



UBS - AUSTRALIAN EMERGING COMPANIES CONFERENCE

APRIL 2012

iress

IRESS 2011 RESULTS

- Underlying Group profit \$59.8 million (2010: \$58.4m, up 2.4%). Before growth investments \$62.0m (2010 \$59.7m, up 3.7%).
- Group (ex Investments & Peresys): Revenue up 5.1% and Group Segment Profit down 1.6% on 2010.
- Peresys contribution: Revenue \$15.3m, Segment Profit \$5.5m.
- Reported Group profit \$41.3m (2010: \$50.5m, down 18.1%).
- Final dividend of 24.0¢ 83% franked (2010: 24¢ 66% franked & 3.5¢ unfranked special).
- Revenue growth softer in first half in line with market conditions.
- Continued headcount growth to support implementation of multimarket environments.
- Appreciation of AUD impacted Canada and South Africa Australian dollar contribution.

SEGMENT PERFORMANCE AGAINST PRIOR HALF

FINANCIAL MARKETS

- Aust & NZ
 - Op Rev up 1.7% (up 4.2% on PY)
 - Seg Profit down 2.4% (down 4.4% on PY)
 - PAT down 2.8% (down 7.8% on PY)
- South Africa (ZAR) H2'11 (*no full prior half*)
 - Op Rev R62.4m AUD 8.0m
 - Seg Profit R22.8m AUD 2.9m
 - PAT R15.6m AUD 2.0m
- Canada (CAD)
 - Op Rev up 7.1% (up 10.9% on PY)
 - Seg Profit up 15.4% (up 13.5% on PY)
 - PAT up 15.4% (up 14.4% on PY)
- Asia (AUD) H2'11 (*start up phase*)
 - Op Rev \$0.5m H1'11: \$0.5m
 - Seg Profit \$(1.0)m H1'11: (\$0.5m)
 - PAT \$(0.8)m H1'11: (\$0.4m)

SEGMENT PERFORMANCE AGAINST PRIOR HALF

WEALTH MANAGEMENT

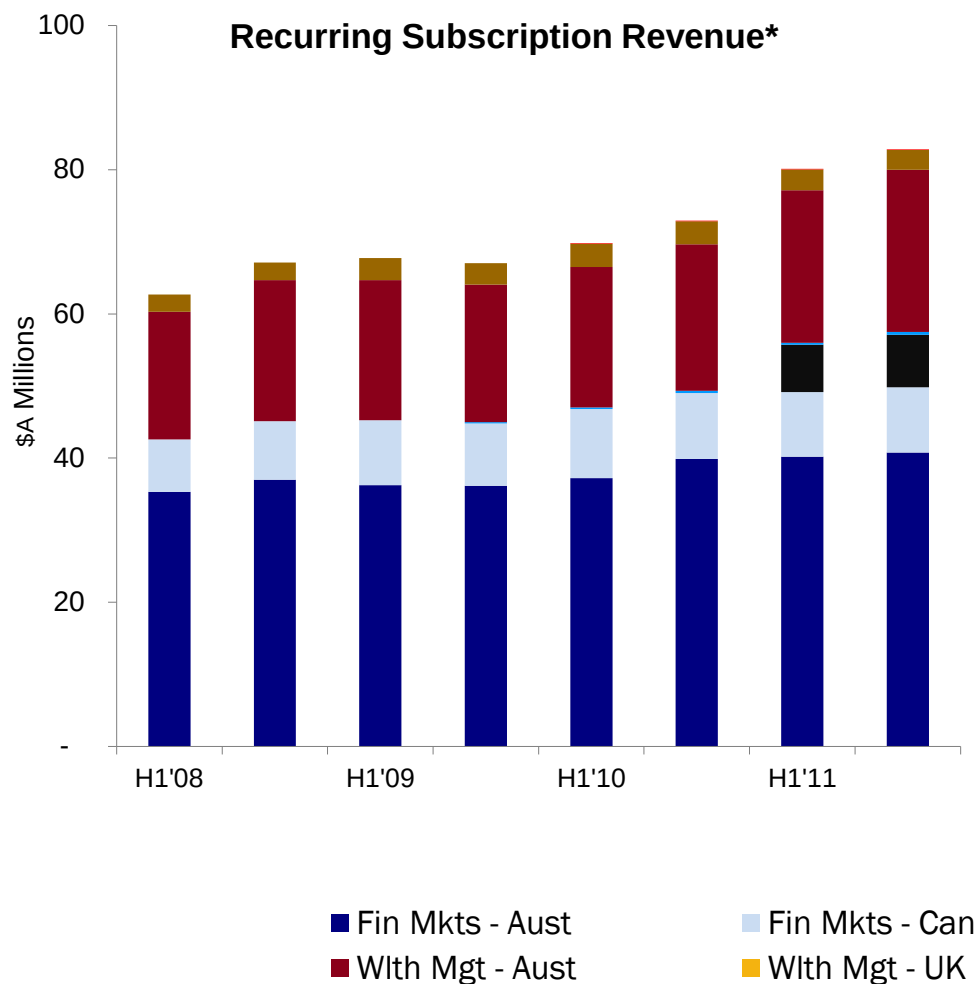
- Aust & NZ
 - Op Rev up 7.5% (up 12.2% on PY)
 - Seg Profit up 8.9% (up 8.7% on PY)
 - PAT up 9.2% (up 16.9% on PY)
- South Africa (ZAR)
 - Op Rev up 2.6% (down 6.3% on PY)
 - Seg Profit up 44.6% (down 23.9% PY)
 - PAT up 49.9% (down 20.7% PY)
- United Kingdom (GBP) (*start up phase*)
 - Op Rev \$ 0.0m
 - Seg Profit \$ (0.1)m
 - PAT \$ (0.1)m
- Asia (AUD)
 - Op Rev \$0.1m H1'11: \$0.1m
 - Seg Profit \$(0.7)m H1'11: (\$0.6m)
 - PAT \$(0.5)m H1'11: (\$0.4m)

