

Infomedia Ltd



Infomedia[®]



World-class Web Company
Product Leadership – Past, Present and Future

Investor Outlook



Infomedia®





Richard Graham
Executive Chairman



Jonathan Pollard
Chief Financial Officer



Peter Petrovski
Dir. Product Strategy



World-class Small Cap Product Leadership – Past, Present and Future

Agenda

- Orientation to Historical Performance
- Infomedia Investor Relations
- Current Financial Review
- Product & Market Update
- Shareholder Value Cache



Infomedia[®]



FY2000 – FY2004
Perfect Weather

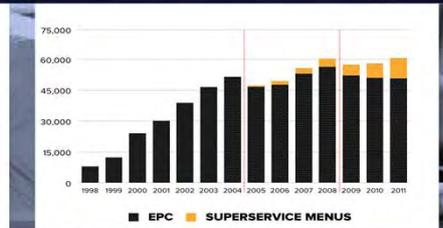
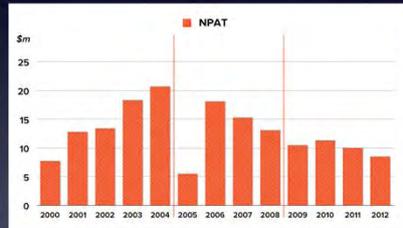
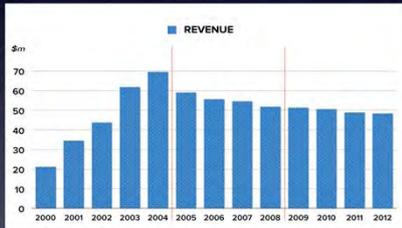
- Increasing revenue and subscriptions
- Favourable FX rates
- Stable technology

FY2005 – FY2008
Perfect Storm

- Loss of key OEM contract
- Less favourable FX rates
- Move to online

FY2009 – FY2012
Living with Climate Change

- Reinvention of product offerings
- Strongly adverse FX rates
- Beginning of release of online product suite



Infomedia®



Points:

IFM's journey to date. Three chapters.

Challenges in middle years with adjusting to adverse OE contract changes, FX, technology changes, management maturity, and GFC.

Came through that successfully with strongest product offering of all competitors, sticky recurring business model intact, positive cash flow and profit, renewed OE licenses with improved goodwill, and a strong and rapidly growing second flagship.

Proactive Investor Relations Have Been on Hold

Time Out to Tackle Challenges

- Organisation & Operation
- Technology & Strategy
- FX Headwind
- Perception:
GFC / Automakers / Europe
- Mastering Cloud-based Delivery
- Transformational Accomplished
- Shareholder Reengagement – in progress



Infomedia[®]



Points:

Company has not been active in investment community for a number of years, while it addressed challenges.

Those have now been dealt with successfully and the company is now able to tell the refreshed IFM growth and opportunity story.

Current Financial Overview



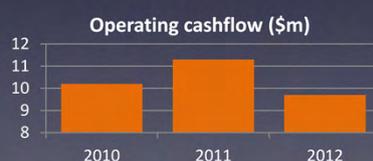
Infomedia[®]



Current Financial Overview

- ☐ Strengthening AUD masking underlying performance
- ☐ Integration of Different Aspect Software Ltd
- ☐ Sales revenue @ spot up 3.6% including acquisition sales
- ☐ Adjusted EBITDA steady despite FX headwind
- ☐ Hedging gain \$2.6m, down from gain of \$4.8m in FY11
- ☐ Continued investment in R&D
- ☐ Final FY12 fully franked dividend of 1.37 cents per share
 - ☐ Record date 5 September 2012
 - ☐ Payable 19 September 2012

\$'000	FY2011	Constant currency variance	FX impact	Total variance	FY2012
Sales revenue	44,093	3,481	(1,897)	1,584	45,677
Cost of Sales	(19,769)	(67)	558	491	(19,278)
Operating expenses	(15,602)	(2,397)	188	(2,209)	(17,812)
Adjusted EBITDA	8,722	1,017	(1,151)	(134)	8,588
Hedging gain	4,821	0	(2,200)	(2,200)	2,621
R&D capitalisation	5,245	1,151	0	1,151	6,396
D&A	(5,616)	(951)	0	(951)	(6,567)
Interest & Tax	(3,133)	0	0	557	(2,576)
Net profit after tax	10,039	1,768	(3,345)	(1,577)	8,461
USD spot	98c				104c
USD hedge	71c				84c
EUR spot	72c				77c
EUR hedge	60c				68c



