Infomedia™

Annual Report 2014

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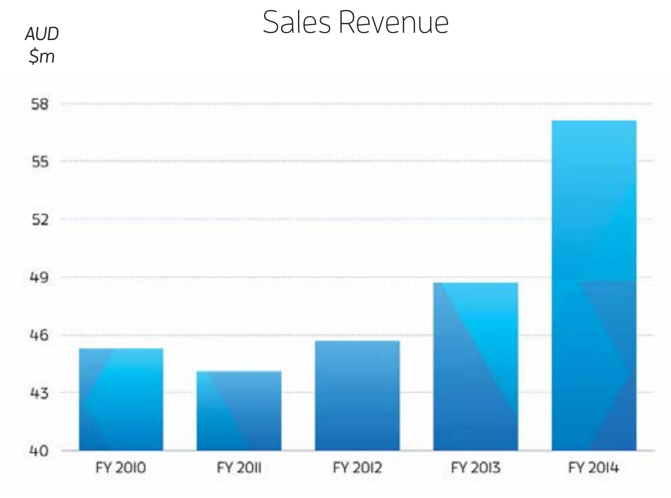
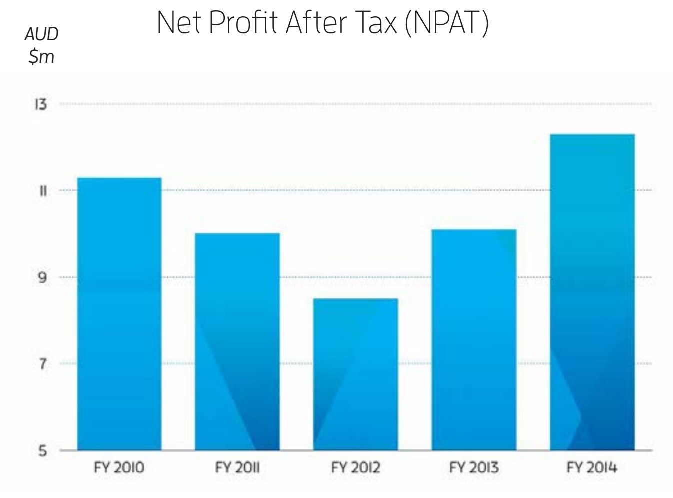
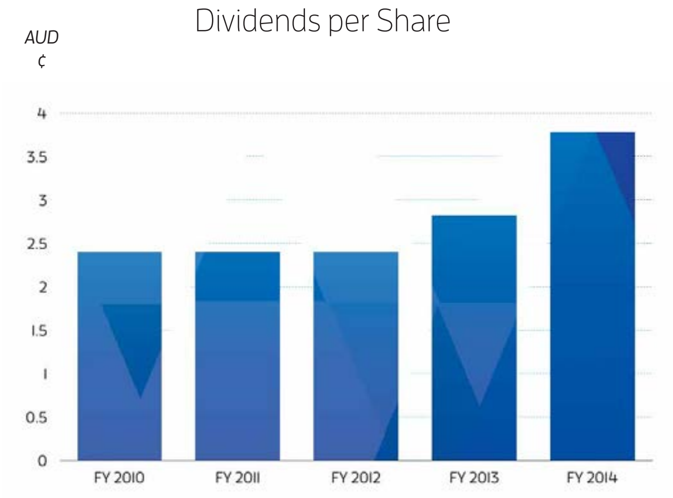






Key Figures

Financial Year	2010	2011	2012	2013	2014
Sales Revenue ($m)	45.3	44.1	45.7	48.7	57.1
NPAT ($m)	11.3	10.0	8.5	10.1	12.3
EBITDA ($m)	18.2	18.8	17.7	20.1	24.6
DPS (¢)	2.40	2.40	2.40	2.82	3.78

Infomedia™

LEADERS IN PARTS & SERVICE SELLING SYSTEMS FOR 25 YEARS.

- 1990 — Electronic Parts Catalogues
- 2001 — Precision Service Quoting
- 2003 — Electronic Vehicle Inspections
- 2009 — Wholesale Parts e-Commerce
- 2010 — Real-time Customer Survey
- 2011 — Digital Service History
- 2013 — Online Service Appointments

Helping our automotive partners sell billions of dollars in parts and service every year.

BY THE NUMBERS

186 Countries

31 Solution Languages

75,838 Monthly Subscriptions

24/7 Global Operations

150,000 Daily Users

14 Customer Support Languages

5 Office Locations (Sydney, Melbourne, Shanghai, Detroit, Cambridge)

4 Customer Support Centers (Australia, Japan, UK, USA)

SOLUTIONS

Transparency, reliability and accessibility are the keys to our cutting edge solutions.

PARTS — Microcat MARKET, Microcat LIVE, auto partsbridge

SERVICE — Superservice™

LUBRICANTS — Lubricant Recommendations

39

Automaker brands use Infomedia's solutions in their dealerships.

CUSTOMERS

We are constantly innovating to stay ahead of customer needs.

OEMs
Data license agreements

OEM DEALERSHIPS
Parts and service selling systems

INDEPENDENT REPAIRERS
Trade parts and technical publications

OIL COMPANIES
POS data solutions

Meeting the needs for a smarter, more professional approach by OEMs and dealerships.

Dear fellow shareholders,

I am pleased to report that during FY2014 your Company continued to achieve positive results. Infomedia increased sales to $57.1 million, an improvement of 17.4% over the prior financial year, and net profit after tax rose to $12.3 million, a 22% growth over FY2013. Your Directors declared a fully franked final dividend of 1.89 cents per share, bringing the total dividend for FY2014 to 3.78 cents, an increase of 34% over the previous financial year.

These key results were supported by a focus on advancing our next generation product development, continuing improvements in productivity and expanding the acceptance of our Superservice product suite.

I would like to take this opportunity to thank the entire Infomedia team for their efforts in delivering these solid results.

I write to you as Non-Executive Chairman following the decision of Infomedia's founder, Richard Graham, to step down from his role as Executive Chairman in February 2014. Richard remained on the Board as a Non-Executive Director during the reporting period.

During the first half of FY2014, the Company delivered strong financial results under Richard's tenure as Executive Chairman. Infomedia continues to follow the strategy he established, based on the seminal research he commissioned into the future of Aftersales to 2020. An edited version of this research is available on our website at superservice.com.

The Board appointed Andrew Pattinson, formerly the Director of Global Solutions and Systems, as CEO in September 2013. During his 25 year career with Infomedia, Andrew has developed a deep understanding of Infomedia's business as well as the leadership, industry knowledge and product development credentials to take the Company forward. He is also a member of the Board of Directors. You will find Andrew's first report as CEO on the following pages.

In November 2013, the Board announced the appointment of Clyde McConaghy as a Non-Executive Director. Clyde also chairs the Audit and Risk Committee. Clyde filled a casual vacancy on the Board and in accordance with our constitution, will offer himself for election at the Annual General Meeting in October 2014.

This year the Board has undertaken a review of the Executive remuneration structure with the intent of ensuring we retain our best talent and optimise the performance of the business. The structure will be described in more detail in the notice to shareholders of the 2014 Annual General Meeting.

As to the outlook, the opportunities in the automotive Aftersales market are substantial. As you will read later in this Report, the ever-increasing connectivity of devices, the "Internet of Things", continues to empower consumers as never before. Added to this is the transformational effect of the exponentially increasing collection and storage of data, the potential of which is known as Big Data. As the digital world evolves, Big Data will provide the edge in customer service and retention for those who can understand and harness it.

Here, Infomedia is well positioned. Digital value will continue to rise as we become a hyper-connected world. Infomedia's investment in cloud technology provides us with the speed and capability to capitalise on these developments. This, combined with the depth of our knowledge and understanding of the Aftersales market, offers opportunities to create new business and build competitive advantage.

Against this backdrop, we will continue to invest in our technology research and development to ensure our products deliver a strong platform for growth. Infomedia's model of recurring revenue through subscriptions remains unchanged and continues to deliver a sound financial basis for creating shareholder value.

In closing, the Board is confident in Infomedia's ability to deliver long term, sustainable growth and remain at the forefront of innovation in our sector. I trust you will find this Annual Report of interest and on behalf of the Board, I invite you to attend the Annual General Meeting at our head office in Frenchs Forest, Sydney, on October 30. I look forward to welcoming you there.

Frances Hernon
Chairman
Sydney, 21 August 2014

"The opportunities in the automotive Aftersales market are substantial."

It is a pleasure to be delivering my first Annual Report as CEO of Infomedia. During FY2014, your Company continued to grow revenue, product development and infrastructure optimisation. You can be proud of the Infomedia teams throughout the organisation as they worked on our longstanding Company goal of contributing to our customers' success and creating shareholder value.

We move ahead in good financial health and with optimism about our ability to continue on this growth trajectory. I believe the Company has a unique and focused culture that has served us well in the past, and we will continue to nurture and improve this over the coming years. The underlying positive momentum of our business has translated into significant market capitalisation growth during the 2014 financial year. The strong performance and renewed recognition from the investor community is affirmation that our vision and tactical strategy is on track.

Later in the report you will learn more about our global achievements and activities during the 2014 financial year from our regional leaders. I am delighted with the strong operational performance in all regions and look forward to further success as we develop new market opportunities.

Continued Growth

I am pleased to report that during the year, our overall subscription equivalents grew to a total of 75,838. During the 2014 financial year we also increased the global footprint of daily users to 150,000 for the first time. The growth was experienced in all regions, supported by organic and new customer acquisitions. We continued to maintain good relationships with OEMs, signing 14 new or renewed data licence agreements during the year. The high number of renewals is testimony to our ability to keep innovating to meet the evolving needs of dealership fixed operations departments globally.

Our Superservice fixed operations platform is attracting a lot of interest from dealerships and OEM customers around the globe. Dealer pilots that had been conducted in Europe for Superservice products are now turning into revenue; KIA France and KIA Spain dealership networks are examples to run such pilots. We expect this will be the start of a growing product uptake as pilot programs that are running in all of our sales regions (The Americas, Europe, Middle East and Africa, and Asia Pacific) start moving into commercial releases.

Auto PartsBridge (APB) is also gaining traction in North America. During the year we conducted a product roll out for KIA Canada, as well as signing agreements to release versions of the application for Hyundai Canada and Chrysler USA. Furthermore, we entered into discussions to expand the APB product line outside of the North America region.

Microcat subscriptions continued to achieve organic growth, particularly in the Asia Pacific region where growth from China in particular provides a platform for more opportunity in the future.

Product Innovation

Infomedia has always stood for leading product innovation. This year was no different as our teams continued our legacy of delivering cutting edge and affordable innovation, founded in a deep knowledge of the commercial and operational pressures dealership staff face. The combination of technology know-how and domain expertise has allowed us to release industry leading features and back-end optimisations for our Microcat and Superservice platforms that add value to all stakeholders.

Infomedia has released many industry firsts in its 25 year history and this year I can report we have added to that list. During the year we included photo and video capability to our Superservice Triage vehicle health check system. This new genre of inspection system sophistication provides a customer experience beyond expectation. Visual evidence of repair recommendations empowers Service Advisors to engage the customer in the quotation process. It leads to a transparent service experience for the customer, increased sales conversions for the dealer, and improved prospects for customer retention within the automaker brand.

In our Microcat solutions, we released next generation illustration handling. This example of product innovation provides significantly more detail and scale to the parts images, and also handles the images with the same speed and display performance as the historically available lower resolution images.

In another industry first, our subject matter expertise and international language handling skills were put to good use to release augmented automaker data to vastly improve search performance and useability of parts information.

"During the 2014 financial year we also increased the global footprint of daily users to 150,000 for the first time."

Continued IT Investment

Our Research and Development activities continue to lead the industry curve to support product evolution and Software as a Service (SaaS) infrastructure optimisation. Aside from helping our customers to achieve outstanding performance metrics, our innovative cloud solutions have received recognition and praise from IT industry leaders in the global hosting environment.

In harmony with our Development teams, the IT group are building new capabilities for the business. These are focused on creating a faster and more stable online experience for our customers and a lower impact, more cost effective infrastructure for the business.

An example of the benefit to customers is our Active/Active/Active (AAA) hosting solution that went into production this year. This advanced hosting environment ensures that a cluster of servers in 3 different geographic locations is always up to date with the most current information for every user accessing the system. In the event of an outage in one region, the user's account is seamlessly pointed to another region, where their most up to date information is already maintained. Whilst hosting in multiple regions is a common practice, having the systems and infrastructure to maintain all regions in a fully up to date state is class leading and becoming a key market differentiator.

Within the business, the investment in the new hosting environment has led to a reduction in the amount of resource required to maintain and manage the hosted environment. Whilst the Company continues to increase the number of hosted applications by the month, the team required to produce, test and deploy each product release remains stable.

Era of Smart Mobility – Connected Vehicles

The automotive and wider press seems to be full of stories of automakers working hard to introduce differentiated products and experiences. The advent of new technology has enabled the development of the so called 'connected vehicle' – vehicles that are connected via the internet to other devices. Using sensors and cloud technology, they can transmit and receive vehicle data to and from other devices including smart phones and tablets. This topic was partly covered in our Aftersales 2020 whitepaper last year, and recently this new trend has accelerated.

Connected vehicles offer new and exciting opportunities for automakers to personalise the ownership experience. They also present potential for third parties to develop value add services such as predictive maintenance, risk minimised routing, parking information, internet radio, pay per use insurance and other new connected features and experiences.

Infomedia is well placed to take advantage of new industry drivers and trends, and our leading edge cloud technology will be a key enabler to capture new market opportunities. Later in this report you can read more about the coming era of connected vehicles and the role that cloud computing will play to make that happen.

