

Infomedia Ltd

ABN 63 003 326 243

Appendix 4D

Half-Year Ended 31 December 2015

CONTENTS

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

Appendix 4D

Half-year report

Name of Company

Infomedia Ltd

ABN or equivalent company
reference

A.B.N 63 003 326 243

Half yearly
(tick)



Preliminary
final (tick)



Financial year ended ('current period')

6 months ended 31 December 2015

Results for announcement to the market

Results for announcement to the market

	\$A'000		
Sales revenue	Up	16%	to 33,923
Profit after tax attributable to members	Down	14%	to 6,024
Profit/(loss) from extraordinary items after tax attributable to members	Nil		Nil
Net profit for the period attributable to members	Down	14%	to 6,024
Dividends (distributions)	Amount per security	Franked amount per security	
Current Year:			
Interim dividend	1.65¢	0¢	
Previous Corresponding Period:			
Final dividend	1.70¢	0¢	
Special dividend	0.25¢	0.25¢	
Interim dividend	1.94¢	0¢	
Record date for determining entitlements to the dividend	3 March 2016		
Date the dividend is payable	18 March 2016		
	31 December 2015	31 December 2014	
Net Tangible Assets per security	3.2¢	2.6¢	
For a brief explanation the figures reported above, please refer to the Half-Year Financial Report.			
Dividend Reinvestment Plan The Company's DRP will operate for the purposes of the interim dividend. Shares will be acquired on market with no discount applied to avoid dilution of existing shareholdings. The last date for the receipt of an election notice for participation in the Company's DRP is 4 March 2016. Eligible shareholders may lodge their DRP elections electronically by logging on to Infomedia's share registry, Boardroom, via their website at http://www.boardroomlimited.com.au . Further information about the DRP may be found at www.infomedia.com.au/investors .			

Infomedia Ltd

ABN 63 003 326 243

Financial Report
for the half year ended 31 December 2015

ABN 63 003 326 243

Directors

Frances Hernon - Non- Executive Chairman
Clyde McConaghy
Anne O'Driscoll
Bart Vogel

Company Secretary

Nick Georges
Daniel Wall

Chief Financial Officer

Russel King

Registered Office

357 Warringah Road
Frenchs Forest NSW Australia 2086

Auditors

BDO East Coast Partnership

Share Register

Boardroom Pty Ltd

Internet Address

www.infomedia.com.au

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DIRECTORS' REPORT

Your Directors submit their report for the half-year ended 31 December 2015.

DIRECTORS

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

Frances Hernon	Non-Executive Chairman	
Clyde McConaghy	Independent Non-Executive Director (Chairman of Remuneration & Nominations Committee)	
Anne O'Driscoll	Independent Non-Executive Director (Chairman of Audit & Risk Committee)	
Bart Vogel	Independent Non-Executive Director	Appointed 31 August 2015
Myer Herszberg	Non-Executive Director	Resigned 31 August 2015
Andrew Pattinson	Executive Director	Resigned 21 August 2015

COMPANY SECRETARIES

Nick Georges	General Counsel & Company Secretary	
Daniel Wall	Company Secretary	Appointed 15 January 2016

PRINCIPAL ACTIVITIES

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

- development and supply 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 half year.

DIRECTORS' REPORT
REVIEW AND RESULTS OF OPERATIONS

For the six months ended 31 December 2015:

	HY2016 (\$'000)	HY2015 (\$'000)	Movement
Sales Revenue	33,923	29,336	16%
Net Profit After Tax (NPAT)	6,024	7,005	-14%
Earnings Per Share (cents)	1.95	2.28	-14%
Dividend Per Share (cents)	1.65	1.94	-15%

SALES REVENUE DETAIL

	HY2016 (\$'000)	HY2015 (\$'000)	Movement
Parts Platform	25,481	21,604	18%
Service Platform	6,694	6,497	3%
Lubrication / Other sales	1,748	1,235	42%
Sales Revenue	33,923	29,336	16%

	HY2016 (\$'000)	HY2015 (\$'000)	%
Asia Pacific	7,623	7,237	5%
EMEA	15,389	13,708	12%
Americas	10,911	8,391	30%
Sales Revenue	33,923	29,336	16%

DIRECTORS' REPORT

REVIEW AND RESULTS OF OPERATIONS (Continued)

Sales revenue grew by 16% or 3% in real terms. Sales revenue grew in real terms across all operating regions: Asia Pacific 3%, EMEA 1% and the Americas 5%. EMEA was the region most affected by the non-renewal of a Superservice Menus contract with Jaguar Land Rover (JLR), which expired on 31 December 2014. Excluding this impact, EMEA sales grew by 8% in real terms.

