share)	5	3.32	4.01		
Dividends per share — ordinary (cents per share)	6	2.80	3.20		

Balance Sheet

AT 30 June 2009	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
CURRENT ASSETS					
Cash and cash equivalents	21(b)	**8,005**	14,247	**7,274**	13,299
Trade and other receivables	7	**4,396**	5,220	**3,006**	2,949
Inventories	8	**54**	82	**54**	58
Prepayments		**1,983**	529	**1,904**	436
Derivatives	30	**4,252**	888	**4,252**	888
Income tax receivable		**386**	–	**268**	–
Intercompany	9	**–**	–	**113**	–
TOTAL CURRENT ASSETS		**19,076**	20,966	**16,871**	17,630
NON-CURRENT ASSETS					
Other financial assets	10	**–**	–	**248**	248
Property, plant and equipment	12	**1,837**	2,052	**1,548**	1,598
Prepayments		**1,720**	–	**1,720**	–
Intangible assets and goodwill	13	**24,976**	20,453	**24,976**	16,413
TOTAL NON-CURRENT ASSETS		**28,533**	22,505	**28,492**	18,259
TOTAL ASSETS		**47,609**	43,471	**45,363**	35,889
CURRENT LIABILITIES					
Trade and other payables	15	**3,605**	3,826	**2,754**	3,115
Provisions	16	**2,400**	2,042	**2,153**	1,381
Income tax payable		**–**	331	**–**	138
Deferred revenue	17	**458**	569	**212**	265
Intercompany	18	**–**	–	**–**	1,457
TOTAL CURRENT LIABILITIES		**6,463**	6,768	**5,119**	6,356
NON-CURRENT LIABILITIES					
Provisions	19	**1,108**	1,372	**1,050**	1,223
Deferred tax liabilities	4	**4,534**	2,796	**4,534**	2,531
TOTAL NON-CURRENT LIABILITIES		**5,642**	4,168	**5,584**	3,754
TOTAL LIABILITIES		**12,105**	10,936	**10,703**	10,110
NET ASSETS		**35,504**	32,535	**34,660**	25,779
EQUITY					
Contributed equity	20	**12,863**	16,368	**12,863**	16,368
Reserves	20	**4,265**	1,628	**4,128**	1,684
Retained profits		**18,376**	14,539	**17,669**	7,727
TOTAL EQUITY		**35,504**	32,535	**34,660**	25,779

YEAR ENDED 30 June 2009	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		52,073	53,597	38,781	40,358
Payments to suppliers and employees		(45,016)	(36,900)	(34,094)	(22,483)
Interest received		419	760	404	740
Income tax paid		(2,272)	(4,276)	(2,044)	(4,271)
NET CASH FLOWS FROM OPERATING ACTIVITIES	21(a)	5,204	13,181	3,047	14,344
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of property, plant and equipment		(801)	(541)	(521)	(506)
Purchase of assets of wholly owned subsidiaries		–	–	(4,621)	–
Purchase of intellectual property	13	(441)	–	(441)	–
Dividends received from wholly owned subsidiaries		–	–	6,715	–
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		(1,242)	(541)	1,132	(506)
CASH FLOWS FROM FINANCING ACTIVITIES					
Share buy back payment	20	(3,505)	(1,370)	(3,505)	(1,370)
Dividends paid on ordinary shares	6	(6,699)	(12,713)	(6,699)	(12,713)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		(10,204)	(14,083)	(10,204)	(14,083)
NET (DECREASE) IN CASH HELD		(6,242)	(1,443)	(6,025)	(245)
Add opening cash brought forward		14,247	15,690	13,299	13,544
CLOSING CASH CARRIED FORWARD	21(b)	8,005	14,247	7,274	13,299

YEAR ENDED 30 June 2009	CONSOLIDATED			
	Contributed equity	Retained earnings	Other reserves	Total
	$'000	$'000	$'000	$'000
At 1 July 2008	16,368	14,539	1,628	32,535
Profit for the year	–	10,536	–	10,536
Income/(expense) recognised directly in equity				
— Exchange difference on translating foreign operations	–	–	193	193
Cashflow hedges				
— Gain/(loss) taken to equity	–	–	2,977	2,977
— Transferred to income statement	–	–	(626)	(626)
Total income recognised directly in equity	–	–	2,544	2,544
Total income for the year	–	10,536	2,544	13,080
EQUITY TRANSACTIONS				
Cost of share based payments	–	–	93	93
Share buy back	(3,505)	–	–	(3,505)
Dividends	–	(6,699)	–	(6,699)
At 30 June 2009	12,863	18,376	4,265	35,504

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 hedges				
— Gain/(loss) taken to equity	–	–	626	626
— Transferred to income statement	–	–	–	–
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)
Dividends	–	(12,713)	–	(12,713)
At 30 June 2008	16,368	14,539	1,628	32,535

YEAR ENDED 30 June 2009	INFOMEDIA LTD			
	Contributed equity	Retained earnings	Other reserves	Total
	$'000	$'000	$'000	$'000
At 1 July 2008	16,368	7,727	1,684	25,779
Profit for the year	–	16,641	–	16,641
Income/(expense) recognised directly in equity				
— Exchange difference on translating foreign operations	–	–	–	–
Cashflow hedges				
— Gain/(loss) taken to equity	–	–	2,977	2,977
— Transferred to income statement	–	–	(626)	(626)
Total income/(expense) recognised directly in equity	–	–	2,351	2,351
Total income/(expense) for the year	–	16,641	2,351	18,992
EQUITY TRANSACTIONS				
Cost of share based payments	–	–	93	93
Share buy back	(3,505)	–	–	(3,505)
Dividends	–	(6,699)	–	(6,699)
At 30 June 2009	12,863	17,669	4,128	34,660

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 hedges				
— Gain/(loss) taken to equity	–	–	626	626
— Transferred to income statement	–	–	–	–
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)
Dividends	–	(12,713)	–	(12,713)
At 30 June 2008	16,368	7,727	1,684	25,779

30 June 2009

1. CORPORATE INFORMATION

The financial report of Infomedia Ltd for the year ended 30 June 2009 was authorised for issue in accordance with a resolution of the Directors on 26 August 2009.

