

Infomedia Ltd

ABN 63 003 326 243

Appendix 4D

Half-Year Ended 31 December 2007

CONTENTS

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

Appendix 4D

Half-year report

Name of entity

Infomedia Ltd

ABN or equivalent company reference

A.B.N 63 003 326 243

Half yearly
(tick)



Preliminary
final (tick)



Financial year ended ('current period')

6 months ended 31 December 2007

Results for announcement to the market

\$A'000

Sales revenue	Down	8%	to	25,481
Profit after tax attributable to members	Down	10%	to	7,028
Profit (loss) from extraordinary items after tax attributable to members		Nil		Nil
Net profit for the period attributable to members	Down	10%	to	7,028
Dividends (distributions)	Amount per security	Franked amount per security		
Current Year:				
Interim dividend	1.8¢	1.8¢		
Previous Corresponding Period:				
Final dividend	2.1¢	2.1¢		
Special dividend – paid 6 October 2006	3.5¢	3.5¢		
Interim dividend	1.9¢	1.9¢		
Record date for determining entitlements to the dividend	12 March 2008			
Date the dividend is payable	27 March 2008			
	31 December 2007	31 December 2006		
Net Tangible Assets per security	4.5¢	4.6¢		
Brief explanation of any of the figures reported above necessary to enable the figures to be understood: Refer to page 3 of Half Year Financial Report.				

Infomedia Ltd

ABN 63 003 326 243

Financial Report
for the half-year ended 31 December 2007

ABN 63 003 326 243

Directors

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

Company Secretary & Alternate Director

Nick Georges

Chief Financial Officer

Peter Adams

Registered Office

357 Warringah Road
Frenchs Forest NSW Australia 2086

Auditors

Ernst & Young

Share Register

Computershare Registry Services Pty Ltd

Solicitors

Thomson Playford Lawyers

Internet Address

www.infomedia.com.au

CONTENTS

Directors' Report	3
Auditor's Independence Declaration	5
Income Statement	6
Balance Sheet	7
Cash Flow Statement	8
Statement of Changes in Equity	9
Notes to the Half-Year Financial Statements	10
Note 1 - Corporate information.....	10
Note 2 - Summary of significant accounting policies.....	10
Note 3 - Revenues and expenses.....	11
Note 4 - Income tax.....	12
Note 5 - Dividends proposed or paid.....	12
Note 6 - Issued capital.....	12
Note 7 - Financial instruments.....	13
Note 8 - Sale of business.....	13
Note 9 - Segment information.....	14
Note 10 - Subsequent events.....	14
Directors' Declaration	15
Independent Review Report	16

DIRECTORS' REPORT

Your Directors submit their report for the half-year ended 31 December 2007.

DIRECTORS

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

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

COMPANY SECRETARY

Nick Georges General Counsel & Company Secretary

PRINCIPAL ACTIVITIES

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

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

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

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

REVIEW AND RESULTS OF OPERATIONS

	CONSOLIDATED	
	2007	2006
	\$'000	\$'000
Sales revenue – Catalogue & Publishing	25,481	26,113
Sales revenue – Business systems (sold 1 December 2006)	-	1,576
Consolidated sales revenue	25,481	27,689

Sales revenue from the continuing Catalogue and Publishing division was relatively flat between periods as underlying organic growth was offset by a higher Australian dollar lowering current period reported sales. Electronic Parts Catalogue subscriptions grew by 4% to 54,474 and Superservice Menus subscriptions grew by 70% to 3,424 over the previous corresponding period.

The Company's reported net profit after tax for the six months was \$7,028,000. As foreshadowed in the 2007 Annual report, the profit result incorporated higher data licence costs and a continuing reduction in General Motors North American EPC subscriptions. The Company's first half results included a one-time net tax credit which lowered the effective tax rate to 17%. The Company anticipates the second half effective tax rate to return to historical averages.

The Company anticipates 2008 financial year sales revenue to be between \$51 million and \$53 million and net profit after tax to be between \$13.0 million and \$13.5 million.