Parts platform (EPC) sales grew by 2% in real terms, through a combination of subscription number increases and contract driven price increases. The Service platform achieved 13% growth, excluding the impact of JLR, through increased subscriptions across all operating regions. Lubrication publication and other sales revenue grew by 41% during the period, following increased demand from new and existing customers.

Operational costs increased due to expansion of sales and delivery capacity, and one-off costs linked to the CEO transition.

An NPAT margin of 17.8% was achieved for the half year period. Excluding the impact of hedging, NPAT margins were sustained above 20%.

Net assets increased to \$44.5m. The balance sheet remains strong with no debt and \$15.0m of cash.

Infomedia Ltd confirms its guidance that it expects to generate high single digit to low double digit sales revenue growth in FY2016. As announced at the AGM, maintaining the FY2015 NPAT margin is expected to be impacted by investment expenditure of up to \$2.5m after tax in FY2016.

An interim half year unfranked dividend of 1.65 cents per share has been declared (FY15: 1.94 cents per share, unfranked). The record date to determine entitlements to the dividend distribution is 3 March 2016 and the dividend will be payable on 18 March 2016. The half year dividend represents 85% of NPAT which is the upper limit of policy. The Company has launched a dividend reinvestment plan (DRP) which will operate for the purposes of the interim dividend. Shares will be acquired on market with no discount applied.

ROUNDING

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

AUDITOR'S INDEPENDENCE DECLARATION

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

Signed in accordance with a resolution of the directors.



Frances Hernon
Non-Executive Chairman

Sydney, 22 February 2016

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

As lead auditor for the review of Infomedia Limited for the half-year ended 31 December 2015, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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



Grant Saxon
Partner

BDO East Coast Partnership

Sydney, 22 February 2016

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

HALF-YEAR ENDED 31 DECEMBER 2015	Notes	CONSOLIDATED	
		31-Dec 2015 \$'000	31-Dec 2014 \$'000
Revenue			
Sales revenue		33,923	29,336
Expenditure			
Research and development expenses	1	(7,604)	(7,366)
Sales and marketing expenses		(9,542)	(7,774)
General and administration expenses		(8,261)	(6,121)
Total expenditure		(25,407)	(21,261)
Other income/expenses			
Finance income		34	42
Currency exchange gains/(losses)		(901)	982
Profit before tax		7,649	9,099
Income tax expense	2	(1,625)	(2,094)
Profit for the half year		6,024	7,005
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation differences for foreign operations		114	263
Effective cashflow hedges gain/(loss) taken to equity		119	(1,084)
Other comprehensive income for the period, net of tax		233	(821)
Total comprehensive income for the period		6,257	6,184
Basic earnings per share (cents per share)		1.95	2.28
Diluted earnings per share (cents per share)		1.95	2.26
Interim dividends per share - ordinary (cents per share)	6	1.65	1.94

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2015	Notes	CONSOLIDATED	
		31-Dec 2015 \$'000	30-Jun 2015 \$'000
CURRENT ASSETS			
Cash and cash equivalents		14,962	16,092
Trade and other receivables		6,937	5,065
Prepayments		1,723	1,599
TOTAL CURRENT ASSETS		23,622	22,756
NON-CURRENT ASSETS			
Property, plant and equipment		1,350	1,055
Intangible assets - Capitalised development costs	4	21,755	21,808
Intangible assets - Goodwill		12,865	12,990
TOTAL NON-CURRENT ASSETS		35,970	35,853
TOTAL ASSETS		59,592	58,609
CURRENT LIABILITIES			
Trade and other payables		3,324	3,435
Derivatives	7	369	533
Provisions		2,847	2,801
Income tax payable		1,037	1,579
Deferred revenue		1,739	489
TOTAL CURRENT LIABILITIES		9,316	8,837
NON-CURRENT LIABILITIES			
Provisions		527	460
Deferred tax liabilities		5,285	5,483
TOTAL NON-CURRENT LIABILITIES		5,812	5,943
TOTAL LIABILITIES		15,128	14,780
NET ASSETS		44,464	43,829
EQUITY			
Contributed equity	5	12,382	12,074
Reserves		1,688	1,355
Retained earnings		30,394	30,400
TOTAL EQUITY		44,464	43,829