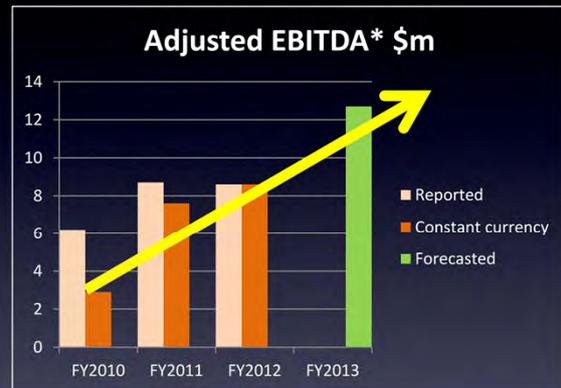
Infomedia®

Points:

The company has had real growth and control that has been masked by FX. The guidance for FY13 shows reportable revenue and NPAT growth, despite further AUD FX strength.

This will see underlying profit growth outstripping FX headwinds for first time in many years.

Underlying Growth



*excludes hedging gain, capitalisation, D&A, interest and tax

Infomedia®



Points:

When FY 10 and 11 are restated using FY12 FX (dark orange bars), and midpoint of FY13 guidance is projected at same FY 12 rate, the underlying company growth exposes itself.

Subscription Performance



Infomedia[®]



Points:

Now post GFC, Superservice is showing its ability to perform, with approximately 5,000 Menus and Triage subscriptions added last year, combined.

Also EPC added about 700 subs year on year.

Balance Sheet

\$'000	FY2012	FY2011	
Cash	6,646	8,820	
Trade Receivables	4,033	4,044	
Derivatives	693	2,091	
Goodwill & Intangibles	34,106	28,876	
Other	3,500	3,372	➤ Strong Balance Sheet
TOTAL ASSETS	48,978	47,203	
TOTAL LIABILITIES	(12,733)	(11,538)	➤ Debt Free
NET ASSETS	36,245	35,665	
Share capital	10,799	10,799	
Retained profits	23,412	19,449	
Current year profits	8,461	10,039	
Dividends	(6,763)	(7,282)	
Other reserves	336	2,660	
TOTAL EQUITY	36,245	35,665	

Infomedia®



Points:

Strong Small Cap Balance Sheet.

Unleveraged allowing company to be flexible towards opportunities as and when they present.

FX Sensitivity

Net Profit Estimates Assuming AUD FX Variance

At FY 13 Forecasted Rates

\$8.5 M

If weaken by 10%	+ \$ 10.6 M	If strengthen by 10%	- \$ 7.5 M
If weaken by 20%	+ \$ 12.5 M	If strengthen by 20%	- \$ 6.1 M
If weaken by 30%	+ \$ 14.4 M	If strengthen by 30%	- \$ 4.9 M

Infomedia[®]



Points:

This illustrates IFM's current sensitivity to FX by taking the midpoint of FY13 guidance, assuming there was no FX cover in place, and sensitizes it for potential FX changes.

Note: that the strengthening AUD risk is hypothetical only, as cover is in place to protect from an upside breakout, while a downside breakout could be participated by rescheduling cover to smooth out over a longer period.



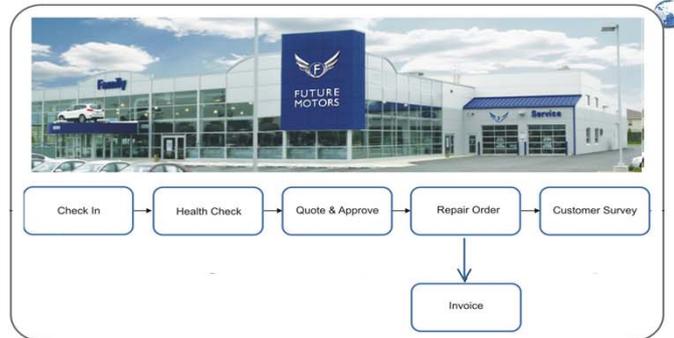
Points:

IFM is reinventing its product line strategy from individual application orientation, to a suite of application solutions that reach across the whole Fixed Operations department of retail automotive dealers.

The per-subscription, per-month sales and revenue model remains unchanged.