GROUP SEGMENT PROFIT MARGINS

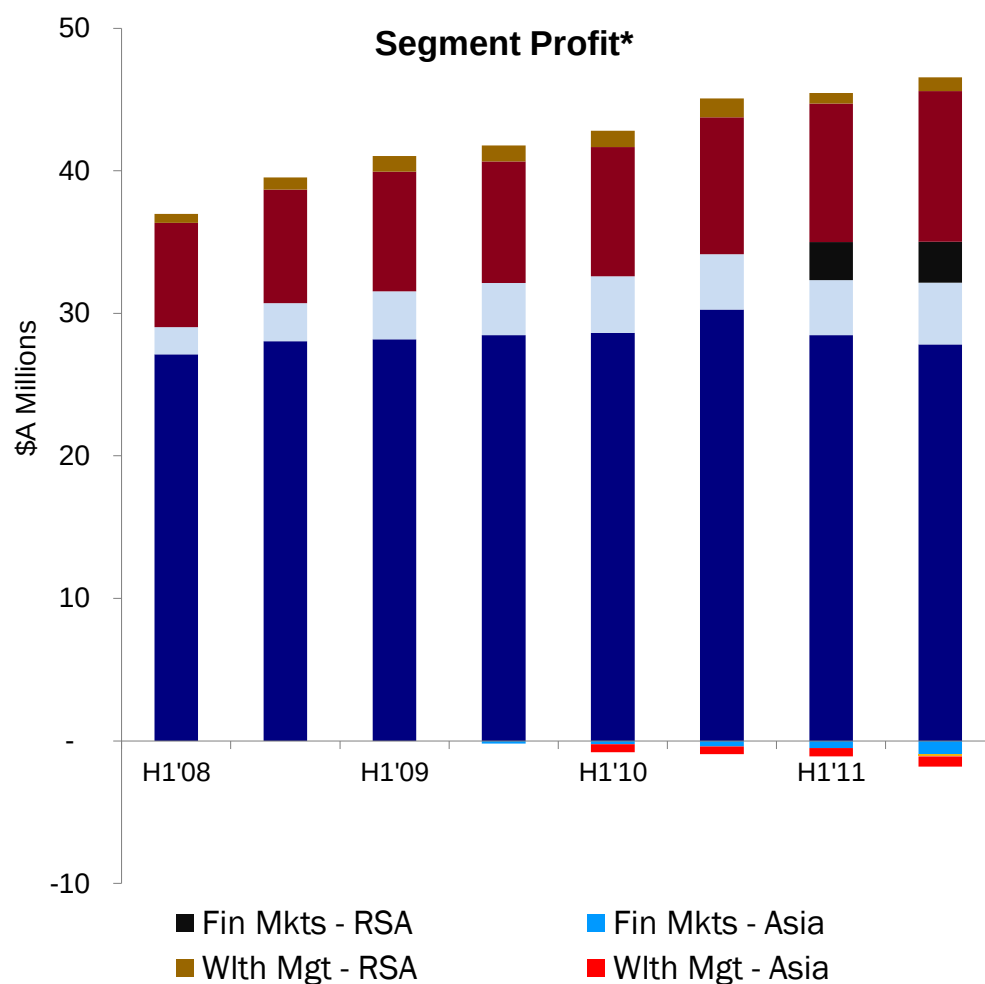
Group Segment Profit Margin:%								
Revenue per Media Release		H1 2010	H2 2010	H1 2011	H2 2011	2009	2010	2011
Fin Mkts	Aust	56.3%	56.4%	52.7%	50.6%	57.2%	56.3%	51.7%
	Can (CAD)	33.6%	33.3%	32.9%	35.4%	31.7%	33.5%	34.2%
	RSA (ZAR)			36.7%	36.6%			36.6%
Wealth Mngt	Aust	42.5%	42.8%	41.0%	41.5%	41.0%	42.6%	41.3%
	RSA (ZAR)	32.9%	37.0%	23.5%	33.2%		35.0%	28.4%

- Margins impacted by:
 - Flatter revenues
 - Increased headcount to support client implementations
 - Investment for medium-term growth
 - Two sizeable bad debts
- Cash generation from the business impacted by return to normal effective tax rate in H1'11