STATEMENT OF CASH FLOWS

HALF YEAR ENDED 31 DECEMBER 2015	Notes	CONSOLIDATED	
		31-Dec	31-Dec
		2015	2014
		\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		29,894	29,554
Payments to suppliers and employees		(22,358)	(19,680)
Interest received		34	42
Income tax paid		(2,407)	(2,174)
NET CASH FLOWS FROM OPERATING ACTIVITIES		5,163	7,742
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(571)	(223)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(571)	(223)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from exercise of share options		308	134
Dividends paid on ordinary shares	6	(6,030)	(5,801)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(5,722)	(5,667)
NET INCREASE/(DECREASE) IN CASH HELD		(1,130)	1,852
Add opening cash brought forward		16,092	11,410
CLOSING CASH CARRIED FORWARD		14,962	13,262

STATEMENT OF CHANGES IN EQUITY
HALF-YEAR ENDED 31 DECEMBER 2015
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 2015	12,074	30,400	720	(400)	1,035	43,829
Profit for the half year	-	6,024	-	-	-	6,024
Other comprehensive income	-	-	-	119	114	233
Total comprehensive income for the half year	-	6,024	-	119	114	6,257
<i>Transactions with owners in their capacity as owners</i>						
Share options exercised	308	-	-	-	-	308
Share option amortisation expense	-	-	100	-	-	100
Equity dividends	-	(6,030)	-	-	-	(6,030)
At 31 December 2015	12,382	30,394	820	(281)	1,149	44,464

HALF-YEAR ENDED 31 DECEMBER 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 2014	11,476	28,944	463	324	782	41,989
Profit for the half year	-	7,005	-	-	-	7,005
Other comprehensive income	-	-	-	(1,084)	263	(821)
Total comprehensive income for the half year	-	7,005	-	(1,084)	263	6,184
<i>Transactions with owners in their capacity as owners</i>						
Share options exercised	134	-	-	-	-	134
Share option amortisation expense	-	-	120	-	-	120
Equity dividends	-	(5,801)	-	-	-	(5,801)
At 31 December 2014	11,610	30,148	583	(760)	1,045	42,626

NOTES TO THE FINANCIAL STATEMENTS

HALF YEAR ENDED 31 DECEMBER 2015

ABOUT THIS REPORT

The Australian Accounting Standards Board (AASB) recently issued AASB 2015-2 Amendments to Australian Accounting Standards—Disclosure Initiative. The purpose of this disclosure initiative is to make financial statements more relevant to investors and other users. Infomedia Ltd has taken this opportunity to revise the format of this report in order to clarify certain key elements of the financial statements, and generally provide information in a format that is easier to understand.

For example, disclosure notes are shown in related groups, and additional explanatory notes are shown in “Keeping it simple” paragraphs. Immaterial disclosures have also been removed.

The abovementioned revisions will have a more significant impact on the full year FY2016 financial statements.

Summary of significant accounting policies

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

The half-year financial report should be read in conjunction with the annual Financial Report of Infomedia Ltd as at 30 June 2015.

It is also recommended that the half-year financial report be considered together with any public announcements made by Infomedia Ltd and its controlled entities during the half-year ended 31 December 2015 in accordance with the continuous disclosure obligations arising under the ASX listing rules.

Basis of preparation

The half-year consolidated financial report has been prepared in accordance with the requirements of the *Corporations Act 2001*, AASB 134 *Interim Financial Reporting* and other mandatory professional reporting requirements as appropriate for profit orientated entities. The half-year financial report has been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value. Compliance with AASB 134 ensures compliance with international financial reporting standard IAS 34 Interim Financial Reporting.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period. The financial report is presented in Australian dollars.

Significant accounting policies

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2015.

