Infomedia®

Ltd

ABN 63 003 326 243

Annual Report 2011

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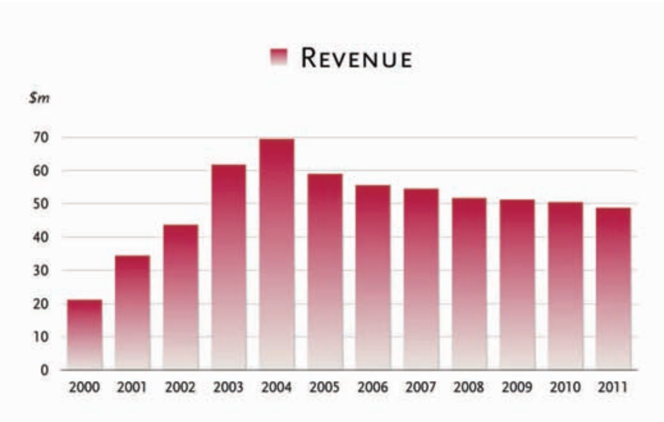
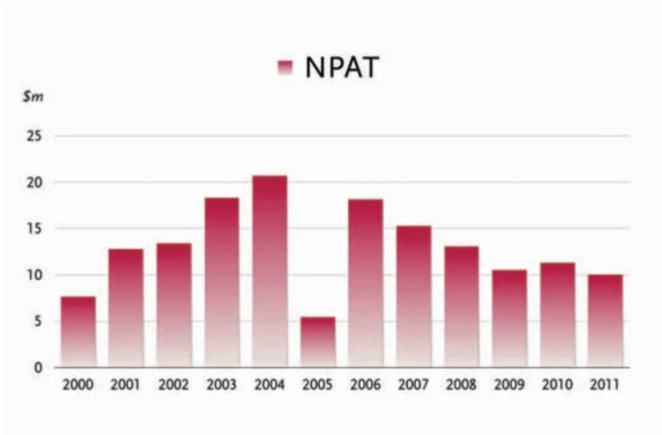
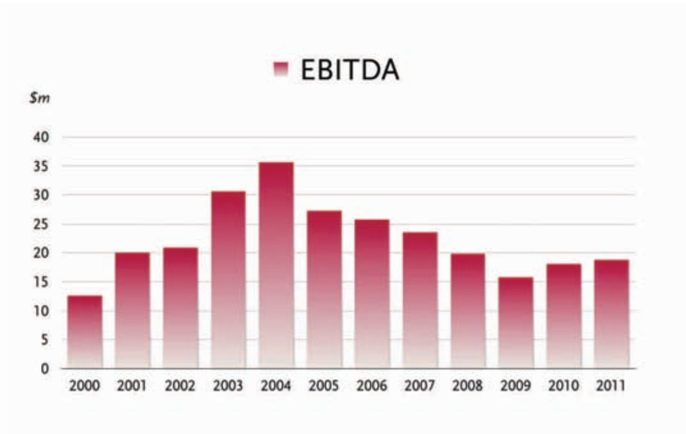
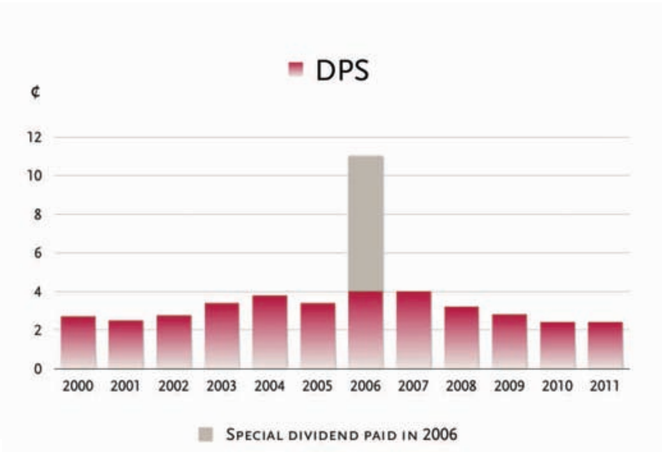
Infomedia™

Results at a Glance









Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenue*($m)	21.1	34.5	43.8	61.8	69.6	59.1	55.6	54.6	51.7	51.3	50.5	48.9
NPAT ($m)	7.7	12.8	13.4	18.3	20.7	5.5	18.1	15.3	13.1	10.5	11.3	10.0
EBITDA ($m)	12.6	20.0	20.9	30.6	35.7	27.3	25.8	23.6	19.9	15.8	18.1	18.8
DPS (¢)	2.7	2.5	2.75	3.4	3.8	3.4	11.0	4.0	3.2	2.8	2.4	2.4

* Revenue includes currency hedging gains/losses

"Automakers desire to have uniform information systems and customer experiences..."

"We said we would break through our new product release logjam and we have done that."

Welcome to the FY2011 Annual Report to Shareholders.

I can report that the Company has undergone much progressive change in the past year. Management has changed, objectives were refocused, financial performance was put under the spotlight, and productivity inside and outside of the Company has been nurtured. When I wrote to you last year, it was with the promise of returning the company to the core values and objectives upon which it was built: 1) product innovation that increases our customers' productivity, and 2) realising fair value for the contribution that our products make to our customers' profitability. Thanks to a lot of hard work and commitment from all our staff around the world, I am pleased to report that those objectives have positively moved forward this year.

I said we would break through our development logjam and we have done that – releasing new products throughout the year. The transition from our traditional Microcat DVD product to our newest electronic parts selling systems, Microcat LIVE and Microcat V6, began last winter for Toyota and Ford in the USA, then continued into the start of FY2012 with Land Rover, Hyundai, KIA, and other Ford and Toyota regions around the world. These new systems are delivering leading edge, dependable and affordable sales tools to our dealership customers anywhere, anytime and in any language they choose to access them.

Just as positive was the commencement of transitioning Superservice Menus from DVD to being fully online. This is bringing new convenience to our licensees and increased market development and logistical benefits to the Company. This product line continues to show strong subscription growth around the world. Subscriptions for our Microcat Partsbridge and Microcat MARKET products continued to grow as we saw automakers began to comprehend their practical value in expanding sales for genuine Original Equipment (OE) parts.

We anticipate both product lines will become part of the 'One World' approach that we see many automakers gravitating their fixed operations management strategies to.

As you know, Infomedia is a company whose product sales are mostly denominated in US Dollars and Euros, and despite a currency hedging policy to help mitigate repatriation risk, the Australian Dollar's unprecedented appreciation against these currencies has outpaced our reasonable expectations. From FY2010 to FY2011 alone, the AUD strengthened an average 13% against the USD and 14% against the EUR. For companies like ours, such large and rapid currency appreciations cloud the underlying commercial story.

For FY2011 our Company achieved Sales Revenue of $44.1M, Net Profit After Tax of $10.0M, and Operating Cashflow of $11.3M. For the 12th consecutive year, the Directors issued dividends consistent with policy. The final fully franked dividend for FY2011 was 1.2¢ which brought the total for the year to 2.4¢ fully franked. The Company remained debt free with $8.8M cash on the Balance Sheet at year end. These compare respectively with FY2010 results of: Sales $45.3M, NPAT of $11.3M , Cashflow of $10.2M, and annual dividend of 2.4¢ unfranked.

On page 6, CFO, Jonathan Pollard provides an interpretive narrative of our FY2011 financial results that conveys more insight into the Company's wellbeing than just the headline numbers alone might suggest. I encourage you to read that.

'One World' is the way our major OE licensors are beginning to see their aftersales operations. One World is a mindset beyond 'international' or 'global'; beyond a patchwork of regions.

Our goal is to markedly contribute to our customers' success...

"Our vision for the decade ahead is to see the depth of Infomedia's product lines expand ubiquitously around the world."

Those older paradigms are point-of-origin centric. They said, 'we are here, and from here we will go out and sell our wares'. One World is a shift in company identity and thinking. It's organic thinking. In a One World paradigm there is no specific 'here'. It's one company operating as a whole, in a whole world.

In our field of endeavour, One World exhibits itself in the auto-makers' desire to have uniform information systems, uniform customer experiences, and ubiquitous access to operational tools and metrics. One World vision doesn't see local languages or universal access to online applications as "nice-to-haves" or "ticks-in-a-box", but rather as basic fundamentals for a supplier to be a viable commercial participant in the world.

Infomedia has long been on-board with such thinking at the product development level, but now is expressing the One World paradigm at the enterprise level too. In the future, Infomedia's expertise and identity need not be headquarter centric. Resources can be placed wherever in the world they are best expressed to serve the Company, in order to support our One World licensors and their affiliates. Having the foresight and flexibility to align our organisation's world view with that of our partners, creates new bonds and fields of engagement that can go beyond any previous model used in our 21 years of application solution development. These are exciting times.

Our vision for the decade ahead is to see the depth of Infomedia's product lines expand ubiquitously around the world. As we move into our third decade of innovative software development, our methods modernise to keep current with changing times, but our goal remains steadfast. That goal is to markedly contribute to our customers' success. In turn, the value received for that contribution rewards our personnel who achieve that outcome and our shareholders who risk their capital to make it all possible.

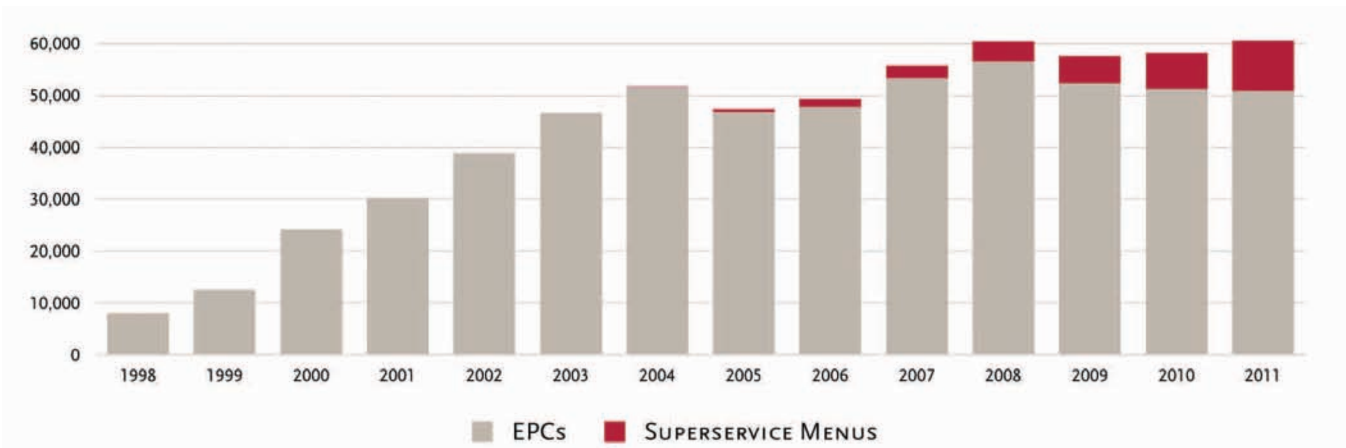
It is the simple honesty of this vision and goal that underpins our strategies and our actions, and gives me confidence in the long-term outlook for our Company.

For these reasons and for the overall performance results that you will read about herein, I commend this Annual Report to you, and look forward to seeing you at the Annual General Meeting if you are able to attend in person.

Sincerely Yours,

Richard David Graham
Executive Chairman
4 September 2011

Subscriptions



"...operating cashflow increased $1.1m to $11.3m."

The Company's headline achievements for the 2011 financial year (FY2011) were Sales Revenue of $44.1M and Net Profit After Tax of $10.0M. This compares to financial year 2010 (FY2010) where Sales Revenue was $45.3M and Net Profit After Tax was $11.3M. Despite the reductions in reported Sales and Profit numbers, Operating Cashflow increased by $1.1M to $11.3M.

As the Executive Chairman reported, a final fully franked dividend of 1.2 cents was paid to shareholders of record at 6 September 2011, bringing the total franked dividends for the year to 2.4 cents. Together with the share buyback, this represents a payout ratio of 76% of net profit. At 30 June 2011, the Company remained debt free, with $8.8M in cash on the balance sheet.

Looking Behind the Numbers

Whilst looking at the headline Sales and Profit numbers, it's important to try and understand what's behind those results.

In analysing the headline FY2011 Sales and Profit numbers compared with FY2010, we can focus on three key drivers:

1) Performance in the currency that the sale takes place in;
2) The impact of foreign exchange rates; and
3) Capitalisation and Amortisation of our Research & Development costs.

1) Operational Performance in Constant Currency

As primarily an exporter, the majority of the Company's sales are made in US Dollars (USD) and Euros (EUR) with the remainder in Australian Dollars (AUD). Sales in the natural currencies of USD, EUR and AUD all increased in FY2011. The main driver of sales growth was Superservice Menus which continues to be well received around the globe. If we translated the sales into AUD at the same foreign currency rates as those that occurred in FY2010 (i.e. viewing the results in constant currency terms year on year), it would show an increase of AUD$2.9M in FY2011 sales revenue.

