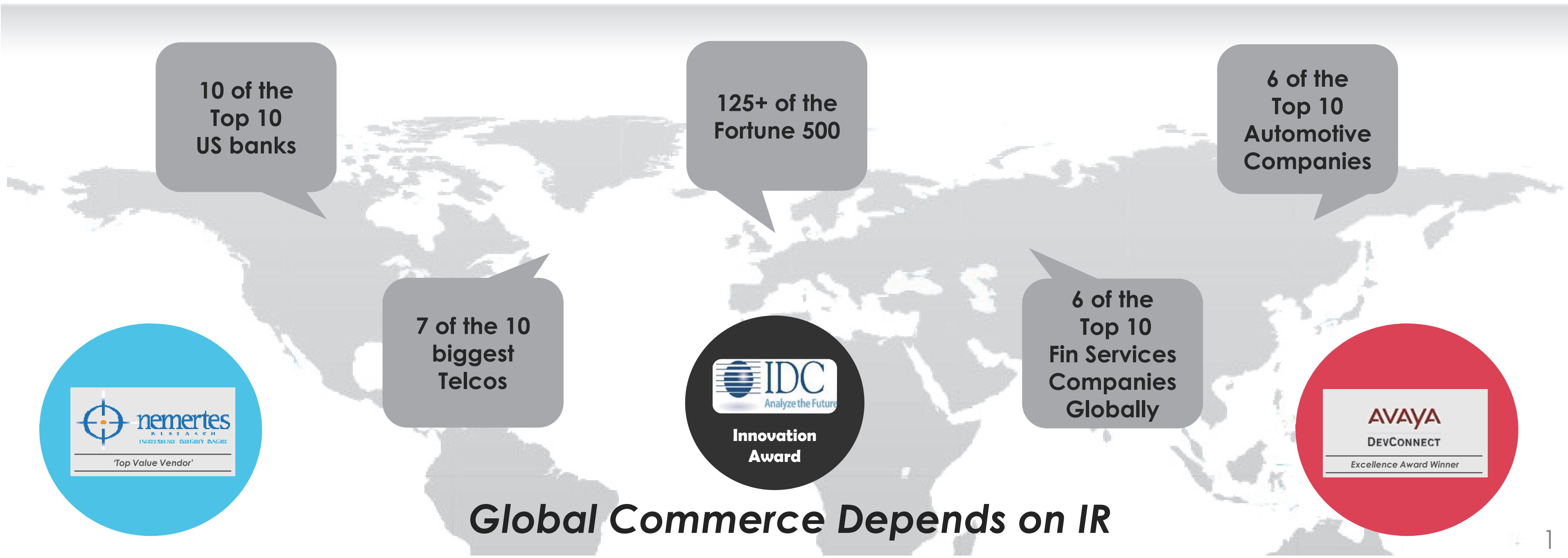
Integrated Research Limited (IRI)

FY2017 Annual General Meeting

16 November, 2017

ABN: 76 003 588 449



Key Highlights

Financial Results

Licence Sales	up	17%	to	$53.4m
Total Revenue	up	8%	to	$91.2m
Net Profit After Tax	up	16%	to	$18.5m

Recurring Revenue Growth

- Revenue base continues to build
- Less non-recurring perpetual business
- Strong UC renewals pipeline

Results in Constant Currency

Licence Sales	up	22%
Total Revenue	up	13%
Net Profit After Tax	up	28%

Financial Performance

- All regions growing
- All product lines growing
- 61% improvement in cashflow
- No debt

Unified Communication

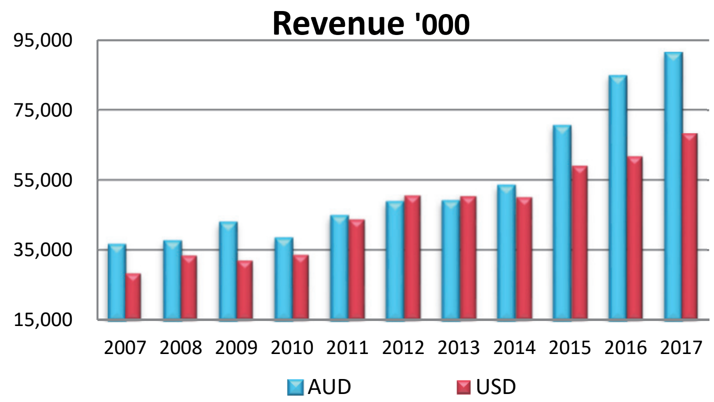
- Doubling of Microsoft revenue over FY16
- Balanced portfolio of Cisco, Avaya & Microsoft
- Avaya emergence from Ch 11 imminent
- Additional 39 certified Microsoft partners

