

Infomedia Ltd

ABN 63 003 326 243

Appendix 4D

Half-Year Ended 31 December 2011

CONTENTS

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

Appendix 4D

Half-year report

Name of entity

Infomedia Ltd

ABN or equivalent company
reference

A.B.N 63 003 326 243

Half yearly
(tick)



Preliminary
final (tick)



Financial year ended ('current period')

6 months ended 31 December 2011

Results for announcement to the market

\$A'000

Sales revenue	Up	0.5%	to	22,452
Profit after tax attributable to members	Down	18.3%	to	3,903
Profit (loss) from extraordinary items after tax attributable to members		Nil		Nil
Net profit for the period attributable to members	Down	18.3%	to	3,903
Dividends (distributions)	Amount per security	Franked amount per security		
Current Year: Interim dividend	1.03¢	1.03¢		
Previous Corresponding Period: Final dividend Interim dividend	1.2¢ 1.2¢	1.2¢ 1.2¢		
Record date for determining entitlements to the dividend	06 March 2012			
Date the dividend is payable	20 March 2012			
	31 December 2011	31 December 2010		
Net Tangible Assets per security	0.4¢	2.0¢		
Brief explanation of any of the figures reported above necessary to enable the figures to be understood: Refer to page 3 of Half-Year Financial Report.				
Entities over which control has been gained or lost during the period On 2 September 2011, Infomedia Ltd acquired 100% of the share capital of Different Aspect Software Ltd for \$4,719,000, refer to page 16 of the Half-Year Financial Report for further details.				

Infomedia Ltd

ABN 63 003 326 243

Financial Report
for the half-year ended 31 December 2011



ABN 63 003 326 243

Directors

Richard Graham – Executive Chairman
Frances Hernon
Myer Herszberg
Geoff Henderson

Company Secretary

Nick Georges

Chief Financial Officer

Jonathan Pollard

Registered Office

357 Warringah Road
Frenchs Forest NSW Australia 2086

Auditors

PKF

Share Register

Registries Ltd

Solicitors

Thomsons Lawyers

Internet Address

www.infomedia.com.au

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DIRECTORS' REPORT

Your Directors submit their report for the half-year ended 31 December 2011.

DIRECTORS

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

Richard Graham	Executive Chairman
Frances Hernon	Non-executive Director
Myer Herszberg	Non-executive Director
Geoff Henderson	Non-executive Director*
	(Chairman of Audit, Risk & Governance Committee)

*Appointed 25 August 2011

COMPANY SECRETARY

Nick Georges	General Counsel & Company Secretary
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PRINCIPAL ACTIVITIES

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

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

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

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

REVIEW AND RESULTS OF OPERATIONS

	CONSOLIDATED	
	2011	2010
	\$'000	\$'000
Sales revenue	22,452	22,332
Profit after income tax	3,903	4,779

In constant currency terms, revenue increased \$1.6m, \$1.1m being derived from continuing business where growth was led by strong growth in Superservice subscriptions. The Different Aspect Software Ltd (DAS) acquisition (on 2 September 2011) accounted for the remaining \$500,000 increase.

Despite the Company's foreign currency hedging program, the continuing strength of the Australian dollar and the resulting lower repatriation of foreign currency has adversely affected reporting metrics and clouds the underlying growth of a number of product lines in their natural currency.

Reported sales revenue for the six months was \$22,452,000 which represents 0.5% increase over the previous corresponding period.

Operating cash flows decreased by \$1.4m to \$3.3m for the six months.

Reported net profit after tax (NPAT) for the six months was \$3,903,000 which represents a reduction of \$876,000 from the previous corresponding period, again primarily due to adverse foreign currency rates.

An interim half year fully franked dividend of 1.03 cents per share has been declared. The record date to determine entitlements to the dividend distribution is 6 March 2012 and the date on which the dividend distribution is payable will be 20 March 2012. The declared interim dividend represents 80% of net profit after tax for the half year period.

DIRECTORS' REPORT

Infomedia's Executive Chairman Richard Graham said *"the Superservice product line continued to impress with net growth of 18% over the previous corresponding period after foreign exchange impacts"*.