When we look at operational costs in the same way (constant currency terms), they are $1.9M lower in FY2011 than they were in FY2010. This reduction was achieved through a combination of lower HR costs and targeted operational savings. It means, in constant currency terms, that operational performance improved by $4.8M in FY2011 over FY2010, which indicates strong control of the underlying business.

2) The Impact of Foreign Exchange Rates

As with many exporters, the Company has borne the impacts of the escalating Australian dollar. Although the foreign currency theme has been a constant in analysing our results in recent times, the impact on the results reported in Australian dollars has become increasingly pronounced.

Comparing the average rates in FY2005 to those in FY2011, we see that the AUD has strengthened 31% against the USD and 22% against the EUR. From FY2010 to FY2011 alone, the AUD strengthened an average 13% against the USD and 14% against the EUR.

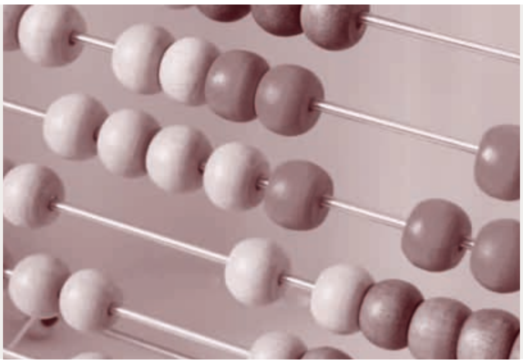
The Company maintains a hedging program that has seen positive hedging gains in both FY2010 and FY2011. However, despite this, the foreign exchange impact of our overseas revenues consumed 93% ($2.7m) of the constant currency sales growth mentioned in point 1 above.

3) R&D Capitalised and Amortisation

The Company capitalises qualifying costs while a product is being developed. In some cases a product could be in development for a number of years and these costs build up. Once a product is released to the market for sale, the Company then brings those costs back into the P&L in the form of amortisation over future periods. See note 2(k) to the accounts for further information on these accounting policies.

With the release of the new online Microcat LIVE, we've commenced the amortisation of several years of development, which explains the sharp increase in amortisation between FY2010 and FY2011. This charge is a non-cash accounting entry since it flows from costs that have been previously paid for and capitalised, but has the impact of lowering the reported profit. The net impact of lower capitalisation and higher amortisation in FY2011 compared to FY2010 was a $3.4m reduction to pre tax profit.

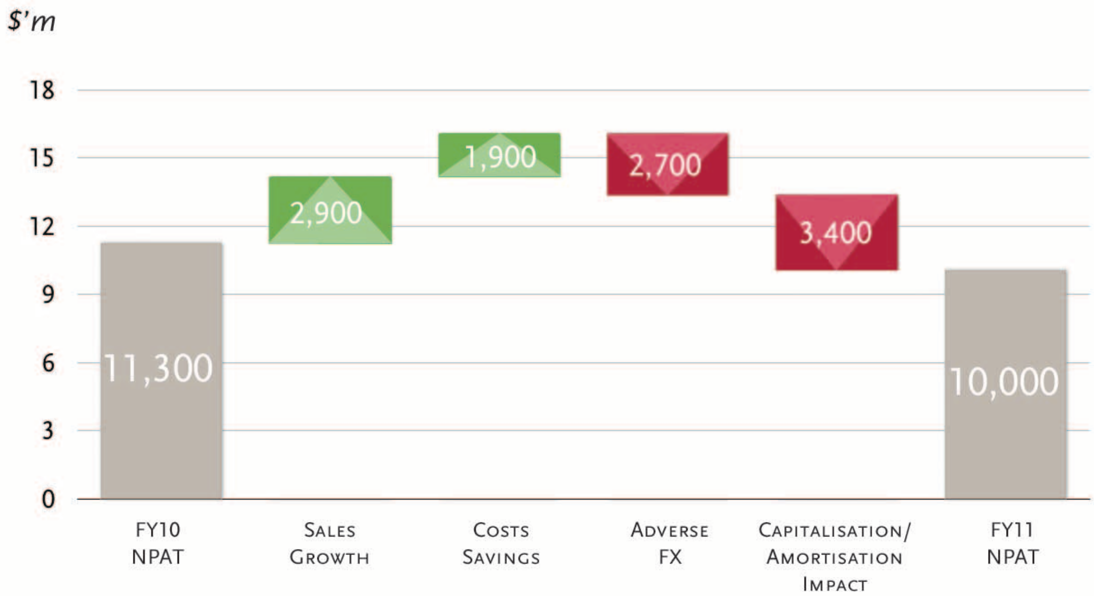
"Comparing the average rates in FY05 to those in FY11, we see that the AUD has strengthened 31% against the USD and 22% against the EUR."



Putting the Pieces Together

This 'waterfall' chart visually demonstrates how these factors have impacted the results.

The chart starts on the left side with a bar representing the NPAT reported for FY2010. Then we see how sales growth and costs savings amount to $3.8M in their constant currency state. These improvements were dampened by a $2.7M reduction due to the impact of foreign exchange rates on overseas revenues and an increase in cost of $3.4M due to the impact of capitalisation and amortisation as our new products were released to market. The combined effect of those factors was a net reduction in NPAT of AUD$1.3m year on year.



The Year Ahead

Looking forward, the same dynamics are expected for FY2012. The Company anticipates further sales and subscription growth in their local currencies, while at the same time expects a worsening impact of foreign exchange rates when translating the overseas revenue into AUD. Equally significant – despite the great news that the company is releasing more products for commercialisation– is the amortisation of those products charged to the P&L. Accordingly, the Company has provided guidance that it anticipates its 2012 financial year sales revenue to be between $43M and $45M, and net profit after tax to be between $7.5 million and $8.5 million.

Jonathan Pollard
Chief Financial Officer

One Infomedia

Karen Blunden (KB) joined the Company in November 2010 as the CEO of Infomedia's North American subsidiary and the Global Director of Business Development and Sales, bringing with her extensive experience in leading automotive information technology solutions.

Andrew Pattinson (AP), Director of Operations and Development, joined the Company in 1988. Andrew has been at the forefront of leadership in the Company including being on the Board of Directors from 2001 to 2004, and serving as Managing Director of Infomedia's European subsidiary from 2004 to 2009.

Karen and Andrew are respected leaders within the company and within the industry. They are leading the modernisation of the company's strategies, structures, and priorities. These will facilitate the economic and intellectual sustainability needed to continue our innovation lead and to achieve our goal of product ubiquity this decade. Here they share some perspectives and insights for our shareholders benefit.

(KB) What a great time to join the company. It is truly an evolutionary time in our marketplace. Infomedia has long been known as a world leader for innovative productivity tools for dealership Fixed Operations activities. Now as the Internet becomes an essential fixture in dealerships around the world, Infomedia's product line vision and development strengths stand out all the more. As we've commenced releasing our newest generation of fully online products this past year, that competency is being confirmed to a new generation of users.

I believe vehicle dealerships are amongst the most competitive businesses there are. They have to uphold the high standards of their brand, while having to compete both with independent operators and the limitations of their customers' wallet. Our original DVD-based products did a lot to reduce their cost of sales through personnel productivity and increased job accuracy – what was called 'fix it right the first time'. I firmly believe that our new Internet products will go beyond just improving productivity to another level – they are now increasing the sales of parts and service directly.

(AP) This objective of increasing dealership productivity has been at the core of our product design agenda and a fundamental competitive differentiator for us for as long as I can remember. Twenty-one years ago when HP and Bell & Howell were selling computer 'iron' to parts departments, Microcat was selling software-assisted decision making, user ergonomics, and DMS connectivity. Putting ourselves in the users' shoes has always been a core strength of our product design.

Our online solutions have their roots as far back as 1998 when Richard demonstrated our first global prototype to Ford in Detroit.

"Sales had net organic growth of $2.9M or 5% in constant currency terms"

It's taken over a decade to get all the various interests to align, but now the Internet is fully accepted for Fixed Operation tools and we are leading that charge. In the past twelve months we've released modern online re-inventions of Microcat (Microcat LIVE, MARKET & Partsbridge) and Superservice Menus. These new products are designed to go beyond user productivity, to create greater business flexibility and software-assisted sales completion. Our products provide customers with the benefit of real time information where they need it, when they need it. We understand dealers and technology, and this clearly shows in our approach to this new generation of opportunities.

(KB) This understanding showed itself this past year, as some licensors wondered how effective an online environment would be for all their dealers around the world. The concern was that metropolitan dealers might have a great user experience, but what about rural or developing world dealers? Out of that body of concern, our business and technology leaders met and resolved that we were capable of making a bold promise. That commercial promise is that all clients, regardless of location, will have a common user experience. A user in Algiers, inland China or outback Australia will have a good user experience just as those in metropolitan hubs do. This undertaking lifts the competitive bar to a new level for all online service providers.

(AP) That promise is also backed up by our infrastructure budget, our application architecture, and our redesigned internal processes. The OEs really do want a 'one world' experience for their dealers and vehicle owners. To powerfully achieve that, we are looking beyond to our organisational paradigm of being a 'global exporter', to a much richer one world paradigm. Analysis has begun to consider what organisational changes we can make that could result in the Company being better and stronger where it counts centrally, regionally and locally. We're asking, would a different expression of our resources and functions better serve the Company to support our partners' goals for a uniform high quality customer experience everywhere.

(KB) Getting that right is part of our goal to achieve global product ubiquity in this decade. Richard inferred in his opening letter that while we serve one world with common solutions, to the users it should feel like we are local. I believe we are more advanced in that direction than any other provider. The company provides its products and customer support in more languages and in more countries than any independent competitor. Now we are pushing that service envelope even further with the introduction this year of our See & Learn online local language training, which accompanies the release of LIVE and SSM. Here again, we are reaffirming Infomedia's proven track record of product innovation and value add.

(AP) To get to that goal of ubiquity, we are advancing on a significant framework of applications and interoperability that we call Microcat.Network. Going forward, as we design, build and refine our product lines, it's this principle of interoperability that will unleash much productivity potential. We like to think of it as a set of gears – one gear by itself just spins, but engage two or more gears together and you create the power to lift a massive weight. This is the vision we'll project onto our future product line developments.

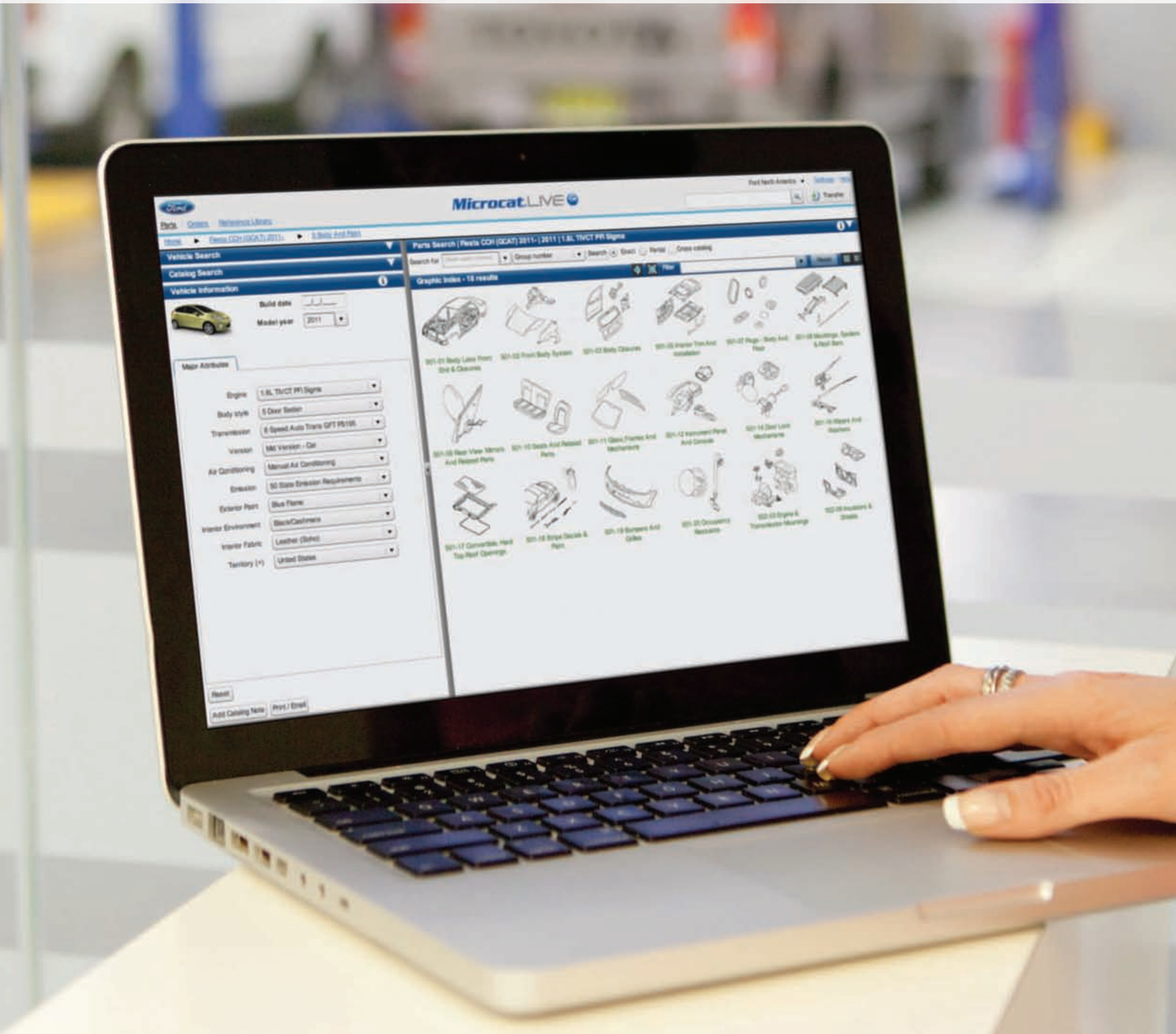
(KB) The global economic circumstances of recent years have placed added focus on dealership Fixed Operations. This is the area that our products serve. Systems like ours that help to sell parts and service productively and efficiently are needed. The work we achieved in FY2011 in strengthening our Internet suite of products, our backend processes, and our management teams, means we are confident we have the strength to deliver business growth in the years ahead. The Microcat.Network framework demonstrates not only our competitive leadership but also our willingness to cooperate with others to facilitate bigger and more effective aftersales solutions.