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

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

New/revised standards and interpretations applicable for the year commencing 1 July 2008 have been reviewed and it was determined that changes were not required to the existing accounting policies adopted by Infomedia Ltd. Certain Australian Accounting Standards and interpretations have recently been issued or amended but are not yet effective and have not been adopted by Infomedia Ltd for the current reporting period. The Directors have not yet assessed the impact of these new or amended standards (to the extent relevant to Infomedia Ltd) and interpretations.

(c) 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 the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist. All inter-company 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.

(d) 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:

- 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 23.

30 June 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Research and development

Development costs are only capitalised by the group when it can be demonstrated that the technical feasibility of completing the intangible asset is valid so that the asset will be available for use or sale.

(e) 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.

The functional currency of the overseas subsidiaries is 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.

(f) 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.

(g) 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.

30 June 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) 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 category is 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.

(i) 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

(j) 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.

30 June 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) 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.

Research and development costs are expensed as incurred. The relevant costs are capitalised and an intangible asset for 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.

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 is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future 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.

(l) 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).

30 June 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

(m) 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:

Major depreciation periods are:

	2009	2008
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 unit 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 the asset is derecognised.

(n) 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.

30 June 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

(o) 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.

(p) 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.

(q) 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.

(r) 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.

(s) 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.

(t) 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 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) 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 value 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. Where there has been a change to these terms, effectiveness is measured using the hypothetical derivative method.

The parent entity (Infomedia Ltd) sells software to its wholly owned subsidiaries (i.e. IFM North America Inc and IFM Europe Ltd). Sales to IFM North America Inc are denominated in USD. Sales to IFM Europe Ltd are denominated in Euros. Sales to these wholly owned subsidiaries ("distributors") are immediately on-sold to customers in the same currency. There is no inventory held by the subsidiaries with the exception of fulfilling new first time through orders. First time through orders will not be hedged. The group hedges foreign exchange exposure on intra-group sales as this exposure affects consolidated profit when the sale is made to the external customer.

(v) 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
- 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.

30 June 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 is determined as if the company is 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.

(w) 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; 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 are classified as operating cash flows.

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

30 June 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) 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.

(y) 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").

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.

30 June 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(z) 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; and
- other non-discretionary changes in revenue or expenses during the period that would result from the dilution of potential ordinary shares;

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

30 June 2009	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
3. EXPENSES					
(i) Cost of sales					
Direct wages		13,829	11,090	7,206	4,275
Other		8,278	8,387	6,062	7,214
Total cost of sales		22,107	19,477	13,268	11,489
(ii) Employee benefit expense					
Salaries and wages (including on-costs)		9,213	8,026	9,096	7,299
Share based payment expense	23	93	35	93	35
Total employee benefit expense		9,306	8,061	9,189	7,334
(iii) Depreciation and amortisation					
Depreciation of non-current assets:					
— Leasehold improvements		132	132	113	103
— Office equipment		624	845	506	715
— Furniture and fittings		24	27	14	10
— Plant and equipment		218	302	218	302
Total depreciation of non-current assets		998	1,306	851	1,130
Amortisation of non-current assets					
— Intellectual property		607	698	607	698
— Deferred development costs		1,837	1,981	1,572	1,664
Total amortisation of non-current assets		2,444	2,679	2,179	2,362
Total depreciation and amortisation		3,442	3,985	3,030	3,492
(iv) Research and development costs					
Total research and development costs incurred during the period		10,880	9,575	10,016	8,746
Less: development costs deferred	13	(6,526)	(5,993)	(5,800)	(5,310)
Net research and development costs expensed		4,354	3,582	4,216	3,436

30 June 2009	CONSOLIDATED		INFOMEDIA LTD	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
4. INCOME TAX				
The major components of income tax expense are:				
Income statement				
Current income tax				
Current income tax charge	**2,576**	3,286	**1,871**	3,057
Adjustments in respect of current income tax of previous years.	**(1,067)**	(952)	**(1,020)**	(915)
Deferred income tax				
Relating to origination and reversal of temporary differences	**728**	1,272	**993**	1,160
Income tax expense reported in the income statement	**2,237**	3,606	**1,844**	3,302
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	**12,773**	16,672	**18,485**	15,416
At the Company's statutory income tax rate of 30% (2008: 30%)	**3,832**	5,002	**5,545**	4,625
Adjustments in respect of dividend payments from within the tax consolidated group	**–**	–	**(2,015)**	–
Adjustments in respect of income tax of previous years	**(1,185)**	(952)	**(1,230)**	(915)
Additional research and development deduction	**(592)**	(560)	**(591)**	(509)
Expenditure not allowable for income tax purposes	**182**	116	**171**	101
Other	**–**	–	**(36)**	–
Income tax expense reported in the income statement	**2,237**	3,606	**1,844**	3,302

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 2009	BALANCE SHEET		INCOME STATEMENT	
	2009	2008	2009	2008
	$'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)
Derivatives	(1,276)	(267)	–	–
Property, plant and equipment	–	(90)	(90)	(30)
Deferred development costs	(4,805)	(3,399)	1,406	1,204
Intellectual property	(125)	(175)	(50)	(209)
Currency exchange	–	(6)	(6)	6
	(6,206)	(3,937)		
CONSOLIDATED				
Deferred tax assets				
Allowance for doubtful debts	148	48	(100)	29
Other payables	207	92	(115)	24
Employee entitlement provisions	625	540	(85)	11
Other provisions	346	408	62	157
Currency exchange	346	53	(294)	81
Gross deferred income tax assets	1,672	1,141		
Deferred tax income/(expense)			728	1,272
PARENT				
Deferred tax liabilities				
Prepayments	–	–	–	(2)
Derivatives	(1,275)	(267)	–	–
Property, plant and equipment	–	(90)	(90)	(30)
Deferred development costs	(4,806)	(2,941)	1,864	1,094
Intellectual property	(125)	(175)	(50)	(209)
Currency exchange	–	–		–
	(6,206)	(3,473)		
PARENT				
Deferred tax assets				
Allowance for doubtful debts	148	43	(105)	32
Other payables	207	64	(143)	42
Employee entitlement provisions	625	374	(252)	15
Other provisions	346	408	62	157
Currency exchange	346	53	(293)	61
	1,672	942		
Deferred tax income/(expense)			993	1,160

30 June 2009

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:

	CONSOLIDATED	
	2009	2008
	$'000	$'000
Net profit attributable to equity holders from continuing operations	**10,536**	13,066
	Number of shares	Number of shares
Weighted average number of ordinary shares for basic earnings per share	**317,723,325**	325,818,373
Effect of dilution:		
Share options	**57,416**	–
Adjusted weighted average number of ordinary shares for diluted earnings per share	**317,780,741**	325,818,373

Since the reporting date, prior to the completion of these financial statements, the Company has repurchased a further 121,104 shares through its buy back program at a weighted average price of 29.80 cents per share.