GROUP RESULTS



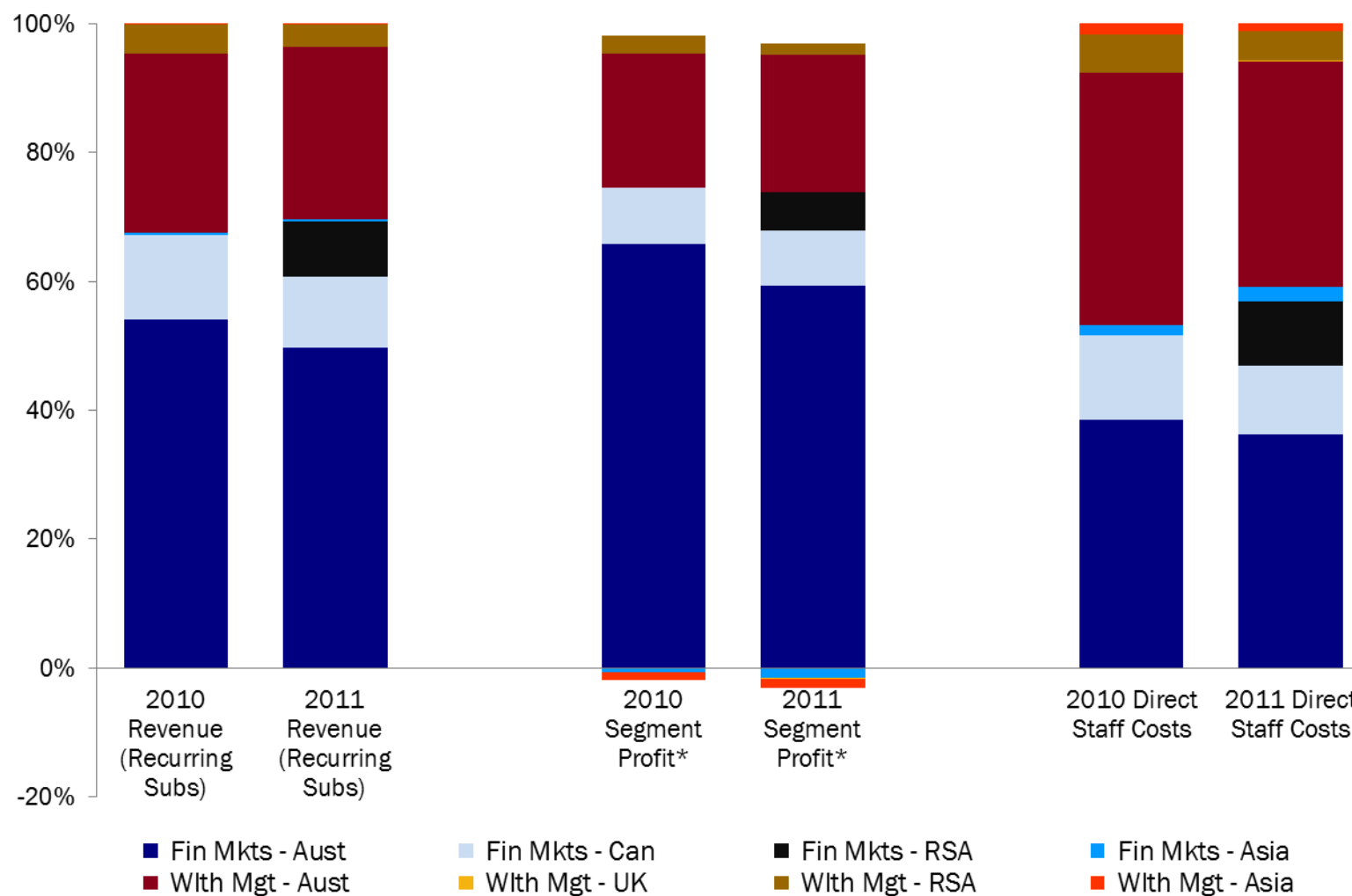
* Excludes revenues on recoveries for services such as news, market data costs and provision of client communication networks