In constant currency terms, our CFO has reported that FY2011 sales had a net organic growth of $2.9M or 5%. We are projecting that FY2012 will show constant currency sales growth too. It will also be an intense and focused year for our commercial and technical teams. FY2012 will see expansion within all of the regions we operate. However I expect our new online products, developed within the Microcat.Network framework, and our One World/One Infomedia paradigm will generate notable growth in percentage terms in China, Russia, Africa and the Middle East.

How does that saying go: 'May we live in interesting times.' I repeat, it is a great time to join the company.

No Discs. No Dongles. No Delays.

It works for you.



Microcat® LIVE™

ONLINE PARTS SELLING SYSTEM

"I can honestly say we have enjoyed the transition to Microcat LIVE"

Ross Zuerner – Westside Lexus

Ross Zuerner, Parts Manager
Westside Lexus, Houston, United States

Westside Lexus, in Houston Texas, takes pride in being progressive and staying ahead of the curve. This attitude has proven successful, since Westside Lexus is in the top 10 of Lexus dealers in the United States and has been awarded Elite of Lexus 18 years in a row. For the past twenty-two years we have maintained this outlook, and Infomedia, through their technology, has helped maintain our competitive edge.

In 1999, Lexus was discontinuing the paper catalogues and were requiring one of two options for electronic parts cataloguing. There was a lot to consider, but the choice was clear to see; Microcat focused on the future which offered more opportunity for us. The advanced features and continuous support from Dan Stedem and his team cemented that we were Microcat users, and never interested in looking at another supplier.

When Dan offered the opportunity to be the first pilot dealer for Microcat LIVE, we jumped at the opportunity. Again, Microcat was looking toward the future. Any chance to be on the cutting edge of technology and influence its functionality is something we wanted an opportunity to be a part of. Microcat LIVE's slogan, "It Works For You" is truly accurate, because they asked for our input. Participating in the pilot gave my staff the chance to be the first to learn the new product.

I can honestly say that we have enjoyed the transition to Microcat LIVE; with webinar training and *See & Learn* videos my staff were prepared. Knowing that support, from a familiar voice, is only a call away is comforting. As of today, our department has completed our conversion of twelve licenses and is solely reliant on Microcat LIVE. The latest features, such as the most current data and mobility to sell from anywhere, offer a clear competitive advantage for our dealership. Infomedia maintains Microcat's core values of no contracts, no additional fees and superior customer service; while continuing to move forward offering the latest in technology. Here at Westside Lexus, we have used Microcat for twelve years and will continue looking to the future with Infomedia.

Nick Lee, Parts Manager
Yeovil Land Rover, Somerset, United Kingdom

I've been working in the genuine parts business for over 25 years and have been at the Land Rover dealership these past eleven. At Yeovil Land Rover we have four staff currently using Microcat LIVE for parts interpreting and selling. Before that we were all using the Microcat disc. As a Microcat customer since 2001 we were asked earlier this year to participate in the Microcat LIVE for Land Rover field test, prior to its wider introduction to Land Rover dealers around the world.

The EPC is a critical business system in a parts department. As such we were interested to see how this new online product would compare to the disc version. My first impression was that Microcat LIVE is an excellent EPC. It is very easy to learn to use and its information is up to date as you would expect of an Internet EPC.

This new Microcat has some extra features we find useful. It is continually updated without having to receive a monthly disc, and features like registration and chassis search perform even better than the disc version. The 'Reduce Choices' function that uses smart filtering to get down to the required Land Rover part is a godsend.

Microcat LIVE is very well supported by its Customer Service team. In particular the back-up from our local representative during the field trial, Simon Lacey, was just superb. We expected he'd be on hand during the test, but his dedication was really quite amazing and much appreciated by the team at Yeovil Land Rover. It was a job well done.

Microcat LIVE really is an excellent product and since the trial period I have not been back to the disc. In my opinion it is a much better EPC and we are happy to continue with it, no regrets.

Accuracy. Certainty. Trust.

It sells for you.

"From the second the disc was loaded I knew that I had something that could change the way we work in the service industry."

MURRAY THOMSEN, SERVICE MANAGER
SAINSBURY AUTOMOTIVE GROUP, DUBBO, AUSTRALIA

Sainsbury Automotive Group comprises Hyundai, KIA, Subaru, Honda, Chrysler-Dodge-Jeep, Isuzu Ute and Chery dealerships in the Central West of New South Wales. We currently have over thirty staff operating at two locations in Dubbo, NSW.

More than six years ago I received a computer CD from my Dealer Principal labelled Superservice Menus, and was asked to trial it. From the second the disc was loaded I knew that I had something that could change the way we work in the service industry. I have been on the front line of a dealership for 22 years now and have been a Service Manager for 16 of them.

Training a new Service Advisor has become less stressful to myself and my customers. Superservice Menus, from a VIN or licence number, provides us the correct information every time to allow even the most inexperienced advisor to schedule the correct time for the service or repair and quote the correct price to the customer with full confidence.

I have watched Superservice Menus grow over the years to provide us with the ability to load vehicles into our own Dealer Management System. The time that this is saving us is huge. Remember, every 0.1 of an hour is so important to our service department. Pre loaded service stories, parts and materials in the DMS are real time savers. We load the quote at the time of booking and the repair order is loaded with the correct service story, the parts department have a picking slip (with no more confusion of what parts are required for what service) and all the oils and shop materials are already booked out.

I know our Infomedia representative, Alan Hilder, has a service background himself. It's good to know we are dealing with someone that we trust to know the challenges and how this product helps our business. I am sure that any brand or Service Department manager that wants to be at the top and have the best NPS, CSI, and QES scores they can achieve will jump on board with Infomedia and Superservice Menus. Top Job.

KEVIN SCHOFIELD, SERVICE MANAGER
SUNSHINE AUTOMOTIVE, GOLD COAST, AUSTRALIA

Here at Sunshine Automotive on the Gold Coast we find Superservice Menus is an excellent tool for our Ford and KIA Service Departments.

Maintaining the number one position in this competitive and growing marketplace means ensuring all our staff are using the right tools. In our workshops we use the latest diagnostic equipment. On our customer vehicles we use genuine parts and lubricants. And in our service reception we use Superservice Menus. We find it's the right tool for providing reliable and accurate service information to our customers.

When we started with Superservice Menus several years ago we used the CD application. It was a fast and accurate way to price service and repair work. Later we were introduced to the DMS Datapak version as well, and have since installed it in both our dealerships. The Datapak has provided us with a single use system and we no longer need to duplicate the quote from one system to another. We also have the advantage that there are no user licence restrictions.

Today, the reception, workshop, and parts counter are benefiting from the Superservice Menus information. There's a great benefit in the uniform delivery of service information within the dealership. It means customers will always be quoted a consistent price. Our customers know whenever they call our dealerships for a price, it doesn't matter who they speak to, they will get the right price. And when they come back to collect their car after service work, the price is what they were quoted. Superservice Menus gives us that kind of accuracy upfront.

When a technician steps up to work on a car, the parts required for the job are already on hand. They're working productive labour hours and not waiting for parts to be delivered. It's easy to see just how important having Superservice Menus in the dealership is. That's why I've no hesitation in recommending it to others.

Celebrating 21 Years

MICROCAT® CELEBRATES 21 YEARS AS THE EPC CREATED FOR PARTS PEOPLE BY PARTS PEOPLE.

In 1987, a revolution began down-under changing the way parts had been sold for a century. From an idea that a personal computer could be programmed to select the correct parts, while the dealership parts rep focused on selling more to the customer, the most innovative EPC in the world was conceived – Microcat.

In the years that followed, Microcat continued to set the agenda for EPC features and functions. It introduced a string of firsts, including being the first EPC to: integrate VIN data to uniquely identify a vehicle for interpretation; use a single user interface regardless of OE franchise; directly transfer parts into a DMS for order entry; include interpretation for local and regional parts; use colour and sound to improve user ergonomics; operate in multiple languages and multiple currencies; and use DVD-ROM for simpler distribution and installation; just to name a few.

In the 21 years since Microcat was released to its first user in 1990, it has led the way in product innovation around the world. It is published monthly in 31 languages, shipped to over 180 countries and is used by more than 100,000 parts people every day. Throughout this time, while competitors have come and gone, Microcat has continued to be developed and manufactured by one company – Infomedia. Those 21 years of continuous technology know-how and customer service under the same roof and same leadership pays dividends for our customers and shareholders every day.

Now its sibling Fixed Operations products carry on the same commitment to innovation, spearheaded way back then.

Company Results

Directors

Myer Herszberg
Non-Executive Director

"The role of corporate governance is to protect all shareholders equally, regardless of the size of their shareholding. As directors, we have a responsibility to act on behalf of, and try to create wealth for, all our shareholders. At Infomedia we are fortunate to have a long-standing team who have delivered consistent returns whilst continually seeking out new products and ideas to grow the business. This team has all the shareholders' interests at heart and, I would suggest, has the balance right."

Mr Herszberg has been a Director since 1992 and was last re-elected to the Board in 2010. His strengths are in the areas of business development, electronics and real-estate.

Frances Hernon
Non-Executive Director

"Shareholders are entitled to expect that the companies in which they invest are managed effectively and honestly. Corporate governance provides the framework for ethical leadership, sustainable business strategies and reliable financial statements. It is about assessing and mitigating risks such that performance is optimised. It is not a tick the box approach but rather must strike the right balance between vigilance and cost efficiency. Simply put, good corporate governance equals good business."

Ms Hernon has been a Director since 2000 and was last re-elected to the Board in 2009. Her strengths are in the areas of publishing, marketing and technology.

Richard Graham
Executive Chairman

"Corporate governance is a solemn trusteeship held on behalf of each and every stakeholder of the Company. It's about fiduciary trust and it's about subject matter competence. It's about the Now, and it's about the Future. It's about Balance, and it's about Edgy. Shareholders aren't looking for seat-warmers or box tickers. They want real people like themselves looking after their interest as they would do themselves. They want Directors who know the difference between governance and management; because only by knowing the difference can they get the best from each."

Mr Graham has been a Director since 1988 and was last re-elected to the Board in October 2008. His strengths are in the areas of business development, technology, innovation and organisation.

Company Results

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	101,464,342	-
Yarragene Pty Limited	23,421,589	-
Wiser Centre Pty Limited	1,000,000	-
Richard Graham	926,559	-
Frances Hernon	5,000	-

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.

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 212 (2010: 225) full time employees as at 30 June 2011.

DIVIDENDS

	Cents	$'000
Final dividends recommended:		
On ordinary shares – final – fully franked	**1.2**	**3,639**
Dividends paid in the year:		
On ordinary shares – 2011 interim – fully franked	**1.2**	**3,641**
Final for the 2010 year:		
On ordinary shares – as recommended in the 2010 report, unfranked	1.2	3,641

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 2011	**2.2**
Net tangible assets per share at 30 June 2010	1.7

Company Results

REVIEW AND RESULTS OF OPERATIONS

The following table presents sales revenue and profit after tax. There were no non-recurring significant items during the 2010 or 2011 financial years:

	CONSOLIDATED	
	2011	2010
	$’000	$’000
Sales revenue	**44,093**	45,339
Foreign exchange movement on hedges closed out during the period	**4,821**	5,181
	48,914	50,520
Profit after tax	**10,039**	11,336

The Company reports net profit after tax (NPAT) of $10,039,000 which is slightly above the upper range of $10,000,000 previously advised in its guidance.

Sales revenue was $44,093,000, against $45,339,000 for the financial year 2010. The reduction was caused by the impact of the strong Australian dollar, which, despite underlying growth in sales, drove a net reduction in sales revenue of $1,246,000.