DIRECTORS' REPORT

ROUNDING

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

AUDITOR INDEPENDENCE DECLARATION

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

A handwritten signature in black ink, appearing to read "Richard Graham", written in a cursive style.

Richard David Graham

Chairman

Sydney, 29 February 2008

Auditor's Independence Declaration to the Directors of Infomedia Limited

In relation to our review of the financial report of Infomedia for the half-year ended 31 December 2007, 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
Date: 29 February 2008

INCOME STATEMENT

HALF-YEAR ENDED 31 December 2007

	Notes	CONSOLIDATED	
		31 December 2007 \$'000	31 December 2006 \$'000
Sales revenue		25,481	27,689
Finance revenue		391	471
Revenue		25,872	28,160
Cost of sales	3(i)	(9,717)	(9,090)
Gross Profit		16,155	19,070
Other income	3(ii)	138	58
Net profit on sale of business	8	-	15
Employee benefits expense	3(iii)	(3,819)	(4,295)
Depreciation and amortisation	3(iv)	(2,160)	(1,901)
Finance cost		(64)	(68)
Operating lease rental		(518)	(545)
Other expenses		(1,309)	(2,142)
Profit before income tax		8,423	10,192
Income tax expense	4	(1,395)	(2,403)
Profit after income tax		7,028	7,789
Basic earnings per share (cents per share)		2.2	2.4
Diluted earnings per share (cents per share)		2.2	2.4
Interim dividends per share - ordinary (cents per share)	5	1.8	1.9
Special dividends per share - (cents per share)	5	-	3.5

BALANCE SHEET

AT 31 December 2007

Notes

	CONSOLIDATED	
	31 December 2007 \$'000	30 June 2007 \$'000
CURRENT ASSETS		
Cash and cash equivalents	14,919	15,690
Trade and other receivables	5,857	6,944
Inventories	63	52
Prepayments	792	432
Derivatives	327	-
TOTAL CURRENT ASSETS	21,958	23,118
NON-CURRENT ASSETS		
Other financial assets	103	335
Property, plant and equipment	2,430	2,817
Intangible assets and goodwill	18,741	17,139
Deferred tax assets	1,141	1,443
TOTAL NON-CURRENT ASSETS	22,415	21,734
TOTAL ASSETS	44,373	44,852
CURRENT LIABILITIES		
Trade and other payables	2,772	2,482
Provisions	1,912	2,284
Income tax payable	641	2,272
Deferred revenue	975	506
TOTAL CURRENT LIABILITIES	6,300	7,544
NON-CURRENT LIABILITIES		
Provisions	1,483	1,706
Deferred tax liabilities	3,204	2,700
TOTAL NON-CURRENT LIABILITIES	4,687	4,406
TOTAL LIABILITIES	10,987	11,950
NET ASSETS	33,386	32,902
EQUITY		
Contributed equity	17,738	17,738
Reserves	1,279	978
Retained earnings	14,369	14,186
TOTAL EQUITY	33,386	32,902

6

CASH FLOW STATEMENT

HALF YEAR ENDED 31 December 2007

Notes	CONSOLIDATED	
	31 December 2007 \$'000	31 December 2006 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	26,507	26,812
Payments to suppliers and employees	(18,233)	(19,582)
Interest received	391	471
Borrowing costs	(64)	(68)
Income tax paid	(2,237)	(3,205)
NET CASH FLOWS FROM OPERATING ACTIVITIES	6,364	4,428
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(290)	(734)
Proceeds from sale of business	-	1,169
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	(290)	435
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(500)
Dividends paid on ordinary shares	(6,845)	(18,226)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	(6,845)	(18,726)
NET INCREASE/(DECREASE) IN CASH HELD	(771)	(13,863)
Add opening cash brought forward	15,690	26,021
CLOSING CASH CARRIED FORWARD	14,919	12,158

