




Infomedia Ltd

ABN 63 003 326 243



Financial Report
for the half-year ended 31 December 2002

INFOMEDIA LTD

ABN 63 003 326 243

Directors

Richard David Graham – Chairman & CEO
Barry Raymond Ford
Fran Hemon
Myer Herszberg
Andrew Pattinson

Company Secretary

Nick Georges

Chief Financial Officer

Peter John Adams

Registered Office

1300 Pittwater Road
Narrabeen NSW Australia

Auditors

Ernst & Young

Share Register

Computershare Registry Services Pty Ltd

Solicitors

Cowley Hearne

Internet Address

www.infomedia.com.au

DIRECTORS' DECLARATION

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 consolidated entity :

(i) give a true and fair view of the financial position as at 31 December 2002 and the performance for the half-year ended on that date of the consolidated entity; and

(ii) comply with Accounting Standard AASB 1029: Interim Financial Reporting 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.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Richard D. Graham', with a long horizontal flourish extending to the right.

Richard David Graham
Chairman

Sydney, 24 February 2003

NOTES CONTINUED

31 DECEMBER 2002

	CONSOLIDATED	
	2002	2001
Notes	\$'000	\$'000
8. BUSINESSES ACQUIRED		
(a) EDS Partsmager catalogue business		
On 28 August 2002, Infomedia acquired the EDS Partsmager catalogue business. The components of the acquisition were:		
Consideration paid:		
Cash	22,074	-
Net Assets Acquired:		
Intellectual property	14,519	-
Plant and equipment	181	-
Goodwill arising from acquisition	7,374	-
Total net assets acquired	22,074	-
(b) Australian Windows Publishing business		
On 1 July 2002, Infomedia acquired the business of Australian Windows Publishing Pty Limited. The components of the acquisition were:		
Consideration paid:		
Prepaid option fee	60	-
Cash	596	-
	656	-
Net Assets Acquired:		
Inventory	4	-
Plant and equipment	70	-
Intellectual property	450	-
Goodwill arising from acquisition	132	-
Total net assets acquired	656	-

NOTES CONTINUED

5. SEGMENT INFORMATION (continued)

SECONDARY SEGMENT

While the products of the consolidated entity are used globally, the Company has only one distinguishable geographical segment, Australia.

Segment products and locations

The consolidated entity's operating divisions are organised and managed separately according to the nature of the products and the services they provide, with each segment offering different products. Infomedia's core business involves the production of the Microcat, Partsmager and Partfinder electronic parts catalogues. These systems are specialised business tools designed to make the selection and sale of replacement parts fast, easy and accurate.

Included within "other divisions" are the Data Management and Business Systems divisions. Data Management provide a range of specialised data analysis and research services primarily to the automotive industry. Business Systems specialises in the development of business management and accounting systems, electronic automotive trading networks and system integration for retail automotive dealerships.

All products are sourced from Australia.

Segment accounting policies

The group generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Segment accounting policies are the same as the consolidated entity's accounting policies described in Note 1. During the half year, there were no changes in segment accounting policies that had a material effect on the segment information.

6. SUBSEQUENT EVENTS

On 24 February 2003 the Directors declared a fully franked interim dividend of 1.5 cents per share. The financial effect of the above event has not been recognised as a liability (refer Note 1(b) and 3(c) above).

7. CONTINGENT ASSETS & LIABILITIES

(a) Floating Charge

The security previously held by the Company's bank was released during the period.

(b) Bank Guarantee

A bank guarantee for \$10,350 pertaining to leased premises from a non-related party remains on hand at 31 December 2002

NOTES CONTINUED**5. SEGMENT INFORMATION (continued)****PRIMARY SEGMENT – PRIOR HALF YEAR
31 DECEMBER 2001**

Business Segments	Notes	Electronic Catalogue Division	Other Divisions	Eliminations	Total
		\$'000	\$'000	\$'000	\$'000
REVENUE					
Sales revenue		18,215	2,477	-	20,692
Other revenue		106	-	-	106
Intersegment revenue		62	875	(937)	-
Total segment revenue		18,383	3,352	(937)	20,798
Unallocated revenue: Interest revenue					306
Total consolidated revenue					21,104
RESULTS					
Segment result		10,182	(855)	-	9,327
Unallocated items: Interest revenue					306
Costs incurred in defending and disposing of Supreme Court Litigation					(1,218)
Borrowing costs					(11)
Consolidated entity profit from ordinary activities before income tax expense					8,404
Income tax expense					(2,575)
Consolidated entity profit from ordinary activities after income tax expense					5,829
ASSETS					
Segment assets		14,865	6,259	-	21,124
Unallocated assets: Cash					14,902
Total Assets					36,026
LIABILITIES					
Segment liabilities		3,363	1,653	-	5,016
Unallocated liabilities: Provision for dividend					4,034
Total Liabilities					9,050