Changes in accounting policies

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

NOTES TO THE FINANCIAL STATEMENTS
HALF YEAR ENDED 31 DECEMBER 2015

	31-Dec-15	31-Dec-14
	\$'000	\$'000

1. EXPENSES
Research & development costs

Total research & development costs incurred during the period	7,551	7,728
Amortisation of deferred development costs	3,890	3,122
Less: development costs capitalised	(3,837)	(3,484)
Net research and development costs expensed	7,604	7,366

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

	31-Dec-15	31-Dec-14
	\$'000	\$'000
Depreciation	275	334
Amortisation	4,072	3,335
Minimum lease payments for rental expense	759	714
Superannuation expense	823	785
Share based payment expense	100	120
Employee benefits expense	14,942	12,509

Currency exchange gain/(loss)

Unrealised/Realised gain on foreign currency translation	223	628
Cashflow hedges gain/(loss)	(1,124)	354
Total currency exchange gain/(loss)	(901)	982

NOTES TO THE FINANCIAL STATEMENTS
HALF YEAR ENDED 31 DECEMBER 2015

31 Dec 2015	31 Dec 2014
\$'000	\$'000

2. INCOME TAX

The major components of income tax expense are:

(a) Income Statement
Current income tax

Current income tax charge	1,895	1,880
Adjustments in respect of current income tax of previous years	(33)	(80)

Deferred income tax

Relating to origination and reversal of temporary differences	(237)	294
Income tax expense for the half year	1,625	2,094

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

Movement in cash flow hedges	39	(464)
	39	(464)

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	7,649	9,099
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At the Group's statutory income tax rate of 30% (2014:30%)	2,295	2,730
Adjustments in respect of income tax of previous years	(41)	(96)
Additional research and development deduction	(719)	(695)
Expenditure not allowable for income tax purposes	90	155
Income tax expense for the half year	1,625	2,094

NOTES TO THE FINANCIAL STATEMENTS
3. SEGMENT INFORMATION
Identification of reportable segments

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

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

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

Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those applied in preparing the Group's financial statements in the current and prior period.

Major customers

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

31 December 2015	Notes	Asia Pacific	EMEA	Americas	Unallocated costs	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE						
Segment revenue as reported to CODM		7,623	15,389	10,911	-	33,923
Consolidated revenue						<u>33,923</u>
Segment result		5,884	12,512	6,619	(17,399)	7,616
Finance income					33	33
Consolidated profit before income tax						<u>7,649</u>
Income tax expense	2					<u>(1,625)</u>
Consolidated profit after income tax						<u>6,024</u>
31 December 2014						
REVENUE						
Segment revenue as reported to CODM		7,235	13,710	8,391	-	29,336
Consolidated revenue						<u>29,336</u>
Segment result		5,440	11,036	5,791	(13,210)	9,057
Finance income					42	42
Consolidated profit before income tax						<u>9,099</u>
Income tax expense	2					<u>(2,094)</u>
Consolidated profit after income tax						<u>7,005</u>

North America and Latin & South America are now treated as a combined Americas segment.

NOTES TO THE FINANCIAL STATEMENTS
3. SEGMENT INFORMATION (continued)

	31 Dec 2015	31 Dec 2014
	\$'000	\$'000
Unallocated costs:		
Research and development expenses	7,604	7,366
Sales and marketing expenses	2,988	2,592
General and administration expenses and currency gains / losses	6,807	3,252
	17,399	13,210

NOTES TO THE FINANCIAL STATEMENTS
HALF YEAR ENDED 31 DECEMBER 2015

6 months to
Dec 2015 6 months to
Dec 2014

4. INTANGIBLE ASSETS - CAPITALISED DEVELOPMENT COSTS

	\$'000	\$'000
At 1 July		
Cost (gross carrying amount)	62,992	55,835
Accumulated amortisation	(41,184)	(34,571)
Net carrying amount	<u>21,808</u>	<u>21,264</u>

Half year ended 31 December

At 1 July, net of accumulated amortisation and impairment	21,808	21,264
Additions	3,837	3,484
Amortisation	(3,890)	(3,122)
At 31 December, net of accumulated amortisation and impairment	<u>21,755</u>	<u>21,626</u>

At 31 December

Cost (gross carrying amount)	66,829	59,319
Accumulated amortisation	(45,074)	(37,693)
Net carrying amount	<u>21,755</u>	<u>21,626</u>

Development costs are internally generated.