Total equivalent shares outstanding on out-of-the-money options that were not dilutive for the respective periods but could potentially dilute earnings per share in the future were 2,150,000 (2008: 1,450,000).

30 June 2009	CONSOLIDATED		INFOMEDIA LTD	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
6. DIVIDENDS PROPOSED OR PAID				
(a) Dividends paid during the year:				
Franked interim dividend — 0.7 cents (2008: 1.8 cents) per share	**2,215**	5,867	**2,215**	5,867
Prior year final franked dividend — 1.4 cents (2008: 2.1 cents) per share	**4,485**	6,845	**4,485**	6,845
Rounding	**(1)**	1	**(1)**	1
Total dividends paid during the year	**6,699**	12,713	**6,699**	12,713
(b) Dividends proposed and not recognised as a liability:				
Final dividend — 2.1 cents per share, franked at 0.7 cents. (2008: 1.4 cents, fully franked)	**6,534**	4,485	**6,534**	4,485
(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			**113**	940
— franking debits that will arise from the receipt of income tax refundable as at the end of the financial year			**(113)**	137
			–	1,077

The tax rate at which paid dividends have been franked is 30% (2008: 30%). Dividends proposed will be franked at the rate of 30% (2008: 30%).

30 June 2009	CONSOLIDATED		INFOMEDIA LTD	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
7. TRADE AND OTHER RECEIVABLES (CURRENT)				
Trade debtors	**4,945**	5,048	**3,471**	2,705
Allowance for impairment loss (a)	**(644)**	(272)	**(494)**	(145)
	4,301	4,776	**2,977**	2,560
Other debtors	**95**	444	**29**	389
	4,396	5,220	**3,006**	2,949

(a) Allowance for impairment loss

Trade receivables are non-interest bearing and are generally on 30-60 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. An impairment loss/(profit) of $742,000 (2008: $(62,000)) has been recognised by the group and $426,000 (2008: $(108,000)) by the Company in the current year. These amounts have been included in the other expenses item. No individual amount within the impairment allowance is material. 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.

Movements in the provision for impairment loss were as follows:

	Consolidated 2009	Consolidated 2008	Infomedia Ltd 2009	Infomedia Ltd 2008
At 1 July	**272**	488	**145**	252
Charge for the year	**742**	(62)	**426**	(108)
Foreign exchange translation	**(17)**	(10)	**(4)**	4
Amounts written off	**(353)**	(144)	**(73)**	(3)
At 30 June	**644**	272	**494**	145

At 30 June the aging analysis of trade receivables is as follows:

		Total	0-60 days NI*	0-60 days CI*	61-120 days NI*	61-120 days CI*	121+ days NI*	121+ days CI*
2009	Consolidated	4,945	3,732	270	516	137	53	237
	Infomedia Ltd	3,471	2,441	236	471	67	65	191
2008	Consolidated	5,048	4,309	64	136	73	247	135
	Infomedia Ltd	2,705	2,249	28	69	6	242	111

* Not impaired (NI).
Considered impaired (CI).

30 June 2009	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
8. INVENTORIES					
Raw materials					
At cost		54	82	54	58
Total inventories at the lower of cost and net realisable value		54	82	54	58
9. INTERCOMPANY (CURRENT)					
Wholly owned controlled entities		–	–	113	–
		–	–	113	–
10. OTHER FINANCIAL ASSETS (NON-CURRENT)					
Investments in controlled entities	11	–	–	248	248
		–	–	248	248

11. INTERESTS IN CONTROLLED ENTITIES

Name	Country of incorporation	Percentage of equity interest held by the Company (directly or indirectly) 2009 %	INFOMEDIA LTD 2009 $'000	INFOMEDIA LTD 2008 $'000
IFM Europe Ltd				
— ordinary shares	United Kingdom	100	247	247
Infomedia Investments Pty Ltd**				
— ordinary shares — nil (2008:$2)	Australia	100	–	–
Datateck Publishing Pty Ltd***				
— ordinary shares — $4	Australia	100	–	–
AutoConsulting Pty Ltd**				
— ordinary shares — nil (2008:$1)	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.

** Entity was deregistered on 3 April 2009.

*** Infomedia Ltd purchased the assets of Datateck Publishing Pty Ltd on 28 February 2009 for their book value of $4,884,000.

30 June 2009	CONSOLIDATED		INFOMEDIA LTD	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
12. PROPERTY, PLANT AND EQUIPMENT				
(a)				
Leasehold improvements				
At cost	950	944	928	518
Accumulated amortisation	(644)	(512)	(642)	(205)
	306	432	286	313
Office equipment				
At cost	6,702	6,036	6,281	4,932
Accumulated depreciation	(5,493)	(4,890)	(5,316)	(4,036)
	1,209	1,146	965	896
Furniture and fittings				
At cost	272	275	225	140
Accumulated depreciation	(131)	(116)	(109)	(66)
	141	159	116	74
Plant and equipment				
At cost	3,021	2,938	3,021	2,938
Accumulated depreciation	(2,840)	(2,623)	(2,840)	(2,623)
	181	315	181	315
Total property, plant and equipment				
At cost	10,945	10,193	10,455	8,528
Accumulated depreciation and amortisation	(9,108)	(8,141)	(8,907)	(6,930)
Total written down amount	1,837	2,052	1,548	1,598