Conclusion

In closing, I want to assure you that your Company is in a healthy position. Our business model is sound and our market knowledge and capacity for continued innovation are strong.

There were some significant advancements made during FY2014 and looking to the future, we will continue to work towards contributing to our customers' success, whilst continuing our own business expansion and adding shareholder value.

Thank you for your ongoing support of your Company, and I hope to see you in person at our Annual General Meeting later in the year.

Andrew Pattinson

Andrew Pattinson
Chief Executive Officer

For the 2014 financial year (FY2014) Infomedia Ltd (Infomedia) achieved Sales Revenue (Sales) of $57.1m and Net Profit After Tax (Profit) of $12.3m. This compares to financial year 2013 (FY2013) where Sales totalled $48.7m and Profit was $10.1m. Operating Cash flow increased by $1.3m to $12.5m.

As previously reported, a fully franked final dividend of 1.89 cents was paid to shareholders of record as at 3 September 2014, bringing the total dividends for the year to 3.78 cents (2.39 cents franked). This represents a payout ratio of 94% of Profit. At 30 June 2014, the Company remained debt free, with $11.4m in cash on the balance sheet.

Operational Performance

During FY2014, the Company continued its core subscription infrastructure project which is expected to deliver fiscal and operational benefits in future reporting periods. Building on last year's price book project, work commenced this year on a new subscription engine to allow for self-serve ordering, billing and the ability to offer sale of product components to an expanded customer base. As the customer base and subscriptions grow, it is increasingly important to streamline order processing and invoicing in order to maintain administrative cost control and improve profit margins.

The Company completed its installation of enhanced time recording systems to provide better tracking and reporting of project costs, enabling improved financial modelling. The completion of all development under a single workflow platform is now yielding benefits across the Superservice platform.

The tight cost control that has been exercised during the year is the result of careful management combined with a rigorous budgeting process. The budgeting process has improved substantially over recent years as management has capitalised on improvements to the Company's reporting structures and systems.

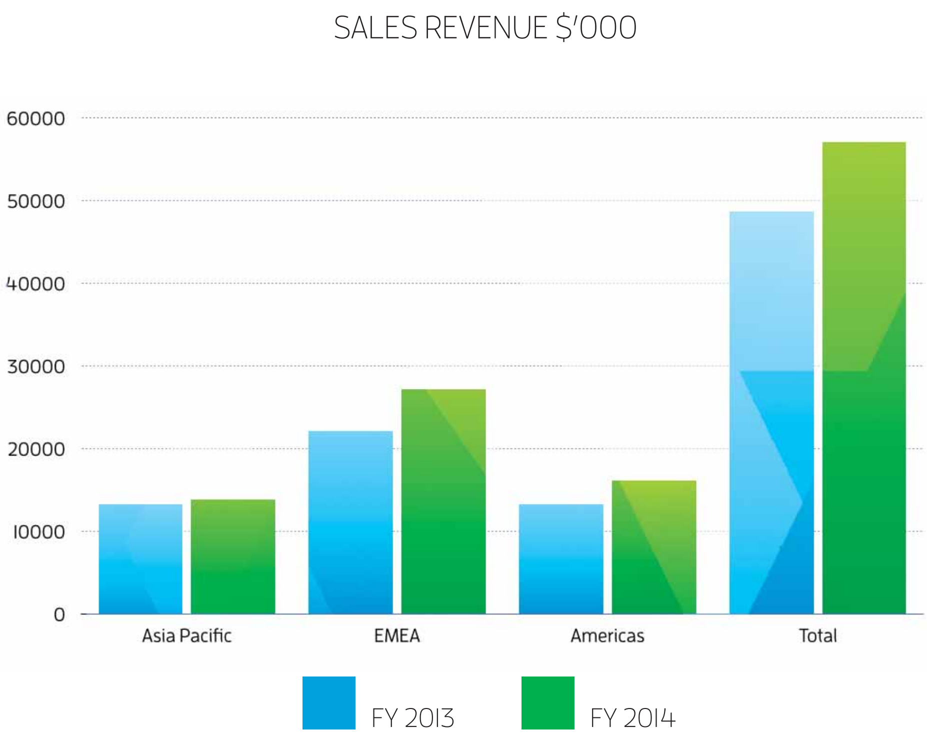
Financial Performance

FY2014 delivered a solid set of results across all key business drivers:

Sales

Sales revenue increased $8.5m or 17.1%. This was driven by growth in both the Parts and Service solutions, across all regions. The Company reported record levels of subscription equivalents of 75,838 as of 30th June, 2014. Microcat LIVE EPC continued to grow its user base during the year, demonstrating consumer confidence in the Company's ability to deliver market leading software and provide mission critical functionality in dealerships all over the world. Superservice Menus continued its strong growth trajectory as more dealers realise the benefits of precision quoting for service operations.

The following chart shows the geographical split and growth of Sales for FY2013 and FY2014:



Operational Costs

Operational costs showed a small increase compared to the prior year. Investment in Sales and Marketing was the primary reason for the increase as the company sought to capitalise on increasing sales opportunities. The Company maintained tight cost control and took advantage of its leveraged software business model. This is especially pleasing to see given the increase in frequency of product releases. This is testament to the constant focus on improving infrastructure and processes over recent years. These improvements will enable the Company to grow whilst maintaining a firm hold on margins.

Research & Development

We maintained our investment in R&D as we continued to work on further enhancing and integrating the new Superservice suite. DMS integration was a key theme during FY2014 as the industry continued to require IT systems to communicate more easily. The Company is committed to ensuring it remains a key integration partner in the industry and this will continue to be one of the drivers of the future R&D spend.

Foreign Exchange

The average Australian dollar spot rates versus the USD and EUR through FY2014 were lower than FY2013. This contributed to a positive variance in profit compared to the prior year. The Company was hedged at rates higher than the spot rates and thus achieved a hedging loss of $2.6m during the year. Despite this, the net FX impact relative to FY2013 was $1.4m. Based on current FX rates and the hedging in place for FY2015, the Company is anticipating a relatively neutral FX impact from hedging activity.

Overall, the Company's NPAT increased 22% or $2.2m to $12.3m.

The Year Ahead

Looking forward, the Company anticipates further subscription and sales revenue growth from both Parts and Service solutions. The Company expects a measured increase in operational costs to support the product and sales expansion; however, cost management will remain a core focus. We expect to maintain our investment in R&D. Given the Company's foreign exchange hedging, it is likely that the relative FX impact will be neutral or positive for the year compared with FY2014 although the exact quantum is difficult to predict. Accordingly, the Company has provided guidance that it expects FY2015 NPAT to exceed $14.5m.

Jonathan Pollard
Chief Financial Officer

I'm pleased to have this opportunity to discuss the prospective landscape and success experienced across the Americas during the last financial year. It's been a year where our products have flourished and we have had revenue growth across all of our product lines. It has also been a year where we've executed a key component of our business growth strategy by establishing and growing our third party relationships with integration, training and reseller agreements.

Since the time of last year's report, we have launched our wholesale solution Microcat Auto PartsBridge (APB) to KIA and Hyundai Canada dealerships, and their body shop customers. Their distributors, their dealerships and their partner body shops are experiencing the similar levels of success as Honda, with increased parts sales, improved repair times and greater customer satisfaction as a result of expanded genuine part utilisation. APB subscriptions have continued to grow in the US, with Chrysler APB set to be released later this year.

Where APB has extended parts sales beyond the dealership to the collision community, this past year we took that further to provide parts sales to the consumer, in this case to forklift truck service and repair technicians. In late 2013, we introduced a Microcat order manager solution to trade customers of Toyota Materials Handling in the US. The trade consumers now have the benefit of having access to details only found in an Electronic Parts Catalogue (EPC) for part look up, illustration and then electronic ordering. It has greatly enhanced the accuracy of repairs and decreased the time a truck is out of service awaiting parts.

The new Chrysler Microcat EPC was also introduced with an expanded data set and integration over the initial launch. Chrysler dealerships now have access, and the parts selling capability that comes with it, to all of their MOPAR (second line) parts; this is not provided in competitor offerings.

Most importantly, is the growth of our Superservice suite of solutions. Superservice for Hyundai America will be introduced in FY2015, following the Chrysler, General Motors, Toyota, Jaguar, Hyundai Canada and Land Rover solutions that were launched throughout the fiscal year. Superservice is a key growth engine in support of FY2015 projections, not only in the United States, but also with targeted expansions within Canada and South America.

Looking ahead, we move forward with a strong pipeline, and a product portfolio with unique competitive differentiation. We continue to grow our Americas team to cope with growing business needs, and we're committed to building on the hard work of recent years to deliver on our regional growth strategy.

Karen A. Blunden

Karen Blunden
CEO IFM Americas

> **"It's been a year where our products have flourished and we have had revenue growth across all of our product lines."**

Financial Year 2014 has been a positive year for Infomedia in Europe, Middle East and Africa (EMEA) as dealerships and automakers continue to emerge further from the financial crisis that has impacted the Automotive sector in recent years. Although some of the Southern European markets such as Portugal and Greece continue to experience difficulties, the northern markets such as Germany, France and the Nordics are largely completely recovered and back to pre-recession new car sales numbers.

This improvement in new car sales has been matched by renewed investment in Aftersales, with manufacturers looking to support their dealerships with updated systems and processes. This has led to a significant interest in the Superservice suite of products, as well as an eagerness to move away from legacy technologies.

To that end, our customers in the region have been transitioning to the Microcat LIVE platform and we are seeing dealerships benefit from instant parts pricing updates, and the improved functionality and flexibility of being fully online without the need to install a disc, as they have done historically.

In the service area, we are seeing strong traction with some of our newer products such as Superservice Connect, our online service booking offering. In 2014, KIA Spain was the first market to deploy Superservice Connect to their dealership network. With seamless integration to Superservice Menus data as a strong competitive differentiator to everything else in this market, we have a number of European markets looking to adopt the solution in 2015.

Advances in the Superservice Triage platform such as the addition of photo and video capture are also benefitting dealerships in a number of franchises across the region. The ability for customers to see images and videos of the work required on their vehicle and instantly authorise from the comfort of their home or workplace is further reinforcing the Superservice commitment of Accuracy, Certainty and Trust. This promise has driven strong interest in both Superservice Triage and Superservice Menus, with a number of full market launches anticipated in FY2015.

A key part of our EMEA growth strategy has been our tighter integration with Dealer Management Systems (DMS). With such a diverse range of systems in use throughout Europe, we have invested in a dedicated integration team to work with DMS partners to enable seamless transfer of data between the Superservice suite of applications and the DMS. We are already beginning to reap the dividends from this investment as it further strengthens our position in the market, whilst providing tangible productivity benefits to our customers.

As we look to the future, we are excited about furthering our partnerships with our existing automaker customers, and anticipate building some new OEM relationships as well. The integrated nature of the Superservice suite and our commitment to providing leading edge sales tools to our dealership and OEM partners puts us in a strong position for the years ahead in this region.

Jason Thorpe
Managing Director, IFM Europe

IFM UK Head Office

"We are seeing dealerships benefit from instant parts pricing updates, and the improved functionality and flexibility of being fully online… "

This year in the Asia Pacific region, we have continued to make progress in achieving organic sales growth and also developing our new business pipeline. Characterised by a mix of growth and mature markets, the Asia Pacific region has unique qualities that present many challenges and opportunities. New car sales have continued to grow across the region, and the increased focus on fixed operations is now prevalent amongst most tier one and tier two automakers. The parts and service business is not only seen as a strong revenue source, but also a way to foster brand engagement and loyalty.

While the big three OEMs in Australia, Ford, Holden and Toyota, have announced the end of manufacturing in the country, their dealership networks remain strong and demand for our parts and service solutions remains solid. In other larger markets such as China and India, we are seeing new dealerships opening up every month. This is driving organic growth of our Microcat solutions, in particular for Ford and Land Rover.

Our recent market development work for Superservice Triage is also starting to yield results. We are seeing growing interest not only at automaker level, but also from larger dealership groups who want to automate their inspection selling process and improve the customer experience. Service customer retention continues to be a big focus for all automakers in the region, and Infomedia's Superservice suite is seen as a complementary technology solution to pair with customer retention programs being deployed by automakers.

In addition to improved customer experience, early adopters of Superservice Triage in Australia are reporting excellent ROI metrics. Dealerships are reporting significant growth in labour, parts and tyre sales, with some dealerships increasing workshop efficiency to 100% within one month of using the system. We're using this information from our early adopters as key reference sites to support our future sales and marketing campaigns.

Our CRM team have worked to strengthen our partnerships with automakers and distributors during FY2014, across a number of our product solutions. With Microcat EPC, we extended agreements with both Ford Asia Pacific and Honda Australia. We also renewed Superservice Menus agreements with Toyota New Zealand and Honda Australia.

There has also been growth in the lubricant recommendations business, with more oil company subscriptions being added during the year. We welcomed six new oil companies as customers from Australia and New Zealand, and we expect more oil companies to subscribe to our leading edge lubricant data solution in the coming year.

Going forward, I'm confident that our innovative solutions will underpin our growth in the Asia Pacific region. We are in good shape to capture new opportunities and expand Superservice product introductions to new customers in the region. Our new business pipeline is strong, and with 25 years of goodwill in the Asia Pacific market, we will be working to add value to our customers' businesses whilst looking to expand the business as well.

Michael Roach
Director Asia Pacific & Global Marketing

TECHNOLOGY DRIVES THE NEW AGE OF THE AUTOMOBILE

With 25 years of experience in the aftersales technology business, Infomedia has seen a considerable evolution both in the automotive industry itself and in the way dealerships do business. These changes have been driven in large part by advances in technology and customer expectations, and are increasing exponentially. In last year's report we discussed our Aftersales 2020 industry research that reviews the future of dealership parts and service business. In the past year we have seen the industry move closer to making aspects of the 2020 vision a reality.