NOTES CONTINUED

5. SEGMENT INFORMATION

PRIMARY SEGMENT – CURRENT HALF YEAR 31 DECEMBER 2002

Business Segments	Notes	Electronic Catalogue Division \$'000	Other Divisions \$'000	Eliminations \$'000	Total \$'000
REVENUE					
Sales revenue		26,690	2,200	-	28,890
Intersegment revenue		-	330	(330)	-
Total segment revenue		26,690	2,530	(330)	28,890
Unallocated revenue:					
Interest revenue					352
Total consolidated revenue					29,242
RESULTS					
Segment result		12,794	(1,252)	-	11,542
Unallocated items:					
Interest revenue					352
Borrowing costs					(185)
Consolidated entity profit from ordinary activities before income tax expense					11,709
Income tax expense					(3,435)
Consolidated entity profit from ordinary activities after income tax expense					8,274
ASSETS					
Segment assets		40,373	5,077	-	45,450
Unallocated assets:					
Cash					19,440
Total Assets					64,890
LIABILITIES					
Segment liabilities		25,824	1,101	-	26,925
Unallocated liabilities:					
Provision for dividend					-
Total Liabilities					26,925

NOTES CONTINUED

31 DECEMBER 2002

CONSOLIDATED

2002	2001
\$'000	\$'000

3. DIVIDENDS PAID OR PROPOSED

(a) Dividends paid during the period:

Final June 2002 franked dividend - 1.5 cents per ordinary share (2001: 1.5 cents per ordinary share)

4,864	4,838
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(b) Dividends proposed and recognised as a liability:

Interim franked dividend – 2001: 1.25 cents per ordinary share

-	4,034
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(c) Dividends proposed and not recognised as a liability:

Interim franked dividend – 2002: 1.5 cents per ordinary share (refer to change in accounting policy – note 1b)

4,866	-
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4. CONTRIBUTED EQUITY

Issued and paid up capital

– 324,291,746 shares fully paid (June 2002: 323,734,073)

17,474	17,474
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Movement in Shares on Issue

Number

Opening balance – 1 July 2002

323,734,073

Issued during the half-year:

Selective Share Plan (\$Nil consideration per share)

432,393

Employee Share Plan (\$Nil consideration per share)

125,280

Closing balance – 31 December 2002

324,291,746

Employee Option Plan

A total of 6,519,000 options were issued to eligible employees during the half-year at an average exercise price of \$0.87.

NOTES CONTINUED

31 DECEMBER 2002

2. PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the financial performance of the entity:

(i) Revenues from ordinary activities

	2002	2001
	\$'000	\$'000
Sales revenue	28,890	20,692
Interest revenue	352	306
Other revenue	-	106
	29,242	21,104

(ii) Expenses from ordinary activities excluding borrowing costs and significant items

Cost of goods sold	5,796	4,254
Salaries & wages (including on-costs)	6,300	5,000
Depreciation and amortisation		
Depreciation of non-current assets	800	661
Amortisation of intangibles	1,104	348
Amortisation of deferred research and development costs	361	100
Total depreciation and amortisation	2,265	1,109
Operating lease rental	294	207
Bad and doubtful debts	19	20
Foreign currency loss	117	-
Industrial relations dispute resolution including legal costs	206	-
Costs incurred for non-renewal of overseas distribution services	909	-
Other expenses	1,442	881
	17,348	11,471

(iii) Borrowing costs

Borrowing costs	185	11
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(iv) Significant Items

Costs incurred in defending and disposing of Supreme Court Litigation – refer page 66 in June 2002 Annual Report

	-	1,218
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(v) Research & Development Costs

(included within item 2(ii) above)

Total research & development costs incurred during the period	1,210	1,095
Less: research & development costs deferred	(537)	(653)
Net research and development costs expensed	673	442

Notes

CONSOLIDATED

2002	2001
\$'000	\$'000

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

31 DECEMBER 2002

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

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 economic entity as the full financial report.

It is recommended that the half-year report is read in conjunction with the Annual Financial Report of Infomedia Ltd as at 30 June 2002 together with any public announcements made by Infomedia Ltd and its controlled entities during the half-year ended 31 December 2002 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of accounting

The half-year 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 1029 'Interim Financial Reporting' and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

The financial report has been prepared in accordance with the historical cost convention.

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

(b) Change in accounting policies

The consolidated entity has adopted the new Accounting Standard AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets" which has resulted in a change in the accounting for dividend provisions. Previously, the consolidated entity recognised a provision for dividend based on the amount that was proposed or declared after the reporting date. In accordance with the requirements of the new standard, a provision for dividend will only be recognised at the reporting date where the dividends are declared, determined or publicly recommended prior to the reporting date. The effect of the revised policy has been to increase consolidated retained profits and decrease provisions at the beginning of the half-year by \$4,864,000. In accordance with the new Standard, no provision for dividend has been recognised for the half-year ended 31 December 2002. The change in accounting policy has had no effect on basic and diluted EPS.

All other accounting policies are consistent with those applied in the most recent annual financial report.