30 June 2009	CONSOLIDATED		INFOMEDIA LTD	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)				
(b) Reconciliation of property, plant and equipment carrying values				
Leasehold improvements				
Carrying amount — opening balance	432	564	313	414
Transfer of assets	–	–	83	–
Additions	6	–	3	2
Disposals	–	–	–	–
Depreciation	(132)	(132)	(113)	(103)
Carrying amount — closing balance	306	432	286	313
Office equipment				
Carrying amount — opening balance	1,146	1,600	896	1,262
Transfer of assets	–	–	144	–
Additions	703	391	431	349
Disposals/Write-off	(16)	–	–	–
Depreciation	(624)	(845)	(506)	(715)
Carrying amount — closing balance	1,209	1,146	965	896
Furniture and fittings				
Carrying amount — opening balance	159	173	74	66
Transfer of assets	–	–	53	–
Additions	8	13	3	18
Disposals	(2)	–	–	–
Depreciation	(24)	(27)	(14)	(10)
Carrying amount — closing balance	141	159	116	74
Plant and equipment				
Carrying amount — opening balance	315	480	315	480
Additions	84	137	84	137
Depreciation	(218)	(302)	(218)	(302)
Carrying amount — closing balance	181	315	181	315

30 June 2009	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 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
Year ended 30 June 2009								
At 1 July 2008, net of accumulated amortisation and impairment	11,329	583	8,541	20,453	9,804	583	6,026	16,413
Purchase from wholly owned subsidiary	–	–	–	–	1,986	–	2,515	4,501
Additions	6,526	441	–	6,967	5,800	441	–	6,241
Amortisation	(1,837)	(607)	–	(2,444)	(1,572)	(607)	–	(2,179)
At 30 June 2009, net of accumulated amortisation and impairment	16,018	417	8,541	24,976	16,018	417	8,541	24,976
At 30 June 2009								
Cost (gross carrying amount)	21,983	2,537	8,541	33,061	21,209	2,537	8,541	32,287
Accumulated amortisation	(5,965)	(2,120)	–	(8,085)	(5,191)	(2,120)	–	(7,311)
Net carrying amount	16,018	417	8,541	24,976	16,018	417	8,541	24,976

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 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

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 Note 28) 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 2009 based on financial budgets approved by the Board for the 2010 financial year extrapolated for a five year period on the basis of 5% growth together with a terminal value.

The pre-tax discount rate applied to cash flow projections is 14% (2008: 14%). The discount rate reflects management's 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:

					Total	
	Asia Pacific	Europe	North America	Latin and South America	2009	2008
	$'000	$'000	$'000	$'000	**$'000**	$'000
CONSOLIDATED						
Carrying amount of goodwill	1,759	3,973	2,001	808	**8,541**	8,541
PARENT						
Carrying amount of goodwill					**8,541**	6,026

14. IMPAIRMENT TESTING OF GOODWILL (CONTINUED)

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 remain 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.

Sensitivity to changes in assumptions:

Growth rate assumptions — Management notes if negative growth rates are applied to revenues, by 5% over the five year period, this still yields a recoverable amount to be above its carrying amount.

Discount rate assumptions — Management recognises that the time value of money may vary from what has been estimated. Management notes that applying a discount rate of double the current rate still yields the recoverable amount to be above its carrying amount.

Foreign exchange rate assumptions — Management notes that applying an AUD/USD exchange rate of $1.00 and an AUD/EUR exchange rate of $0.75 still yields the recoverable amount to be above its carrying amount.

30 June 2009	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2009	2008	**2009**	2008
		$'000	$'000	**$'000**	$'000
15. TRADE AND OTHER PAYABLES (CURRENT)					
Trade creditors	15(a)	**686**	796	**384**	592
Other creditors		**2,919**	3,030	**2,370**	2,523
		3,605	3,826	**2,754**	3,115
(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	19(c)	**2,135**	1,803	**1,888**	1,142
Provision for non-cancellable surplus lease space and other lease incentives	19(a)	**265**	239	**265**	239
		2,400	2,042	**2,153**	1,381
17. DEFERRED REVENUE (CURRENT)					
Revenue in advance		**458**	569	**212**	265
		458	569	**212**	265
18. INTERCOMPANY (CURRENT)					
Wholly owned controlled entities		**–**	–	**–**	1,457
		–	–	**–**	1,457

30 June 2009	Notes	CONSOLIDATED		INFOMEDIA LTD	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
19. PROVISIONS (NON-CURRENT)					
Employee benefits		**254**	253	**196**	104
Provision for non-cancellable surplus lease space and other lease incentives	19(a)	**354**	619	**354**	619
Make good provision	19(b)	**500**	500	**500**	500
		1,108	1,372	**1,050**	1,223
(a) Movement in non-cancellable surplus lease space and other lease incentives provision:					
Carrying amount at the beginning of the year		**858**	1,385	**858**	1,385
Utilised		**(300)**	(634)	**(300)**	(634)
Discount rate adjustment		**61**	107	**61**	107
Carrying amount at the end of the year		**619**	858	**619**	858
Current	16	**265**	239	**265**	239
Non-current		**354**	619	**354**	619
		619	858	**619**	858
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.					
(c) Movement in employee benefit provision:					
Carrying amount at the beginning of the year		**2,056**	2,105	**1,246**	1,295
Utilised		**(1,869)**	(1,483)	**(1,233)**	(1,217)
Arising during the year		**2,202**	1,434	**2,071**	1,168
Carrying amount at the end of the year		**2,389**	2,056	**2,084**	1,246
Current	16	**2,135**	1,803	**1,888**	1,142
Non-current		**254**	253	**196**	104
		2,389	2,056	**2,084**	1,246

30 June 2009	CONSOLIDATED		INFOMEDIA LTD	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
20. CONTRIBUTED EQUITY AND RESERVES				
Ordinary shares	**12,863**	16,368	**12,863**	16,368
	12,863	16,368	**12,863**	16,368

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.

	Number	$'000
Movement in ordinary shares on issue:		
At 1 July 2007	325,971,572	17,738
Shares repurchased	(3,597,966)	(1,370)
At 30 June 2008	322,373,606	16,368
Shares repurchased	(11,103,612)	(3,505)
At 30 June 2009	311,269,994	12,863

On 1 April 2008, the Company commenced a share buy back (on market within 10/12 limit). This was reinitiated on 1 April 2009. As at 30 June 2009 the Company had repurchased 14,701,578 shares for a total consideration of $4,875,000.