As mentioned in the Chairman's and CEO's reports, one of the most significant technological innovations that will drive change in the automotive industry is the 'connected vehicle' – intelligent, sensor-enabled vehicle, able to communicate with other devices and applications via the internet. The connected vehicle will play an integral role in a new digital paradigm where information collection is autonomous, mobile and real-time.

Today's sophisticated digital consumers are demanding transformative value experiences from their connected devices. Likewise, connected drivers will expect an enhanced ownership experience beyond just basic transportation. As the vehicle moves away from being an industrial product to becoming a digital one, its core activities will expand to increase the value propositions for drivers and passengers.

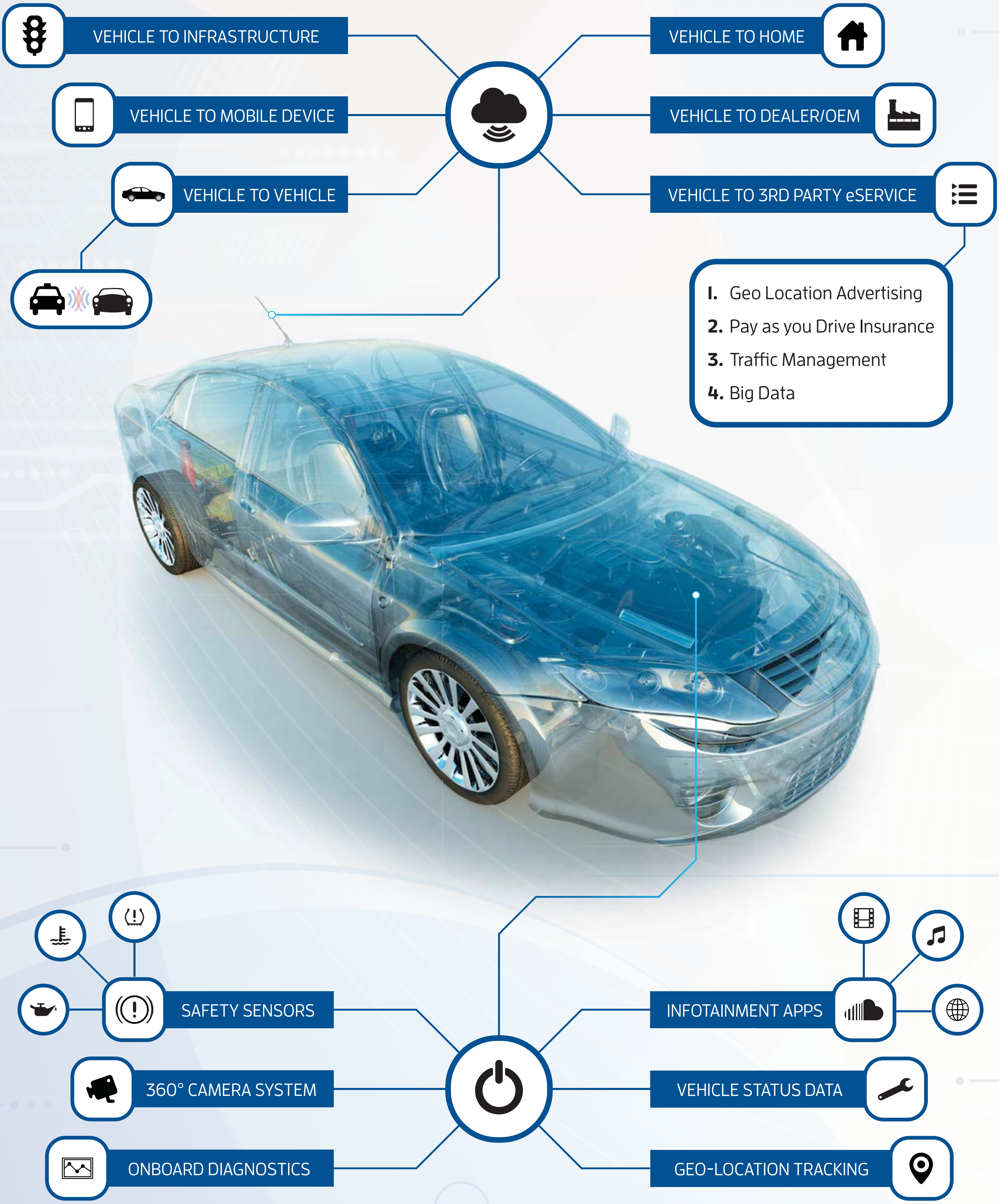
Automakers and dealerships are fast adapting to successfully operate in this new era. Connected vehicles will enable automakers to capture real-time vehicle performance and driver behaviour data, as well as consumer preferences. In the future, the challenge for software creators like Infomedia will be to turn the explosion in available data – often referred to as "Big Data" - into actionable insights to build aftersales solutions that predict and personalise the customer experience both online and at the dealership. Infomedia's agility, creativity and focus on innovation means we are well positioned to meet this challenge.

A New Automobile: Connected Vehicles

Cloud technology is enabling integrated vehicle sensors to transmit data-at-rest and data-in-motion to automakers, dealerships and third party technology providers. All major automakers are expected to deploy connected vehicle systems in their next generation vehicles. Today, some new Hybrid models already generate over 20GB of data per hour[1]. This real-time streaming information can be used to predict vehicle issues before safety or vehicle performance is compromised. Dealership technicians can analyse real-time vehicle status information and perform remote vehicle diagnosis – providing opportunity to strengthen customer relationships and improve service retention within the brand. Automakers and dealerships will be able to use insights to develop a better understanding of service requirements, environmental information, driver behavior and preferences. This vast amount of data will also be used by automakers to feed into future product planning and sales campaigns.

As the industry moves from offering basic transportation to offering smart mobility, consumers will benefit from new and creative 'connected experiences' powered by cloud computing. It is expected that 25% of automakers will monetise connected vehicles by 2017[2], allowing development of third party apps that use vehicle data to provide connected value services. Using geospatial analytics, connected vehicle apps will suggest detours to drivers located in traffic, and communicate with infrastructure managers to help them better regulate traffic in congested areas. The idea of 'pay-as-you-drive' insurance is already available in some North American markets today, governed by driving patterns and location data received from the vehicle sensors. With the advent of vehicle to home integration, in-vehicle payments, internet radio, risk-minimised routing and other location-based services, the automotive industry will move to a multi-product service industry.

Connected vehicles will empower automakers to transition from focusing on their product to focusing on their customers' experience, and dealerships will be presented with huge opportunities to drive increased revenue growth and loyalty. They will have a greater understanding of their customers and use predictive analytics to track maintenance issues, demand for service and facilitate personalised communication. Dealerships will be able to present transparent aftersales offers to their customers at times when they are most receptive. To achieve this, they will need next-generation aftersales technology that converts vehicle and customer data into actionable insights for CRM purposes.


VEHICLE TO INFRASTRUCTURE
VEHICLE TO MOBILE DEVICE
VEHICLE TO VEHICLE
VEHICLE TO HOME
VEHICLE TO DEALER/OEM
VEHICLE TO 3RD PARTY eSERVICE
1. Geo Location Advertising
2. Pay as you Drive Insurance
3. Traffic Management
4. Big Data
SAFETY SENSORS
360° CAMERA SYSTEM
ONBOARD DIAGNOSTICS
INFOTAINMENT APPS
VEHICLE STATUS DATA
GEO-LOCATION TRACKING

Big Data, Big Potential

Connected vehicles will generate a vast amount of raw data (Big Data) from each vehicle on the road. For automakers and dealerships, capturing, organising and mining this data so that it can provide useful information will be one of the big challenges and opportunities in the years ahead. Data such as service reminders, error codes, odometer readings, engine status, braking performance, environmental conditions and parts wear status will help automakers and dealerships anticipate the customer service experience and optimise the supply chain.

Big Data is already effectively used by Amazon and other online retailers to anticipate their customers' needs, increase selling power and maximise the retail experience. In the automotive industry, the use of telematics has provided some basic data benefits in the area of safety, security and infotainment; however, current data platforms are proprietary and closed to third party technology providers. The data mined through telematics has also not offered the interactive experiences that digital consumers demand. The coming era in smart mobility will utilise open data platforms. Vehicle owners will be able to integrate their car to their devices (and lifestyle) via value-add applications and services, much in the way they use apps on their smart phones today.

At Infomedia, we are building Big Data into our innovation pipeline. We have a strong understanding of automaker data structures and data management systems and we have built dedicated cloud technology to store, manage and value-add automaker parts and service data. As connected vehicles become more prevalent, our customer-facing applications will have the capacity to use new data streams in different and creative ways – helping our dealership customers transform their retail aftersales business.

Investment in the Cloud

Cloud computing will be one of the greatest enablers of change – it will facilitate the aggregation and organisation of large amounts of vehicle and customer data, and will be the crucial delivery mechanism for many of the new and exciting features and experiences that are set to become a ubiquitous part of the fixed operations businesses. Anticipating the role that cloud computing will play in the future, Infomedia has transitioned our solution services to the cloud. The transition was a three-year project that has resulted in a cloud infrastructure that is first among the competition in terms of scalability, reliability and global performance.

Infomedia's cloud computing capabilities are designed to flex and expand to meet the needs of the future. We have ensured that we have robust capabilities to support our cloud infrastructure. We have developed leading edge IP for hosting, deploying, managing and optimising our cloud assets, ready for the challenges and opportunities ahead.

Leading Innovation

Our industry is on the verge of an exciting new age for the automobile. In the future, cloud computing, Big Data and digital lifestyle convergence will reshape our notions of what a vehicle can do and the role that automobiles play in our lives. Infomedia has invaluable automotive domain knowledge thanks to 25 years of experience building software systems for fixed operations. And, as a software company with a culture based on agility and constant innovation, we are poised to help our global customers maximise the economic potential of this new era of connected vehicles.

Our dealer solutions are accessible, affordable and dependable, leading the industry with data-driven innovation and intuitive cloud applications. We remain committed to generating value for all Infomedia stakeholders by maximising the value of these assets, as well as building new assets to drive future business.

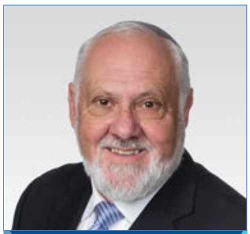
Peter Petrovski
Director of Marketing

[1] *ZDNet.com*
[2] *Gartner Research*


Andrew Pattinson


Clyde McConaghy


Frances Hernon


Myer Herszberg


Richard Graham

Directors were in office from the beginning of the financial year until the date of this report, unless otherwise stated. The names and details of the Directors of the Company in office during the financial year and until the date of this report are:

Andrew Pattinson*

Chief Executive Officer and Executive Director

Andrew Pattinson is a 25-year veteran of the Company, having held several senior positions including Director of the Company between the period of October 2001 and October 2004. He joined the Company in 1988 and was appointed as COO in 1994, and in 2000 became General Manager of its first corporate acquisition, Melbourne based Datateck Publishing Pty Ltd. There, he orchestrated the successful business integration and oversaw its evolution to become the Company's second development centre and the eventual home of Superservice Menus. In 2004, Mr Pattinson established and became Managing Director of Infomedia's UK based European subsidiary. He returned to Australia in 2009 as Director of the Company's Global Solutions and Systems division.

Mr Pattinson was appointed CEO and elected to the Board on 27 September 2013.

Clyde McConaghy^

Non-Executive Director
(Chairman of Audit, Risk & Governance Committee)

Clyde McConaghy was appointed to the Infomedia Board of Directors on 1 November 2013. Mr McConaghy has in excess of 15 years' experience as a senior international Board Director and Executive of publicly listed and private companies. Having lived in Germany, China, the UK and Australia, his experience encompasses both multinational and early stage companies, in the technology, media and publishing, and venture capital sectors. He held a number of senior positions within BMW Australia. He was a director at The Economist Intelligence Unit in London and a founding director of World Markets Research Centre Plc (LSX:WMRC), both including Automotive industry analysis divisions. He is also currently a director of Integrated Research Ltd (ASX:IRI) and Serko (NZX:SKO). He is also Managing Director of Optima Boards, a board advisory firm for companies and non-for-profit entities worldwide.

Mr McConaghy is Chairman of the Audit, Risk and Governance Committee, and his current term will expire at the close of the 2014 Annual General Meeting.

Frances Hernon**

Non-Executive Chairman

Frances Hernon was appointed Chairman on 19 February 2014. Ms Hernon has extensive experience in media, publishing, marketing and technology and during her executive career she developed broad commercial experience across a wide range of companies.

Ms Hernon serves the Board as Lead Non-Executive Director for all matters that formerly fell within the ambit of the Remuneration & Nomination Committee. Ms Hernon has served as a Non-Executive Director on Infomedia's Board since 19 June 2000.

She was last re-elected to the Board in October 2013.

Myer Herszberg

Non-Executive Director

Myer Herszberg has been a Director of Infomedia since 1992. Mr Herszberg has extensive consumer electronics experience and was active in bringing home computers to Australia in the early 1980s, as well as many other leading edge electronic products. He also has extensive experience in the commercial property market, and is active in a number of community service organisations.

Mr Herszberg was last re-elected to the Board in October 2012.

Richard Graham

Non-Executive Director

Mr Richard Graham has held senior management positions in the American and Australian computer industry since 1977. In 1988, Mr Graham co-founded the Company and served as the Chairman and Managing Director/CEO of Infomedia from its establishment until he retired as CEO in December 2004. He continued his role as Chairman from 2004 until August 2010. In August 2010, Mr Graham returned to the Company in an operational role as Executive Chairman, until Mr Pattinson's appointment as CEO in September 2013. Mr Graham retired from his role as Executive Chairman in February 2014, but remains on the Board as a Non-Executive Director.