"The second half of the year will see the Company release a number of new products and product updates which have been in development for 18 to 36 months. This includes Superservice for Chrysler, General Motors and Toyota in the USA, Digital Service Passport for Hyundai in Europe, and Microcat LIVE for Toyota in Great Britain. Management expect these new releases to make a notable contribution in the 2013 financial year".

Based on current foreign exchange rates, the Company reaffirms its latest guidance and anticipates its full year sales revenue for FY2012 to be between \$43m and \$45m (FY11: \$44m) and net profit after tax to be between \$7.5m and \$8.5m (FY11: \$10m).

ROUNDING

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

AUDITOR INDEPENDENCE DECLARATION

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

Signed in accordance with a resolution of the directors.



Richard David Graham

Executive Chairman

Sydney, 21 February 2012



Chartered Accountants
& Business Advisers

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

To: the directors of Infomedia Ltd and the entities it controlled during the half year

I declare to the best of my knowledge and belief, in relation to the review for the financial half year ended 31 December 2011 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Infomedia Ltd and the entities it controlled during the half year.

Grant Saxon
Partner

PKF

21 February 2012
Sydney

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STATEMENT OF COMPREHENSIVE INCOME

HALF-YEAR ENDED 31 December 2011

Notes

CONSOLIDATED

		31 December 2011	31 December 2010
		\$'000	\$'000
Sales revenue		22,452	22,332
Foreign exchange movement on hedges closed out during the period		1,303	2,353
		23,755	24,685
Cost of sales	3(i)	(10,135)	(10,034)
Gross Profit		13,620	14,651
Finance revenue		91	83
Employee benefits expense	3(ii)	(4,418)	(4,609)
Depreciation and amortisation	3(iii)	(2,965)	(2,720)
Operating lease rental		(560)	(621)
Other expenses		(3,714)	(3,393)
Development costs capitalised	3(iv)	3,083	2,926
Profit before income tax		5,137	6,317
Income tax expense	4	(1,234)	(1,538)
Profit after income tax		3,903	4,779
Other comprehensive income			
Foreign currency translation differences for foreign operations		(125)	53
Effective cashflow hedges gain/(loss) taken to equity		(510)	562
Other comprehensive income for the period, net of tax		(635)	615
Total comprehensive income for the period		3,268	5,394
Basic earnings per share (cents per share)		1.3	1.6
Diluted earnings per share (cents per share)		1.3	1.6
Interim dividends per share - ordinary (cents per share)	5	1.03	1.2

STATEMENT OF FINANCIAL POSITION

At 31 December 2011

Notes

		CONSOLIDATED	
		31 December	30 June
		2011	2011
		\$'000	\$'000
CURRENT ASSETS			
Cash and cash equivalents		6,608	8,820
Trade and other receivables		5,084	4,044
Inventories		26	48
Prepayments		1,645	2,517
Derivatives		1,362	2,091
TOTAL CURRENT ASSETS		14,725	17,520
NON-CURRENT ASSETS			
Property, plant and equipment		1,371	1,408
Intangible assets and goodwill	8	34,102	28,875
TOTAL NON-CURRENT ASSETS		35,473	30,283
TOTAL ASSETS		50,198	47,803
CURRENT LIABILITIES			
Trade and other payables		2,677	2,667
Provisions		1,727	1,770
Income tax payable		536	1,525
Deferred revenue		1,242	356
TOTAL CURRENT LIABILITIES		6,182	6,318
NON-CURRENT LIABILITIES			
Provisions		411	395
Bank borrowings		2,961	-
Deferred tax liabilities		5,344	5,425
TOTAL NON-CURRENT LIABILITIES		8,716	5,820
TOTAL LIABILITIES		14,898	12,138
NET ASSETS		35,300	35,665
EQUITY			
Contributed equity	6	10,798	10,798
Reserves		2,032	2,661
Retained earnings		22,470	22,206
TOTAL EQUITY		35,300	35,665