Superservice™

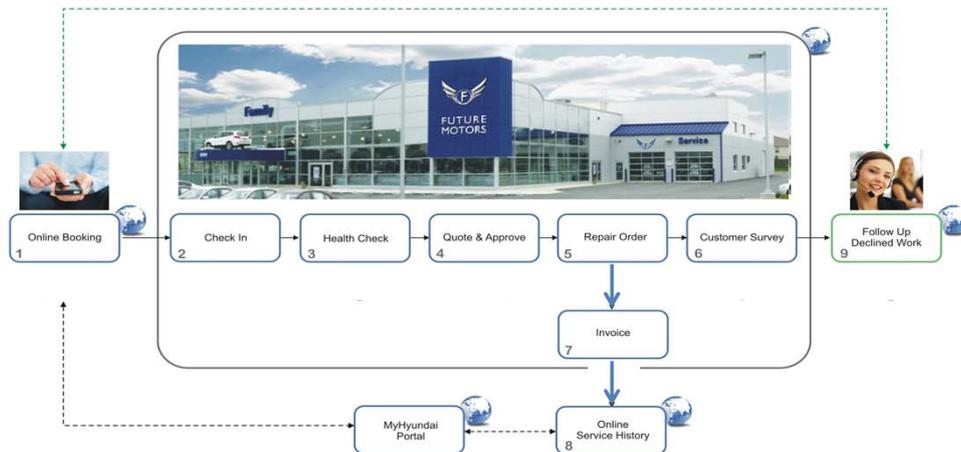
Below is a diagram of the Superservice work flow, incorporating its use at every stage of the process. The solution increases the effectiveness of the service chain process, helping drive better customer satisfaction and retention, as well as dealer profitability.



Points:

This diagram shows the manual and paper process steps that all automotive dealers generally follow with regards to customer engagement for vehicle servicing.

Below is a diagram of the Superservice work flow, incorporating its use at every stage of the process. The solution increases the effectiveness of the service chain process, helping drive better customer satisfaction and retention, as well as dealer profitability.



Points:

It is generally stated in the industry, that dealers lose approximately 65% of servicing opportunities within 3 years of a new car sale.

This business generally goes to independent repairers.

OEs want to add more steps to process in the belief that it will improve retention, but concurrently require automated solutions.

Superservice™

A		Precision Quoting, highlighting VIN specific menu information
B		Workshop scheduling to manage, plan and allocate resources
C		eVHC with interface to VIN specific menus for automated pricing
D		Real time CSI measurement before customer leaves dealership
E		Secure, online service history recording, linked to MyHyundai portal
F		Self-serve online customer appointment booking – 24/7
G		Microcat LIVE Online electronic parts catalogue with Menus interface

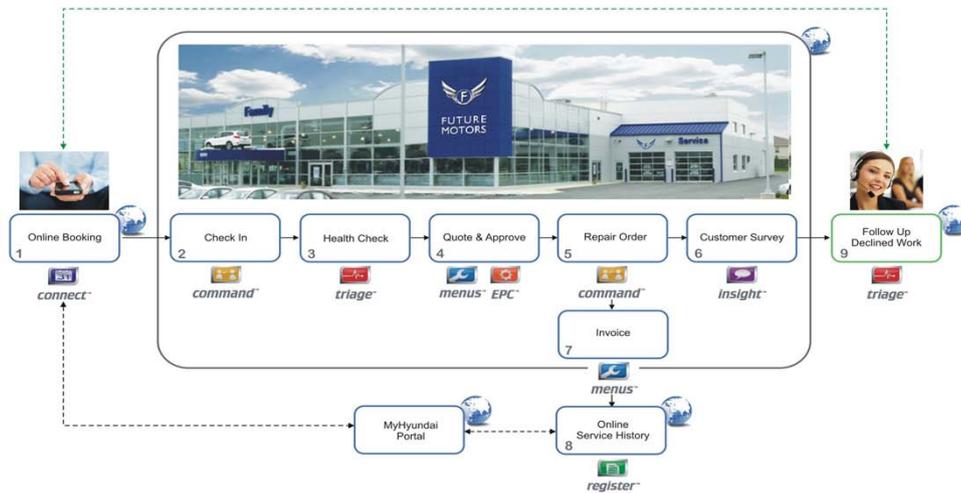
Points:

The company is currently releasing 5 additional product solutions, and developing a sixth solution (Command) providing integrated process automation and customer handling.