He was last re-elected to the Board in October 2008.

*On 27 September 2013 Richard Graham became Non-Executive Chairman. Andrew Pattinson was made Chief Executive Officer and appointed to the Board.

** On 19 February 2014 Frances Hernon was appointed Non-Executive Chairman

^Appointed 1 November 2013

Interests in the shares and options of the Company and related bodies corporate

	Ordinary Shares Fully Paid	Options over Ordinary Shares
Yarragene Pty Ltd atf Yenzick Trust*	10	-
Rentamobile Pty Ltd*	15,000	-
Andrew Pattinson	2,447,567	1,050,000
Clyde McConaghy	-	-
Frances Hernon	5,000	-
Myer Herszberg	-	-
Richard Graham	2,750,001	-

*Myer Herszberg is a Director and major shareholder of Yarragene Pty Limited and Rentamobile Pty Ltd.

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 group were:

- developer and supplier of electronic parts catalogues and service 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 242 (2013: 235) full time employees as at 30 June 2014.

DIVIDENDS

	Cents	$'000
Final dividends recommended:		
On ordinary shares – final – fully franked	1.89	5,798
Dividends paid in the year:		
On ordinary shares – 2014 interim, 0.5c franked	1.8 9	5,777
Final for the 2013 year:		
On ordinary shares – as recommended in the 2013 report, fully franked	1.55	4,724

NET TANGIBLE ASSETS PER SECURITY

	Cents
Net tangible assets per share at 30 June 2014	2.5
Net tangible assets per share at 30 June 2013	1.3

REVIEW AND RESULTS OF OPERATIONS

The following table presents sales revenue and profit after tax. There were no non-recurring significant items during the 2014 or 2013 financial years:

	CONSOLIDATED	
	2014	2013
	$'000	$'000
Sales revenue	**57,143**	48,689
Profit after tax	**12,279**	10,066

REVIEW AND RESULTS OF OPERATIONS (CONTINUED)

The results for the year ending 30 June 2014 show that the Company's Net Profit After Tax (NPAT) grew by 22.0% to $12.3m and Sales revenues grew by 17.4% to $57.1m.

The Company's NPAT exceeded previously advised guidance by $0.3m. The achievement of NPAT beyond guidance is attributed to sales growth combined with tight cost control and a small benefit from a weaker Australian dollar compared with that used for guidance.

The increase in Sales Revenue was driven by growth in all major product lines. Electronic Parts Catalogue Solutions (EPC) revenue grew $6.6m, Superservice revenue grew $2.2m and other revenue reduced $0.4m.

Subscription Equivalents increased to an all-time high of 75,838 with Superservice products increasing 9.2% to 18,274 subscriptions, and EPC subscriptions by 1.5% to 57,564.

In constant currency terms, sales revenue rose by $2.9m and operating costs increased $1.1m. Foreign currency translations favourably affected constant currency EBITDA over the prior year by $2.0m. Consequently, the Company achieved an EBITDA (excluding capitalisation of research and development) of $16.5m, an increase of $3.8m (30.0%).

The Company saw increased capitalisation and amortisation during the year and a higher tax expense. Overall, NPAT increased $2.2m or 22.0% to $12.3m.

Cash flows from operations increased $1.2m to $12.5m due to the higher profit.

The Company is debt free and had $11.4m of cash as at 30 June 2014.

The Board has declared a fully franked final dividend payment of 1.89 cents per share. This, together with the interim dividend of 1.89 cents (franked to 0.5 cents), results in a total dividend of 3.78 cents for the full year which is 34% higher than the prior year and represents a payout ratio of 94% of NPAT.

The record date to determine entitlements to the dividend distribution is 3 September 2014 and the date on which the dividend is payable is 17 September 2014.

With regards to FY2015, the Company advises that it expects both constant currency and reported AUD growth. Accordingly, the Company provides guidance that it expects NPAT to exceed $14.5 million in FY2015 driven by increasing sales.

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.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

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

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the year ahead the Company expects to continue to release its internet-based products. The company expects to continue increasing Superservice™ 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 4,630,000 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 3,190,000 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

Clyde McConaghy^	Non-Executive Director
Frances Hernon**	Non-Executive Chairman
Myer Herszberg	Non-Executive Director
Richard Graham*	Non-Executive Director

(ii) Executives

Andrew Pattinson*	Chief Executive Officer and Executive Director
Jonathan Pollard	Chief Financial Officer
Karen Blunden	CEO IFM Americas
Michael Roach	General Manager Asia Pacific
Nick Georges	Company Secretary and Legal Counsel

**On 27 September 2013 Richard Graham became Non-Executive Chairman. Andrew Pattinson was made Chief Executive Officer and appointed to the Board.*

*** On 19 February 2014 Frances Hernon was appointed Non-Executive Chairman*

^Appointed 1 November 2013

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

This year your Directors decided to review Infomedia's approach to Senior Executive remuneration. Previously, Ms. Hernon, in her capacity as lead director for all matters that formerly fell within the former Remuneration & Nomination Committee of the Board of Directors was responsible for recommending to the Board the Company's remuneration and compensation policy arrangements for all Key Management Personnel (KMP). Ms. Hernon, together with the Non-Executive members of the Board, assessed 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.

Whilst the Board considers the Company's current approach to senior executive remuneration to be in the interests of shareholders and its appropriateness is reflected in the results of the Company, Ms. Hernon as Chairman, with the assistance of external advisors, is leading a Board review with the aim of providing recommendations to the Board prior to the Company's next Annual General Meeting.

Compensation Structure

For the reporting year, Infomedia's approach was in accordance with best practice corporate governance recommendations, to maintain the structure of Non-Executive Director and senior executive compensation as separate and distinct.

REMUNERATION REPORT (CONTINUED) - AUDITED

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 ended 30 June 2014) Non-Executive Directors' compensation totalled $297,593 (2013: $153,335). The increase was due to an increase in the number of Directors. 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. During the current review it was found that the Non-Executive Director remuneration was below the median compensation for Directors of companies of similar size and complexity. Consequently, a salary increase of 5% was approved for each Director. This was the first salary increase since 2007 for Non-Executive Directors..

Senior Executive and Executive Director Compensation Objective

The Company aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the Company and so as to:

- reward executives for Company and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total compensation is competitive by market standards.

The Company's policy is to pay at the median level for roles as measured against the Mercer data and/or market data to determine the salary levels.

Structure

In determining the level and make-up of executive compensation, the Company engages an external consultant from time to time to provide independent advice but more typically conducts its own market salary review of similar companies to determining the level and make-up of executive compensation.

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 KMP (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. Other executive salaries are determined by the CEO with reference to market conditions.

For new CEO, Andrew Pattinson, the "at risk" component of his base salary is 19%. His KPIs include various measures relating to the Company's general performance as well as financial targets. Andrew's base salary is $310,458 plus superannuation.

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 in conjunction with the Chairman for the KMP excluding the CEO where the Chairman has access to external advice independent of management. All other executive positions are reviewed periodically by the CEO or Chairman.

REMUNERATION REPORT (CONTINUED) - AUDITED

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

Structure

The structure of STI 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 which are very specific to the organisation and its operations. Company objectives include achieving budgetary targets that are set at the commencement of the financial year (adjusted where necessary for currency fluctuations). In FY2014 all financial targets were exceeded and, therefore, KMP will receive at least 60% of their STI compensation. The STIs for FY2014 represent an amount equivalent to 19% of the KMP's base salary.

REMUNERATION REPORT (CONTINUED) - AUDITED

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 LTI compensation is in the form of share options pursuant to the Company's employee option plans.

Options granted to employees vest subject to the following hurdles:

1. **Time:** the options vest in three equal tranches over three years post the date of grant;
2. **Share price appreciation:** the traded share price of the Company must increase by 10% year on year over the exercise price of the options; and
3. **Service:** the option holders must remain in the employment of the Company at any relevant vesting date. Employees who depart the Company automatically forfeit any unexercised options.

Contract for Services

The table and notes below summarise current executive employment contracts with the Company as at the date of this report:

Executives	Commencement date per latest contract	Duration	Notice Period – Company	Notice Period – Executive
Andrew Pattinson	27-Sep-13	3 years	6 months	6 months
Jonathan Pollard	15-Jan-12	3 years	3 months	3 months
Karen Blunden	15-Jan-12	3 years	3 months	3 months
Michael Roach	15-Jan-12	3 years	3 months	3 months
Nick Georges	15-Jan-12	3 years	3 months	3 months

The Company may terminate each of the contracts at any time without notice if serious misconduct has occurred. Options that have not yet vested upon termination will be forfeited.

REMUNERATION REPORT (CONTINUED) - AUDITED

Key Management Personnel for the year ended 30 June 2014 and 30 June 2013 is set out below. The amounts are based on individual contracts with each person. The proportion of remuneration that is based on performance is dependent on their individual achievement of KPI's

	Short-Term			Post Employment	Share Based Payments	Long Service leave	Total	Percentage Performance Related	Percentage Attributable to Options
2014 Financial Year:	**Salary & Fees**	**Bonus**	**Non Monetary Benefits**	**Superannuation**	**Options**				
	$	**$**	**$**	**$**	**$**	**$**	**$**	**%**	**%**
Directors:									
Clyde McConaghy^	**44,846**	**-**	**-**	**4,148**	**-**	**-**	**48,994**	**-**	**-**
Frances Hernon[I]	**76,587**	**-**	**-**	**7,084**	**-**	**-**	**83,671**	**-**	**-**
Myer Herszberg	**56,300**	**-**	**-**	**5,208**	**-**	**-**	**61,508**	**-**	**-**
Richard Graham[I]	**94,664**	**-**	**-**	**8,756**	**-**	**-**	**103,420**	**-**	**-**
Executives:									
Andrew Pattinson[I]	**310,813**	**58,987**	**-**	**28,750**	**65,895**	**5,174**	**469,619**	**13%**	**14%**
Jonathan Pollard	**249,076**	**47,270**	**-**	**23,040**	**4,262**	**3,732**	**327,380**	**14%**	**1%**
Karen Blunden	**290,029**	**52,650**	**1,091**	**-**	**4,262**	**-**	**348,032**	**15%**	**1%**
Michael Roach	**225,659**	**42,826**	**-**	**20,873**	**4,262**	**3,757**	**297,377**	**14%**	**1%**
Nick Georges	**215,014**	**40,806**	**-**	**19,937**	**4,262**	**3,579**	**283,598**	**14%**	**2%**
Total	**1,562,988**	**242,539**	**1,091**	**117,796**	**82,943**	**16,242**	**2,023,599**		

	Short-Term			Post Employment	Share Based Payments	Long Service leave	Total	Percentage Performance Related	Percentage Attributable to Options
2013 Financial Year:	Salary & Fees	Bonus	Non Monetary Benefits	Superannuation	Options				
	$	$	$	$	$	$	$	%	%
Frances Hernon	56,250	-	-	5,062	-	-	61,312	-	-
Geoff Henderson*	28,125	-	-	2,531	-	-	30,656	-	-
Myer Herszberg	56,300	-	-	5,067	-	-	61,367	-	-
Richard Graham	115,000	-	-	10,350	-	-	125,350	-	-
Executives:									
Andrew Pattinson	292,000	55,480	-	26,280	10,061	4,867	388,688	14%	3%
Jonathan Pollard	234,000	44,460	-	21,060	10,061	3,120	312,701	14%	3%
Karen Blunden	256,056	44,890	968	-	10,061	-	311,975	14%	3%
Michael Roach	212,000	40,280	-	19,080	10,061	3,533	284,954	14%	4%
Nick Georges	202,000	38,380	-	18,227	10,061	3,367	272,035	14%	4%
Total	1,451,731	223,490	968	107,657	50,305	14,887	1,849,038		

**Resigned 3rd January 2013*

^Appointed 1 November 2013

I On 27 September 2013 Richard Graham resigned as Non-Executive Chairman. Andrew Pattinson was made Chief Executive Officer and appointed to the Board. On 19 February 2014 Frances Hernon was appointed Non-Executive Chairman.