In constant currency terms, sales revenue rose by $2.9m and operating costs decreased $1.9m. However, the impact of foreign currency translations and movements in some non-cash entries, namely lower research and development capitalisation and higher depreciation and amortisation, combined to reduce profit by $1,297,000.

Revenue from Superservice Menus increased by $1.9m in constant currency and this product continues to drive growth for the Company. The Company’s electronic parts catalogue (EPC) solutions also found new customers with its sophisticated Auto Partsbridge operating in the United States. It also launched its new fully online EPC, Microcat LIVE, for Toyota and Ford dealers in the USA and importing distributors around the world.

Despite the reduction in net profit, cash flows from operations increased by $1,146,000 to $11,320,000.

During the reporting period, the Company maintained its share buyback program and repurchased 1,298,221 shares for consideration totalling $332,810.

The Company is pleased to announce a fully franked final dividend payment of 1.2 cents. This, together with the fully franked interim dividend of 1.2 cents and the share buyback, reflects a distribution of 76% of reported net profit for the full year. This is consistent with the Company’s Dividend Policy. The record date to determine entitlements to the dividend distribution is 6 September 2011 and the date on which the dividend is payable is 20 September 2011.

With regards to FY2012, the Company advises that, while it anticipates sales revenue growth on a constant currency basis, it expects its results will continue to be affected by adverse foreign exchange rates and amortisation as its new products continue to be released to market. Accordingly, the Company provides guidance that it anticipates its 2012 financial year sales revenue to be between $43M and $45M, and net profit after tax to be between $7.5 million and $8.5 million.

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.

Company Results

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the year ahead the Company expects to continue to release its Internet-based products. The company expects to continue increasing Superservice Menus™ revenue.

ENVIRONMENTAL REGULATION AND PERFORMANCE

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

SHARE OPTIONS

Unissued shares

At the date of this report, there were 1,000,000 unissued ordinary shares under options. Refer to Note 19 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		(ii) Executives	
Richard Graham	Executive Chairman*	Karen Blunden	Director of Global Business Development and Sales****
Gary Martin	Chief Executive Officer**	Nick Georges	Company Secretary and Legal Counsel
Frances Hernon	Non-executive Director	Andrew Pattinson	Director of Operations and Global Solutions
Myer Herszberg	Non-executive Director	Jonathan Pollard	Chief Financial Officer
Andrew Moffat	Non-executive Director***	Michael Roach	General Manager Asia Pacific

**Appointed Executive Chairman on 1 September 2010, prior to this Mr Graham was the Non-executive Chairman*

***Resigned 31 August 2010*

****Resigned 5 November 2010*

*****Appointed 21 November 2010*

Company Results

REMUNERATION REPORT (CONTINUED) – AUDITED

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 formally fell within 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 assess 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 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 ending 30 June 2011 non-executive Directors' compensation totalled $309,341 (2010: $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 so as to:

Company Results

REMUNERATION REPORT (CONTINUED) – AUDITED

- 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.

Structure

In determining the level and make-up of executive compensation, the Remuneration Committee 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 is competitive in the market. Fixed compensation is reviewed periodically by the CEO or Executive Chairman 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 or Executive Chairman. As noted above, Ms. Hernon has access to external advice independent of management.

Structure

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

Variable Compensation – Short Term Incentive (STI)

Objective

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

REMUNERATION REPORT (CONTINUED) – AUDITED

Structure

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

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

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

Variable Compensation – Long Term Incentive (LTI)

Objective

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

Company Results

REMUNERATION REPORT (CONTINUED) – AUDITED

Key Management Personnel and the five highest remunerated specified executives for the year ended 30 June 2011 and 30 June 2010.

	Short term			Post-employment	Share based payments	Long service leave	Termination payments	Total	Percentage performance related
2011 Financial Year:	**Salary and Fees**	**Bonus**	**Non Monetary Benefits**	**Superannuation**	**Options**				
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**%**
Directors:									
Richard Graham	**115,000**	**-**	**-**	**10,350**	**-**	**-**	**-**	**125,350**	**-**
Myer Herszberg	**56,300**	**-**	**-**	**5,067**	**-**	**-**	**-**	**61,367**	**-**
Frances Hernon	**56,250**	**-**	**-**	**5,062**	**-**	**-**	**-**	**61,312**	**-**
Gary Martin**	**50,000**	**-**	**-**	**4,500**	**4,230**	**833**	**101,538**	**161,102**	**-**
Andrew Moffat***	**20,553**	**-**	**-**	**1,947**	**-**	**-**	**-**	**22,500**	**-**
Executives:									
Karen Blunden****	**128,956**	**24,653**	**718**	**-**	**5,175**	**-**	**-**	**159,501**	**15%**
Nick Georges	**190,000**	**33,250**	**-**	**17,126**	**1,056**	**3,167**	**-**	**244,599**	**14%**
Andrew Pattinson	**280,000**	**39,200**	**-**	**25,200**	**1,589**	**4,667**	**-**	**350,656**	**11%**
Jonathan Pollard	**208,889**	**36,000**	**-**	**18,800**	**1,644**	**2,100**	**-**	**267,433**	**13%**
Michael Roach	**200,000**	**28,000**	**-**	**18,000**	**1,512**	**3,333**	**-**	**250,845**	**11%**
	1,305,947	**161,103**	**718**	**106,052**	**15,206**	**14,100**	**101,538**	**1,704,665**	
2010 Financial Year:									
Directors:									
Richard Graham	115,000	-	-	10,350	-	-	-	125,350	-
Gary Martin	300,000	60,000	-	27,000	14,976	5,000	-	406,976	15%
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	280,000	36,800	-	25,200	3,629	4,667	-	350,296	10%
Michael Bodner*	240,038	-	13,840	-	8,770	-	130,930	393,578	-
Michael Roach	200,000	32,000	-	18,000	3,486	3,333	-	256,819	12%
Nick Georges	190,000	29,975	-	17,100	3,744	3,167	-	243,986	12%
Jonathan Pollard	180,000	21,600	-	16,200	5,442	1,800	-	225,042	10%
	1,673,838	180,375	13,840	129,041	40,047	17,967	130,930	2,186,038	

**Resigned 31 May 2010*
***Resigned 31 August 2010*
****Resigned 05 November 2010*
*****Appointed 21 November 2010*

REMUNERATION REPORT (CONTINUED) – AUDITED

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
Nick Georges	1 January 2008	3 years	1 month	1 month
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
Karen Blunden	21 November 2010	3 years	3 months	3 months

Shares issued on exercise of compensation options (Consolidated)

No options were exercised during the year.

Compensation options: Granted during the year 30 June 2011

Terms and Conditions for each Grant					
Executives	Options Issued No.	Grant date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date
Karen Blunden	250,000	21/11/2010	0.058	0.245	20/12/2013

Compensation options: Vested during the year 30 June 2011

Terms and Conditions for each Grant						Vested	
Executives	Options Issued Number	Grant date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date	No.	%
Jonathan Pollard	250,000	1/10/2008	0.061	0.37	31/10/2011	166,667	66.6%
Michael Roach	250,000	1/1/2009	0.032	0.29	5/1/2012	166,667	66.6%
Andrew Pattinson	250,000	1/2/2009	0.031	0.29	5/2/2012	166,667	66.6%
Karen Blunden	250,000	21/11/10	0.058	0.245	20/12/13	0	0.0%
Total	1,000,000					500,001	50.0%

COMPANY RESULTS

REMUNERATION REPORT (CONTINUED) – AUDITED

Compensation options: Granted and vested during the year 30 June 2010

Terms and Conditions for each Grant						Vested	
	Options Issued Number	Grant date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date	No.	%
Directors							
Gary Martin	1,000,000	1/1/2008	0.078	0.53	5/2/2011	666,666	66.6%
Executives							
Nick Georges	250,000	1/1/2008	0.078	0.53	5/2/2011	166,666	66.6%
Jonathan Pollard	250,000	1/10/2008	0.061	0.37	31/10/2011	83,333	33.3%
Michael Roach	250,000	1/01/2009	0.032	0.29	5/01/2012	83,333	33.3%
Andrew Pattinson	250,000	1/02/2009	0.031	0.29	5/02/2012	83,333	33.3%
Total	**2,000,000**					**1,083,331**	**54.2%**

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**	**3**
Number of meetings attended:		
Richard Graham	9	-
Gary Martin*	2	-
Myer Herszberg	7	3
Frances Hernon	9	3
Andrew Moffat**	4	1

**Resigned 31 August 2010*
***Resigned 5 November 2010*

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

The Directors received an auditor's independence declaration from the auditor of the Company (refer page 26).

Signed in accordance with a resolution of the Directors.

Richard David Graham
Chairman
Sydney, 23 August 2011

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Auditor's Independence Declaration to the Directors of Infomedia Ltd

In relation to our audit of the financial report of Infomedia Ltd for the financial year ended 30 June 2011, 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

Ernst & Young

JHaydon

J K Haydon
Partner
23 August 2011

Company Results

YEAR ENDED 30 June 2011	Notes	CONSOLIDATED	
		2011	2010
		$'000	$'000
Sales revenue		**44,093**	45,339
Foreign exchange movement on hedges closed out during the period		**4,821**	5,181
		48,914	50,520
Cost of sales	3(I)	**(19,769)**	(21,904)
Gross Profit		**29,145**	28,616
Finance revenue		**184**	103
Employee benefits expense	3(II)	**(8,944)**	(10,705)
Depreciation and amortisation	3(III)	**(5,616)**	(3,745)
Finance costs		**-**	(36)
Operating lease rental		**(1,246)**	(1,167)
Other income/(expenses)		**(167)**	1,431
Profit before income tax		**13,356**	14,497
Income tax expense	4	**(3,317)**	(3,161)
Profit after income tax		**10,039**	11,336
Other comprehensive income			
Foreign currency translation differences for foreign operations		**141**	(290)
Effective cashflow hedges movement recognised in equity		**(656)**	(857)
Other comprehensive income/(expense) for the period, net of tax		**(515)**	(1,147)
Total comprehensive income for the period		**9,524**	10,189
Basic earnings per share (cents per share)	5	**3.31**	3.66
Diluted earnings per share (cents per share)	5	**3.31**	3.66
Dividends per share – ordinary (cents per share)	6	**2.40**	2.40

Company Results

AT 30 June 2011	Notes	CONSOLIDATED	
		2011	2010
CURRENT ASSETS		$'000	$'000
Cash and cash equivalents	17(b)	8,820	5,789
Trade and other receivables	7	4,044	4,160
Inventories	8	48	56
Prepayments		2,517	2,507
Derivatives	26	2,091	3,028
TOTAL CURRENT ASSETS		17,520	15,540
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,408	1,305
Prepayments		-	751
Intangible assets and goodwill	10	28,875	28,696
TOTAL NON-CURRENT ASSETS		30,283	30,752
TOTAL ASSETS		47,803	46,292
CURRENT LIABILITIES			
Trade and other payables	12	2,667	3,738
Provisions	13	1,770	2,000
Income tax payable		1,525	626
Deferred revenue	14	356	481
TOTAL CURRENT LIABILITIES		6,318	6,845
NON-CURRENT LIABILITIES			
Provisions	15	395	306
Deferred tax liabilities	4	5,425	5,400
TOTAL NON-CURRENT LIABILITIES		5,820	5,706
TOTAL LIABILITIES		12,138	12,551
NET ASSETS		35,665	33,741
EQUITY			
Contributed equity	16	10,798	11,131
Reserves	16	2,661	3,161
Retained profits		22,206	19,449
TOTAL EQUITY		35,665	33,741

Company Results

YEAR ENDED 30 June 2011	Notes	CONSOLIDATED	
		2011	2010
		$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**49,459**	51,294
Payments to suppliers and employees		**(36,171)**	(40,348)
Interest received		**184**	103
Income tax paid		**(2,152)**	(875)
NET CASH FLOWS FROM OPERATING ACTIVITIES	17 (a)	**11,320**	10,174
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		**(674)**	(395)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(674)**	(395)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share buy back payment	16	**(333)**	(1,732)
Dividends paid on ordinary shares	6	**(7,282)**	(10,263)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(7,615)**	(11,995)
NET INCREASE/(DECREASE) IN CASH HELD		**3,031**	(2,216)
Add opening cash brought forward		**5,789**	8,005
CLOSING CASH CARRIED FORWARD	17 (b)	**8,820**	5,789

Company Results

YEAR ENDED 30 June 2011	CONSOLIDATED					
	Contributed equity	**Retained earnings**	**Employee equity benefits reserve**	**Cashflow hedge reserve**	**Foreign currency translation reserve**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 1 July 2010	**11,131**	**19,449**	**1,195**	**2,119**	**(153)**	**33,741**
Profit for the period	**-**	**10,039**	**-**	**-**	**-**	**10,039**
Other comprehensive income	**-**	**-**	**-**	**(656)**	**141**	**(515)**
Total comprehensive income for the year	**-**	**10,039**	**-**	**(656)**	**141**	**9,524**
Share based payments	**-**	**-**	**15**	**-**	**-**	**15**
Share buy back	**(333)**	**-**	**-**	**-**	**-**	**(333)**
Equity dividends	**-**	**(7,282)**	**-**	**-**	**-**	**(7,282)**
At 30 June 2011	**10,798**	**22,206**	**1,210**	**1,463**	**(12)**	**35,665**

YEAR ENDED 30 June 2010	CONSOLIDATED					
	Contributed equity	Retained earnings	Employee equity benefits reserve	Cashflow hedge reserve	Foreign currency translation reserve	Total
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 July 2009	12,863	18,376	1,152	2,976	137	35,504
Profit for the period	-	11,336	-	-	-	11,336
Other comprehensive income	-	-	-	(857)	(290)	(1,147)
Total comprehensive income for the year	-	11,336	-	(857)	(290)	10,189
Share based payments	-	-	43	-	-	43
Share buy back	(1,732)	-	-	-	-	(1,732)
Equity dividends	-	(10,263)	-	-	-	(10,263)
At 30 June 2010	11,131	19,449	1,195	2,119	(153)	33,741

Company Results

30 June 2011

1. CORPORATE INFORMATION

The financial report of Infomedia Ltd for the year ended 30 June 2011 was authorised for issue in accordance with a resolution of the Directors on 23 August 2011.