STATEMENT OF FINANCIAL POSITION

	CONSOLIDATED		
	31 December 2002	30 June 2002	31 December 2001
	\$'000	\$'000	\$'000
CURRENT ASSETS			
Cash	19,440	18,785	14,902
Receivables	7,305	5,481	5,599
Inventories	64	61	97
Other	926	228	227
TOTAL CURRENT ASSETS	27,735	24,555	20,825
NON-CURRENT ASSETS			
Property, plant and equipment	7,055	6,890	6,564
Intangible assets	26,944	5,573	5,921
Deferred research & development costs	2,679	2,503	2,331
Deferred tax assets	477	603	385
TOTAL NON-CURRENT ASSETS	37,155	15,569	15,201
TOTAL ASSETS	64,890	40,124	36,026
CURRENT LIABILITIES			
Payables	3,283	1,845	1,809
Interest bearing liabilities	6,087	58	117
Provisions excluding tax liabilities	1,041	5,902	4,911
Provision for income tax	1,111	1,026	436
Deferred revenue	518	605	729
TOTAL CURRENT LIABILITIES	12,040	9,436	8,002
NON-CURRENT LIABILITIES			
Interest bearing liabilities	13,434	14	18
Provisions excluding tax liabilities	236	201	129
Deferred tax liabilities	1,215	782	901
TOTAL NON-CURRENT LIABILITIES	14,885	997	1,048
TOTAL LIABILITIES	26,925	10,433	9,050
NET ASSETS	37,965	29,691	26,976
EQUITY			
Contributed equity	17,474	17,474	17,474
Retained profits	20,491	12,217	9,502
TOTAL EQUITY	37,965	29,691	26,976

STATEMENT OF FINANCIAL PERFORMANCE

HALF-YEAR ENDED 31 DECEMBER 2002

	Notes	CONSOLIDATED	
		2002	2001
		\$'000	\$'000
Revenue from ordinary activities	2(i)	29,242	21,104
Expenses from ordinary activities excluding Supreme Court Litigation and borrowing costs	2(ii)	(17,348)	(11,471)
Borrowing costs expense	2(iii)	(185)	(11)
Costs incurred in defending and disposing of Supreme Court Litigation	2(iv)	-	(1,218)
Profit from ordinary activities before income tax expense		11,709	8,404
Income tax expense relating to ordinary activities		(3,435)	(2,575)
Net profit from ordinary activities after income tax expense		8,274	5,829
Total revenues, expenses and valuation adjustments attributable to members of Infomedia Ltd and recognised directly in equity		-	-
Total changes in equity other than those resulting from transactions with owners as owners		8,274	5,829
Basic earnings per share (cents per share)		2.6	1.8
Diluted earnings per share (cents per share)		2.6	1.8
Franked dividend per share (cents per share)		1.5	1.25

DIRECTORS' REPORT

Your directors submit their report for the half-year ended 31 December 2002.

DIRECTORS

The names and details of the directors of the Company in office during the half-year are:

Richard David Graham	Chairman and CEO
Barry Raymond Ford	Non-Executive Director (Chairman of Audit and Corporate Governance Committee)
Fran Mary Heron	Non-Executive Director (Chairman of Remuneration Committee)
Myer Herszberg	Non-Executive Director
Andrew Pattinson	Executive Director

All Directors were in office from the beginning of the half-year until the date of this report.

PRINCIPAL ACTIVITIES

The principal activities during the half-year of entities within the consolidated entity were:

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

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

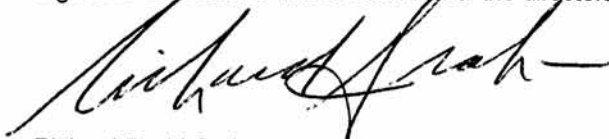
REVIEW AND RESULTS OF OPERATIONS

The consolidated entity experienced an improvement in sales and profits in the current half-year. Revenue from ordinary activities increased by 39% and profit after tax increased by 42% against the previous corresponding period.

ROUNDING

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

Signed in accordance with a resolution of the directors.



Richard David Graham

Chairman

Sydney, 24 February 2003

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INDEPENDENT REVIEW REPORT

To the members of Infomedia Ltd

Matters relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of Infomedia Ltd for the half-year ended 31 December 2002 included on Infomedia Ltd's web site. The company's directors are responsible for the integrity of the Infomedia Ltd's web site. The review report refers only to the statements named below. It does not provide a statement on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

Scope

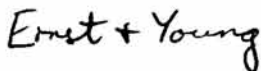
We have reviewed the financial report of Infomedia Ltd, comprising the Statement of Financial Performance, the Statement of Financial Position, the Statement of Cash Flows, Notes 1 to 8 and the Director's Declaration for the half-year ended 31 December 2002. The financial report includes the consolidated financial statements of the consolidated entity comprising Infomedia Ltd and the entities it controlled at the end of the half-year or from time to time during the half-year. The company's directors are responsible for the financial report. We have conducted an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia and in order for the company to lodge the financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. Our review was limited primarily to inquiries of the disclosing entity's personnel and analytical review procedures applied to financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Review Statement

As a result of our review, we have not become aware of any matter that makes us believe that the half-year financial report of Infomedia Ltd is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2002 and its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 1029 "Interim Financial Reporting", and the Corporations Regulations 2001;
- (b) other mandatory professional reporting requirements in Australia.



Ernst & Young



John Haydon
Partner
Sydney

Date: 24 February 2003