Bonuses were paid at a rate of 100% of maximum bonus potential (2013: 100%)

REMUNERATION REPORT (CONTINUED) - AUDITED

Option holdings of Key Management Personnel (Consolidated)

		Terms and Conditions for each Grant				Vested		Exercised	
	Options Issued No.	Grant date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date	No.	%	No.	%
Andrew Pattinson	**450,000**	**15/1/2012**	**0.050**	**0.190**	**14/3/2015**	**300,000**	**66.7%**	**150,000**	**50.0%**
Andrew Pattinson	**750,000**	**27/9/2013**	**0.110**	**0.565**	**31/10/2016**	**-**	**0.0%**	**-**	**0.0%**
Jonathan Pollard	**450,000**	**15/1/2012**	**0.050**	**0.190**	**14/3/2015**	**300,000**	**66.7%**	**300,000**	**100.0%**
Karen Blunden	**450,000**	**15/1/2012**	**0.050**	**0.190**	**14/3/2015**	**300,000**	**66.7%**	**300,000**	**100.0%**
Michael Roach	**450,000**	**15/1/2012**	**0.050**	**0.190**	**14/3/2015**	**300,000**	**66.7%**	**300,000**	**100.0%**
Nick Georges	**450,000**	**15/1/2012**	**0.050**	**0.190**	**14/3/2015**	**300,000**	**66.7%**	**300,000**	**100.0%**
Total	**3,000,000**					**1,500,000**	**50.0%**	**1,350,000**	**90.0%**

		Terms and Conditions for each Grant				Vested		Exercised	
	Options Issued No.	Grant date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date	No.	%	No.	%
Andrew Pattinson	450,000	15/1/2012	0.050	0.190	14/3/2015	300,000	33.3%	-	0.0%
Jonathan Pollard	450,000	15/1/2012	0.050	0.190	14/3/2015	300,000	33.3%	-	0.0%
Karen Blunden	450,000	15/1/2012	0.050	0.190	14/3/2015	300,000	33.3%	150,000	100.0%
Michael Roach	450,000	15/1/2012	0.050	0.190	14/3/2015	300,000	33.3%	-	0.0%
Nick Georges	450,000	15/1/2012	0.050	0.190	14/3/2015	300,000	33.3%	150,000	100.0%
Total	2,250,000					750,000	33.0%	300,000	40.0%

REMUNERATION REPORT (CONTINUED) - AUDITED

Shareholdings of Key Management Personnel - Number of shares held in Infomedia Ltd

2014 Financial Year:	Balance at beginning of period	Granted as compensation	Options exercised	Expired	Balance at end of period	Vested at 30 June 2014	
Executives	**1 July 2013**				**30 June 2014**	**Not exercisable**	**Exercisable**
Andrew Pattinson	**450,000**	**750,000**	**(150,000)**	**-**	**1,050,000**	**900,000**	**150,000**
Jonathan Pollard	**450,000**	**-**	**(300,000)**	**-**	**150,000**	**150,000**	**-**
Karen Blunden	**300,000**	**-**	**(150,000)**	**-**	**150,000**	**150,000**	**-**
Michael Roach	**450,000**	**-**	**(300,000)**	**-**	**150,000**	**150,000**	**-**
Nick Georges	**300,000**	**-**	**(150,000)**	**-**	**150,000**	**150,000**	**-**
Total	**1,950,000**	**750,000**	**(1,050,000)**	**-**	**1,650,000**	**1,500,000**	**150,000**

2013 Financial Year:	Balance at beginning of period	Granted as compensation	Options exercised	Expired	Balance at end of period	Vested at 30 June 2014	
Executives	1 July 2012				30 June 2013	Not exercisable	Exercisable
Andrew Pattinson	450,000	-	-	-	450,000	300,000	150,000
Jonathan Pollard	450,000	-	-	-	450,000	300,000	150,000
Karen Blunden	450,000	-	(150,000)	-	300,000	300,000	-
Michael Roach	450,000	-	-	-	450,000	300,000	150,000
Nick Georges	450,000	-	(150,000)	-	300,000	300,000	-
Total	2,250,000	750,000	(1,050,000)	-	1,950,000	1,500,000	450,000

REMUNERATION REPORT (CONTINUED) - AUDITED

Shareholdings of Key Management Personnel - Number of shares held in Infomedia Ltd

2014 Financial Year:	Balance 30 June 2013	Granted as compensation	On exercise of options	Net change other	Balance 30 June 2014
Directors					
Clyde McConaghy^	-	-	-	-	-
Frances Hernon	5,000	-	-	-	5,000
Myer Herszberg	23,436,599	-	-	(23,421,589)	15,010
Richard Graham	103,390,901	-	-	(100,640,900)	2,750,001
Executives					
Andrew Pattinson	2,447,567	-	150,000	(150,000)	2,447,567
Jonathan Pollard	1,996	-	300,000	(200,000)	101,996
Karen Blunden	150,000	-	150,000	-	300,000
Michael Roach	18,721	-	300,000	(300,000)	18,721
Nick Georges	153,000	-	150,000	(303,000)	-
Total	129,603,784	-	1,050,000	(125,015,489)	5,638,295

2013 Financial Year:	Balance 30 June 2012	Granted as compensation	On exercise of options	Net change other	Balance 30 June 2013
Directors					
Frances Hernon	5,000	-	-	-	5,000
Geoff Henderson*	-	-	-	-	-
Myer Herszberg	23,436,599	-	-	-	23,436,599
Richard Graham	103,390,901	-	-	-	103,390,901
Executives					
Andrew Pattinson	2,447,567	-	-	-	2,447,567
Jonathan Pollard	1,996	-	-	-	1,996
Karen Blunden	-	-	150,000	-	150,000
Michael Roach	18,721	-	-	-	18,721
Nick Georges	24,421	-	150,000	(21,421)	153,000
Total	129,325,205	-	1,050,000	(21,421)	129,603,784

**Resigned 3/01/13*
^Appointed 1 November 2013
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.

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.

REMUNERATION REPORT (CONTINUED) - AUDITED

Additional information

Executive rewards are linked to the creation of shareholder value by providing incentives that positively impact the earnings of the company. The earnings of the consolidated entity for the five years to 30 June 2014 are summarised below:

	2010	2011	2012	2013	2014
	$'000	$'000	$'000	$'000	$'000
EBITDA	18,175	18,788	17,653	20,104	24,597
EBIT	14,430	13,172	11,087	11,974	15,407
Profit after income tax	11,336	10,039	8,461	10,066	12,279

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2010	2011	2012	2013	2014
	Cents	Cents	Cents	Cents	Cents
Dividends per share	2.4	2.4	2.4	2.82	3.78
Share price at financial year end	28	22	20	47	75

Reconciliation of Net Profit After Tax per the Statement of Profit or Loss & Other Comprehensive Income to EBIT and EBITDA.

	2010	2011	2012	2013	2014
Net Profit After Tax	**11,336**	**10,039**	**8,461**	**10,066**	**12,279**
Interest	(103)	(184)	(101)	(76)	(106)
Tax	3,161	3,317	2,727	1,984	3,233
EBIT	**14,394**	**13,172**	**11,087**	**11,974**	**15,406**
Depreciation & Amortisation	3,745	5,616	6,567	8,130	9,192
EBITDA	**18,139**	**18,788**	**17,654**	**20,104**	**24,598**

At the AGM, no comments were received on the remuneration report and it was adopted by way of a show of hands. This concludes the remuneration report, which has been audited.

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:

	Board Meeting		Audit, Risk & Governance Committee Meetings	
Directors	**Held**	**Attended**	**Held**	**Attended**
Andrew Pattinson[1]	7	7	-	2
Clyde McConaghy[2]	5	5	2	2
Frances Hernon	10	10	2	2
Myer Herszberg	10	7	2	1
Nick Georges[3]	1	1	-	-
Richard Graham	10	9	-	2

1. *Mr Pattinson commenced as a Director with effect from 27 September 2013.*
2. *Mr McConaghy commenced as a Director with effect from 1 November 2013.*
3. *Mr Georges acting as Alternate Director for Mr Herszberg with effect from 26 September 2013 and ceasing on 27 September 2013.*

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.

INDEMNITY AND INSURANCE OF AUDITOR

The company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor. During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year are outlined in note 22 to the financial statements .

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 22 to the financial statements do not compromise the external auditor's independence for the following reasons:

All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Our Corporate Governance Statement can be found at www.infomedia.com.au.

AUDITOR INDEPENDENCE

The Directors received an auditor's independence declaration from the auditor of the Company as required under section 307c of the Corporations Act 2001 (refer page 19).

This report is made in accordance with a resolution of directors, pursuant to section 298 (2)(a) of the Corporations Act 2001.

On behalf of the directors,

Frances Hernon
Chairman
Sydney, 21 August 2014

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www.bdo.com.au

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Sydney NSW 2000

Australia

DECLARATION OF INDEPENDENCE BY GRANT SAXON TO THE DIRECTORS OF INFOMEDIA LTD

As lead auditor of Infomedia Ltd for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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

Grant Saxon
Partner

BDO East Coast Partnership

Sydney, 21 August 2014

YEAR ENDED 30 June 2014	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
Sales revenue		**57,143**	48,689
Expenditure			
Research and development expenses	3	**(13,778)**	(12,362)
Sales and marketing expenses		**(14,677)**	(12,631)
General and administration expenses		**(11,780)**	(11,868)
Total expenditure		**(40,235)**	(36,861)
Other income and expenses			
Finance income		**106**	76
Currency exchange gains/(losses)		**(1,502)**	146
Profit before income tax		**15,512**	12,050
Income tax expense	4	**(3,233)**	(1,984)
Profit for the year		**12,279**	10,066
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Foreign currency translation differences for foreign operations		**132**	854
Effective cashflow hedges gain/(losses) recognised in equity		**1,079**	(1,240)
Other comprehensive income for the period, net of tax		**1,211**	(386)
Total comprehensive income for the period		**13,490**	9,680
Basic earnings per share (cents per share)		**4.02**	3.32
Diluted earnings per share (cents per share)		**4.00**	3.29
Dividends per share - ordinary (cents per share)	6	**3.78**	2.82

[1]The presentation of Statement of Profit or Loss & Other Comprehensive Income has been revised during the year and the comparative amounts restated. See note 2 (aa) for further details.

The above Statement of Profit or Loss & Other Comprehensive Income should be read in conjunction with the attached notes.

As at 30 June 2014	Notes	CONSOLIDATED	
		2014	2013
CURRENT ASSETS		**$'000**	$'000
Cash and cash equivalents	17(b)	**11,410**	9,299
Trade and other receivables	7	**6,162**	5,304
Inventories	8	**-**	1
Prepayments		**926**	1,214
Derivatives	26	**460**	-
TOTAL CURRENT ASSETS		**18,958**	15,818
NON-CURRENT ASSETS			
Property, plant and equipment	9	**1,269**	1,438
Intangible assets and goodwill	10	**34,322**	34,359
TOTAL NON-CURRENT ASSETS		**35,591**	35,797
TOTAL ASSETS		**54,549**	51,615
CURRENT LIABILITIES			
Trade and other payables	12	**2,601**	2,634
Derivatives	26	**-**	2,193
Provisions	13	**2,339**	2,039
Income tax payable		**1,149**	611
Deferred revenue	14	**477**	668
TOTAL CURRENT LIABILITIES		**6,566**	8,145
NON-CURRENT LIABILITIES			
Provisions	15	**498**	448
Deferred tax liabilities	4	**5,496**	4,854
TOTAL NON-CURRENT LIABILITIES		**5,994**	5,302
TOTAL LIABILITIES		**12,560**	13,447
NET ASSETS		**41,989**	38,168
EQUITY			
Contributed equity	16	**11,476**	10,855
Reserves	16	**1,569**	147
Retained profits		**28,944**	27,166
TOTAL EQUITY		**41,989**	38,168

The above Statement of Financial Position should be read in conjunction with the attached notes.

YEAR ENDED 30 June 2014	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**55,085**	50,179
Payments to suppliers and employees		**(40,213)**	(37,063)
Interest received		**106**	76
Income tax paid		**(2,485)**	(1,944)
NET CASH FLOWS FROM OPERATING ACTIVITIES	17(a)	**12,493**	11,248
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		**(502)**	(642)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(502)**	(642)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share options	16	**621**	57
Dividends paid on ordinary shares	6	**(10,501)**	(8,010)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(9,880)**	(7,953)
NET INCREASE IN CASH HELD		**2,111**	2,653
Add opening cash brought forward		**9,299**	6,646
CLOSING CASH CARRIED FORWARD	17(b)	**11,410**	9,299

The above Statement of Cash Flows should be read in conjunction with the attached notes.

YEAR ENDED 30 June 2014	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 2013	**10,855**	**27,166**	**252**	**(755)**	**650**	**38,168**
Profit for the year	**-**	**12,279**	**-**	**-**	**-**	**12,279**
Other comprehensive income	**-**	**-**	**-**	**1,079**	**132**	**1,211**
Total comprehensive income for the year	**-**	**12,279**	**-**	**1,079**	**132**	**13,490**
Transactions with shareholders:						
Share based payments	**-**	**-**	**211**	**-**	**-**	**211**
Share option exercised	**621**	**-**	**-**	**-**	**-**	**621**
Equity dividends	**-**	**(10,501)**	**-**	**-**	**-**	**(10,501)**
At 30 June 2014	**11,479**	**28,944**	**463**	**324**	**782**	**41,989**

YEAR ENDED 30 June 2013	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 2012	10,798	25,110	56	485	(204)	36,245
Profit for the year	-	10,066	-	-	-	10,066
Other comprehensive income	-	-	-	(1,240)	854	(386)
Total comprehensive income for the year	-	10,066	-	(1,240)	854	9,680
Transactions with shareholders:						
Share based payments	-	-	196	-	-	196
Share option exercised	57	-	-	-	-	57
Equity dividends	-	(8,010)	-	-	-	(8,010)
At 30 June 2013	10,855	27,166	252	(755)	650	38,168

The above Statement of Changes in Equity should be read in conjunction with the attached notes.

30 June 2014

1. CORPORATE INFORMATION

The financial report of Infomedia Ltd for the year ended 30 June 2014 was authorised for issue in accordance with a resolution of the Directors on 21 August 2014.

Infomedia Ltd is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian stock exchange (ASX:IFM). 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 and Interpretations as appropriate for profit oriented entities. The financial report has also been prepared on an historical cost basis, except for derivative financial instruments that have been measured at fair value.

b) Statement of compliance

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

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

New Accounting Standards and Interpretations not yet mandatory or early adopted.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2014. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments and its consequential amendments

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2017 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

c) Basis of consolidation

The consolidated financial statements comprise the financial statements of Infomedia Ltd (the 'Company') and its subsidiaries ('the Group'). 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.

30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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:

- 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 and that the asset is expected to generate future economic benefit. 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 Statement of Profit or Loss & Other Comprehensive Income.