Capital management

When managing capital, the Company's objective is to ensure 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 in the order of 75–85% of profit after tax.

During the 2009 financial year, the Company paid dividends of $6.7 million (2008: $12.7 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.

Employee Option Plan

There were 900,000 (2008: 1,750,000) options issued during the current year at an average exercise price of $0.33 (2008: $0.50).

30 June 2009	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 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**
Currency translation differences	**–**	**193**	**–**	**193**	**–**	**–**	**–**
Share based payments	**93**	**–**	**–**	**93**	**93**	**–**	**93**
Derivatives marked to market	**–**	**–**	**2,351**	**2,351**	**–**	**2,351**	**2,351**
At 30 June 2009	**1,151**	**137**	**2,977**	**4,265**	**1,151**	**2,977**	**4,128**

20. CONTRIBUTED EQUITY AND RESERVES (CONTINUED)

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 23 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 2009	CONSOLIDATED		INFOMEDIA LTD	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
21. STATEMENT OF CASH FLOWS				
(a) Reconciliation of profit after tax to the net cash flows from operations				
Profit from ordinary activities after income tax expense	10,536	13,066	16,641	12,114
Depreciation of non-current assets	998	1,306	851	1,130
Amortisation of non-current assets	2,444	2,679	2,179	2,362
Amortisation of employee options	93	35	93	35
Write-off of property, plant, and equipment	18	–	–	–
Other	(5)	5	(5)	5
Changes in assets and liabilities				
(Increase)/decrease in trade and other debtors	645	2,264	(7,166)	4,391
(Increase)/decrease in inventories	28	(30)	22	(6)
(Increase)/decrease in prepayments	(3,174)	(97)	(3,178)	(139)
(Increase)/decrease in future income tax benefit	(531)	302	(552)	308
(Increase)/decrease in deferred development costs	(6,526)	(5,993)	(5,800)	(5,310)
Increase/(decrease) in trade and other creditors	(221)	1,344	(703)	1,363
Increase/(decrease) in allowance for doubtful debts	371	(215)	349	(105)
Increase/(decrease) in provision for employee entitlements	(239)	(49)	(294)	(49)
Increase/(decrease) in other provisions	333	(527)	333	(528)
Increase/(decrease) in income tax payable	(717)	(1,942)	(448)	(2,091)
Increase/(decrease) in deferred income tax liability	1,262	970	973	853
Increase/(decrease) in revenue in advance	(111)	63	(248)	11
Net cash flow from operating activities	5,204	13,181	3,047	14,344
(b) Reconciliation of cash				
Cash balance comprises:				
— cash at bank	928	2,959	197	2,231
— cash on deposit	7,077	11,288	7,077	11,068
	8,005	14,247	7,274	13,299
(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	–	13,537
Facilities used at reporting date:	–	–	–	–
Facilities unused at reporting date:	–	13,537	–	13,537

30 June 2009	CONSOLIDATED		INFOMEDIA LTD	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
22. COMMITMENTS AND CONTINGENCIES				
(a) Lease expenditure commitments				
Operating leases (non-cancellable):				
Minimum lease payments				
— not later than one year	1,446	1,102	1,243	667
— later than one year and not later than five years	1,261	2,802	1,261	2,344
— aggregate operating lease expenditure contracted for at balance date	2,707	3,904	2,504	3,011

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.

23. 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	2009		2008	
		Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	23(a)	1,950,000	$0.50	1,300,001	$0.51
– granted	23(b)	900,000	$0.33	1,750,000	$0.50
– expired	23(c)	(200,000)	$0.49	(1,100,001)	$0.43
– exercised	23(d)	–	–	–	–
Balance at end of year	23(e)	2,650,000	$0.44	1,950,000	$0.50

(a) Options held at the beginning of the year:

The following table summarises information about options held by employees at 1 July 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	5/5/2011	$0.53
500,000	1/5/2008	1/5/2009	13/5/2011	$0.42

(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
150,000	1/07/2008	1/07/2009	5/11/2011	$0.38
250,000	1/10/2008	5/10/2009	5/10/2011	$0.37
250,000	1/1/2009	5/1/2010	5/1/2012	$0.29
250,000	1/2/2009	5/2/2010	5/2/2012	$0.29

23. SHARE BASED PAYMENT PLANS (CONTINUED)

(c) Options expired during the year:

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

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

(d) Options exercised during the year:

There were no options exercised during the year.

(e) Options held at the end of the year:

The following table summarises information about options held by employees at 30 June 2009.

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
150,000	1/7/2008	1/7/2009	5/11/2011	$0.38
250,000	1/10/2008	5/10/2009	5/10/2011	$0.37
250,000	1/1/2009	5/1/2010	5/1/2012	$0.29
250,000	1/2/2009	5/2/2010	5/2/2012	$0.29

(e) Other details regarding options:

The weighted average fair value of options granted during the year was $0.045 (2008: $0.076).

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 1/7/2008	Granted 1/10/2008	Granted 1/1/2009	Granted 1/2/2009
Dividend yield (%)	7.5%	7.5%	10.0%	10.0%
Expected volatility (%)	37%	35%	35%	35%
Risk free rate (%)	6.75%	5.14%	3.21%	2.84%
Option exercise price	$0.38	$0.37	$0.29	$0.29
Weighted average share price at grant date	$0.38	$0.38	$0.29	$0.29

The expense recognised for employee services received during the year is shown in the table below:

	CONSOLIDATED		INFOMEDIA LTD	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Expense arising from equity-settled share based payment transactions	**93**	35	**93**	35

24. 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 2009 were 9% (2008: 9%) of employees' wages and salaries which are legally enforceable in Australia. The superannuation plans provide accumulation benefits.

25. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Compensation of Key Management Personnel

(i) Compensation by category: Key Management Personnel

	CONSOLIDATED		INFOMEDIA LTD	
	2009	2008	2009	2008
	$	$	$	$
Short term	1,857,458	1,769,599	1,201,899	1,371,923
Post employment	102,710	127,198	102,710	99,869
Other long term	17,667	25,123	17,667	11,050
Share based payments	75,024	34,765	55,408	32,765
	2,052,859	1,956,685	1,377,684	1,515,607

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

30 June 2009	Balance at beginning of period	Granted as compensation	Options exercised	Expired	Balance at end of period	Vested at 30 June 2009		
	1 July 2008				30 June 2009	Total	Not exercisable	Exercisable
Directors								
Gary Martin	1,000,000	–	–	–	1,000,000	1,000,000	666,667	333,333
Executives								
Michael Bodner	500,000	–	–	–	500,000	500,000	333,333	166,667
Nick Georges	250,000	–	–	–	250,000	250,000	166,667	83,333
Michael Roach	200,000	250,000	–	(200,000)	250,000	250,000	250,000	–
Andrew Pattinson	–	250,000	–	–	250,000	250,000	250,000	–
Jonathan Pollard	–	250,000	–	–	250,000	250,000	250,000	–
	1,950,000	750,000	–	(200,000)	2,500,000	2,500,000	1,916,667	583,333

30 June 2008	Balance at beginning of period	Granted as compensation	Options exercised	Net change other	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	–

* Resigned 31 March 2008.

25. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(c) Shareholdings of Key Management Personnel

30 June 2009 Number of shares held in Infomedia Ltd	Balance 30 June 2008	Granted as compensation	On exercise of options	Net change other	Balance 30 June 2009
Directors					
Richard Graham	102,204,060	–	–	–	102,204,060
Myer Herszberg	23,421,589	–	–	–	23,421,589
Gary Martin	507,590	–	–	100,000	607,590
Frances Hernon	5,000	–	–	–	5,000
Executives					
Andrew Pattinson	2,447,567	–	–	–	2,447,567
Nick Georges	24,421	–	–	–	24,421
Michael Roach	18,721	–	–	–	18,721
Jonathan Pollard	1,996	–	–	–	1,996
Total	128,630,944	–	–	100,000	128,730,944

30 June 2008 Number of shares held in Infomedia Ltd	Balance 1 July 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	23,421,589	–	–	–	23,421,589
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	128,630,944	–	–	40,000	128,670,944

* 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 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 2009 of $17,060 (2008: $nil) were on normal commercial terms.

	CONSOLIDATED		INFOMEDIA LTD	
	2009	2008	**2009**	2008
	$	$	**$**	$
26. AUDITOR'S REMUNERATION				
Amounts received or due and receivable by the auditor of Infomedia Ltd for:				
— an audit or review of the financial report of the entity and any other entity in the consolidated entity	**194,428**	199,250	**167,328**	172,150
— other services in relation to the entity and any other entity in the consolidated entity	**18,540**	–	**18,540**	–
	212,968	199,250	**185,868**	172,150

27. RELATED PARTY DISCLOSURES

Ultimate parent

Infomedia Ltd is the ultimate Australian parent company.

Wholly owned group transactions

(a) An unsecured, interest free loan of $nil (2008: $5,002) remains owing from IFM Germany GmbH to Infomedia Ltd.

(b) An unsecured, interest free loan of $nil (2008: $3,131,065) remains owing to Infomedia Investments Pty Limited from Infomedia Ltd.

(c) An unsecured, interest free loan of $nil (2008: $3,202,370) 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 $nil (2008: $386,219) remains owing from AutoConsulting Pty Limited to Infomedia Ltd. The loan is repayable in seven days upon demand.

(e) An unsecured, trade receivable of $620,116 (2008: $2,455,113) remains owing to IFM Europe Ltd from Infomedia Ltd.

(f) An unsecured, trade receivable of $733,565 (2008: $536,003) remains owing from IFM North America Inc. to Infomedia Ltd.

(g) During the year, a management fee of $nil (2008: $480,000) was paid to Datateck Publishing Pty Limited by Infomedia Ltd.

(h) During the year, Infomedia Ltd received $18,562,696 (2008: $13,543,755) from IFM Europe Ltd for intra-group sales.

(i) During the year, IFM Europe Ltd received $nil (2008: $432,071) from Infomedia Ltd for intra-group distribution services.

(j) During the year, Infomedia Ltd received $9,165,428 (2008: $8,973,238) from IFM North America Inc. for intra-group sales.

(k) During the year, IFM North America Inc received $nil (2008: $501,370) from Infomedia Ltd for intra-group distribution services.

(l) During the year, IFM Europe paid $728,553 (2008: $534,304) 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 32.2% of the ordinary shares in Infomedia Ltd (2008: 31.1%).

28. SEGMENT INFORMATION

30 June 2009	Notes	Distributors				Corporate	Eliminations	Total
Business segments		Asia Pacific	Europe	North America	Latin & South America	Asia Pacific		
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
REVENUE								
Segment revenue		10,564	23,875	12,022	4,856	40,540	(40,540)	51,317
Finance revenue								419
Consolidated revenue								51,736
Segment result		(539)	513	(898)	175	19,879	(6,715)	12,415
Finance revenue								419
Finance costs								(61)
Consolidated profit before income tax								12,773
Income tax expense	4							(2,237)
Consolidated profit after income tax								10,536
Assets								
Segment assets		1,759	6,416	2,895	808	–	–	11,878
Unallocated assets								35,731
Total assets								47,609
Liabilities								
Segment liabilities		–	909	1,292	–	–	–	2,201
Unallocated liabilities								9,904
Total liabilities								12,105
Capital expenditure		–	31	232	–	538	–	801
Amortisation		–	–	–	–	2,444	–	2,444
Depreciation		92	17	58	–	831	–	998
CASH FLOW INFORMATION								
Net cash flow from operating activities		(447)	529	(840)	175	5,787	–	5,204
Net unallocated cash flow from operating activities								–
Net cash flow from operating activities								5,204
Net cash flow from investing activities		–	(31)	(232)	–	(538)	–	(801)
Net unallocated cash flow from investing activities								(441)
Net cash flow from investing activities								(1,242)
Net cash flow from financing activities		–	–	–	–	–	–	–
Net unallocated cash flow from financing activities								(10,204)
Net cash flow from financing activities								(10,204)