Product Development

- Prognosis 11.1 and 11.2 released
- CRA – speech detection
- Microsoft UC assessor

Financial Results

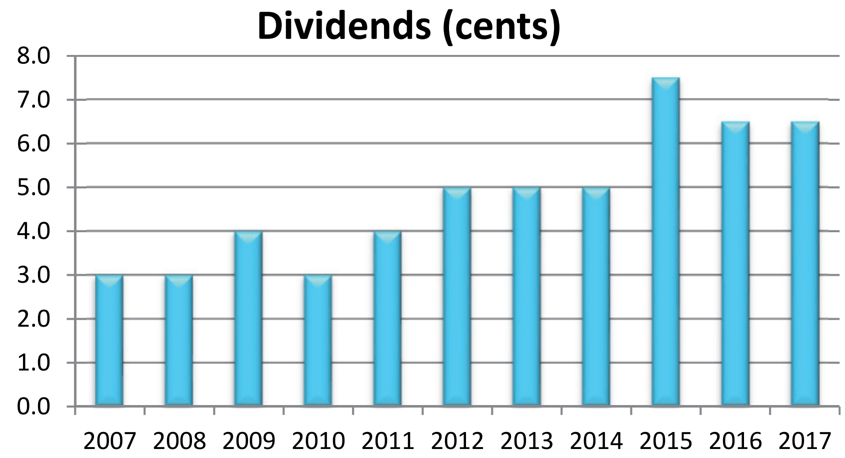
	30 June 2017 A$000's	30 June 2016 A$000's	% change
Licence fees	53,441	45,725	17%
Maintenance fees	26,871	27,153	(1%)
Testing solutions revenue	4,073	4,288	(5%)
Consulting fees	6,784	7,366	(8%)
Total revenue	91,169	84,532	8%
R&D expenses net	14,862	13,582	9%
Sales, consulting & marketing expenses	43,605	44,983	(3%)
General & Administrative expenses	6,086	5,962	2%
Total expenses	64,553	64,527	0%
Profit before tax	25,881	21,386	21%
Profit after tax	18,520	16,029	16%



- Revenue up 8%
  (13% Constant currency)
- Strong performance from Payments and Infrastructure
- Continuing investment in development
- PAT up 16%
  (28% Constant currency)

Balance Sheet

	June 2017 A$000's	June 2016 A$000's
Cash at bank	14,113	8,544
Current receivables	35,998	29,017
Noncurrent receivables	23,299	23,373
Intangible assets	19,934	21,972
Current deferred revenue	20,077	20,363
Deferred consideration for acquisition (non current)	1,476	2,036
Net assets	48,520	41,046

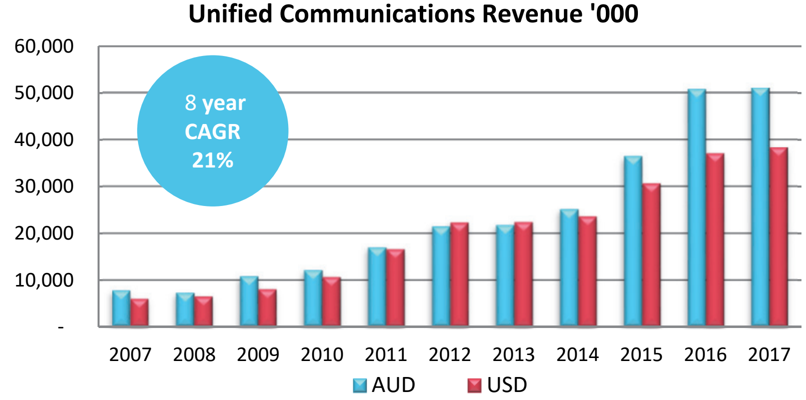


Shareholder Returns

	2017	2016	2015
Basic earnings per share	10.86¢	9.42¢	8.41¢
Dividends per share	6.5¢	6.5¢	7.5¢
Franking percentage	85%	58%	35%
Return on equity	38%	39%	39%

Product Line Performance

Revenue by Product Line ($A)	June 2017 A$000's	June 2016 A$000's	% change	Constant currency % change
Unified Communications	51,132	50,778	1%	6%
Infrastructure	24,449	20,812	17%	22%
Payments	8,804	5,576	58%	65%
Consulting Services	6,784	7,366	(8%)	(3%)
Total Revenue	91,169	84,532	8%	13%



- Microsoft sales doubled over FY16
- Avaya Ch 11 softens UC growth
- Strong Payments & Infrastructure sales

Growth Strategy Update

WHO WE ARE

IR

IR is the leading global provider of user experience and performance management solutions for Unified Communications, Payments and IT Infrastructure.