STATEMENT OF CASH FLOWS

HALF YEAR ENDED 31 December 2011

Notes

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers

Payments to suppliers and employees

Interest received

Income tax paid

NET CASH FLOWS FROM OPERATING ACTIVITIES

CASH FLOWS FROM INVESTING ACTIVITIES

Payment for property, plant and equipment

Payment for purchase of business, net of cash acquired

NET CASH FLOWS USED IN INVESTING ACTIVITIES

CASH FLOWS FROM FINANCING ACTIVITIES

Share buy back

Proceeds from borrowings

Repayment of borrowings

Dividends paid on ordinary shares

NET CASH FLOWS USED IN FINANCING ACTIVITIES

NET INCREASE/(DECREASE) IN CASH HELD

Add opening cash brought forward

CLOSING CASH CARRIED FORWARD

CONSOLIDATED

31 December 31 December

2011 2010

\$'000 \$'000

21,628 24,306

(16,478) (18,413)

91 83

(1,938) (1,306)

3,303 4,670

(221) (58)

(4,616) -

(4,837) (58)

- (301)

3,748 -

(787) -

(3,639) (3,641)

(678) (3,942)

(2,212) 670

8,820 5,789

6,608 6,459

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STATEMENT OF CHANGES IN EQUITY

HALF-YEAR ENDED 31 December 2011

	CONSOLIDATED					Total \$'000
	Contributed equity	Retained earnings	Employee equity benefits reserve	Cashflow hedge reserve	Foreign currency translation reserve	
	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 July 2011	10,798	22,206	1,210	1,463	(12)	35,665
Profit for the period	-	3,903	-	-	-	3,903
Other comprehensive income	-	-	-	(510)	(125)	(635)
Total comprehensive income for the half year	-	3,903	-	(510)	(125)	3,268
Share based payments	-	-	6	-	-	6
Share buy back	-	-	-	-	-	-
Equity dividends	-	(3,639)	-	-	-	(3,639)
At 31 December 2011	10,798	22,470	1,216	953	(137)	35,300

HALF-YEAR ENDED 31 December 2010

	CONSOLIDATED					Total \$'000
	Contributed equity	Retained earnings	Employee equity benefits reserve	Cashflow hedge reserve	Foreign currency translation reserve	
	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 July 2010	11,131	19,449	1,195	2,119	(153)	33,741
Profit for the period	-	4,779	-	-	-	4,779
Other comprehensive income	-	-	-	562	53	615
Total comprehensive income for the half year	-	4,779	-	562	53	5,394
Share based payments	-	-	8	-	-	8
Share buy back	(301)	-	-	-	-	(301)
Equity dividends	-	(3,641)	-	-	-	(3,641)
At 31 December 2010	10,830	20,587	1,203	2,681	(100)	35,201

NOTES TO THE FINANCIAL STATEMENTS

31 December 2011

1. CORPORATE INFORMATION

The financial report of Infomedia Ltd for the half-year ended 31 December 2011 was authorised for issue in accordance with a resolution of the directors on 21 February 2012. Infomedia Ltd is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Stock Exchange.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The half-year financial report should be read in conjunction with the annual Financial Report of Infomedia Ltd as at 30 June 2011.

It is also recommended that the half-year financial report be considered together with any public announcements made by Infomedia Ltd and its controlled entities during the half-year ended 31 December 2011 in accordance with the continuous disclosure obligations arising under the *ASX listing rules*.

(a) Basis of preparation

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

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

(b) Significant accounting policies

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2011.

(c) Basis of consolidation

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

(d) Changes in accounting policies

The Consolidated Entity has not elected to early adopt any new standards or amendments that are issued but not yet effective.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2011

Notes

3. EXPENSES

(i) Cost of sales

Direct wages (including on-costs)

Other

Total cost of sales

(ii) Employee benefit expense

Salaries and wages (including on-costs)

Share based payment expense

Total employee benefit expense

(iii) Depreciation and amortisation

Depreciation of non-current assets:

- Leasehold improvements

- Office equipment

- Furniture and fittings

- Plant and equipment

Total depreciation of non-current assets

Amortisation of non-current assets

- Intellectual property

- Deferred development costs

Total amortisation of non-current assets

Total depreciation and amortisation

(iv) Research & development costs

Total research & development costs incurred during the period

Less: development costs capitalised

Net research & development costs expensed

CONSOLIDATED	
2011	2010
\$'000	\$'000
6,489	6,218
3,646	3,816
10,135	10,034
4,407	4,601
11	8
4,418	4,609
3	15
207	180
20	21
48	57
278	273
193	73
2,494	2,374
2,687	2,447
2,965	2,720
4,903	4,914
(3,083)	(2,926)
1,820	1,988