Translation of financial reports of overseas operations

Both the functional and presentation currency of Infomedia Ltd 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	Great British Pounds (GBP)
IFM Germany GmbH	Euros (EUR)
IFM North America Inc	United States Dollars (USD)
Different Aspect Software Ltd	Great British Pounds (GBP)

As at the reporting date the assets and liabilities of these overseas subsidiaries are translated into the presentation currency of Infomedia Ltd at the rate of exchange ruling at the balance sheet date and the income statements are translated at the weighted average exchange rates for the period. The exchange differences arising on the retranslation are taken directly to a separate component of equity.

f) Cash and cash equivalents

Cash on hand and in banks and short-term deposits are stated at nominal values. For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within three months, net of outstanding bank overdrafts.

30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Trade and other receivables

Trade receivables, which generally have 30-60 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

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 8 Operating Segments

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.

30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Intangible assets (continued)

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 de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

l) Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

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.

30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Land and buildings are measured at cost less accumulated depreciation on buildings and less any impairment losses recognised. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Major depreciation periods are:	**2014**	**2013**
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.

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 Statement of Profit or Loss and Other Comprehensive Income on a straight-line basis over the lease term. Lease incentives are recognised in the statement of Profit or Loss and Other Comprehensive Income as an integral part of the total lease expense.

o) Trade and other payables

Trade payables and other payables are carried at amortised cost 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 discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

q) Deferred revenue

Certain contracts allow annual subscriptions to be invoiced in advance. The components of revenue relating to the subscription period beyond balance date are recorded as a liability.

r) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

s) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Subscriptions

Subscription revenue is recognised when the copyright article has passed to the buyer with related support revenue being recognised over the service period. Where the copyright article and related support revenue are inseparable then the revenue is recognised over the service period.

Interest

Interest is recognised using the effective interest method.

30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

t) 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 highly probable forecast transaction. Infomedia Ltd currently has cash flow hedges attributable to highly probable future foreign currency sales.

Cash flow hedges

Cash flow hedges are hedges of the Group's exposure to variability in cash flows that is attributable to a particular risk associated with anticipated future sales that could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in profit or loss.

Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs. The Group tests each of the designated cash flow hedges for effectiveness on a monthly basis both retrospectively and prospectively using the "matched terms" principle.

At each balance date, hedge effectiveness is measured in the first instance by determining whether there have been any changes to these "matched terms". When there have been no changes to these "matched terms", the hedge is considered to be highly effective. Where there has been a change to these terms, effectiveness is measured using the hypothetical derivative method.

The parent entity (Infomedia Ltd) sells software to its customers and uses its subsidiary companies (i.e. IFM North America Inc and IFM Europe Ltd) to act as billing agents and provide sales and support services. Sales are denominated in USD and Euros. The Group hedges foreign exchange exposure on sales (net of sales and support service costs) as this exposure affects consolidated profit when the sale is made to the external customer.

u) 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.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

u) Income tax (continued)

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

The tax consolidated current tax liability and other deferred tax assets are required to be allocated to the members of the tax consolidated group in accordance with Interpretation 1052 – Tax Consolidation Accounting. 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.

v) 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 Statement of Financial Position.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis.

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

w)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 and current provisions respectively 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 9.25% of salaries is recognised on a straight line basis. Termination benefits are recognised at the point of being incurred where relevant.

x) Share-based payment transactions

The Company provides benefits to employees in the form of share-based payment transactions, whereby employees render services in exchange for shares or options over shares ('equity-settled transactions').

There are currently two plans in place to provide these benefits:

(i) the Employee Share Plan (ESP), and

(ii) the Employee Option Plan (EOP).

30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

x) Share-based payment transactions (continued)

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 diluted earnings per share.

y) 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.

z) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

z) Business combinations

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

aa) Restatement of comparatives

Over recent years the Company has invested significant resources in changing the way customers use its software by migrating users from physical DVD discs and applications installed on end user infrastructure (Disc based), to products accessible online via internet browsers (Software as a Service or 'SaaS').

As customers increasingly migrate to the online 'SaaS' versions, the Company has seen a change to the nature of its business in certain areas. In accordance with the provisions of AASB101 Presentation of Financial Statements which requires classification of items of income and expense on the most reliable and relevant basis, the Company has now adopted a functional approach to presenting its Statement of Profit or Loss and Other Comprehensive Income showing Research & Development expenses, Sales & Marketing expenses and General & Administrative expenses which it believes gives readers a more intuitive view of the Company's activities. The approach adopted by the Company for creation and maintenance of the Software as a Service products has led to the lack of distinction between 'Direct Wages' and 'Employee benefits expense (Salary and wages). These costs are now included within the three functional areas of expense listed above. Consequently 'Cost of Sales' is no longer presented.

Reconciliation of cost of sales and employee benefit expense to Sales & Marketing, General & Administrative and Research & Development expense due to the change in presentation of the Statement of Profit or Loss and Other Comprehensive Income.

	2013 $'000
Cost of sales	
Direct wages	12,032
Other	7,267
Total cost of sales	19,299
Reported as:	
Sales & Marketing expense	11,207
General & Administrative expense	3,517
Research & Development expense	4,575
Total Direct wages	19,299

3. EXPENSES

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
(i) Research & development costs			
Total research & development costs incurred during the period		**13,771**	12,601
Amortisation of deferred development costs		**8,113**	7,178
Less: development costs capitalised		**(8,106)**	(7,417)
Net research and development costs expensed		**13,778**	12,362

Profit before income tax from continuing operations includes the following specific expenses:

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
Depreciation		**662**	593
Amortisation		**8,530**	7,537
Minimum lease payments for rental expense		**1,359**	1,208
Superannuation expense		**1,443**	1,328
Share based payment expense		**211**	196
Employee benefits expense		**24,828**	22,743

4. INCOME TAX

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
The major components of income tax expense are:			
(a) Income statement			
Current income tax			
Current income tax charge		**3,128**	2,404
Adjustments in respect of current income tax of previous years.		**(68)**	(711)
Deferred income tax			
Relating to origination and reversal of temporary differences		**173**	291
Income tax expense reported in the income statement		**3,233**	1,984
(b) Disclosure of tax effects relating to each component of other comprehensive income			
Movement in cash flow hedges		**469**	(542)
		469	(542)
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		**15,512**	12,050
At the Company's statutory income tax rate of 30% (2013: 30%)		**4,653**	3,615
Adjustments in respect of income tax of previous years		**(151)**	(487)
Additional research and development deduction		**(1,345)**	(1,214)
Expenditure not allowable for income tax purposes		**76**	70
Income tax expense for the year		**3,233**	1,984

4. INCOME TAX (CONTINUED)

	Notes	STATEMENT OF FINANCIAL POSITION		STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME	
		2014	2013	**2014**	2013
		$'000	$'000	**$'000**	$'000
Deferred income tax					
Deferred income tax at 30 June relates to the following:					
CONSOLIDATED					
Deferred tax liabilities					
Derivatives		**(138)**	658	**327**	(324)
Deferred development costs		**(6,380)**	(6,382)	**(2)**	72
Gross deferred income tax liabilities		**(6,518)**	(5,724)		
CONSOLIDATED					
Deferred tax assets					
Provisions		**872**	679	**(193)**	408
Other payables		**40**	50	**10**	17
Currency exchange		**110**	141	**31**	118
Gross deferred income tax assets		**1,022**	870		
Deferred tax income/ (expense)				**173**	291
Net deferred income tax liabilities		**(5,496)**	(4,854)		

5. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of dilutive options). The following reflects the income and share data used in the total operations basic and diluted earnings per share computations:

	CONSOLIDATED	
	2014	2013
	$'000	$'000
Net profit attributable to equity holders from continuing operations	**12,279**	10,066
	Number of shares	Number of shares
Weighted average number of ordinary shares for basic earnings per share	**305,173,135**	303,382,350
Effect of dilution:		
Share options	**2,003,292**	2,801,407
Adjusted weighted average number of ordinary shares for diluted earnings per share	**307,176,427**	306,183,757
Diluted EPS (cents)	**4.00**	3.29

6. DIVIDEND PROPOSED OR PAID

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
(a) Dividends paid during the year:			
Interim dividend – 1.89 cents, 0.5c franked (2013: 1.27 cents, 0.5 cents franked) per share		**5,777**	3,855
Prior year final dividend – 1.55 cents fully franked (2013: 1.37 cents fully franked) per share		**4,724**	4,155
Total dividends paid during the year		**10,501**	8,010
(b) Dividends proposed and not recognised as a liability:			
Final dividend – 1.89 cents per share fully franked.			
(2013: 1.55 cents per share, fully franked)		**5,798**	4,713
(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		**10**	217
Franking credits/(debits) that will arise from the payment/(receipt) of income tax payable/(receivable) as at the end of the financial year		**1,133**	656
		1,143	873

If fully franked, the tax rate on dividends is 30% (2013: 30%).

7. TRADE AND OTHER RECEIVABLES (CURRENT)

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
Trade debtors		**6,218**	5,459
Allowance for impairment loss (a)		**(188)**	(224)
		6,030	5,235
Other debtors		**132**	69
		6,162	5,304

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 $53,000 (2013: $76,000 loss) has been recognised by the group in the current year. These amounts have been included in the General & Administration 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.

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
At 1 July		**224**	210
Charge/(release) for the year		**53**	76
Foreign exchange translation		**4**	10
Amounts written off		**(93)**	(72)
At 30 June		**188**	224

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

		Total	0-60 days NI*	0-60 days CI*	61-120 days NI*	61-120 days CI*	121+ days NI*	121+ days CI*
2014	**Consolidated ($'000)**	**6,218**	**4,547**	**21**	**959**	**31**	**524**	**136**
2013	Consolidated ($'000)	5,459	4,795	30	296	43	144	151

** Not impaired (NI)*
Considered impaired (CI)
All trade receivables over 60 days are considered past due.

8. INVENTORY

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
Raw materials			
At cost		**-**	1
Total inventories at the lower of cost and net realisable value		**-**	1

9. PROPERTY, PLANT & EQUIPMENT

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
(a) Leasehold improvements		**491**	481
At cost		**(426)**	(413)
Accumulated amortisation		**65**	68
Office equipment			
At cost		**8,893**	8,455
Accumulated depreciation		**(7,836)**	(7,300)
		1,057	1,155
Furniture and fittings			
At cost		**436**	446
Accumulated depreciation		**(329)**	(287)
		107	159
Plant and equipment			
At cost		**3,331**	3,301
Accumulated depreciation		**(3,291)**	(3,245)
		40	56
Total property, plant and equipment			
At cost		**13,151**	12,683
Accumulated depreciation and amortisation		**(11,882)**	(11,245)
Total carrying amount		**1,269**	1,438

9. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
(b) Reconciliation of property, plant and equipment carrying values			
Leasehold Improvements			
Carrying amount – opening balance		**68**	27
Additions		**30**	46
Disposals		**-**	-
Depreciation		**(33)**	(5)
Carrying amount – closing balance		**65**	68
Office equipment			
Carrying amount – opening balance		**1,155**	1,087
Additions		**439**	544
Disposals			-
Depreciation		**(536)**	(476)
Carrying amount – closing balance		**1,057**	1,155
Furniture and fittings			
Carrying amount – opening balance		**159**	162
Additions		**3**	38
Disposals		**(8)**	-
Depreciation		**(47)**	(41)
Carrying amount – closing balance		**107**	159
Plant and equipment			
Carrying amount – opening balance		**56**	113
Additions		**30**	14
Depreciation		**(46)**	(71)
Carrying amount – closing balance		**40**	56
Total property, plant and equipment			
Carrying amount – opening balance		**1,438**	1,389
Additions		**502**	642
Disposals		**(9)**	-
Depreciation		**(662)**	(593)
Carrying amount – closing balance		**1,269**	1,438

10. INTANGIBLE ASSETS AND GOODWILL

	CONSOLIDATED				
	Development costs[1]	Intellectual Property[2]	Other Intangibles[2]	Goodwill[2]	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
At 1 July 2013					
Cost (gross carrying amount)	**47,729**	**3,167**	**1,167**	**12,008**	**64,071**
Accumulated amortisation	**(26,458)**	**(2,825)**	**(429)**	**-**	**(29,712)**
Net carrying amount	**21,271**	**342**	**738**	**12,008**	**34,359**
Year ended 30 June 2014					
At 1 July 2013, net of accumulated amortisation and impairment	**21,271**	**342**	**738**	**12,008**	**34,359**
Purchase from wholly owned subsidiary	**-**	**-**	**-**	**-**	**-**
Additions	**8,106**	**-**	**-**	**-**	**8,106**
Revaluation on cost	**-**	**54**	**101**	**300**	**455**
Amortisation	**(8,113)**	**(168)**	**(249)**	**-**	**(8,530)**
Revaluation on amortisation	**-**	**(28)**	**(40)**	**-**	**(68)**
At 30 June 2014, net of accumulated amortisation and impairment	**21,264**	**200**	**550**	**12,308**	**34,322**
At 30 June 2014					
Cost (gross carrying amount)	**55,835**	**3,221**	**1,268**	**12,308**	**72,632**
Accumulated amortisation	**(34,571)**	**(3,021)**	**(718)**	**-**	**(38,310)**
Net carrying amount	**21,264**	**200**	**550**	**12,308**	**34,322**

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.