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

(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 2010 have been reviewed and it has been determined that those new/revised standards and interpretations do not have a material effect on the measurement and recording of items in the balance sheet and statement of comprehensive income.

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 intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Subsidiaries are consolidated from the date on which control is transferred to the Company and cease to be consolidated from the date on which control is transferred out of the Company. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which Infomedia Ltd has control.

(d) Significant accounting judgments, 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:

COMPANY RESULTS

30 June 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Impairment of goodwill

The Company determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units to which the goodwill and intangibles with indefinite useful lives are allocated. The assumptions used in this estimation of recoverable amount and the carrying amount of goodwill and intangibles with indefinite useful lives are discussed in Note 11.

- 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 19.

- Research & Development

Development costs are only capitalised by the Group when it is assessed that the technical feasibility of completing the intangible asset is valid so that the asset will be available for use or sale. Refer to note 2(k) for further discussion.

(e) Foreign currency translation

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.

30 June 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 uncollectable 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.

(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 categories are listed below:

Loans and receivables

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

Investments in Subsidiaries

Investments in subsidiaries are recorded at cost.

(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.

(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 costs are expensed as incurred. Development 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

30 June 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Intangible assets (continued)

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).

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:

30 June 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Major depreciation periods are:

	2011	2010
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) 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

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.

30 June 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

(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. Derivative financial instruments are measured at fair value.

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 contacts 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 Limited 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.

30 June 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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

30 June 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Income tax (continued)

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 groups 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.

(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 cashflows.

(iii) Post employment and termination benefits

A Superannuation expense at 9% of salaries is recognised on a straight line basis. Termination benefits are recognised at the point of being incurred where relevant.

(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').

30 June 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Share-based payment transactions (continued)

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.

(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.

Company Results

30 June 2011	Notes	CONSOLIDATED 2011 $'000	2010 $'000
3. EXPENSES			
(i) Cost of sales			
Direct wages		**12,307**	13,413
Other		**7,462**	8,491
Total cost of sales		**19,769**	21,904
(ii) Employee benefit expense			
Salaries and wages (including on-costs)		**8,934**	10,662
Share based payment expense	19	**10**	43
Total employee benefit expense		**8,944**	10,705
(iii) Depreciation and amortisation			
Depreciation of non-current assets:			
- Leasehold improvements		**30**	106
- Office equipment		**368**	510
- Furniture and fittings		**40**	30
- Plant and equipment		**112**	131
Total depreciation of non-current assets		**550**	777
Amortisation of non-current assets			
- Intellectual property		**147**	147
- Deferred development costs		**4,919**	2,821
Total amortisation of non-current assets		**5,066**	2,968
Total depreciation and amortisation		**5,616**	3,745
(iv) Research & development costs			
Total research & development costs incurred during the period		**9,312**	9,683
Less: development costs deferred	10	**(5,245)**	(6,688)
Net research and development costs expensed		**4,067**	2,995

Company Results

30 June 2011	CONSOLIDATED	
	2011	2010
4. INCOME TAX	**$'000**	$'000
The major components of income tax expense are:		
Income statement		
Current income tax		
Current income tax charge	**3,089**	2,415
Adjustments in respect of current income tax of previous years.	**(78)**	(488)
Deferred income tax		
Relating to origination and reversal of temporary differences	**306**	1,234
Income tax expense reported in the income statement	**3,317**	3,161
(b) Disclosure of tax effects relating to each component of other comprehensive income		
Movement in cash flow hedges	**(281)**	(367)
	(281)	(367)
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	**13,356**	14,497
At the Company's statutory income tax rate of 30% (2010: 30%)	**4,007**	4,349
Adjustments in respect of income tax of previous years	**(153)**	(677)
Additional research and development deduction	**(606)**	(596)
Expenditure not allowable for income tax purposes	**69**	85
Income tax expense reported in the income statement	**3,317**	3,161

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.

Company Results

30 June 2011	BALANCE SHEET		INCOME STATEMENT	
4. INCOME TAX (CONTINUED)	**2011**	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Deferred income tax				
Deferred income tax at 30 June relates to the following:				
CONSOLIDATED				
Deferred tax liabilities				
Derivatives	**(627)**	(908)	**-**	-
Deferred development costs	**(6,065)**	(5,965)	**100**	1,160
Intellectual property	**(37)**	(81)	**(44)**	(44)
Other	**-**	(78)	**(78)**	78
Gross deferred income tax liabilities	**(6,729)**	(7,032)		
CONSOLIDATED				
Deferred tax assets				
Allowance for doubtful debts	**19**	46	**27**	102
Other payables	**115**	145	**30**	62
Employee entitlement provisions	**495**	737	**242**	(112)
Other provisions	**420**	461	**41**	(115)
Currency exchange	**255**	243	**(12)**	103
Gross deferred income tax assets	**1,304**	1,632		
Deferred tax income/ (expense)			**306**	1,234

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:

30 June 2011	CONSOLIDATED	
	2011	2010
	$'000	$'000
Net profit attributable to equity holders from continuing operations	**10,039**	11,336
	Number of shares	Number of shares
Weighted average number of ordinary shares for basic earnings per share	**303,483,292**	309,754,267
Effect of dilution:		
Share options	**-**	24,417
Adjusted weighted average number of ordinary shares for diluted earnings per share	**303,483,292**	309,778,684

Since the reporting date, prior to the completion of these financial statements, the company has not repurchased any further shares through its buy back program.

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 1,000,000 (2010: 1,650,000)

Company Results

30 June 2011	CONSOLIDATED	
	2011	2010
6. DIVIDENDS PROPOSED OR PAID	**$'000**	$'000
(a) Dividends paid during the year:		
Interim dividend – 1.2 cents fully franked (2010: 1.2 cents unfranked) per share	**3,641**	3,729
Prior year final dividend – 1.2 cents unfranked (2010: 2.1 cents, franked at 0.7c) per share	**3,641**	6,534
Total dividends paid during the year	**7,282**	10,263
(b) Dividends proposed and not recognised as a liability:		
Final dividend – 1.2 cents fully franked. (2010: 1.2 cents, unfranked) per share	**3,639**	3,644
(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	**716**	92
– franking credits that will arise from the payment of income tax payable as at the end of the financial year	**1,647**	864
	2,363	956

If fully franked, the tax rate on dividends is 30% (2010: 30%).

30 June 2011	CONSOLIDATED	
7. TRADE AND OTHER RECEIVABLES (CURRENT)	**2011**	2010
	$'000	$'000
Trade debtors	**4,133**	4,330
Allowance for impairment loss (a)	**(136)**	(218)
	3,997	4,112
Other debtors	**47**	48
	4,044	4,160

(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 of $41,000 (2010: $283,000 gain) has been recognised by the group in the current year. These amounts have been included in the other expenses item. 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:

	2011	2010
At 1 July	**218**	644
Charge/(release) for the year	**41**	(283)
Foreign exchange translation	**7**	(16)
Amounts written off	**(130)**	(127)
At 30 June	**136**	218

At 30 June the ageing 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*
2011	**Consolidated**	**4,133**	**3,630**	**42**	**310**	**30**	**57**	**64**
2010	Consolidated	4,330	3,714	22	188	13	210	183

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

Company Results

30 June 2011	CONSOLIDATED	
	2011	2010
8. INVENTORIES	**$'000**	$'000
Raw materials		
At cost	**48**	56
Total inventories at the lower of cost and net realisable value	**48**	56

30 June 2011	CONSOLIDATED	
	2011	2010
9. PROPERTY, PLANT & EQUIPMENT	**$'000**	$'000
(a)		
Leasehold improvements		
At cost	**428**	428
Accumulated amortisation	**(402)**	(373)
	26	55
Office equipment		
At cost	**7,336**	6,845
Accumulated depreciation	**(6,308)**	(6,003)
	1,028	842
Furniture and fittings		
At cost	**380**	403
Accumulated depreciation	**(193)**	(161)
	187	242
Plant and equipment		
At cost	**3,251**	3,137
Accumulated depreciation	**(3,084)**	(2,971)
	167	166
Total property, plant and equipment		
At cost	**11,395**	10,813
Accumulated depreciation and amortisation	**(9,987)**	(9,508)
Total written down amount	**1,408**	1,305

Company Results

30 June 2011	CONSOLIDATED	
9. PROPERTY, PLANT & EQUIPMENT (CONTINUED)	**2011**	2010
	$'000	$'000
(b) Reconciliation of property, plant and equipment carrying values		
Leasehold Improvements		
Carrying amount – opening balance	**55**	306
Additions	**-**	-
Disposals	**-**	(145)
Depreciation	**(29)**	(106)
Carrying amount – closing balance	**26**	55
Office equipment		
Carrying amount – opening balance	**842**	1,209
Additions	**561**	148
Disposals	**(6)**	(5)
Depreciation	**(369)**	(510)
Carrying amount – closing balance	**1,028**	842
Furniture and fittings		
Carrying amount – opening balance	**242**	141
Additions	**-**	131
Disposals	**(15)**	-
Depreciation	**(40)**	(30)
Carrying amount – closing balance	**187**	242
Plant and equipment		
Carrying amount – opening balance	**166**	181
Additions	**113**	116
Depreciation	**(112)**	(131)
Carrying amount – closing balance	**167**	166
Total property, plant and equipment		
Carrying amount – opening balance	**1,305**	1,837
Additions	**674**	395
Disposals	**(21)**	(150)
Depreciation	**(550)**	(777)
Carrying amount – closing balance	**1,408**	1,305

Company Results

30 June 2011	CONSOLIDATED			
	Development costs[1]	Intellectual Property[2]	Goodwill [2]	Total
	$'000	$'000	$'000	$'000
10. INTANGIBLE ASSETS AND GOODWILL				
At 1 July 2010				
Cost (gross carrying amount)	28,671	2,537	8,541	39,749
Accumulated amortisation	(8,786)	(2,267)	-	(11,053)
Net carrying amount	19,885	270	8,541	28,696
Year ended 30 June 2011				
At 1 July 2010, net of accumulated amortisation and impairment	19,885	270	8,541	28,696
Additions	5,245	-	-	5,245
Amortisation	(4,919)	(147)	-	(5,066)
At 30 June 2011, net of accumulated amortisation and impairment	20,211	123	8,541	28,875
At 30 June 2011				
Cost (gross carrying amount)	33,916	2,537	8,541	44,994
Accumulated amortisation	(13,705)	(2,414)	-	(16,119)
Net carrying amount	20,211	123	8,541	28,875

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 3 years.

Company Results

30 June 2011	CONSOLIDATED			
	Development costs[1]	Intellectual Property[2]	Goodwill [2]	Total
	$'000	$'000	$'000	$'000
10. INTANGIBLE ASSETS AND GOODWILL (CONTINUED)				
At 1 July 2009				
Cost (gross carrying amount)	21,983	2,537	8,541	33,061
Accumulated amortisation	(5,965)	(2,120)	-	(8,085)
Net carrying amount	16,018	417	8,541	24,976
Year ended 30 June 2010				
At 1 July 2009, net of accumulated amortisation and impairment	16,018	417	8,541	24,976
Additions	6,688	-	-	6,688
Amortisation	(2,821)	(147)	-	(2,968)
At 30 June 2010, net of accumulated amortisation and impairment	19,885	270	8,541	28,696
At 30 June 2010				
Cost (gross carrying amount)	28,671	2,537	8,541	39,749
Accumulated amortisation	(8,786)	(2,267)	-	(11,053)
Net carrying amount	19,885	270	8,541	28,696

30 June 2011

11. 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 24) for impairment testing as follows:

- Asia Pacific;
- Europe;
- North America; and
- 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 2011 based on financial budgets approved by The Board for the 2012 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% (2010: 14%). The discount rate reflects management estimate of the time value of money and the rates specific to the unit.