NOTES TO THE FINANCIAL STATEMENTS

31 December 2011

Notes

4. INCOME TAX

(a) The major components of income tax expense for the half-year ended 31 December 2011 and 31 December 2010 are:

Consolidated Statement of Comprehensive Income

Current income tax

Current income tax charge

Adjustments in respect of current income tax of previous years

Deferred income tax

Relating to origination and reversal of temporary differences

Income tax expense reported in the consolidated income statement

(b) Disclosure of tax effects relating to each component of other comprehensive income

Movement in cash flow hedges

5. DIVIDENDS PROPOSED OR PAID

(a) Dividends declared and paid during the half-year on ordinary shares:

Final dividend for the financial year 30 June 2011: 1.2 cents, fully franked (2010: 1.2 cents, unfranked)

Dividends paid on ordinary shares

(b) Dividends proposed and not yet recognised as a liability:

Interim dividend for the half-year 31 December 2011: 1.03 cents fully franked (2010: 1.2 cents, fully franked)

6. ISSUED CAPITAL

Issued and paid up capital

– 303,276,855 shares fully paid (June 2011: 303,276,855)

Movement in Shares on Issue

On 1 April 2008 the company commenced a share buyback (on market within 10/12 limit). This was reinitiated on 1 April each year since commencement. As at 31 December 2011 the company had repurchased 22,694,717 shares for a total consideration of \$6,939,000.

Employee Option Plan

There were no options issued during the period.

CONSOLIDATED

2011 2010

\$'000 \$'000

1,187 1,339

(183) 19

230 180

1,234 1,538

(286) 240

(286) 240

3,639 3,641

3,639 3,641

3,122 3,641

31 December 2011 30 June 2011

10,798 10,798

NOTES TO THE FINANCIAL STATEMENTS

7. SEGMENT INFORMATION

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 of 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.

31 December 2011

		Asia Pacific	Europe	North America	Latin & South America	Corporate	Total
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE							
Segment revenue as reported to CODM		5,982	10,480	4,738	1,252	-	22,452
Consolidated revenue							22,452
Segment result		4,436	7,808	3,158	970	(11,326)	5,046
Finance revenue						91	91
Consolidated profit before income tax							5,137
Income tax expense	4						(1,234)
Consolidated profit after income tax							3,903

31 December 2010*

		Asia Pacific	Europe	North America	Latin & South America	Corporate	Total
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE							
Segment revenue as reported to CODM		5,666	10,184	5,174	1,308	-	22,332
Consolidated revenue							22,332
Segment result		4,043	7,652	3,206	1,063	(9,730)	6,234
Finance revenue						83	83
Consolidated profit before income tax							6,317
Income tax expense	4						(1,538)
Consolidated profit after income tax							4,779

*Financial statements for the period ended 31 December 2010 had royalty costs wholly in Corporate. For half year ended 31 December 2011, royalty costs have been allocated to the segments in which sales occur. The 2010 comparative figures above have been restated in accordance with this change.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2011

8. INTANGIBLE ASSETS AND GOODWILL

At 1 July 2011

Cost (gross carrying amount)

Accumulated amortisation

Net carrying amount

Half year ended 31 December 2011

At 1 July 2011, net of accumulated amortisation and impairment

Additions

Additional amounts recognised from purchase of subsidiary occurring during the period (note 9)

Amortisation

At 31 December 2011, net of accumulated amortisation and impairment

At 31 December 2011

Cost (gross carrying amount)

Accumulated amortisation

Net carrying amount

CONSOLIDATED

Development costs ¹	Intellectual Property ²	Other intangibles ²	Goodwill ²	Total
\$'000	\$'000	\$'000	\$'000	\$'000
33,916	2,537	-	8,541	44,994
(13,705)	(2,414)	-	-	(16,119)
20,211	123	-	8,541	28,875
20,211	123	-	8,541	28,875
3,083	-	-	-	3,083
-	578	1,071	3,182	4,831
(2,494)	(122)	(71)	-	(2,687)
20,800	579	1,000	11,723	34,102
36,999	3,115	1,071	11,723	52,908
(16,199)	(2,536)	(71)	-	(18,806)
20,800	579	1,000	11,723	34,102