The whole solution suite addresses the core customer retention disconnect - Accuracy, Certainty, Transparency and Trust.

Superservice™

Below is a diagram of the Superservice work flow, incorporating its use at every stage of the process. The solution increases the effectiveness of the service chain process, helping drive better customer satisfaction and retention, as well as dealer profitability.



Points:

IFM's offering is a breakthrough from various silo (single application) approaches of the Company and its competitors from the past.

The suite not only provides great productivity competence at each step along the way, but the IFM solution steps are fully online making them able to exchange information, and be able to be easily tracked for statistical performance and assessment.

Dramatic Look and Feel

- Professional Customer Facing Presentation
- Inviting and Engaging to Use
 - Service Advisor
 - Customer
 - Management
- Ergonomically Designed
 - Productivity Gains
 - Process Control Guidance
- Freedom of Movement
 - Untethered
 - Use anywhere – anytime
 - Onsite or Remotely

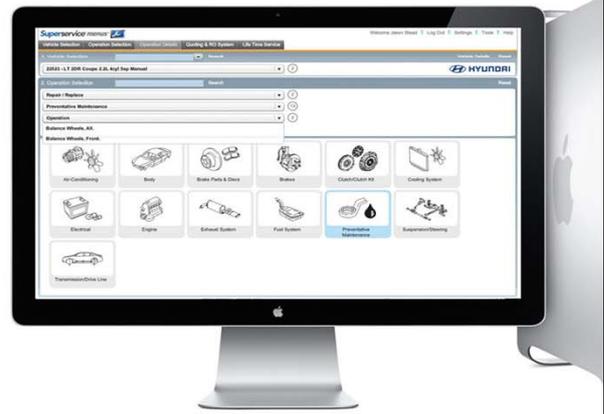


Points:

During the past year, the Company has been improving upon its user interfaces which include their extension to tablet computing.



Superservice Menus – VIN specific Precision Quoting spares customers and service advisors the frustration and hassle of misquoting for service and repair operations. VIN Precise OE Menus frees staff to quote and sell with confidence, creating customer certainty and trust, giving customers a sense of control, improving customer satisfaction and helping to maintain profit margins while increasing sales of genuine parts and labor.



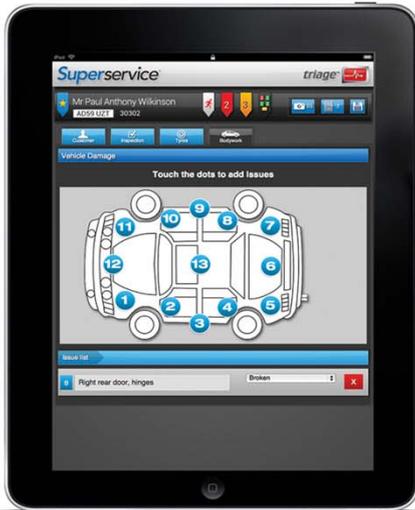
Points:

Product and positioning details for each of Infomedia products is available at www.superservice.com.



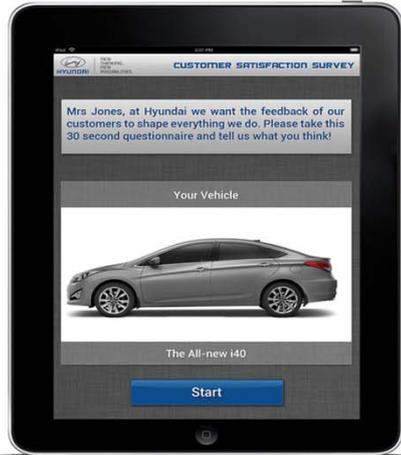
Tablet based OE Vehicle Health Check (eVHC) that builds service revenue and customer trust by engaging customers in the service quotation process, providing an OE and VIN specific check-sheet process and instantaneous pricing of identified work – labor, parts and sundries. Triage's statistics and reporting suite increases insights to improve sales techniques, recover deferred or lost work, develop service marketing campaigns