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

	Asia Pacific	Europe	North America	Latin and South America	Total 2011	Total 2010
	$'000	$'000	$'000	$'000	**$'000**	$'000
CONSOLIDATED						
Carrying amount of goodwill	1,938	4,074	1,954	575	**8,541**	8,541

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.
- Management has used an AUD/USD exchange rate of $1.07 and an AUD/EUR exchange rate of $0.74 in its cash flow projections.

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 they have 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 $1.20 and an AUD/EUR exchange rate of $0.85 still yields the recoverable amount to be above its carrying amount.

COMPANY RESULTS

30 June 2011	Notes	CONSOLIDATED	
		2011	2010
12. TRADE AND OTHER PAYABLES (CURRENT)		**$'000**	$'000
Trade creditors	12(a)	**326**	1,027
Other creditors		**2,341**	2,711
		2,667	3,738
(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.			
13. PROVISIONS (CURRENT)			
Employee benefits	15(c)	**1,770**	2,000
Provision for non-cancellable surplus lease space and other lease incentives	15(a)	**-**	-
		1,770	2,000
14. DEFERRED REVENUE (CURRENT)			
Revenue in advance		**356**	481
		356	481

COMPANY RESULTS

30 June 2011	Notes	CONSOLIDATED	
		2011	2010
15. PROVISIONS (NON-CURRENT)		**$'000**	$'000
Employee benefits		**395**	306
Provision for non-cancellable surplus lease space and other lease incentives	15(a)	**-**	-
Make good provision	15(b)	**-**	-
		395	306
(a) Movement in non-cancellable surplus lease space and other lease incentives provision:			
Carrying amount at the beginning of the year		**-**	619
Utilised		**-**	(226)
Reversal of provision due to new lease and revision of terms		**-**	(422)
Discount rate adjustment		**-**	29
Carrying amount at the end of the year		**-**	-
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
Arising during the year		**-**	-
Reversal of provision due to new lease and revision of terms		**-**	(500)
Carrying amount at the end of the year		**-**	-
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		**2,306**	2,389
Utilised		**(1,512)**	(1,798)
Arising during the year		**1,371**	1,715
Carrying amount at the end of the year		**2,165**	2,306
Current	13	**1,770**	2,000
Non-current		**395**	306
		2,165	2,306

Company Results

30 June 2011	CONSOLIDATED	
	2011	2010
16. CONTRIBUTED EQUITY AND RESERVES	**$'000**	$'000
Ordinary shares	**10,798**	11,131
	10,798	11,131

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 2009	311,269,994	12,863
Shares repurchased	(6,694,918)	(1,732)
At 30 June 2010	304,575,076	11,131
Shares repurchased	(1,298,221)	(333)
At 30 June 2011	303,276,855	10,798

On 1 April 2008 the company commenced a share buy back (on market within 10/12 limit). This was reinitiated on 1 April 2009 and 1 April 2010. As at 30 June 2011 the company had repurchased 22,694,717 shares for a total consideration of $6,939,000.

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 2011 financial year, the company paid dividends of $7.3 million (2010: $10.3 million).

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

16. CONTRIBUTED EQUITY AND RESERVES (CONTINUED)

Employee Option Plan

There were 250,000 (2010: nil) options issued during the current year at an average exercise price of $0.245 (2010: $nil).

30 June 2011	CONSOLIDATED			
	Employee equity benefits reserve	Foreign currency translation reserve	Cash flow hedge reserve	Total
	$'000	$'000	$'000	$'000
Movement in reserves:				
At 1 July 2009	1,152	137	2,976	4,265
Currency translation differences	-	(290)	-	(290)
Share based payments	43	-	-	43
Derivatives marked to market	-	-	(857)	(857)
At 30 June 2010	**1,195**	**(153)**	**2,119**	**3,161**
Currency translation differences	**-**	**141**	**-**	**141**
Share based payments	**15**	**-**	**-**	**15**
Derivatives marked to market	**-**	**-**	**(656)**	**(656)**
At 30 June 2011	**1,210**	**(12)**	**1,463**	**2,661**

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 19 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.

Cashflow hedge 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.

Company Results

30 June 2011	CONSOLIDATED	
	2011	2010
17. STATEMENT OF CASH FLOWS	**$'000**	$'000
(a) Reconciliation of profit after tax to the net cash flows from operations		
Profit from ordinary activities after income tax expense	**10,039**	11,336
Depreciation of non-current assets	**550**	777
Amortisation of non-current assets	**5,066**	2,968
Amortisation of employee options	**15**	43
Disposal of property, plant, and equipment	**21**	150
Changes in assets and liabilities		
(Increase)/decrease in trade and other debtors	**339**	371
(Increase)/decrease in inventories	**8**	(3)
(Increase)/decrease in prepayments	**740**	446
(Increase)/decrease in deferred development costs	**(5,245)**	(6,688)
Increase/(decrease) in trade and other creditors	**(1,070)**	134
Increase/(decrease) in allowance for doubtful debts	**(82)**	(426)
Increase/(decrease) in provision for employee entitlements	**(141)**	(83)
Increase/(decrease) in other provisions	**-**	(1,121)
Increase/(decrease) in income tax payable	**898**	1,013
Increase/(decrease) in deferred income tax liability	**306**	1,234
Increase/(decrease) in revenue in advance	**(124)**	23
Net cash flow from operating activities	**11,320**	10,174
(b) Reconciliation of cash		
Cash balance comprises:		
– cash at bank	**2,478**	898
– cash on deposit	**6,342**	4,891
	8,820	5,789

Company Results

30 June 2011	CONSOLIDATED	
	2011	2010
18. COMMITMENTS & CONTINGENCIES	**$'000**	$'000
(a) Lease expenditure commitments		
Operating leases (non-cancellable):		
Minimum lease payments		
– not later than one year	**1,118**	1,207
– later than one year and not later than five years	**4,598**	3,556
– later than five years	**620**	1,301
– aggregate operating lease expenditure contracted for at balance date	**6,336**	6,064

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 (2010: $700,000) relating to the lease commitments of its corporate headquarters.

19. 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	2011		2010	
		Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	19(a)	**2,150,000**	**$0.45**	2,650,000	$0.44
- granted	19(b)	**250,000**	**$0.245**	-	-
- expired	19(c)	**(1,400,000)**	**$0.51**	(500,000)	$0.42
- exercised	19(d)	**-**	**-**	-	-
Balance at end of year	19(e)	**1,000,000**	**$0.30**	2,150,000	$0.45

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

The following table summarises information about options held by employees at 1 July 2010

Number of options	Grant date	Earliest vesting date	Expiry date	Weighted average exercise price
1,000,000	1/01/2008	1/01/2009	5/02/2011	$0.53
250,000	1/02/2009	1/02/2010	5/02/2012	$0.29
250,000	1/01/2008	1/01/2009	5/02/2011	$0.53
250,000	1/01/2009	1/01/2010	5/01/2012	$0.29
250,000	1/10/2008	1/10/2009	31/10/2011	$0.37
150,000	1/07/2008	1/07/2009	5/11/2011	$0.38

(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
250,000	21/11/2010	20/12/2011	20/12/2013	$0.245

(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
1,000,000	1/01/2008	1/01/2009	5/02/2011	$0.53
250,000	1/01/2008	1/01/2010	5/02/2011	$0.53
150,000	1/07/2008	1/07/2009	5/11/2011	$0.38

(d) Options exercised during the year:

There were no options exercised during the year.

19. SHARE BASED PAYMENT PLANS (CONTINUED)

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

The following table summarises information about options held by employees at 30 June 2011:

Number of options	Grant date	Earliest vesting date	Expiry date	Weighted average exercise price
250,000	1/02/2009	1/02/2010	5/02/2012	$0.29
250,000	1/01/2009	1/01/2010	5/01/2012	$0.29
250,000	1/10/2008	1/10/2009	31/10/2011	$0.37
250,000	21/11/2010	20/12/2011	20/12/2013	$0.245

(e) Other details regarding options:

The weighted average fair value of options granted during the year was $0.058 (2010: $nil).

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 1/10/2008	Granted 1/1/2009	Granted 1/2/2009	Granted 21/11/2010
Dividend yield (%)	7.5%	10.0%	10.0%	7.5%
Expected volatility (%)	35%	35%	35%	44%
Risk free rate (%)	5.14%	3.21%	2.84%	5.59%
Option exercise price	$0.37	$0.29	$0.29	$0.245
Weighted average share price at grant date	$0.38	$0.29	$0.29	$0.245

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

30 June 2011	CONSOLIDATED	
	2011	2010
	$'000	$'000
Expense arising from equity-settled share-based payment transactions	**15**	43

20. 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 2011 were 9% (2010: 9%) of employee's wages and salaries which are legally enforceable in Australia. The superannuation plans provide accumulation benefits.

COMPANY RESULTS

21. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Compensation of Key Management Personnel

(i) Compensation by Category: Key Management Personnel

30 June 2011	CONSOLIDATED	
	2011	2010
	$	$
Short-Term	**1,467,768**	1,868,053
Post Employment	**106,053**	129,041
Other Long-Term	**14,100**	17,967
Termination benefits	**101,538**	130,930
Share-based Payments	**15,206**	40,047
	1,704,665	2,186,038

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

30 June 2011	Balance at beginning of period	Granted as compensation	Options exercised	Expired	Balance at end of period	Vested at 30 June 2011		
	1 July 2010				30 June 2011	Total	Not exercisable	Exercisable
Directors								
Gary Martin**	**1,000,000**	**-**	**-**	**(1,000,000)**	**-**	**-**	**-**	**-**
Executives								
Karen Blunden***	**-**	**250,000**	**-**	**-**	**250,000**	**-**	**-**	**-**
Nick Georges	**250,000**	**-**	**-**	**(250,000)**	**-**	**-**	**-**	**-**
Michael Roach	**250,000**	**-**	**-**	**-**	**250,000**	**166,667**	**166,667**	**-**
Andrew Pattinson	**250,000**	**-**	**-**	**-**	**250,000**	**166,667**	**166,667**	**-**
Jonathan Pollard	**250,000**	**-**	**-**	**-**	**250,000**	**166,667**	**166,667**	**-**
	2,000,000	**250,000**	**-**	**(1,250,000)**	**1,000,000**	**500,001**	**500,001**	**-**

30 June 2010	Balance at beginning of period	Granted as compensation	Options exercised	Net change other	Balance at end of period	Vested at 30 June 2010		
	1 July 2009				30 June 2010	Total	Not exercisable	Exercisable
Directors								
Gary Martin	1,000,000	-	-	-	1,000,000	666,666	666,666	-
Executives								
Michael Bodner*	500,000	-	-	(500,000)	-	-	-	-
Nick Georges	250,000	-	-	-	250,000	166,666	166,666	-
Michael Roach	250,000	-	-	-	250,000	83,333	83,333	-
Andrew Pattinson	250,000	-	-	-	250,000	83,333	83,333	-
Jonathan Pollard	250,000	-	-	-	250,000	83,333	83,333	-
	2,500,000	-	-	(500,000)	2,000,000	1,083,331	1,083,331	-

** Resigned 31 May 2010.*

*** Resigned 31 August 2010*

**** Appointed 21 November 2010*

21. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(c) Shareholdings of Key Management Personnel

30 June 2011 Number of shares held in Infomedia Ltd	Balance 30 June 2010	Granted as compensation	On exercise of options	Net change other	Balance 30 June 2011
Directors					
Richard Graham	**103,004,060**	**-**	**-**	**386,841**	**103,390,901**
Myer Herszberg	**23,421,589**	**-**	**-**	**-**	**23,421,589**
Gary Martin*	**655,590**	**-**	**-**	**(655,590)**	**-**
Frances Hernon	**5,000**	**-**	**-**	**-**	**5,000**
Andrew Moffat**	**300,000**	**-**	**-**	**(300,000)**	**-**
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**
Karen Blunden***	**-**	**-**	**-**	**-**	**-**
Total	**129,878,944**	**-**	**-**	**(568,749)**	**129,310,195**

** Resigned 31 May 2010.*

*** Resigned 31 August 2010*

**** Appointed 21 November 2010*

30 June 2010 Number of shares held in Infomedia Ltd	Balance 1 July 2009	Granted as compensation	On exercise of options	Net change other	Balance 30 June 2010
Directors					
Richard Graham	102,204,060	-	-	800,000	103,004,060
Myer Herszberg	23,421,589	-	-	-	23,421,589
Gary Martin*	607,590	-	-	48,000	655,590
Frances Hernon	5,000	-	-	-	5,000
Andrew Moffat**	-	-	-	300,000	300,00
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	128,730,944	-	-	1,148,000	129,878,944

** Resigned 31 May 2010.*

*** Resigned 31 August 2010*

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.

21. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(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.