	CONSOLIDATED				
	Development costs[1]	Intellectual Property[2]	Other Intangibles[2]	Goodwill[2]	Total
	$'000	$'000	$'000	$'000	$'000
At 1 July 2012					
Cost (gross carrying amount)	40,312	3,115	1,071	11,723	56,221
Accumulated amortisation	(19,280)	(2,656)	(179)	-	(22,115)
Net carrying amount	21,032	459	892	11,723	34,106
Year ended 30 June 2013					
At 1 July 2012, net of accumulated amortisation and impairment	21,032	459	892	11,723	34,106
Additions	7,417	-	-	-	7,417
Foreign exchange movements	-	28	60	285	373
Amortisation	(7,178)	(145)	(214)	-	(7,537)
At 30 June 2013, net of accumulated amortisation and impairment	21,271	342	738	12,008	34,359
At 30 June 2013					
Cost (gross carrying amount)	47,729	3,167	1,167	12,008	64,071
Accumulated amortisation	(26,458)	(2,825)	(429)	-	(29,712)
Net carrying amount	21,271	342	738	12,008	34,359

30 June 2014

II. IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through business combinations or territory acquisition has 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, Middle East & Africa;
- 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 2014 based on financial budgets approved by The Board for the 2015 financial year extrapolated for a five year period on the basis of 5% growth together with a terminal value. The NPV of this calculation was $109,404,000.

The discount rate applied to cash flow projections is 14% (2013: 14%). The discount rate reflects management estimate of the time value of money and the rates specific to each unit.

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

CONSOLIDATED	Asia Pacific	Europe, Middle East & Africa	North America	Latin and South America	Total
	$'000	$'000	$'000	$'000	$'000
Carrying amount of goodwill 2013	2,725	5,727	2,701	855	12,008
Foreign exchange movement	68	143	67	22	300
Carrying amount of goodwill 2014	**2,793**	**5,870**	**2,768**	**877**	**12,308**

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;
- The discount rates estimated by management are reflective of the time value of money; and
- Management has used an AUD/USD exchange rate of $0.93 and an AUD/EUR exchange rate of $0.66 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.

12. TRADE AND OTHER PAYABLES (CURRENT)

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
Trade creditors	12(a)	**411**	411
Other creditors		**2,190**	2,223
		2,601	2,634

(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)

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
Employee benefits	15(a)	**2,339**	2,039
		2,339	2,039

Employee benefits obligation expected to be settled within 12 months is $1,551,000

14. DEFERRED REVENUE (CURRENT)

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
Revenue in advance		**477**	477
		477	668

15. PROVISIONS (NON-CURRENT)

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
Employee benefits		**498**	448
		498	448
(a) Movement in employee benefit provision			
Carrying amount at the beginning of the year		**2,487**	2,239
Utilised		**(1,219)**	(1,208)
Arising during the year		**1,569**	1,456
Carrying amount at the end of the year		**2,837**	2,487
Current	13	**2,339**	2,039
Non-current		**498**	448
		2,837	2,487

16. CONTRIBUTED EQUITY AND RESERVES

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
Revenue in advance		**11,476**	10,855
		11,476	10,855

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

	Notes	Number	$'000
At 1 July 2013		**303,576,855**	10,855
Shares repurchased		**-**	-
At 30 June 2013		**303,576,855**	10,855
Share options exercised		**3,190,000**	621
At 30 June 2014		**306,766,855**	11,476

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 2014 financial year, the company paid dividends of $10.5 million (2013: $8.0 million).

Employee Option Plan

There were 2,170,000 (2013: 600,000) options granted during the current year at an average exercise price of $0.565 (2013: $0.28).

	Notes	CONSOLIDATED			
		Employee equity benefits reserve	Foreign currency translation reserve	Cashflow hedge reserve	Total
Movement in reserves:		$'000	$'000	$'000	$'000
At 1 July 2012		56	(204)	485	337
Currency translation differences		-	854	-	854
Share based payments		196	-	-	196
Transfer to retained profit		-	-	-	-
Derivatives marked to market		-	-	(1,240)	(1,240)
At 30 June 2013		**252**	**650**	**(755)**	**147**
Currency translation differences		**-**	**132**	**-**	**132**
Share based payments		**211**	**-**	**-**	**211**
Derivatives marked to market		**-**	**-**	**1,079**	**1,079**
At 30 June 2014		**463**	**782**	**324**	**1,569**

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.

17. STATEMENT OF CASH FLOWS

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
(a) Reconciliation of profit after tax to the net cash flows from operations			
Profit from ordinary activities after income tax expense		**12,279**	10,066
Depreciation of non-current assets		**662**	593
Amortisation of non-current assets		**8,530**	7,537
Share based payment		**211**	196
Ineffective (gains)/loss on hedgeing instruments		**(1,112)**	1,112
Disposal of property, plant, and equipment		**7**	-
Changes in assets and liabilities			
(Increase)/decrease in trade and other debtors		**(687)**	(430)
(Increase)/decrease in inventories		**1**	6
(Increase)/decrease in prepayments		**129**	(199)
(Increase)/decrease in deferred development costs		**(8,106)**	(7,417)
(Increase)/decrease in intangible assets		**(387)**	(373)
Increase/(decrease) in trade and other creditors		**126**	(267)
Increase/(decrease) in allowance for doubtful debts		**(37)**	15
Increase/(decrease) in provision for employee entitlements		**350**	250
Increase/(decrease) in income tax payable		**538**	(224)
Increase/(decrease) in deferred income tax liability		**179**	279
Increase/(decrease) in revenue in advance		**(190)**	104
Net cash flow from operating activities		**12,493**	11,248
(b) Reconciliation of cash			
Cash balance comprises:			
-Cash at bank		**6,017**	4,877
-Cash on deposit		**5,393**	4,422
		11,410	9,299

18. COMMITMENTS & CONTINGENCIES

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
(a) Lease expenditure commitments			
Operating leases (non-cancellable):			
Minimum lease payments			
- not later than one year		**1,268**	1,290
- later than one year and not later than five years		**1,990**	3,264
- later than five years		**-**	-
- aggregate operating lease expenditure contracted for at balance date		**3,258**	4,554

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 $508,000 (2013: $508,000) 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	2014		2013	
		Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	19(a)	**5,850,000**	**$0.200**	5,670,000	$0.190
- granted	19(b)	**2,170,000**	**$0.565**	600,000	$0.280
- expired	19(c)	**(200,000)**	**$0.190**	(120,000)	$0.280
- exercised	19(d)	**(3,190,000)**	**$0.230**	(300,000)	$0.190
Balance at end of year	19(e)	**4,630,000**	**$0.370**	5,850,000	$0.200

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

The following table summarises information about options held by employees at 1 July 2013

Number of options	Grant date	Earliest vesting date	Expiry date	Weighted average exercise price
1,950,000	15/1/2012	15/1/2012	14/3/2015	$0.190
3,420,000	30/5/2012	30/5/2012	30/5/2012	$0.190
480,000	12/3/2013	15/1/2012	1/2/2016	$0.280

(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
750,000	27/9/2013	27/9/2014	31/10/2016	$0.565
1,420,000	16/12/2013	15/12/2014	31/12/2016	$0.565

(c) Options forfeited 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
120,000	30/5/2012	30/5/2013	30/5/2016	$0.190
80,000	12/3/2013	15/1/2014	1/2/2016	$0.280

(d) Options exercised 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
1,050,000	15/1/2012	15/1/2013	14/3/2015	$0.190
1,980,000	30/5/2012	30/5/2013	30/5/2012	$0.190
160,000	12/3/2013	15/1/2014	1/2/2016	$0.280

19. SHARE BASED PAYMENT PLANS (CONTINUED)

(e) Options held at the end of the year

Number of options	Grant date	Earliest vesting date	Expiry date	Weighted average exercise price
900,000	15/01/2012	15/01/2013	14/03/2015	$0.190
1,320,000	30/05/2012	30/05/2013	30/05/2015	$0.190
240,000	12/03/2013	15/01/2014	1/02/2016	$0.280
750,000	27/09/2013	27/09/2014	31/10/2016	$0.565
1,420,000	16/12/2013	15/12/2014	31/12/2016	$0.565

(f) Options held at the end of the year

The weighted average fair value of options granted during the year was $0.295 (2013: $0.21).

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 15/01/2012	Granted 30/05/2012	Granted 12/03/2013	Granted 27/09/2013	Granted 16/12/2013
Dividend yield (%)	10.00%	10.00%	4.33%	3.87%	4.98%
Expected volatility (%)	41%	39%	42%	42%	42%
Risk free rate (%)	3.95%	3.08%	3.22%	3.09%	3.17%
Option exercise price	$0.190	$0.190	$0.280	$0.565	$0.565
Weighted average share price at grant date	$0.190	$0.190	$0.280	$0.565	$0.565

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

	Notes	CONSOLIDATED	
		2014	2013
		$'000	$'000
Expense arising from equity-settled share-based payment		**211**	196

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 ending 30 June 2014 were 9.25% (2013 : 9.00%) of employee's wages and salaries which are legally enforceable in Australia. The superannuation plans provide accumulation benefits.

21. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation of Key Management Personnel

	CONSOLIDATED	
	2014	2013
	$'000	$'000
Short-Term	**1,806,618**	1,676,189
Post Employment	**117,796**	107,657
Other Long-Term	**16,242**	14,887
Share-based Payments	**82,943**	50,305
	2,023,599	1,849,038

22. AUDITOR'S REMUNERATION

	CONSOLIDATED	
	2014	2013
Amounts received or due and receivable by the auditors of Infomedia Ltd:	$'000	$'000
BDO East Coast Partnership (formerly PKF East Coast Practice)		
-An audit or review of the financial report of the entity and any other entity in the consolidated entity	105,000	105,000
-Tax compliance	61,330	74,090
	166,330	179,090

23. RELATED PARTY DISCLOSURES

Ultimate Parent

Infomedia Ltd is the ultimate Australian parent company

Wholly-owned group transactions

(a) An unsecured, trade receivable of $125,130 (2013: $126,042) remains owing to IFM Europe Ltd from Infomedia Ltd.

(b) An unsecured, trade receivable of $744,265 (2013: $1,090,359) remains owing from IFM North America Inc. to Infomedia Ltd.

(c) An unsecured, trade receivable of $Nil (2013: $Nil) remains owing to Different Aspect Software Ltd. from Infomedia Ltd.

(d) During the year Infomedia Ltd received $Nil (2013: $Nil) from IFM Europe Ltd for intra-group sales.

(e) During the year Infomedia Ltd received $Nil (2013: $Nil) from IFM North America Inc. for intra-group sales.

(f) During the year Infomedia Ltd paid $3,989,036 (2013: $3,507,668) to IFM Europe Ltd for intra-group distribution services.

(g) During the year Infomedia Ltd paid $4,065,682 (2013: $2,969,538) to IFM North America Inc. for intra-group distribution services.

(h) During the year IFM Europe paid $22,441 (2013: $307,221) to IFM Germany GmbH for intra-group distribution services.

24. SEGMENT INFORMATION

	Notes	Asia Pacific	Europe, Middle East, Africa	North America	Latin & South America	Corporate	Total
Business Segments		**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
REVENUE							
Sales revenue		13,863	27,161	13,082	3,037	-	57,143
Consolidated revenue							57,143
Segment result		10,965	22,219	8,801	2,860	(29,439)	15,406
Finance revenue		-	-	-	-	106	106
Finance cost		-	-	-	-	-	-
Consolidated profit before income tax		10,965	22,219	8,801	2,860	(29,333)	15,512
Income tax expense	4						(3,233)
Consolidated profit after income tax							12,279
Assets							
Segment assets		-	7,941	486	-	-	8,427
Unallocated assets							46,122
Total assets							54,549
Liabilities							
Segment liabilities		-	504	461	-	-	965
Unallocated liabilities							11,595
Total liabilities							12,560
Capital Expenditure		-	51	21	-	430	502
Amortisation		-	417	-	-	8,113	8,530
Depreciation		-	93	66	-	503	662

** Corporate contains all business functions excluding direct sales & support costs of the other business segments. Unallocated assets/liabilities are all group assets and liabilities not directly attributable to the business segments.*

24. SEGMENT INFORMATION (CONTINUED)

	Notes	Asia Pacific	Europe, Middle East, Africa	North America	Latin & South America	Corporate	Total
Business Segments		$'000	$'000	$'000	$'000	$'000	$'000
REVENUE							
Sales revenue		13,275	22,184	10,555	2,675	-	48,689
Consolidated revenue							48,689
Segment result		10,610	18,086	7,943	2,190	(26,855)	11,974
Finance revenue		-	-	-	-	76	76
Finance cost		-	-	-	-	-	-
Consolidated profit before income tax		10,610	18,086	7,943	2,190	(26,779)	12,050
Income tax expense	4						(1,984)
Consolidated profit after income tax							10,066
Assets							
Segment assets		-	7,927	359	-	-	8,286
Unallocated assets							43,329
Total assets							51,615
Liabilities							
Segment liabilities		-	625	505	-	-	1,130
Unallocated liabilities							12,317
Total liabilities							13,447
Capital Expenditure		-	22	16	-	604	642
Amortisation		-	359	-	-	7,178	7,537
Depreciation		-	36	73	-	484	593

** Corporate contains all business functions excluding direct sales & support costs of the other business segments. Unallocated assets/liabilities are all group assets and liabilities not directly attributable to the business segments.*

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 on 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

$11,410,000 (2013: $9,299,000) 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 statement of financial position can be affected by movements in both the Euro and United States dollar against the Australian dollar.

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

	CONSOLIDATED USD $		CONSOLIDATED EUR €	
	2014	2013	**2014**	2013
Financial Assets	**$'000**	$'000	**€'000**	€'000
Cash and cash equivalents	**2,512**	1,242	**853**	1,833
	2,512	1,242	**853**	1,833

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

At 30 June, 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:

CONSOLIDATED	Post tax profit Higher/(Lower)		Total equity Higher/(Lower)	
	2014	2013	**2014**	2013
	$'000	$'000	**$'000**	$'000
AUD/USD +10%	**(160)**	(79)	**(160)**	(79)
AUD/USD - 15%	**310**	153	**310**	153
AUD/EUR +10%	**(54)**	(117)	**(54)**	(117)
AUD/EUR - 15%	**105**	226	**105**	226

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

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINED)

(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 statement of financial position as at 30 June 2014 that are subject price risk.