* Definition of Segment Profit as per IRESS Media Release



RELATIVE IMPACT 2010 & 2011



* Definition of Segment Profit as per IRESS Media Release

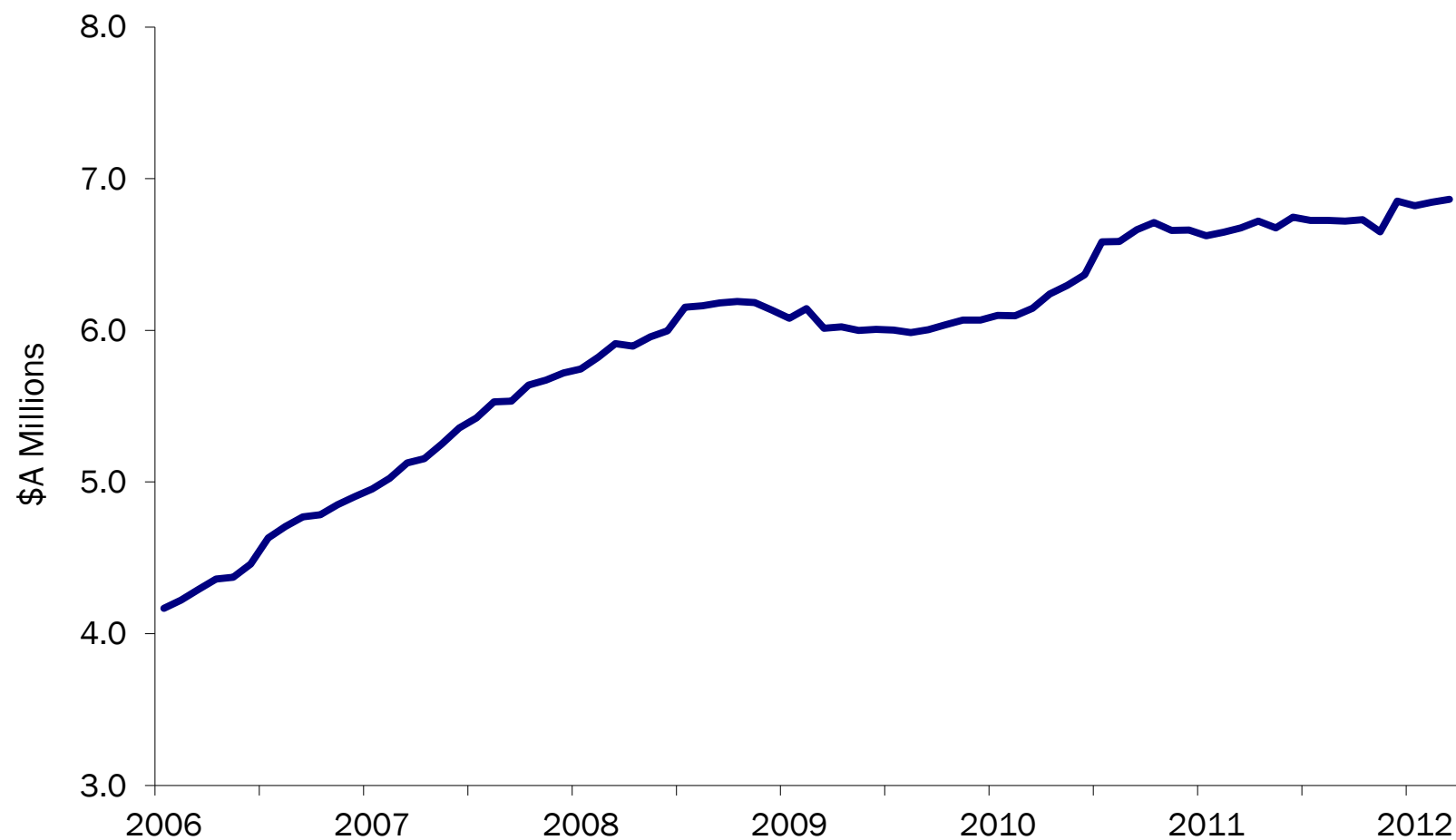
AUSTRALIA & NEW ZEALAND

FINANCIAL MARKETS

- Reduced H2 2011 result from flatter momentum and increased operating costs:
 - Revenue increased 1.7% on H1 2011 (up 2.3% pcp).
 - Segment Profit decreased 2.4% on H1 2011 (down 8.1% pcp).
- Net revenue growth higher in H2 than H1:
 - Growth in late H2 aligning to project activity, but few data points.
 - Server-based revenue primary contributor.
 - Still below historical levels.
- Heavily invested in headcount, supporting large-scale transition and opportunities across client base.