22. AUDITORS' REMUNERATION

	CONSOLIDATED	
	2011	2010
	$	$
Amounts received or due and receivable by the auditors of Infomedia Ltd for:		
– an audit or review of the financial report of the entity and any other entity in the consolidated entity	**159,650**	180,250
– corporate advisory consulting services in relation to the entity and any other entity in the consolidated entity	**-**	47,825
	159,650	228,075

23. RELATED PARTY DISCLOSURES

Ultimate Parent

Infomedia Ltd is the ultimate Australian parent company

Wholly-owned group transactions

(a) An unsecured, trade receivable of $270,693 (2010: $481,545) remains owing to IFM Europe Ltd from Infomedia Ltd.

(b) An unsecured, trade receivable of $1,520,419 (2010: $1,650,603) remains owing from IFM North America Inc. to Infomedia Ltd.

(c) During the year Infomedia Ltd received $15,475,220 (2010: $16,817,282) from IFM Europe Ltd for intra-group sales.

(d) During the year Infomedia Ltd received $7,113,411 (2010: $7,467,452) from IFM North America Inc. for intra-group sales

(e) During the year IFM Europe paid $483,820 (2010: $547,159) 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 34.10% of the ordinary shares in Infomedia Ltd (2010: 33.82%).

Related party transactions

During the year, Richard Graham provided human resource services to the Company on a consulting basis. The cost of these services was $2,954 and they were provided on normal commercial terms.

Company Results

24. SEGMENT INFORMATION

30 June 2011	Notes	Asia Pacific	Europe	North America	Latin and South America	Corporate	Total
		$'000	$'000	$'000	$'000	$'000	$'000
Business Segments							
Revenue							
Sales revenue		11,837	19,847	9,880	2,529	-	44,093
Consolidated revenue							44,093
Segment result		8,740	15,028	6,292	2,054	(18,942)	13,172
Finance revenue		-	-	-	-	184	184
Consolidated profit before income tax		8,740	15,028	6,292	2,054	(18,758)	13,356
Income tax expense	4						(3,317)
Consolidated profit after income tax							10,039
Assets							
Segment assets		-	1,759	897	-	-	2,656
Unallocated assets							45,147
Total assets							47,803
Liabilities							
Segment liabilities		-	611	219	-	-	830
Unallocated liabilities							11,308
Total liabilities							12,138
Capital Expenditure		-	-	-	-	674	674
Amortisation		-	-	-	-	5,066	5,066
Depreciation		-	7	77	-	466	550

Company Results

24. SEGMENT INFORMATION (CONTINUED)

30 June 2010	Notes	Asia Pacific	Europe	North America	Latin and South America	Corporate	Total
		$'000	$'000	$'000	$'000	$'000	$'000
Business Segments							
Revenue							
Sales revenue		10,285	21,627	10,374	3,053	-	45,339
Consolidated revenue							45,339
Segment result		6,796	16,221	5,955	2,329	(16,871)	14,430
Finance revenue		-	-	-	-	103	103
Finance costs		-	-	-	-	(36)	(36)
Consolidated profit before income tax		6,796	16,221	5,955	2,329	(16,804)	14,497
Income tax expense	4						(3,161)
Consolidated profit after income tax							11,336
Assets							
Segment assets		-	2,166	(512)	-	-	1,654
Unallocated assets							44,638
Total assets							46,292
Liabilities							
Segment liabilities		-	788	457	-	-	1,245
Unallocated liabilities							11,306
Total liabilities							12,551
Capital Expenditure		-	-	228	-	167	395
Amortisation		-	-	-	-	2,968	2,968
Depreciation		56	10	87	-	624	777

Identification of reportable segments

The group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the region in which the product is sold. Discrete financial information about each of these operating businesses is reported to the Board of Directors regularly.

The reportable segments are based on aggregated operating segments determined by the similarity of the products produced and sold as these are the sources of the Group's major risks and have the most effect on the rates of return.

Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in note 2 to the accounts and in the prior period.

The group accounting policies for segments are applied to the respective segments up to the segment result level.

Major customers

The Group has many customers to which it provides products. There is no significant reliance of any single customer.

25. 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 and range forward 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.

(a) 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 $8,820,000 (2010: $5,789,000) 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 other comprehensive income.

(b) 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 40% of the Company's sales are denominated in United States Dollars and 40% are denominated in Euros (measured using the spot foreign exchange rates in existence in the current financial year). 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 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 2011, the Group had the following exposure to US$ foreign currency that is not designated in cash flow hedges:

	Consolidated	
	2011	2010
	$'000	$'000
Financial Assets		
Cash and cash equivalents	**811**	11
Derivatives	**1,406**	1,585
	2,217	1,596

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

At 30 June 2011, the Group had the following exposure to EUR foreign currency that is not designated in cash flow hedges:

	Consolidated	
	2011	2010
	$'000	$'000
Financial Assets		
Cash and cash equivalents	**1,013**	3
Derivatives	**605**	1,284
	1,618	1,287

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

At 30 June 2011, 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:

Judgments of reasonably possible movements:

	Post tax profit Higher/(Lower)		Total equity Higher/(Lower)	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Consolidated				
AUD/USD +10%	**(51)**	(1)	**578**	979
AUD/USD – 15%	**100**	2	**(575)**	(1,486)
AUD/EUR +10%	**(64)**	-	**529**	651
AUD/EUR – 15%	**125**	-	**(1,004)**	(1,286)

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

(c) 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, 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, collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

(d) Price risk

There are no items on the balance sheet as at 30 June 2011 that are subject price risk.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) 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 balance sheet date other than with respect of its cash flow hedges which are disclosed below. Consequently the remaining contractual maturity of the group 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			
YEAR ENDED 30 JUNE 2011	**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	**8,820**	**-**	**-**	**3.2**
Trade and other receivables	**4,044**	**-**	**-**	**-**
Trade and other payables	**(2,667)**	**-**	**-**	**-**

	CONSOLIDATED			
YEAR ENDED 30 JUNE 2010	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	5,789	-	-	3.7
Trade and other receivables	4,160	-	-	-
Trade and other payables	(3,738)	-	-	-

Interest on cash and cash equivalents 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 that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(f) Fair value

Derivative instruments use valuation techniques other than quoted prices in active markets with only observable market inputs for the asset or liability , either directly (as prices) or indirectly (derived from prices)to determine the fair value of foreign exchange contracts.

Derivative contracts

The following table summarises the forward exchange contracts on hand at 30 June 2011.

	CONSOLIDATED		
Maturity	**Company buys**	**Company sells**	**Exchange rate**
Company sells United States Dollars (USD)	**$A'000**	**USD'000**	
Less than one year	7,585	6,361	0.839
Company sells Euros (E)	**$A'000**	**E'000**	
Less than one year	8,396	5,665	0.675
Company sells United States Dollars (USD)	**$A'000**	**USD'000**	
Greater than one year and not greater than two years	-	-	-
Company sells Euros (E)	**$A'000**	**E'000**	
Greater than one year and not greater than two years	1,420	1,000	0.704

The mark to market valuation of these contracts at 30 June 2011 was $2,055,000 which is booked directly in equity.

The following table summarises the range forward contracts on hand at 30 June 2011.

	CONSOLIDATED		
Maturity	**Company sells**	**Floor rate**	**Ceiling rate**
	USD'000		
Greater than one year and not greater than two years	3,975	0.8825	1.100

The mark to market valuation of these range forwards at 30 June 2011 was $36,000 which has been included in the Statement of Comprehensive Income as Other Income.

There were no range forwards held at 30 June 2010.

Derivative contracts

The following table summarises the forward exchange contracts on hand at 30 June 2010.

	CONSOLIDATED		
Maturity	**Company buys**	**Company sells**	**Exchange rate**
Company sells United States Dollars (USD)	**$A'000**	**USD'000**	
Less than one year	10,700	7,443	0.696
Company sells Euros (E)	**$A'000**	**E'000**	
Less than one year	8,909	5,280	0.593
Company sells United States Dollars (USD)	**$A'000**	**USD'000**	
Greater than one year and not greater than two years	4,258	3,401	0.799
Company sells Euros (E)	**$A'000**	**E'000**	
Greater than one year and not greater than two years	2,714	1,700	0.626

The mark to market valuation of these contracts at 30 June 2010 was $3,028,000, which is booked directly in equity.

COMPANY RESULTS

26. 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	**2011**	2010	**2011**	2010
Financial assets	**$'000**	$'000	**$'000**	$'000
Cash and cash equivalents	**8,820**	5,789	**8,820**	5,789
Trade and other debtors	**4,044**	4,160	**4,044**	4,160
Derivatives	**2,091**	3,028	**2,091**	3,028
Financial liabilities				
Trade and other creditors	**2,667**	3,738	**2,667**	3,738

27. 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.

28. PARENT ENTITY INFORMATION

	Parent Entity	
	2011	2010
	$'000	$'000
Current assets	**14,532**	13,154
Total assets	**46,079**	44,923
Current liabilities	**4,961**	5,674
Total liabilities	**10,709**	11,307
Contributed equity	**10,799**	11,131
Retained earnings	**21,903**	19,171
Employee equity benefit reserve	**1,205**	1,195
Cashflow hedge reserve	**1,463**	2,119
Total shareholders' equity	**35,370**	33,616
Profit or loss of the parent entity	**10,014**	11,765
Total comprehensive income of the parent entity	**9,358**	10,908

Company Results

Directors' Declaration

In accordance with a resolution of the directors of Infomedia Limited, I state that:

In the opinion of the directors:

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

- (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of their performance for the year ended on that date; and
- (ii) complying with Accounting Standards and the Corporations Regulations 2001; and

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2b

(c) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

(d) 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 ending 30 June 2011.

On behalf of the Board

Richard David Graham
Executive Chairman
Sydney
23 August 2011

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Independent auditor's report to the members of Infomedia Ltd

Report on the financial report

We have audited the accompanying financial report of Infomedia Ltd, which comprises the consolidated balance sheet as at 30 June 2011, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, 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 of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 the auditor's 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, the auditor considers 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 complied with 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 financial report.

ERNST & YOUNG

Opinion

In our opinion:

a. the financial report of Infomedia Ltd is in accordance with the *Corporations Act 2001*, including:

   i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

   ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the remuneration report

We have audited the Remuneration Report included in the directors' report, on pages 19 to 25, for the year ended 30 June 2011. 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.

Opinion

In our opinion, the Remuneration Report of Infomedia Ltd for the year ended 30 June 2011, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

J K Haydon
Partner
Sydney
23 August 2011

Company Results

INFOMEDIA LTD

CORPORATE GOVERNANCE STATEMENT FY2011

OVERVIEW

Infomedia continually strives to ensure an acceptable level of compliance with the voluntary governance principles set out in the 'Corporate Governance Principles and Recommendations 2nd Edition' published by the Australian Stock Exchange's (**ASX**) Corporate Governance Committee (the **ASX Principles**).

The ASX Principles are a voluntary code and compliance is not mandatory. Infomedia strives to meet the ASX Principles in a manner consistent with the resources, size and operational scope of the Company. To the extent that Infomedia is non-compliant with particular elements of the voluntary framework, the Company embraces the "If not, why not?" principle, and provides explanatory materials relating to its compliance.

ASX – Corporate Governance Principles

The ASX Principles provide a standard platform from which Infomedia implements and maintains a range of charters, policies and procedures applicable to the Company (the **Policies**). Infomedia's Policies seek to instil and entrench the values, standards and behaviours required to ensure transparency, efficient resource allocation and protection of stakeholder interests. Further information about the Policies is available at *www.infomedia.com.au/CorporateGovernance*

Company Results

CORPORATE GOVERNANCE STATEMENT

1. PARTIAL NON-COMPLIANCE WITH THE ASX PRINCIPLES – "IF NOT, WHY NOT?"

As a voluntary set of guidelines, compliance with the ASX Principles is not mandatory.

In order to encourage participation, and in recognition of the fact that the resources and operating environments vary between participants, the ASX Principles provide organisations with the flexibility to comply in full or in part. This flexibility is tempered by the adoption of the "If not, why not?" principle, requiring the Company to provide reasons for non-compliance with particular parts of the ASX Principles.

Whilst Infomedia strives to meet the ASX Principles, it does so in a manner consistent with the resources available to it, and within the context of its operating environment.

During FY2011, Infomedia was non-compliant with some of the ASX Principles. The following sections contain commentary on the areas of both compliance and non-compliance, and provide relevant commentary in accordance with the "If not, why not?" framework.

2. THE BOARD, SUB-COMMITTEES AND SENIOR MANAGEMENT

2.1 Composition and structure of the Board

The composition and size of Board has been primarily shaped by Infomedia's Constitution. Relevantly, the Constitution provides that:

(a) the Company must maintain a minimum of three and a maximum of seven directors;

(b) 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, retiring directors may offer themselves for re-election.

Careful consideration is given to the contribution each director is able to make both individually and collectively. There is strong emphasis on promoting, among other attributes, an appropriate mix of complementary skills, independence, expertise, business knowledge and executive and non-executive participation.

As noted in the Directors' Report, the Company received formal resignations from the following directors during FY2011:

(a) Mr Gary Martin in his capacity as Chief Executive Officer and Director; and

(b) Mr Andrew Moffat in his capacity as non-executive Director.