STATEMENT OF CHANGES IN EQUITY

HALF-YEAR ENDED 31 December 2007

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

HALF-YEAR ENDED 31 December 2006

	CONSOLIDATED			Total \$'000
	Contributed equity \$'000	Retained earnings \$'000	Other reserves \$'000	
At 1 July 2006	17,488	23,313	1,010	41,811
Profit for the period	-	7,789	-	7,789
Income/(expense) recognised directly in equity				
- Exchange difference on translating foreign operations	-	-	(37)	(37)
- Cashflow hedge gain	-	-	-	-
Total income/(expense) recognised directly in equity	-	-	(37)	(37)
Total income/(expense) for the period	-	7,789	(37)	7,752
Cost of share based payments	-	-	32	32
Equity dividends	-	(18,226)	-	(18,226)
At 31 December 2006	17,488	12,876	1,005	31,369

NOTES TO THE FINANCIAL STATEMENTS

31 December 2007

1. CORPORATE INFORMATION

The financial report of Infomedia Ltd for the half-year ended 31 December 2007 was authorised for issue in accordance with a resolution of the directors on 29 February 2008. Infomedia Ltd is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Stock Exchange. The nature of the operations and principal activities of the Company are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The half-year financial report should be read in conjunction with the annual Financial Report of Infomedia Ltd as at 30 June 2007.

It is also recommended that the half-year financial report be considered together with any public announcements made by Infomedia Ltd and its controlled entities during the half-year ended 31 December 2007 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001 and ASX listing rules*.

(a) Basis of preparation

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

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

(b) Significant accounting policies

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2007, except for the adoption of amending standards mandatory for annual periods beginning on or after 1 January 2007, as described in Note 2(d).

(c) Basis of consolidation

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

(d) Changes in accounting policies

Certain Australian Accounting Standards and UIG Interpretations have been recently issued or amended but are not yet effective. These standards have not been adopted by the Group for the half-year reporting period ended 31 December 2007. The Director's have yet to finalise their assessment of the impact of these new or amended standards (to the extent relevant to the Group) and interpretations.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2007

Notes

	CONSOLIDATED	
	2007	2006
	\$'000	\$'000
3. REVENUE AND EXPENSES		
(i) Cost of sales		
Direct wages	5,402	5,993
Other	4,315	3,097
Total cost of sales	9,717	9,090
(ii) Other income		
Foreign currency exchange gain	138	58
Total other income	138	58
(iii) Employee benefit expense		
Salaries and wages (including on-costs)	3,808	4,263
Share based payment expense	11	32
Total employee benefit expense	3,819	4,295
(iv) Depreciation and amortisation		
Depreciation of non-current assets:		
- Leasehold improvements	67	101
- Office equipment	441	676
- Furniture and fittings	12	29
- Plant and equipment	156	41
Total depreciation of non-current assets	676	847
Amortisation of non-current assets		
- Intellectual property	349	394
- Deferred development costs	1,135	660
Total amortisation of non-current assets	1,484	1,054
Total depreciation and amortisation	2,160	1,901
(v) Research & development costs		
Total research & development costs incurred during the period	4,484	2,839
Less: development costs deferred	(3,085)	(1,664)
Net research & development costs expensed	1,399	1,175

NOTES TO THE FINANCIAL STATEMENTS

31 December 2007

Notes

CONSOLIDATED

2007	2006
\$'000	\$'000

4. INCOME TAX

The major components of income tax expense for the half-year ended 31 December 2007 and 31 December 2006 are:

Consolidated Income statement
Current income tax

Current income tax charge

1,563	2,402
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Adjustments in respect of current income tax of previous years

(437)	(150)
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Adjustments in respect of current income tax of previous years relating to research and development

(535)	-
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Adjustments in respect of capital gains tax of previous years

-	(315)
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Deferred income tax

Relating to origination and reversal of temporary differences

804	466
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Income tax expense reported in the consolidated income statement

1,395	2,403
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5. DIVIDENDS PROPOSED OR PAID
(a) Dividends declared and paid during the half-year on ordinary shares:

Final franked dividend for the financial year 30 June 2007: 2.1 cents (2006: 2.1 cents)

6,845	6,835
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Special franked dividend: nil cents (2006: 3.5 cents)

-	11,391
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Dividends paid on ordinary shares

6,845	18,226
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(b) Dividends proposed and not yet recognised as a liability:

Interim franked dividend for the half-year 31 December 2007: 1.8 cents (2006: 1.9 cents)

5,867	6,193
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6. ISSUED CAPITAL
Issued and paid up capital

– 325,971,572 shares fully paid (June 2007: 325,971,572)

December 2007	June 2007
17,738	17,738

Movement in Shares on Issue

There were no movements during the period.