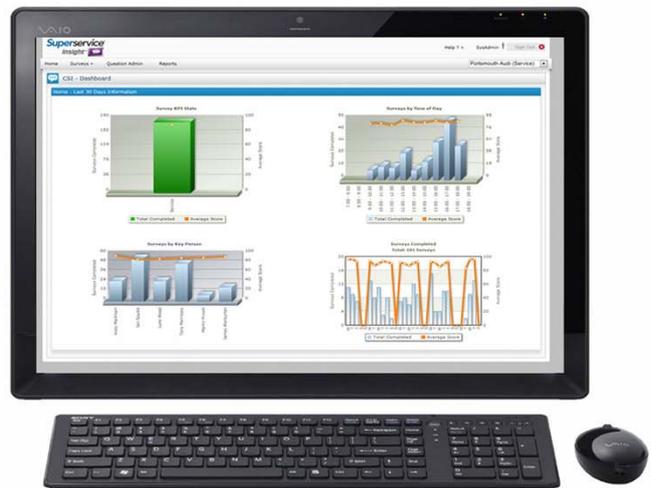






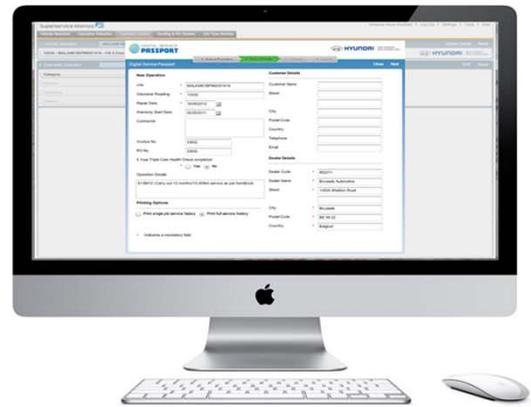
Superservice Insight – A user friendly, tablet-based customer survey tool that processes feedback while it is being given. Instantaneous feedback gives management the opportunity to remedy adverse customer opinion before they leave the dealership, resulting in higher CSI scores. Insight's unlimited survey capacity allows marketing-oriented departments to gain a range of customer views. In-built CSI analytics gives Ops management better information for business decisions and staff assessment.







Superservice Register – A secure online database that officially records the comprehensive service and repair history for OE vehicles. Superservice Register provides dealerships and vehicle owners secure and trusted information about the service history of vehicles. This assists dealerships to automate accurate service advice and analytics. It also enhances the resale value of your customers' vehicles by making the service history transportable.





Superservice Connect – An online appointment system that integrates transparently into a dealership's current website. Connect provides customers convenience and dealership productivity. Instead of waiting for business hours to call and confirm an appointment, customers simply logon at their convenience and choose an available time that suits their schedule. When they identify a standard service or repair for the appointment, Connect can also give them a VIN precise quote.





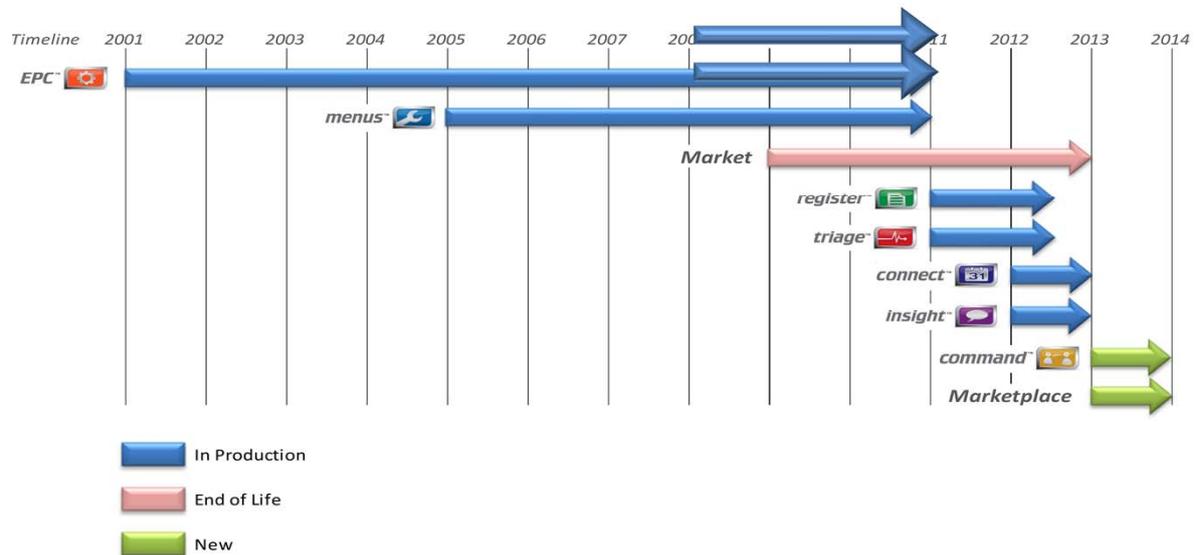
Superservice Command – A professional workshop scheduler that manages the allocation of service department resources (personnel, space, time) for any size retail service operation. It integrates to Superservice Menus, Triage and Connect to create a seamless customer service experience. Command's graphical displays provide immediate recognition of booking capacities, technician assignments, vehicle locations, RO completeness, customer waiting lounge, loan cars and much more.



