

## **IDEAS Announces Share Buy Back**

**21<sup>st</sup> May 2010**

Dear IDEAS Shareholder,

Following yesterday's Annual General Meeting I am pleased to provide you with some key financial highlights from the presentation. You can find a copy of the AGM presentation at [www.ideasinternational.com](http://www.ideasinternational.com).

Starting with the financials, you may have already seen the recent market update for our 2010 half-year result, which shows that we will make a profit after tax of between \$600,000 and \$750,000. This is up strongly from last year's half-year actual result of \$407,244.

Our Chairman, Peter Wallace, announced at the AGM that as a result of our strong performance to date and solid cash position that IDEAS will commence an on market share buyback in June 2010, for up to 10% of the company with Cameron Stockbrokers as the broker. Peter also reported that the bank debt incurred in the acquisition of DH Brown & Associates has now been fully repaid (DH Brown & Associates is our US subsidiary and is now known as Ideas International, Inc.).

Peter also commented that our tax losses have been recouped, leaving only the balance of franking deficits payments to be recouped via current and future earnings levels, by early 2011. Therefore franked dividends may be possible after the franking deficit provision is recouped.

The balance sheet and financial position of the company continue to improve, although there are always risks as you know. One of our major risks is the volatile exchange rate. To lessen this risk as far as we can, we take out forward exchange contracts against known receivables from customers, locking in a firm rate on specific transactions. Most of the major renewals are towards the end of the calendar year, so while the recent AUD weakening is positive to us, there are still risks to future revenues if the AUD strengthens past our budgeted rate of 95c:1USD late in the year. As you know each 1c movement of the USD over the course of a year is worth around 30,000AUD in revenue so the current relative strength of the USD is welcome.

I am also very pleased to inform you that the Board of Directors has invited me to join onto the Board, which I have accepted.

Thank you for your support of IDEAS, and I will update you later in the year when we release our half-year report.

With best regards

A handwritten signature in blue ink, appearing to read 'SB', with a small blue dot at the end.

Stephen Bowhill  
Managing Director, Ideas International Limited  
[stephenb@ideasinternational.com](mailto:stephenb@ideasinternational.com)  
Tel (02) 9472 7701