AUSTRALIA & NEW ZEALAND

FINANCIAL MARKETS – RECURRING SUBSCRIPTION REVENUE



Up to March 2012

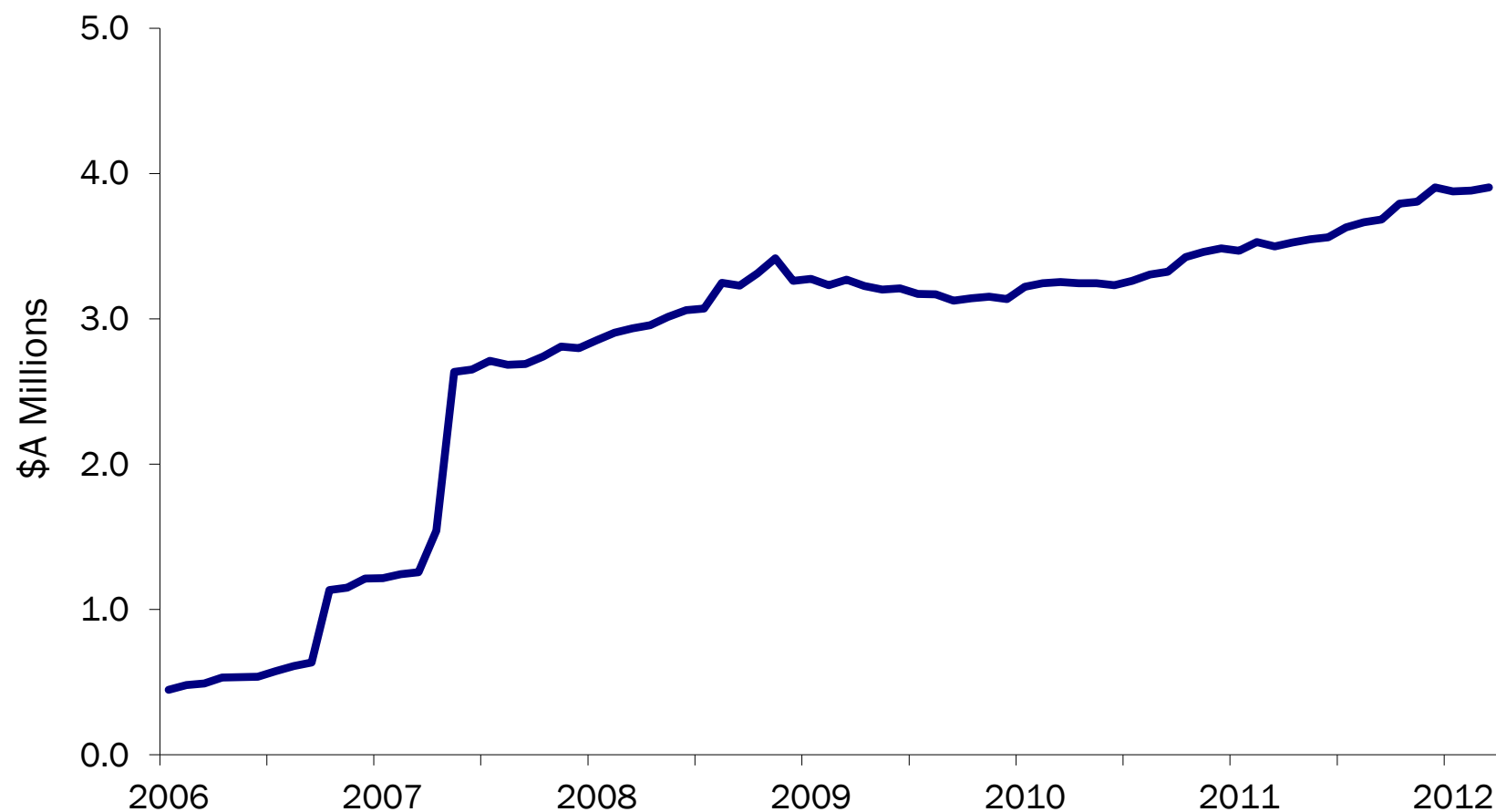
AUSTRALIA & NEW ZEALAND

WEALTH MANAGEMENT

- Good growth from ongoing demand and delivery:
 - Revenue increased 7.5% on H1 2011 (up 13.2% on pcp)
 - Segment Profit increased 8.9% on H1 2011 (up 10.0% on pcp)
- Revenue growth consistent over the period as rollouts continue:
 - Growth from rollout progress and generating additional opportunities.
 - Organic growth across products as clients seek efficiencies and consolidate functions.
 - Not immune from climate but underpinned by advice model/regulatory reform.
 - Consolidation present in the sector, but to date in our favour.
- Marginal headcount increases to support projects and transitions across client base.
- Important role in providing flexible solutions as clients reposition through advice reform.
- Product, independence, and scale continue to be differentiating characteristics.