28. SEGMENT INFORMATION (CONTINUED)

30 June 2008	Notes	Distributors				Corporate	Eliminations	Total
Business segments		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		1,759	5,713	2,629	808	–	–	10,909
Unallocated assets								34,454
Total assets								45,363
Liabilities								
Segment liabilities		–	748	353	–	–	–	1,101
Unallocated liabilities								9,602
Total liabilities								10,703
Capital expenditure		–	2	12	–	527	–	541
Amortisation		–	–	–	–	2,679	–	2,679
Depreciation		25	19	28	–	1,234	–	1,306
CASH FLOW INFORMATION								
Net cash flow from operating activities		41	165	230	87	12,658	–	13,181
Net unallocated cash flow from operating activities								–
Net cash flow from operating activities								13,181
Net cash flow from investing activities		–	(2)	(12)	–	(527)	–	(541)
Net unallocated cash flow from investing activities								–
Net cash flow from investing activities								(541)
Net cash flow from financing activities		–	–	–	–	–	–	–
Net unallocated cash flow from financing activities								(14,083)
Net cash flow from financing activities								(14,083)

28. SEGMENT INFORMATION (CONTINUED)

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 defined geography to be its primary reporting 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.

29. 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.

Market risk

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 $8,005,000 (2008: $14,247,000) 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, as such 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 United States dollar against the Australian dollar.

At 30 June 2009, the group had the following exposure to US$ foreign currency that is not designated in cash flow hedges:

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Financial assets				
Cash and cash equivalents	**116**	1,031	**116**	1,031
Trade and other receivables	**1,864**	1,404	**2,598**	1,940
Other assets	**–**	–	**–**	–
	1,980	2,435	**2,714**	2,971
Financial liabilities				
Trade and other payables	**368**	938	**368**	938
Other liabilities	**152**	233	**152**	233
	520	1,171	**520**	1,171
Net exposure	**1,460**	1,264	**2,194**	1,800

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

At 30 June 2009, the group had the following exposure to EUR foreign currency that is not designated in cash flow hedges:

	Consolidated		Parent	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Financial assets				
Cash and cash equivalents	68	1,007	68	1,007
Trade and other receivables	–	–	–	–
Other assets	–	–	–	–
	68	1,007	68	1,007
Financial liabilities				
Trade and other payables	377	294	997	2,749
Other liabilities	–	–	–	–
	377	294	997	2,749
Net exposure	(309)	713	(929)	(1,742)

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

At 30 June 2009, had the Australian dollar moved, as illustrated in the table below, with all other variables held constant, post tax profit and total equity would have been affected as follows:

Judgements of reasonably possible movements:

	Post tax profit Higher/(Lower)		Total equity Higher/(Lower)	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Consolidated				
AUD/USD +25%	(548)	(115)	–	–
AUD/USD — 25%	685	189	–	–
AUD/EUR +15%	85	111	–	–
AUD/EUR — 15%	(98)	(183)	–	–
Parent				
AUD/USD +25%	(548)	(115)	–	–
AUD/USD — 25%	685	189	–	–
AUD/EUR +15%	85	111	–	–
AUD/EUR — 15%	(98)	(183)	–	–

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 receivables 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.

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.

Price risk

There are no items on the balance sheet as at 30 June 2009 that are subject price risk.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

The Company's exposure to liquidity risk is minimal given the relative strength of the balance sheet and 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 balances 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 parent entity's financial liabilities is as stated in the balance sheet and is less than 60 days. Deferred revenue requires no cash outflow.

Liquidity and interest rate risk

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

	CONSOLIDATED				PARENT			
YEAR ENDED 30 JUNE 2009	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	8,005	–	–	2.7	7,274	–	–	2.9
Interest bearing liabilities	–	–	–	–	–	–	–	–
Trade and other payables	(3,605)	–	–	–	(2,754)	–	–	–

	CONSOLIDATED				PARENT			
YEAR ENDED 30 JUNE 2008	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	–	–	–	–	–	–	–	–
Trade and other payables	(3,826)	–	–	–	(3,115)	–	–	–

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.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Derivative contracts

The following table summarises the forward exchange contracts on hand at 30 June 2009.

	CONSOLIDATED			PARENT		
Maturity	**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 2010 financial year	2,910	2,238	0.7691	2,910	2,238	0.7691
Quarter 2 2010 financial year	3,246	2,243	0.6910	3,246	2,243	0.6910
Quarter 3 2010 financial year	3,521	2,363	0.6711	3,521	2,363	0.6711
Quarter 4 2010 financial year	3,804	2,462	0.6472	3,804	2,462	0.6472
Company sells Euros (E)	**$A'000**	**E'000**		**$A'000**	**E'000**	
Quarter 1 2010 financial year	3,035	1,650	0.5437	3,035	1,650	0.5437
Quarter 2 2010 financial year	3,393	1,750	0.5157	3,393	1,750	0.5157
Quarter 3 2010 financial year	3,400	1,720	0.5058	3,400	1,720	0.5058
Quarter 4 2010 financial year	3,252	1,640	0.5043	3,252	1,640	0.5043
Company sells United States dollars (USD)	**$A'000**	**USD'000**		**$A'000**	**USD'000**	
Quarter 1 2011 financial year	3,603	2,500	0.6939	3,603	2,500	0.6939
Quarter 2 2011 financial year	2,586	1,743	0.6742	2,586	1,743	0.6742
Quarter 3 2011 financial year	2,959	2,100	0.7095	2,959	2,100	0.7095
Quarter 4 2011 financial year	919	600	0.6532	919	600	0.6532
Company sells Euros (E)	**$A'000**	**E'000**		**$A'000**	**E'000**	
Quarter 1 2011 financial year	1,112	600	0.5395	1,112	600	0.5395
Quarter 2 2011 financial year	1,118	600	0.5365	1,118	600	0.5365
Quarter 3 2011 financial year	1,125	600	0.5334	1,125	600	0.5334
Quarter 4 2011 financial year	1,131	600	0.5304	1,131	600	0.5304

The mark to market valuation of these contracts at 30 June 2009 was $4,252,000, which is booked directly in equity.