At 30 June 2011, the Infomedia Board was comprised of three Directors. The details of each Director's name, terms of office, committee memberships, meeting attendance records, skills experience and expertise, appear herein.

The Company has made progress in filling the vacancy created as a result of Mr Moffat's resignation and will present further information on this point prior to the 2011 Annual General Meeting.

2.2 Independence of the Chair

Following the resignation of the Chief Executive Officer, Mr Richard Graham resumed the role of Executive Chairman of the Company after a six-year absence from the role of CEO. Mr Graham assumed this duty in addition to his continuing role as Chairman of the Board. Mr Graham also remains the Company's largest shareholder.

For the reasons outlined above, the Company does not comply with:

(a) ASX Principle 2.2 – The chair should be an independent Director; and

(b) *ASX Principle 2.3 – The roles of the chair and the chief executive officer should not be exercised by the same individual.*

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 Executive Chairman given his wealth of experience. Additionally, the Board derives comfort from:

(a) the Board Charter which permits Board members to elect a non-executive Director to chair informal discussion meetings of non-executive Directors; and

(b) the ability of the Directors to seek independent professional advice which is made available at the expense of the Company.

2.3 Independence of the Board

ASX Principle 2.1 calls for the majority of the Board to be independent, non-executive Directors.

As currently comprised, the Board has two non-executive Directors in the form of Ms Frances Hernon and Mr Myer Herszberg. Whilst Ms Hernon meets the criteria for independence, Mr Herszberg's independence is technically compromised by his standing as a majority shareholder of the Company. Accordingly, the Company does not comply with ASX Principle 2.1.

However, in light of the relevant quantitative and qualitative considerations, the Board considers Mr Herszberg to be operating with independence and objectivity, notwithstanding his shareholding in the Company.

The independence of the Board is subject to continual evaluation. 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.

2.4 Establishment of nomination and remuneration committees

The ASX Principles recommend that the Board should establish:

(a) a nominations committee for the examination of selection, recruitment and succession practices of the Company (ASX Principle 2.4); and

(b) a remuneration committee to focus on remuneration policies (ASX Principle 8.1).

The Board as a whole has assumed responsibility for remuneration and nomination since July 2007.

Given the relative size and resources available to the Company, the Board is of the view that neither a nominations or a remuneration committee would add any significant corporate governance value for the following reasons:

(a) given the size and structure of the Board, there is little efficiency to be derived from sub-committees other than the Audit, Risk & Governance Committee (**Audit Committee**);

(b) ultimate responsibility for nominations and remuneration rests with the Board whether or not a nomination or remuneration sub-committee is established;

(c) the Board has processes in place to raise issues relating to nomination and remuneration in the form of regular reporting by senior management (including detailed reports from the Human Resources Manager) on such matters; and

(d) the Company maintains a formal policy for the nomination and induction of Directors (Director Nomination and Induction Policy), a summary of which is available on Infomedia's website.

COMPANY RESULTS

The Company has formalised a policy for the nomination and induction of Directors (Director Nomination and Induction Policy), a summary of which is available on the Company website.

2.5 Board charter and responsibilities

A formal charter documenting the appropriate division between the responsibilities of the Board and management has been in place since July 2004. The Charter mandates the Board's focus on the following key matters:

(a) developing the Company's overall objectives;

(b) developing and mandating strategies to achieve Company objectives;

(c) setting overall policy framework within which the business of the Company is conducted; and

(d) ensuring that the Company operates with integrity and in accordance with good management and governance practices.

A summary of the Charter of the Board is available on the Company's website at *www.infomedia.com.au*

2.6 Audit, Risk & Governance Committee

Please refer to section 4.1 below for a report on the activities of the Audit, Risk and Governance Committee.

3. ETHICAL BUSINESS CONDUCT

3.1 Infomedia's Code of Conduct

Since its inception, Infomedia has placed emphasis on personal integrity, mutual respect and ethical business practices as core values (**Core Values**). The Company's dedication to these Core Values was formalised by the introduction of a formal Code of Conduct in 2004. The Code was further refined under the guidance of the Corporate Governance Committee during FY2006 to:

(a) strengthen formal resolution strategies for intra-organisational disputes; and

(b) provide clearer reporting guidelines with regard to compliance mechanisms.

The Infomedia Code of Conduct strengthens the Company's commitment the Core Values by articulating and formally entrenching positive cultural values within the Company, and by providing guidance on dealings with various stakeholders. A summary of the Code of Conduct is available on the Company's website at *www.infomedia.com.au*.

3.2 Securities trading 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. The Policy sets clear directives on share transactions and specifies trading windows at appropriate intervals.

A summary of the policy is available on the Company's website.

Company Results

4. FINANCIAL REPORTING, AUDIT, GOVERNANCE AND RISK MANAGEMENT

4.1 The Audit, Risk & Governance Committee

Infomedia has maintained an Audit Committee in various forms since the year 2000. The current Audit Committee continued to meet throughout FY2011.

During FY2011, the Board received Mr Moffat's resignation as a director of the Company and, by implication, as Chairman of the Audit Committee. The Audit Committee is now comprised of Ms Frances Hernon (Chairperson) and Mr Myer Herszberg.

The Audit Committee's structure and doesn't fully meet ASX Principle 4.2, requiring an audit committee to be structured so that it:

(a) consists only of non-executive directors;

(b) consists of a majority of independent directors;

(c) is chaired by an independent chair, who is not the chair of the board; and

(d) has at least three members.

For the reasons discussed in section 2.3 above, the Board is of the view that the Audit Committee members meet the relevant quantitative and qualitative tests of independence. However, the Audit Committee fails to meet the minimum number of members (i.e. three) as suggested by the ASX Principles.

The Company has made progress in filling the vacancy created after Mr Moffat's resignation in November 2010 and will present further information on this point prior to the 2011 Annual General Meeting.

The objectives of the Board are clearly defined within the Audit Committee's Charter. A summary of the Audit Committee Charter is available via the Company's website.

4.2 Independent auditors

The current Audit Committee acknowledges the importance of external auditor independence and has formalised procedures for the rotation of responsible audit partners from Ernst & Young.

The last rotation of the responsible audit partner occurred in FY2010.

4.3 Financial reporting obligations

The Company's financial reporting obligations for FY2011 were fulfilled in accordance with applicable legal and accounting requirements. For further information, please refer to 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 Executive Chairman and the Chief Financial Officer have provided the Board with the necessary certifications required pursuant to the Corporations Act 2001 (Cth) and the ASX Principles.

4.4 Risk Management

Upon the recommendation of the Audit Committee, the Board adopted the Risk Management Policy in July 2004. Following a review by the Audit and Risk Committee during FY2006, a recommendation was made to the Board to adopt a revised Risk Management Policy and a Risk Management Plan. The revised plans promoted the establishment and implementation of a more effective and appropriate risk management framework for the Company.

Company Results

The revised Risk Management Policy allocates oversight responsibility to the Board and the Audit 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.

During the reporting period, both the Audit Committee and the Board received periodic presentations from management regarding strategies and procedures implemented by the Company to mitigate against significant risks to the business. 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.

5. MARKET DISCLOSURE & SHAREHOLDER RIGHTS

5.1 Market disclosure

During FY2004, the Board adopted a Market Disclosure Policy, developed in accordance with the ASX Principles. A review of the Market Disclosure Policy during the final quarter of FY2006 concluded that both the continuous and periodic reporting obligations imposed under the ASX Listing Rules, and the Company's internal procedures, were well understood by senior management.

Infomedia remains committed to providing relevant, timely and accurate information to the market regarding financial information, performance, ownership and governance. A summary of the Market Disclosure Policy can be found on the Company's website.

5.2 Communicating with shareholders

Through a series of initiatives, Infomedia continues to demonstrate its commitment to promoting effective communication with all shareholders. The Company continues to embrace and develop its online content delivery for shareholders via the Company website where the following documents are located:

- 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;
- relevant notices relating to members' meetings; and
- the Company's July 2000 Prospectus.

Infomedia has considered and adopted, as appropriate to its circumstances, the various methods of electronic communications contemplated by the ASX Principles.

5.3 Shareholder participation

Shareholder participation at general meetings is always encouraged. As usual, Infomedia's independent auditor, Ernst & Young, will be present during the FY2011 Annual General Meeting and will be available to answer shareholder questions at that time.

6. EXECUTIVE & NON-EXECUTIVE REMUNERATION

6.1 Infomedia's remuneration and performance review policies

Upon recommendation of the then Remuneration and Nomination Committee, the Board adopted a Remuneration and Performance Evaluation Policy (**Remuneration Policy**) for Directors and senior executives in July 2004.

The Remuneration 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. Further, it aims to provide a framework for structuring total remuneration that:

(a) facilitates both the short and long term growth and success of the Company;

(b) implements a mixture of fixed, performance and equity based incentives;

(c) is competitive with the market place; and

(d) which is demonstrably linked to the Company's overall performance.

The Company also has two equity based incentive plans:

(a) an Employee Option Plan, applicable to certain eligible employees, including senior executives and executive Directors; and

(b) 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 suspend the Employee Share Plan indefinitely.

Further details of senior executive remuneration under the Employee Option Plan is included in the Remuneration Report.

6.2 Remuneration dichotomy – Executive versus Non-Executive

The Remuneration Policy (refer paragraph 6.1 above) was formulated with regard to the best practice measures contained in the commentary to Principle 8 of the ASX Principles.

The range of remuneration incentives available* to Executive and Non-Executive Directors and staff is summarised in the table below:

Components of Executive Director Remuneration*	Components of Non-Executive Director Remuneration	Components of Non-Executive Staff Remuneration
• Directors' fees • Statutory Superannuation contributions • Incentive payments • Share options • Retirement benefits	• Directors' fees • Statutory Superannuation contributions	• Salary • Statutory Superannuation contributions

** Note – the listed incentives for Executive Directors are optional and at the discretion of the Board*

Company Results

Top 20 Holdings as at 02-09-2011		
Holder Name	Balance at 02-09-2011	%
WISER EQUITY PTY LTD	101,464,342	33.456
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	31,522,385	10.394
YARRAGENE PTY LTD	23,421,589	7.723
CITICORP NOMINEES PTY LIMITED	6,163,492	2.032
MR ANDREW PATTINSON	2,447,567	0.807
J P MORGAN NOMINEES AUSTRALIA LIMITED	2,371,435	0.782
EQUITAS NOMINEES PTY LIMITED <2874398 A/C>	1,866,599	0.615
NATIONAL NOMINEES LIMITED	1,497,580	0.494
TOM HADLEY ENTERPRISES PTY LTD	1,300,000	0.429
MR PETER ALEXANDER BROWN	1,000,000	0.330
WISER CENTRE PTY LTD <WISER CENTRE P/L S/F A/C>	1,000,000	0.330
MR RICHARD GRAHAM	926,559	0.306
SPORRAN LEAN PTY LTD <SPORRAN LEAN S/F A/C>	649,828	0.214
MR PETER PAUL RAUCHFUSS & MRS PATRICIA RAUCHFUSS	595,000	0.196
WAUCHOPE & KILGOUR PTY LTD	595,000	0.196
127 VICTORIA PTY LTD	557,000	0.184
INVESTMENT CUSTODIAL SERVICES LIMITED <C A/C>	528,556	0.174
APPLIED SENSORS PTY LTD <MULLIGAN PENSION FUND A/C>	500,000	0.165
MR DAVID LEROY BOYLES	500,000	0.165
MR PETER ANTHONY MCCARTHY & MRS MAUREEN HELENA MC CARTHY <MCCARTHY FAMILY S/F A/C>	500,000	0.165

Analysis of Holdings as at 02-09-2011			
Security Classes Fully Paid Ordinary Shares			
Holdings Ranges	Holders	Total Units	%
1 – 1,000	382	306,161	0.101
1,001 – 5,000	1,807	5,785,590	1.908
5,001 – 10,000	1,283	10,727,314	3.537
10,001 – 100,000	2,308	72,757,122	23.990
100,001 – 9,999,999,999	202	213,700,668	70.464
Totals	**5,982**	**303,276,855**	**100.000**

Corporate Directory

Infomedia Ltd	357 Warringah Road Frenchs Forest NSW 2086 ABN 63 003 326 243
Telephone:	+61 (02) 9454 1500
Facsimile:	+61 (02) 9454 1844
Internet:	infomedia.com.au
Directors	Richard Graham Frances Hernon Myer Herszberg
Company Secretary	Nick Georges
Chief Financial Officer	Jonathan Pollard
Registered Office	357 Warringah Road Frenchs Forest NSW 2086
Auditor	Ernst & Young Ernst & Young Centre 680 George Street Sydney NSW 2000
Share Registry	Boardroom Pty Ltd Level 7, 207 Kent Street Sydney NSW 2000
Lawyers	Thomsons Lawyers Level 25 Australia Square Tower 264 George Street Sydney NSW 2000

Notes

The future is drawn by vision and shaped by tools.
When vision and tools converge,
The future doesn't just arrive,

It becomes.