AUSTRALIA & NEW ZEALAND

WEALTH MANAGEMENT – RECURRING SUBSCRIPTION REVENUE



Up to March 2012

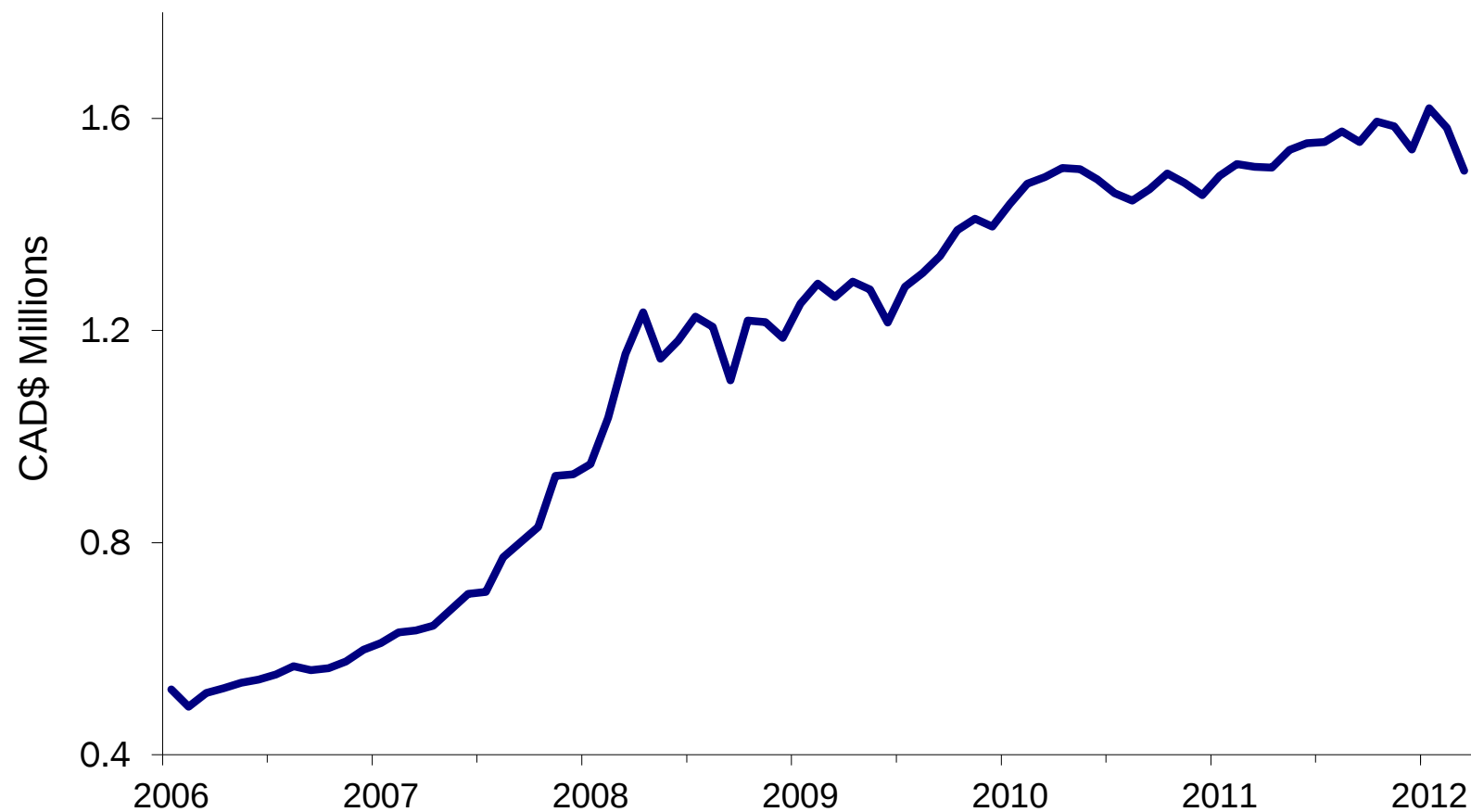
CANADA

FINANCIAL MARKETS

- Resilient result.
 - Revenue (CAD) increased 7.1% on H1 2011 (up 14.6% on pcp).
 - Segment Profit (CAD) increased 15.4% on H1 2011 (up 21.9% on pcp).
- Margin improvement from increased content cost recovery, and implementation project fees.
- AUD result impacted by adverse currency movements.
- Revenue growth strongly correlated to client projects and rollout.
- Prolonged conditions continue to increase pressure on clients and cost focus.
- Opportunities in differentiated market segments, client cost savings, and enhanced user workflow.

CANADA

RECURRING SUBSCRIPTION REVENUE*



*Assumes 100% ownership
Up to March 2012



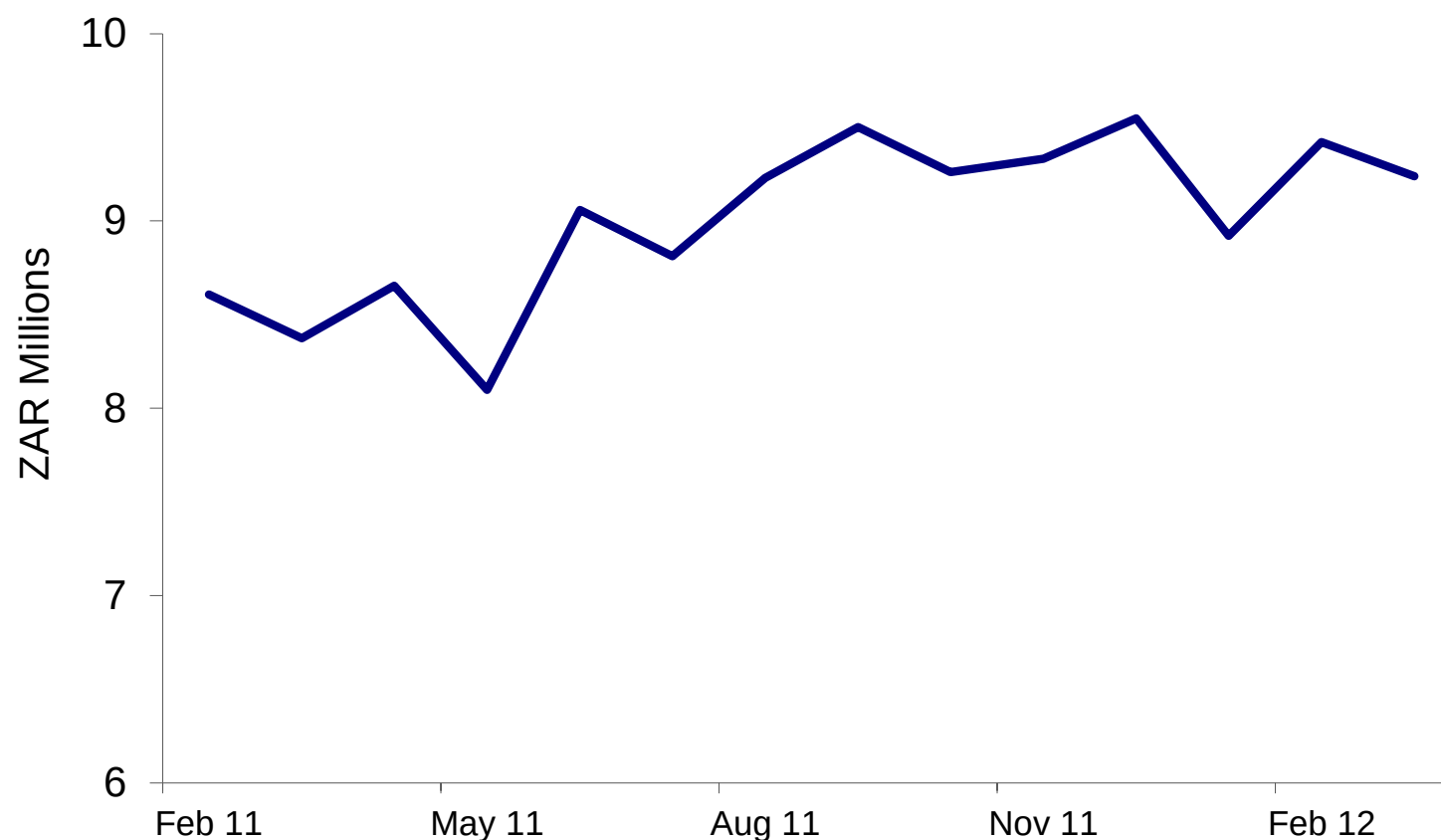
SOUTH AFRICA

FINANCIAL MARKETS

- Good growth result for the division after allowing for partial Jan 2011 contribution
 - Revenue (ZAR) increased 20.4% on H1 2011.
 - Segment Profit (ZAR) increased 20.1% on H1 2011.
- AUD result significantly impacted by adverse currency movements (~22% decline in ZAR over 2011).
- Stable software revenue performance in the conditions.
- Volatility in volume-based revenue:
 - Depressed volumes and extreme volatility generally.
 - Secular changes in RSA influencing behaviour from SSFs to CFDs.
- Current product initiatives are priority growth focus.