Derivative contracts

The following table summarises the forward exchange contracts on hand at 30 June 2008.

	CONSOLIDATED			PARENT		
Maturity	**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 (E)	**$A'000**	**E'000**		**$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 considered effectively hedged and booked directly in equity with $6,000 booked to profit and loss.

30. 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	**2009**	2008	**2009**	2008
Financial assets	**$'000**	$'000	**$'000**	$'000
Cash and cash equivalents	**8,005**	14,247	**8,005**	14,247
Trade and other debtors	**8,100**	5,220	**8,100**	5,220
Derivatives	**4,252**	888	**4,252**	888
Financial liabilities				
Trade and other creditors	**3,605**	3,826	**3,605**	3,826
Interest bearing loans and borrowings	**–**	–	**–**	–

	Carrying Amount		Fair Value	
PARENT	**2009**	2008	**2009**	2008
Financial assets	**$'000**	$'000	**$'000**	$'000
Cash and cash equivalents	**7,274**	13,299	**7,274**	13,299
Trade and other debtors	**6,630**	2,949	**6,630**	2,949
Derivatives	**4,252**	888	**4,252**	888
Intercompany	**113**	–	**113**	–
Other financial assets (non-current)[1]	**248**	248	**1,092**	7,004
Financial liabilities				
Trade and other creditors	**2,754**	3,115	**2,754**	3,115
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. 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 2009 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.

(c) 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 2009.

On behalf of the Board

Richard David Graham
Chairman
Sydney
26 August 2009

Ernst & Young Centre
680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
www.ey.com/au

Independent auditor's report to the members of Infomedia Limited

Report on the Financial Report

We have audited the accompanying financial report of Infomedia Limited, which comprises the balance sheet as at 30 June 2009, 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 2009 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 2009. 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 2009, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Garry Wayling
Partner
Sydney
26 August 2009

Overview

This Corporate Governance Statement, which is current as at the date of the Directors' Report, has been updated to reflect the actions taken by the Company since its last annual report. The commentary that follows 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.

Corporate governance review

The Company has in place charters, policies and procedures in support of the Revised Principles and Recommendations. During the reporting year, the Board remains satisfied that the Company's corporate governance practices are consistent with the spirit and intent of the Revised Principles and Recommendations.

"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

The Board currently comprises of four Non-executive Directors and one Executive Director.

The role of Chairman and Chief Executive Officer has been split since 31 December 2004. Despite having retired within the past five 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. In addition, the Board Charter permits board members to 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 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 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. 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. 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. 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 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 and

ASX CGC Recommendation 8.1 — Establish a remuneration committee

Since July 2007 the Board has reassumed the functions of remuneration and nomination and 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 (Director Nomination & Induction Policy), a summary of which is available on Infomedia's website.

The Company no longer 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. In June 2005, the Board resolved to indefinitely suspend the Employee Share Plan. Further detail of senior executive remuneration under the Employee Option Plan 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 Recommendations 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.

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 majority of independent directors; is chaired by an independent chair who is not the chair of the board; has at least three members

During this reporting period, Infomedia complied with the ASX CGC Recommendations accompanying ASX CGC Principle 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 believe that the Company's 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. As such the Committee meets the requirements for an independent Chairman and a majority of independent Directors under ASX CGC Recommendation 4.2. A summary of the Audit, Risk & Governance Committee's Charter can be found on the Company's website.

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 last 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.

A summary of the Company's Risk Management Policy is available on the Company's website, however, given the commercially sensitive 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 FY2009 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 Risk Management Policy and 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 and

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 2009 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.

Top 20 holdings as at 2 September 2009		
Holder name	**Balance at 02-09-2009**	**%**
WISER EQUITY PTY LTD	100,277,501	32.226
YARRAGENE PTY LTD	23,421,589	7.527
J P MORGAN NOMINEES AUSTRALIA LIMITED	10,353,567	3.327
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,809,532	2.831
MR ANDREW PATTINSON	2,447,567	0.787
CITICORP NOMINEES PTY LIMITED	2,032,910	0.653
TOM HADLEY ENTERPRISES PTY LTD	2,000,000	0.643
NATIONAL NOMINEES LIMITED	1,700,229	0.546
MR PETER ALEXANDER BROWN	1,000,000	0.321
WISER CENTRE PTY LTD <WISER CENTRE P/L S/F A/C>	1,000,000	0.321
BRAZIL FARMING PTY LTD	934,417	0.300
MR RICHARD GRAHAM	926,559	0.298
MR JOHN KENDALL PERRETT	800,000	0.257
MR GARY JOHN MARTIN	607,590	0.195
APPLIED SENSORS PTY LTD <MULLIGAN PENSION FUND A/C>	500,000	0.161
CS FOURTH NOMINEES PTY LTD <UNPAID A/C>	500,000	0.161
WOODCLIFF SUPER PTY LTD <MCCONVILLE SUPER FUND A/C>	500,000	0.161
MR TERENCE HOFFMAN & MRS DORIS MARIE HOFFMAN <TEMA SUPER FUND A/C>	451,500	0.145
GATTEGNO SUPERANNUATION PTY LTD <GATTEGNO SUPER FUND A/C>	450,000	0.145
A G & H A FIELDING PTY LTD <STAFF SUPER FUND ACCOUNT>	424,202	0.136

Analysis of holdings as at 2 September 2009			
Security classes **Fully paid ordinary shares**			
Holdings ranges	**Holders**	**Total Units**	**%**
1–1,000	434	354,059	0.114
1,001–5,000	2,302	7,378,157	2.371
5,001–10,000	1,739	14,570,055	4.682
10,001–100,000	3,151	94,484,793	30.364
100,001–9,999,999,999	213	194,381,826	62.468
Totals	7,857	311,168,890	100.000

Infomedia Ltd	357 Warringah Road Frenchs Forest NSW 2086 ABN 63 003 326 243 Telephone: (02) 9454 1500 Facsimile: (02) 9454 1844 Internet: infomedia.com.au
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
Chief Financial Officer	Jonathan Pollard
Registered Office	357 Warringah Road Frenchs Forest NSW Australia 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