Superservice EPC – Microcat LIVE is the innovation leader in online OE electronic parts catalog, provides VIN-based integration with Superservice Menus and DMS's. Its efficient user interface and powerful search functions provide outstanding stand-alone performance for parts departments, and when integrated with other Superservice tools, allows for seamless use of information and images between different dealership disciplines. This results in efficient and more productive customer service.



Product Roadmap



Points:

Core development costs for the new product lines has been paid for in previous financial years.

The company intends to continue its current level of R&D expenditure to continue expanding the realm of the product solutions in the fixed operations area.

Management believes the company is unique amongst its competitors in terms of the depth of and performance of its products, the online delivery of its solutions, and the existing installed customer base who could adopt the new products

Penetration Is the Objective

Country	Superservice Component							Marketplace
	EPC™	menus™	register™	triage™	connect™	insight™	command™	
Austria	Green	Blue	Yellow	Pink	Yellow	Grey		
Belgium	Green	Pink	Yellow					
Czech Rep	Green		Yellow					
Denmark	Green		Yellow					
Finland	Green		Yellow	Pink	Yellow			
France	Green		Yellow					
Germany	Green	Yellow	Yellow		Yellow			
Greece	Green		Yellow					
Hungary	Green		Yellow					
Ireland	Green	Green	Yellow		Yellow			
Italy	Green		Yellow					
Netherlands	Green	Green	Yellow					
Norway	Green		Yellow	Pink	Pink			
Poland	Green	Yellow	Yellow					
Portugal	Green	Blue	Yellow		Yellow			
Romania	Green	Yellow	Yellow		Yellow			
Slovakia	Green		Yellow					
Spain	Green	Green	Yellow					
Sweden	Green		Pink	Pink	Yellow			
Switzerland	Green	Yellow	Yellow					
UK	Green	Pink	Pink					

Legend	
Green	Commercially launched
Blue	Field testing / piloting
Yellow	Have shown interest
Pink	Declined
Grey	Yet to approach

Points:

Every EPC customer is a prospective and likely customer of most other Superservice solutions.

This table shows for one franchise group that has been a long-time Microcat EPC user, their growing acceptance of Menus and their interest in the newer Superservice application services.

Even for the countries who have declined to adopt an application (pink), management believes this is a temporary rather than a permanent decision.

Modeling Penetration Potential - Metrics

Superservice Module	EPC	Menus	Triage	Insight	Connect	Register
Average projected revenue/dealer (AUD\$)	\$145	\$98	\$98	\$98	\$98	\$20
Current Dealers	18,826	6,573	432	0	0	0
Productivity Solution Type	Internal	Internal	Internal	Internal	External	External
Dealership Applicability	100%	100%	100%	100%	50%	50%
Penetration (current EPC base)	100%	31%	2%	0%	0%	0%

- This model assumes zero EPC growth (ignores release of Chrysler EPC)
- Ignores potential to sell to current Menus only and Triage only dealers

Infomedia®



Points:

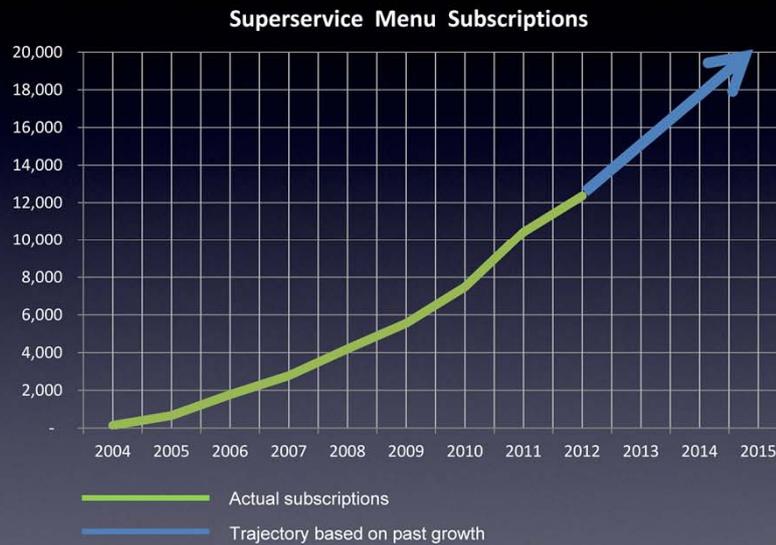
This table provides some perspective from which to assess the potential contribution of the new IFM products by reference to the existing EPC dealer base.