Keeping it simple: Capitalised development costs

Capitalised development costs represent the up-front costs of developing new products or enhancing existing products to meet customer needs. These up-front development costs are capitalised until such time as the applicable product is released to market. At that point, the capitalised development cost is amortised over a four year period on a straight line basis. Capitalised development costs are also subject to a periodic impairment review to ensure that amounts are recoverable in future periods.

NOTES TO THE FINANCIAL STATEMENTS
5. ISSUED CAPITAL

	6 months to	
	31-Dec	30-Jun
	2015	2015
	\$'000	\$'000
Ordinary shares-fully paid		
309,786,854 shares fully paid (June 2015: 309,240,187)	12,382	12,074
Movement in Shares on Issue	Shares	Shares
Shares on issue at 1 July	309,240,187	306,766,855
Issue of shares to employees upon exercise of options	546,667	2,473,332
Shares on issue at 31 December	309,786,854	309,240,187

Employee Option Plan

There were nil options issued, 546,667 exercised and 330,000 options cancelled during the period.

	6 months to	
	31-Dec	31-Dec
	2015	2014
	\$'000	\$'000
6. DIVIDENDS PROPOSED OR PAID		
(a) Dividends declared and paid during the half-year on ordinary shares:		
Final dividend for the financial year 30 June 2015: 1.70 cents, unfranked (2014: 1.89 cents, fully franked)	5,257	5,801
Special dividend for the financial year 30 June 2015: 0.25 cents, fully franked (2014: nil)	773	-
Dividends paid on ordinary shares	6,030	5,801
(b) Dividends proposed and not yet recognised as a liability:		
Interim unfranked dividend for the half-year 31 December 2015: 1.65 cents (2014: 1.94 cents unfranked)	5,120	5,975

On 8 February 2016 the Company announced the introduction of a Dividend Reinvestment Plan (**DRP**) allowing shareholders the opportunity to receive their dividend entitlement in the form of fully paid ordinary shares in Infomedia Ltd. The price of the DRP shares is the volume weighted average share market price calculated over the pricing period (which is at least five trading days) as determined by the Directors.

The Company's DRP will operate for the purposes of the interim dividend. Shares will be acquired on market with no discount applied to avoid dilution of existing shareholders.

NOTES TO THE FINANCIAL STATEMENTS

7. FAIR VALUES OF FINANCIAL INSTRUMENTS

Keeping it simple: financial instruments—derivatives

A derivative is a type of financial instrument typically used to manage risk. A derivative's value changes over time in response to underlying variables such as exchange rates and is entered into for a fixed period. Infomedia holds financial instruments in the form of foreign exchange contracts to economically hedge its foreign currency exposures in accordance with its risk management policy. Applicable accounting standards require reporting entities to specify the valuation methodology applied from amongst three specified levels.

Recurring fair value measurements

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

	31-Dec 2015 \$'000	30-Jun 2015 \$'000
Foreign exchange contracts liability - Level 2	<u>369</u>	533

AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level in the fair value measurement hierarchy. All of the Group's currency contracts are valued on a level 2 basis, that is - 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 quoted in active markets for identical assets).

During the half-year ended 31 December 2015, there were no transfers of available-for-sale foreign currency contracts to or from Level 2.

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.

NOTES TO THE FINANCIAL STATEMENTS**8. SUBSEQUENT EVENTS**

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

9. GENERAL INFORMATION**Corporate information**

Infomedia Ltd is publicly listed on the Australian Stock Exchange under the code IFM.

The financial report of Infomedia Ltd for the half-year ended 31 December 2015 was authorised for issue in accordance with a resolution of the directors on 22 February 2016.

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

DIRECTOR'S DECLARATION

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

(1) In the opinion of the Directors

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

(i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the period ended on that date; and

(ii) complying with Accounting Standard AASB134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

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

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

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Frances Hernon', is written over a horizontal line.

Frances Hernon
Non-Executive Chairman

Sydney, 22 February 2016

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Infomedia Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Infomedia Limited, which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Infomedia Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Infomedia Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

BDO East Coast Partnership

A handwritten signature in black ink, appearing to be 'BDO', with a horizontal line underneath.A handwritten signature in black ink, appearing to be 'Grant Saxon', with a horizontal line underneath.

Grant Saxon
Partner

Sydney, 22 February 2016