Employee Option Plan

There were no options granted or exercised during the period.

NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL INSTRUMENTS

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 cashflow 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 periodically.

The following table summarises the forward exchange contracts outstanding at 31 December 2007:

	CONSOLIDATED		
	Company buys	Company sells	Exchange rate
Company sells Euros (€)	\$A'000	€ '000	
Quarter 3 2008 financial year	3,235	1,920	0.5935
Quarter 4 2008 financial year	3,235	1,920	0.5935
Quarter 1 2009 financial year	1,823	1,060	0.5815
Quarter 2 2009 financial year	1,034	600	0.5803
Quarter 3 2009 financial year	1,034	600	0.5803
Quarter 4 2009 financial year	1,034	600	0.5803
Company sells USD (US\$)	\$A'000	US\$ '000	
Quarter 3 2008 financial year	3,079	2,550	0.8282
Quarter 4 2008 financial year	3,079	2,550	0.8282
Quarter 1 2009 financial year	2,014	1,700	0.8441
Quarter 2 2009 financial year	1,535	1,300	0.8469
Quarter 3 2009 financial year	597	500	0.8375
Quarter 4 2009 financial year	-	-	-

8. SALE OF BUSINESS

On 1 December 2006, Infomedia sold its Business Systems division to an unrelated third party. The components of the disposal were:

Gross consideration
Net working capital adjustments
Cash proceeds

Net book value of assets and liabilities disposed:

Plant and equipment
Goodwill
Other net liabilities
Total net assets disposed

Net profit on sale of business

Notes	CONSOLIDATED	
	2007	2006
	\$'000	\$'000
	-	1,500
	-	(331)
	-	1,169
	-	540
	-	1,245
	-	(631)
	-	1,154
	-	15

NOTES TO THE FINANCIAL STATEMENTS

9. SEGMENT INFORMATION

31 December 2007

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

31 December 2006

	Notes	Distributors				Corporate	Eliminations	Total
		Asia Pacific	Europe	North America	Latin & South America	Asia Pacific		
Business Segments		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE								
Segment revenue		7,592	9,872	8,369	1,856	21,139	(21,139)	27,689
Finance revenue								471
Consolidated revenue								<u>28,160</u>
Segment result		(326)	(297)	99	(10)	10,323	-	9,789
Finance revenue								471
Finance costs								(68)
Consolidated profit before income tax								<u>10,192</u>
Income tax expense	4							<u>(2,403)</u>
Consolidated profit after income tax								<u><u>7,789</u></u>

Segment products and locations

On 1 December 2006, Infomedia sold its Business Systems division to an unrelated third party. The sale of this division made reporting by product segment less meaningful. Consequently management has promoted geography to be its primary segment commencing 1 July 2007. The geographic policy is based on customer location. 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. The distributors perform the distribution functions for the group. The distributors purchase the products from corporate and mark the prices up for resale to customers.

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

10. SUBSEQUENT EVENTS

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

DIRECTORS' DECLARATION

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

- (1) In the opinion of the Directors:
 - (a) the financial statements and notes of the Company and of the consolidated entity are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's and consolidated entity's financial position as at 31 December 2007 and of their performance for the period ended on that date; and
 - (ii) complying with Accounting Standard AASB134 Interim Financial Reporting and the half year Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Richard David Graham
Chairman

Sydney, 29 February 2008

To the members of Infomedia Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Infomedia Limited, which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year to 31 December 2007.

Directors Responsibility for the half-yea Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year to 31 December 2007 financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory financial reporting requirements in Australia. As the auditor of Infomedia Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors an independence declaration, a copy of which is included on page 5 of the half-year financial report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Infomedia Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Ernst & Young



Garry Wayling
Partner
Sydney
Date: 29 February 2008