The table sets out reasonable projections of what the average company revenue per dealer relating to each product solution would be.

There are currently 18.9K dealerships globally subscribing to Microcat.

6.6K dealers already subscribe to Menus. Triage, Insight, Connect and Register are virtually new offerings.

Modeling Penetration Potential - Velocity



Infomedia®



Points:

A linear projection of the past 8 year curve of Menus acceptance indicates an additional 50% growth in Menus during the coming 3 years.

Management believes there will be a close knitting of Triage and Insight to Menus, both going forward and retrospectively.

Modeling Penetration Potential – Additional Superservice Revenue & Subscriptions

Additional Annual Revenue (AUD\$m)

		Penetration into current EPC dealer base				
		20%	40%	60%	80%	100%
% take up	20%	3.0	6.0	8.9	11.9	14.9
	40%	6.0	11.9	17.9	23.8	29.8
	60%	8.9	17.9	26.8	35.8	44.7
	80%	11.9	23.8	35.8	47.7	59.6
	100%	14.9	29.8	44.7	59.6	74.5

Additional Recurring Subscriptions

		Penetration into current EPC dealer base				
		20%	40%	60%	80%	100%
% take up	20%	4,755	9,511	14,266	19,021	23,777
	40%	9,511	19,021	28,532	38,043	47,553
	60%	14,266	28,532	42,798	57,064	71,330
	80%	19,021	38,043	57,064	76,085	95,106
	100%	23,777	47,553	71,330	95,106	118,883

Infomedia®



Points:

These tables extrapolate modelling numbers from page 16 slide to represent what additions to revenue and subscriptions would occur if x% of current EPC dealers, adopted y% of Superservice solutions at the projected average revenue per dealership, per month.

For example if 100% of current EPC dealers adopted 100% of the solution suite, it would add \$75M pa in revenues and 119K online subscriptions, for a total of \$125M revenue and 196,000 subs.

It needs to be kept in mind that this modelling assumes no EPC growth, even though EPC growth is actually likely given long-term organic growth and the release of new versions of EPC such as for Chrysler.



© 2011 Infomedia Ltd - Confidential Information

*menus*TM



*command*TM



*triage*TM



*insight*TM



*register*TM



*connect*TM



*EPC*TM



*Infomedia*TM

World-class Web Developer
Product Leadership – Past, Present and Future

Investor Outlook

Infomedia[®]

menus[™]



command[™]



triage[™]



insight[™]



register[™]



connect[™]



EPC[™]



Infomedia[™]

Shareholder Value Cache

- Re-emergent Business Model – Path To Grow
 - Integrated multi product Parts & Service
 - Process embedded
 - Less data licence reliant
- Growing Financial Performance
 - Proven historical underlying growth
 - Expected reported financial performance growth beginning, despite FX
- Low Current Share Liquidity but Free Float c58% (c176m Shares)
- Obstacles To Overcome
 - Exodus from/non return to small cap due to GFC
 - Automotive prejudice
 - European prejudice
 - FX risk
- Re-engaging With Investor Community

Infomedia®

menus™ 

command™ 

triage™ 

insight™ 

register™ 

connect™ 

EPC™ 

Infomedia™

Points:

Management perceive there is pent up value in the company that has been overlooked by the market.

There has been: organic growth that has been masked by FX; Menus reaching a significant momentum that can now carry other associated products forward; and a technology inventory the majority of which has been paid for, and coming to market with a competitive lead/edge.

The stage is again set for strong growth.

Any sustained weakening to the AUD, will bring material benefits to company bottom line.

World-class Web Developer Product Leadership – Past, Present and Future

Investor Outlook



Points:

All of IFM's fundamentals are very sound, and all things considered it is, in the opinion of management, reasonable to expect a re-rating of the company by an informed market.