SOUTH AFRICA

FINANCIAL MARKETS - RECURRING SUBSCRIPTION REVENUE*



*Revenue variances partly due to Message Volumes fluctuations
Up to March 2012



SOUTH AFRICA

WEALTH MANAGEMENT

- Revenue up 2.6% and Segment Profit up 44.6 % on H1 2011 respectively (ZAR)
- Several institutional XPLAN transitions underway or commencing in 2012.
- Expect growth from rollout progress and additional opportunities.
- Client seeking to leverage integrated advice platform to manage multi-channel distribution and compliance, in cost efficient manner.
- XPLAN modules that bring compliance efficiency or enhance adviser capability and client experience in demand.
- Increasing focus on investment planning and assets under management.
- Regulation and education criteria having some impact on industry dynamics.

ASIA

FINANCIAL MARKETS & WEALTH MANAGEMENT

- Progressing with growing exposure to new opportunities in the region (organic and through seed relationships).
- Impact of MF Global material for division. Working to offset by surrounding opportunities in 2012.
- Local team expanded with regional business development focus.
- Positive project activity and opportunities:
 - Numerous new projects underway anticipating short term delivery H1'12.
 - Two new clients offering online CFD platforms in H1'12.
 - Further white-label regional opportunities through existing clients.
 - Confidence in medium-long term growth segments.
- Costs carefully managed ahead of revenue. Impact of revenue recovery post MF likely to see total Asian investment (FM & WM) slightly above \$4.0 pm in 2012.
- Open to acquisitions in the region.

UNITED KINGDOM

WEALTH MANAGEMENT

- Strategic medium-long term growth initiative in UK commenced November 2011.
- Established with significant seed client and experienced team. Represents low risk profile compared to normal green fields operation without tangible client.
- Advice technology market in United Kingdom:
 - Advice segment and technology opportunity more than 2x Australia/NZ
 - Competitive marketplace, made up of niche providers lacking scale.
 - UK advice reforms similar to Australia impacting practice management, compliance, and technology. XPLAN well suited to address, with good feedback to date.
- Segment Profit funding requirement of up to \$5.0m pa, subject to regular review.

UNITED KINGDOM

DELIVERY/PROGRESS

- Initial product delivery on track for July release. Earlier component releases late April.
- Integration with product providers and relevant third-parties well progressed.
- Initial hosting infrastructure now in place. Second data-centre to be finalised by June.
- Client and early user feedback has been positive and encouraging.
- Strong regulatory reform driving technology evolution
 - Distributors of all sizes and types undergoing technology reviews.
 - Many incumbent providers not responding or not able to act responsively.
 - Prospective interest growing and engaged, IRESS operations scaling appropriately.
- IRESS offers differentiated solution
 - XPLAN flexibility key to handling compliant multi-channel distribution.
 - Australian and international advice technology experience highly regarded.
 - XPLAN breadth and modularisation contrasting to less flexible specialised alternatives.
 - Vendor of scale and ongoing re-investment in technology in demand.

IRESS GROUP OUTLOOK

- Trading 2012
 - Challenging global capital markets environment prolonged.
 - Mixed experience with additional revenue impacted by widespread focus on costs.
 - Some divisions with positive momentum from prior half.
- Outlook
 - Demand for solutions remains, heightened in differentiated products and segments.
 - Broad and rich product set with fully managed offering positions us favourably.
 - Executive appointments in light of expanding international reach.
 - Poor market dynamics continue to impact client base and moderate growth results.
 - In this context, price indexation policy in Australia to adjust to per annum from 2012.
 - Anticipating lower Group Segment Profit in FY 2012 (before investments), with neutral outcome a stretch target.
 - Committed to investment in medium and long term growth opportunities.

IRESS DIVISIONAL OUTLOOK FOR H1 2012

Division	H1 2012 (vs H2 2011)
Australia/NZ FM	Neutral outlook on revenue and segment profit growth.
Australia/NZ WM	Low % increase in revenue and neutral segment profit growth.
Canada (CAD)	Softening in revenue expected to lower segment profits to around H1'11 levels
South Africa (ZAR)	Low % increase in revenues, and decline in segment profit with investment in future revenue growth.
Asia	Impact of revenue recovery post MF likely to see total Asian investment (FM & WM) slightly above guidance of \$4m pa.
United Kingdom	Segment loss on annualised basis below \$5m pa guidance.

