

ANNUAL GENERAL MEETING 2004

MANAGING DIRECTORS ADDRESS TO SHAREHOLDERS

The 2004 financial year was a significant one for InvestorInfo Ltd with many positive aspects albeit operating under difficult market conditions within parts of the industry we service

Full year revenue of \$6.35 million showed an increase of 5.34% over the previous year with the growth chiefly derived from IFA magazine, the conference and research areas of the business.

Full year profits were a modest \$70k with a number of non-recurring factors adversely impacting results including legal costs and the Board's decision to write-down \$150k in research and development costs to a valuation more appropriate to the income generated from those capitalised assets. The business generated a strong positive cashflow for the year.

During the last financial year and into the 2005 financial year the business is continuing to face three major challenges.

Firstly, the institutional funds sector of the business continues to consolidate, with the latest APRA figures indicating a 57% decline in the number of not-for-profit superannuation funds between June 2000 and June 2004. The company services customers in this sector of the market.

Secondly, the company is continuing to transform itself from a centrally-based structure to a more decentralised operation with individual divisions empowered to service the differing needs of their clients. Consequently there has been a refresh of staff to build a team better suited to the new culture, and more appropriate for the changing needs of the market we serve.

Lastly, coincident with the growth strategy previously stated by the Board, the business is seeking to develop opportunities in new market areas. Resources have been dedicated to developments in these areas with an accompanying short-term expense. These expenses will be off-set by medium-term returns.

The first development here is the launch of 'Engage Custom Media', a contract publishing division dedicated to improving a client's communications strategy and approach. Engage Custom Media already have two projects underway with the Restaurant & Catering Association and DHL.

However, the net effect of these challenges is that the business will record a net loss for the first half of the 2005 financial year.

As a consequence the Board and management of the company are conducting a thorough strategic review of InvestorInfo's current product portfolio. The review will result in a restructure of the existing business to ensure that we have the right allocation of resources for the expected returns

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from each area. This review will be completed and action taken before the end of 2004.

Looking forward I will reiterate the statements I made a year ago soon after joining the company that InvestorInfo is a media business that provides information and marketing solutions to clients through a range of communication techniques - magazines, events, databases, on-line and custom media.

Currently InvestorInfo is primarily incumbent in the financial services and funds management industry, with brands that are well recognised and regarded, and carry with them an assurance of quality and reliability.

The strong position we hold within this market will be reinforced whilst we seek good growth opportunities in other markets.

The key assets of InvestorInfo are its employees and we will continue to ensure that we have the best people in the business to meet the ever-changing needs of the markets we operate within.

The company is developing three main divisions – financial services & research media, custom media, and new industry media. We will focus on right-sizing each division and allocate necessary resources to identified areas of growth and expected return.

In conclusion, although suffering from the effects of the three major challenges I mentioned earlier, the business is continuing to transform itself to the ever changing needs of the market and over the remainder of the 2005 financial year will drive toward profitability from its legacy media titles, as well as to seek profitable growth from new areas.



Paul Osborne
Managing Director