(e) Liquidity risk

The Company's exposure to liquidity risk is minimal given the relative strength of the statement of financial position 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 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 statement of financial position 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			
30 June 2014	**Less than one year**	**Two to five years**	**Greater than five years**	**Weighted average effective interest rate**
Floating rate	**$'000**	**$'000**	**$'000**	**%**
Cash and cash equivalents	**11,410**	**-**	**-**	**1.4**
Trade and other receivables	**6,162**	**-**	**-**	**-**
Trade and other payables	**(2,601)**	**-**	**-**	**-**

	CONSOLIDATED			
30 June 2013	**Less than one year**	**Two to five years**	**Greater than five years**	**Weighted average effective interest rate**
Floating rate	$'000	$'000	$'000	%
Cash and cash equivalents	9,299	-	-	1.5
Trade and other receivables	5,304	-	-	-
Trade and other payables	(2,634)	-	-	-

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.

(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.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINED)

Derivative contracts

The following table summarises the forward exchange contracts on hand at 30 June 2014.

	CONSOLIDATED		
	Company buys	Company sells	Exchange rate
Maturity - Forward exchange contracts	**$A'000**	**USD'000**	
Less than one year	9,408	8,445	0.898
Maturity - Forward exchange contracts	**$A'000**	**EUR'000**	
Less than one year	9,301	6,245	0.671

The mark to market valuation of these contracts at 30 June 2014 was $460,000 which is booked directly in equity.

The following table summarises the range forward contracts on hand at 30 June 2013.

	CONSOLIDATED		
	Company buys	Company sells	Exchange rate
Maturity - Forward exchange contracts	**$A'000**	**USD'000**	
Less than one year	3,713	3,500	0.943
Greater than one year and not greater than two years	**4,759**	**4,400**	0.925
Maturity - Forward exchange contracts	**$A'000**	**EUR'000**	
Less than one year	**3,681**	**2,760**	0.750
Greater than one year and not greater than two years	4,420	3,000	0.679

The mark to market valuation of these contracts at 30 June 2013 was ($688,000) which is booked directly in equity.

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.

CONSOLIDATED	Carrying Amount		Fair Value	
	2014	2013	**2014**	2013
Financial assets	**$'000**	$'000	**$'000**	$'000
Cash and cash equivalents	**11,410**	9,299	**11,410**	9,299
Trade and other debtors	**6,162**	5,304	**6,162**	5,304
Derivatives	**460**	-	**460**	-
Financial liabilities	**$'000**	$'000	**$'000**	$'000
Trade and other creditors	**2,601**	2,634	**2,601**	2,634
Derivatives	**-**	2,193	**-**	2,193

Recurring fair value measurements

The following financial instruments are subject to recurring fair value measurements:

	30 Jun 14
	$'000
Foreign exchange contracts – Level 2	460

26. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level in the fair value measurement hierarchy as follows:

- Level 1 - the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - a valuation technique is used using inputs other than quoted prices within level 1 that are observable for the financial instrument, either directly (i.e. as prices), or indirectly (i.e. derived from prices)
- Level 3 - a valuation technique is used using inputs that are not observable based on observable market data (unobservable inputs).

Transfers

During the year ended 30 June 2014, there were no transfers of available-for-sale equity securities or derivatives between levels 1 and 2 of the fair value hierarchy. There were also no transfers into or out of level 3 during the period.

Valuation techniques used to derive level 2 fair values

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.

Fair values of financial instruments not measured at fair value

Due to their short-term nature, the carrying amounts of cash and cash equivalents, current receivables and current trade and other payables is assumed to approximate their fair value.

27. PARENT ENTITY INFORMATION

	PARENT ENTITY	
	2014	2013
	$'000	$'000
Current assets	**14,362**	11,596
Total assets	**51,125**	48,332
Current liabilities	**5,673**	7,075
Total liabilities	**11,596**	12,317
Contributed equity	**11,476**	10,856
Retained earnings	**27,268**	25,663
Employee equity benefit reserve	**463**	252
Cashflow hedge reserve	**322**	(756)
Total shareholders' equity	**39,529**	36,015
Profit or loss of the parent entity	**12,106**	10,054
Total comprehensive income of the parent entity	**13,185**	8,812

28. INTERESTS IN CONTROLLED ENTITIES

Name	Country of incorporation	Percentage of equity interest held by the Company (directly or indirectly)		Parent entity	
		2014	2013	**2014**	2013
		%	%	**$**	$
IFM Europe Ltd					
-Ordinary shares	United Kingdom	**100**	100	**247**	247
Different Aspect Software Ltd**					
-Ordinary shares	United Kingdom	**100**	100	**4,719**	4,719
IFM North America Inc					
-Ordinary shares	United States of America	**100**	100	**1**	1
IFM Germany GmbH*					
-Ordinary shares	Germany	**100**	100	**-**	-

** Investment is held by IFM Europe Ltd.*

*** Entity was purchased on 2 September 2011*

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 2014 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 2014.

On behalf of the Board

Frances Hernon
Chairman
Sydney, 21 August 2014

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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 statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 Group 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 control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2(b), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Stat*ements, 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 judgement, 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 control relevant to the company's preparation of the financial report that gives a true and fair view 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 company's internal control. 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Infomedia Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

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 Group's financial position as at 30 June 2014 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(b).

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 16 of the directors' report for the year ended 30 June 2014. 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 2014 complies with section 300A of the *Corporations Act 2001*.

BDO East Coast Partnership

Grant Saxon
Partner

Sydney, 21 August 2014

INFOMEDIA LTD

CORPORATE GOVERNANCE STATEMENT FY2014

OVERVIEW

Infomedia's adoption of 'best practice' Corporate Governance Principles

Infomedia strives to ensure an acceptable level of compliance with the voluntary governance principles set out in the 'Corporate Governance Principles and Recommendations 2nd Edition with 2010 Amendments' published by the Australian Stock Exchange's (ASX) Corporate Governance Committee (CGC) (the ASX Principles).

Infomedia endeavours to meet the ASX Principles in a manner consistent with the resources, size and operational scope of the Company. Where 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 those compliance discrepancies.

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 http://www.infomedia.com.au/our-company/investors/145-corporate-governance

CORPORATE GOVERNANCE STATEMENT

I. 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, encouraging 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 FY2014, Infomedia was non-compliant with several 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 five 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 (CEO), 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, on 27 September 2013, Mr Richard Graham became Non-Executive Chairman and Mr Andrew Pattinson was appointed CEO and Director. In the same year Mr Clyde McConaghy was appointed as Non-Executive Director, effective from 1 November 2013. Following the appointment of Mr Pattinson and Mr McConaghy, the Board is comprised of five Directors. The details of each Director's name, terms of office, meeting attendance records, skills experience and expertise, appear in the Directors' Report.

2.2 Independence of the Chair

On 19 February 2014 Ms Frances Hernon was appointed independent Non-Executive Chairman of the Board. Prior to her appointment Mr Graham was Executive Chairman and his independence was compromised owing to:

(a) he being the Company's largest shareholder until 28 August 2013; and

(b) effectively occupying the role of both CEO and Chairman.

For the reasons outlined above, the Company did not comply with the following principles for part of FY2014:

(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.

2.3 Independence of the Board

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

For the first half of FY2014, the Board was comprised of four Non-Executive Directors in the form of Ms Hernon, Mr Clyde McConaghy, Mr Graham and Mr Myer Herszberg.

Whilst Ms Hernon and Mr McConaghy meet the criteria for independence, Mr Herszberg's independence was technically compromised by his standing as a substantial shareholder of the Company for the relevant period prior to his selling down of his shares on 30 August 2013. Accordingly, the Company only partially complied with ASX Principle 2.1.

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 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 nor 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.

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.

2.6 Audit, Risk & Governance Committee

Please refer to section 3.1 below for a report on the activities of the Audit 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 to 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.

3.2 Workplace Diversity

The Company has historically dedicated itself to principles of equality and diversity within the workplace, and remains committed to that goal. The Company has consistently achieved annual accreditation from the Department of Equal Opportunity for Women in the Workplace (EOWA) for over a decade.

Given the relative size and resourcing of the Company, it did not maintain formal measurable objectives or policies relating to diversity during the reporting period, therefore placing it outside of technical compliance with ASX Principles 3.2 and 3.3.

In accordance with ASX Principle 3.4, the following proportional split of Australian based employees was recorded as at 31 May 2014:

Category	Females	Males	Total
Directors	1 (33%)	2 (66%)	**3**
Key Management Personnel	1 (20%)	4 (80%)	**5**
Employees	34 (18.4%)	157 (81.6%)	**191**

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 its IPO in August 2000. The last Audit Committee continued to meet throughout the first half of FY2014, however, its functions were temporarily incorporated by the full Board upon the resignation of Mr Henderson, the then Chairman of the Committee, on 3 January 2013. The Audit Committee was re-established upon the appointment on 1 November 2013 of Mr McConaghy.

The composition of the current Audit Committee meets all of the requirements contained in ASX Principle 4.2 on the basis 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.

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

4.2 Independent auditors

The Board acknowledges the importance of external auditor independence and the rotation of not only responsible audit partners but also audit firms. The appointment of BDO as auditors during FY2012, after many years of commendable service from the Company's previous auditors, Ernst & Young, represents a commitment towards this objective. Additionally, the Committee has formalised procedures for the rotation of responsible audit partners from BDO on a regular basis.

4.3 Financial reporting obligations

The Company's financial reporting obligations for FY2014 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 revised Risk Management Plan and Policy, the CEO and the Chief Financial Officer (CFO) 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 a revised Risk Management Plan and Policy (Risk Policy) during FY2014. The revised plans promotes the establishment and implementation of a more effective and appropriate risk management framework for the Company.

The Risk Policy allocates oversight responsibility to the Board and the Audit Committee, whilst the establishment of risk management procedures, compliance and control rests with the CEO, CFO and senior executives and, at a daily operating level, with departmental managers, line managers and individuals as part of regular business conduct.

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

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. Internal reviews of the Market Disclosure Policy indicate that both the continuous and periodic reporting obligations imposed under the ASX Listing Rules, and the Company's internal procedures, are 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 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, and half yearly 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, BDO, will be present during the 2014 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 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 Senior Executive and Staff Remuneration*
• Directors' fees • Statutory Superannuation contributions • Incentive payments • Share options and/or Performance Rights • Retirement benefits	• Directors' fees • Statutory Superannuation contributions	• Salary • Statutory Superannuation contributions • Bonuses • Share options and/or Performance Rights • Commissions

** Note – the listed incentives for each category is optional and at the discretion of the Board. Differing combinations of remuneration and incentives are offered on a case by case basis.*

Infomedia Ltd – Fully Paid Ordinary Shares			
Top 20 Holdings as at 04-09-2014			
	Holder Name	**Balance at 04-09-2014**	**%**
1	NATIONAL NOMINEES LIMITED	40,256,422	13.115
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	38,871,436	12.664
3	J P MORGAN NOMINEES AUSTRALIA LIMITED	28,191,722	9.184
4	CITICORP NOMINEES PTY LIMITED	17,498,005	5.701
5	BNP PARIBAS NOMS PTY LTD <DRP>	14,458,854	4.710
6	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <BKCUST A/C>	12,905,584	4.204
7	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <PI POOLED A/C>	12,794,480	4.168
8	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	5,315,568	1.732
9	MR RICHARD DAVID GRAHAM	4,043,001	1.317
10	BNP PARIBAS NOMS (NZ) LTD <DRP>	2,452,500	0.799
11	MR ANDREW PATTINSON	2,447,567	0.797
12	PERSHING AUSTRALIA NOMINEES PTY LTD <ACCORDIUS A/C>	1,714,061	0.558
13	MR PETER ALEXANDER BROWN	1,350,000	0.440
14	SANDHURST TRUSTEES LTD <TBF SMALL CAP VAL GRWTH A/C>	1,310,701	0.427
15	BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE NO 1 A/C>	1,264,894	0.412
16	UBS NOMINEES PTY LTD	1,210,255	0.394
17	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	1,015,394	0.331
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	896,402	0.292
19	SPANDOU INVESTMENTS PTY LTD	850,000	0.277
20	AUST EXECUTOR TRUSTEES LTD <FLANNERY FOUNDATION>	826,113	0.269
		189,672,959	**61.791**
	Total IC	**306,954,355**	

Infomedia Ltd – Analysis of Holdings as at 04-09-2014			
Security Classes **Fully Paid Ordinary Shares**			
Holdings Ranges	**Holders**	**Total Units**	**%**
1-1,000	488	364,668	0.119
1,001-5,000	2,129	6,760,135	2.202
5,001-10,000	1,391	11,499,747	3.746
10,001-100,000	2,269	68,035,864	22.165
100,001-9,999,999,999	173	220,293,941	71.768
Totals	**6,450**	**306,954,355**	**100.000**

CORPORATE DIRECTORY

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Facsimile:	+61 (02) 9454 1844
Internet:	infomedia.com.au
Directors	Richard Graham Frances Hernon Myer Herszberg Clyde McConaghy Andrew Pattinson
Company Secretary	Nick Georges
Chief Financial Officer	Jonathan Pollard
Registered Office	357 Warringah Road Frenchs Forest NSW 2086
Auditor	BDO Australia Level 10, 1 Margaret Street Sydney NSW 2000
Share Registry	Boardroom Pty Ltd Level 7, 207 Kent Street Sydney NSW 2000
Lawyers	Thomson Geer Level 25, 1 O'Connell Street Sydney NSW 2000

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http://www.superservice.com/counterview

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