ATTRACTIVE SERVICE COMBINATIONS

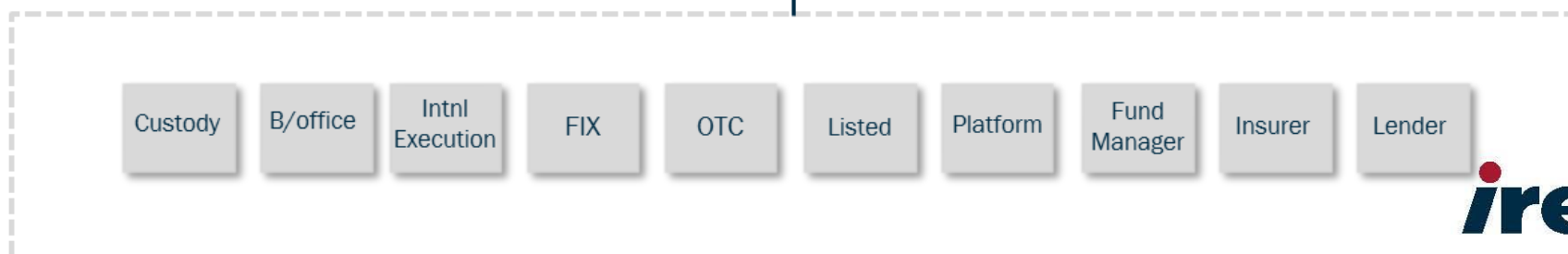
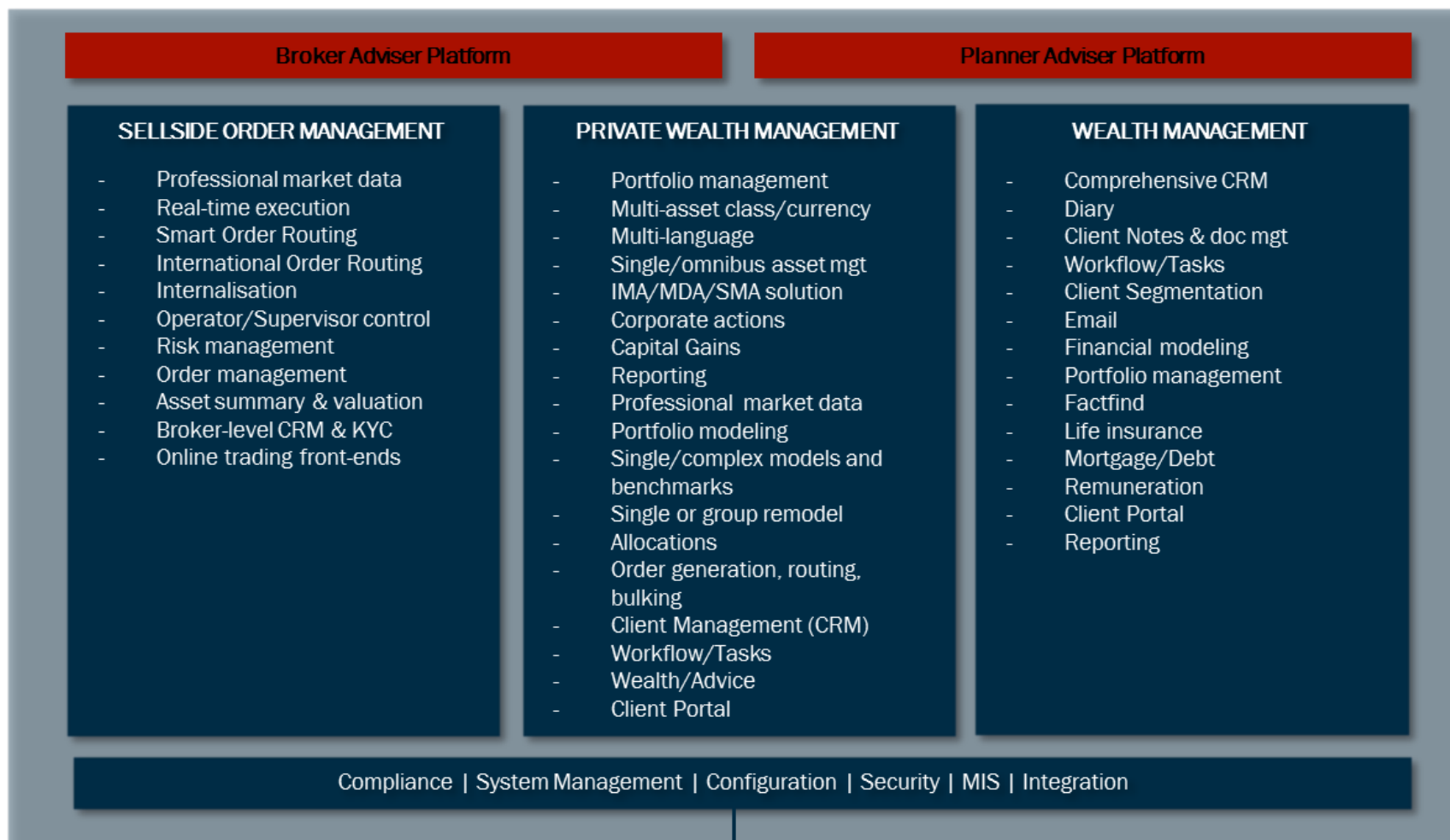
RETAIL ONLINE TRADING & MARKET DATA

- IRESS product set proving globally differentiated and very portable:
 - Rich multi-asset/currency/language online trading solution providing differentiation.
 - IRESSTrader & IOS+ combination for international execution live in Asia and UK.
 - Flexible solution across regions and proving portable by leveraging IRESS central infrastructure. IOS+ order routing flexibility core to opportunities.
 - iPhone, iPad now available for market data and soon trading, available across all IRESS clients. White label opportunity for retail brokers.
 - Fully managed service offering.
- Numerous opportunities in active trading, market data, CFD, hedge fund segments.
- Variety of in production deployments and opportunities across regions.

AWAKENING SERVICE COMBINATIONS

PRIVATE WEALTH MANAGEMENT

- Private wealth management increasingly prominent, supported by global trend from commission/transaction to asset management/advice.
- Desire for client service differentiation, branding and margin control.
- Unique IRESS solution and positioning
 - Legacy solutions often biased to investment-only.
 - IRESS uniquely provides integrated whole of wealth solution.
 - Private wealth solution combining XPLAN/IPS/IOS+ a key differentiator.
 - Multi-asset/currency/language portfolio and tax management, order management, CRM, advice.
 - Essential tools as clients seek complete service propositions.
- Progressing opportunities in this segment internationally.



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