WHAT WE DO

Capabilities

Prognosis provides best in class performance management across unified communications, contact centers and payments ecosystems cloud, hybrid or on-premises.

WHY CUSTOMERS BUY

Value Proposition

- ✓ Prognosis end-to-end Unified Communications, Payments and Infrastructure experience management software and testing services optimize operations of mission critical systems through insight into real time and historical events.
- ✓ Intelligent analytics establish patterns and root causes speeding troubleshooting and problem resolution.
- ✓ Evolving prediction capabilities, automation and self healing help Prognosis optimize operations and prevent issues occurring at all.

WHY WE SUCCEED

Competitive Advantage

- ✓ Prognosis is real-time, scalable, extensible & flexible
- ✓ Prognosis supports multiple platforms, vendors and applications
- ✓ IR has 1,200+ enterprise customers globally
- ✓ IR has 125+ of the Fortune 500 customers
- ✓ IR has a world-class R&D capability

Market & Technology Leadership

The Company: IR

- **Global, publicly listed**, profitable and growing
- Over **1,200 enterprise customers** worldwide
- **125+ Fortune** 500 customers
- **5 of the 6 'Leaders'** in the Gartner Communications Outsourcing Magic Quadrant are IR Customers
- **Microsoft Gold Communications Partner**

The Solution: Prognosis

- **UC & CC Market Leader 16+ million** managed endpoints
- **Only solution certified** across current Microsoft, Cisco & Avaya platforms
- **Avaya's only Sponsored & Recommended** solution
- **Only Microsoft Skype for Business Online** certified solution
- **4 of the top 5 Payment transaction acquirers worldwide**
- **3 of the top 5 Payment card schemes worldwide**
- **100s of millions of Payments transactions monitored daily**

Prognosis architecture supports future growth

The core platform enables quick product line expansion

Communications Experience Management

- Pre-Deployment
- Voice Quality
- Video Quality
- Adoption
- Mobility

AVAYA CISCO slack

Customer Experience Management

- Pre-Deployment
- IVR
- Voice Channel
- Omnichannel
- Outbound Dialler
- Work from home agent

AVAYA INTERACTIVE INTELLIGENCE Genesys CISCO

Risk & Compliance

- Call Recording Assurance
- Trading Turrets
- UC Fraud

Data Analytics

- Benchmarking
- Anomaly Detection
- Intelligent Root Cause Analysis
- Business Intelligence
- Multiple data sources (Internet of Things)

Alerting

API Layer

Operational Reporting | Automation | Testing | Licensing and Billing

Core Platform (e.g. SSO, On Premises Agent, Security, etc.)

Collection Layer

Market Recognition

"UCC has become a crucial technology for success in digital transformation initiatives, yet many organizations face performance issues and consequently, lower-than-optimal user adoption, because they aren't leveraging the right management tools"

~ Robin Gareiss
President, Nemertes Research

"..we wanted to formally recognize those companies that demonstrated leadership in innovation and unwavering commitment to helping our mutual customers attain new successes in their respective business operations"

~ Eric Rossman
VP Developer Relations, Avaya

"IR was named as an IDC Innovator for its competitive advantage derived from its unique intellectual property and 100% software-based probeless design… Enterprises and Service Providers can deploy IR Prognosis to bring real-time visibility, insight and control to complex , multi-vendor UC and contact centers"

~ Rich Costello
Senior Analyst, IDC

Top Value Vendor

Excellence Award Winner

Top Innovator

UC Growth: All routes covered

Cisco

- Cisco's biggest customers and partners continue to choose Prognosis
- FedRamp upside still to be realised
- Deepening partnership between IR and Cisco

Microsoft

- SfB revenues double, growth continues
- 39 new Microsoft partners recruited to IR Global Partner Program
- Prognosis 11.3 released with significant new support for SfB
- Success with large enterprise customers

Avaya

- Avaya's Plan Support Agreement to emerge from Chapter 11
- New CEO, networking business sold, UC & CC will be sole focus
- Potentially a H2 story

dimension data

BT

GM

swisscom

Deloitte.

citibank

Thank you.
Questions?