¹ Internally generated

² Purchased as part of business acquisition

NOTES TO THE FINANCIAL STATEMENTS

31 December 2011

8. INTANGIBLE ASSETS AND GOODWILL (continued)

At 1 July 2010

Cost (gross carrying amount)

Accumulated amortisation

Net carrying amount

Half year ended 31 December 2010

At 1 July 2010, net of accumulated amortisation and impairment

Additions

Amortisation

At 31 December 2010, net of accumulated amortisation and impairment

At 31 December 2010

Cost (gross carrying amount)

Accumulated amortisation

Net carrying amount

CONSOLIDATED			
Development costs ¹	Intellectual Property ²	Goodwill ²	Total
\$'000	\$'000	\$'000	\$'000
28,671	2,537	8,541	39,749
(8,786)	(2,267)	-	(11,053)
19,885	270	8,541	28,696
19,885	270	8,541	28,696
2,926	-	-	2,926
(2,374)	(73)	-	(2,447)
20,437	197	8,541	29,175
31,597	2,537	8,541	42,675
(11,160)	(2,340)	-	(13,500)
20,437	197	8,541	29,175

NOTES TO THE FINANCIAL STATEMENTS

9. ACQUISITION OF SUBSIDIARY

On 02 September 2011, Infomedia Ltd acquired 100% of the share capital of Different Aspect Software Ltd for \$4,719,000 in cash. Different Aspect Software Ltd is a UK based software developer specialising in the provision of IT application solutions to the automotive industry.

As a result of the acquisition, the group is expected to further improve its offerings of software products in the automotive space. Goodwill of \$3,182,000 arising from the acquisition is attributable to the assembled workforce and potential for cost saving synergies and cross selling opportunities. None of the goodwill recognised is expected to be deductible for income tax purposes.

The following table summarises the consideration paid for Different Aspect Software Ltd, the fair value of assets acquired and liabilities assumed at the acquisition date.

Consideration at 2 September 2011	\$'000
Cash	4,719
Total consideration transferred	4,719
Recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	103
Property, plant and equipment	19
Inventories	5
Trade and other receivables	246
Intellectual property	578
Other intangibles	1,071
Trade and other payables	(339)
Deferred revenue	(275)
Deferred tax liability	100
Provision for tax	29
Total identifiable net assets	1,537
Goodwill	3,182
Total	4,719

Acquisition-related costs of \$158,000 are included in Other expenses in the consolidated income statement for the half-year ended 31 December 2011.

The revenue included in the consolidated statement of comprehensive income since 2 September 2011 contributed by Different Aspect Software Ltd was \$535,000. Different Aspect Software Ltd contributed profit \$1,000 over the same period.

Had the acquisition of Different Aspect Software Ltd been effected at 1 July 2011, management estimates revenue of the group for the six months ended 31 December 2011 would have been \$803,000 and the profit would have been \$2,000.

10. SUBSEQUENT EVENTS

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

DIRECTORS' DECLARATION

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

- (1) In the opinion of the Directors:
- (a) the financial statements and notes of the 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 31 December 2011 and of its performance for the period ended on that date; and
 - (ii) complying with Accounting Standard AASB134 Interim Financial Reporting, Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Board



Richard David Graham
Chairman

Sydney, 21 February 2012

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF INFOMEDIA LTD****Report on the Half-Year Financial Report**

We have reviewed the accompanying consolidated half-year financial report of Infomedia Ltd which comprises the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity. The consolidated entity comprises Infomedia Ltd ("the Company") and the entities it controlled at 31 December 2011 or from time to time during the half-year ended on that date.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Infomedia Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

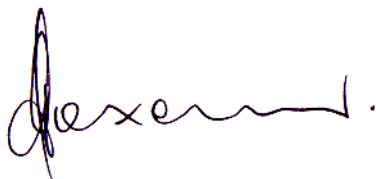
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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Conclusion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

**PKF****Grant Saxon**
Partner**21 February 2012**
Sydney