integrated research

Press Release

Integrated Research Limited Announces First Half Results

Sydney, Australia, 12 February 2004 - Integrated Research (ASX:IRI) (IR), leading developer and provider of systems and application management solutions for high availability computing environments, today reported its consolidated results for the six-month period ending 31 December 2003.

The consolidated entity's net profit after tax for the six months was \$2.1 million, an increase over the corresponding period for the prior year of 18%. Revenue for the half-year was \$14.3 million. Revenue from the Americas and European regions grew by 14% and 52% respectively, however the stronger Australian dollar has had the effect when translating overseas sales into Australian dollars, of reducing revenue by 15%. Sales of the company's IP Telephony products for managing the Cisco CallManager environment grew by 17%. The result also marks a strong recovery from the \$700,000 loss incurred in the half-year to 30 June 2003, on revenue of \$13.1 million.

Directors noted that IR remains debt-free and held \$7.1 million in cash at 31 December 2003, compared to \$4.9 million a year ago, and \$6.9 million at 30 June 2003.

The company will pay an unfranked interim dividend of 0.75 cents per share on 12 March 2004 to shareholders registered at the end of trading on Friday 27 February 2004.

"The first half result is encouraging, and is a little ahead of the guidance provided to shareholders at our AGM in November," says Brian Gatfield, Chairman of Integrated Research. "The macroeconomic environment is showing signs of improvement, which we expect will continue in the six months ahead. That will help us deliver second half results in line with or slightly ahead of first half numbers."

Steve Killelea, CEO, Integrated Research added: "The first half has seen the company's sales improve, following a difficult year in fiscal 2003. Our investment in improving the field sales organization is showing positive results. The coming releases of the PROGNOSIS® suite of systems management products for HP NonStop, UNIX, Windows, Linux and IP Telephony will provide continued impetus for IR in the recovering global IT market."

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About Integrated Research Limited

Since 1988, Integrated Research Limited has been developing world-class systems and application management solutions specifically designed for critical, high-availability computing environments.

The world's largest bank, telecommunications company, stock exchange, computer hardware manufacturer and internet solution provider all rely on IR solutions – as do hundreds of other customers in 45 countries around the world.

IR is a publicly listed company (ASX:IRI) with sales and support offices in the USA, UK and Australia, and a sales and distribution network that spans more than 60 countries worldwide. Information on Integrated Research and its products is available at http:/www.ir.com

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