

1 May 2014



The Manager
Company Announcements Office
Australian Stock Exchange
Exchange Centre, 20 Bridge Street
SYDNEY NSW 2000

ELECTRONIC LODGEMENT

Dear Sir or Madam,

Chairman & CEO's Address 2014 Annual General Meeting

Please find attached a copy of an address to be given by the Chairman and the CEO at this morning's Annual General meeting of the Company.

Note the comments in the closing paragraph concerning Peter Dunai's intentions with respect to his role as Chairman and director.

Sincerely

A handwritten signature in black ink, appearing to be "P. Ferguson", with a long horizontal line extending to the right.

PETER FERGUSON
Company Secretary

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IRESS 2014 Annual General Meeting Chairman and CEO's Address to Shareholders¹

INTRODUCTION (Chair will speak to this item)

2013 has been an important and successful year for IRESS with steady results within management's expectations and a transformational acquisition in the UK

- Net Operating Revenue increased by 21.2% and Segment Profit increased by 5.8%.
- Before allowing for the contribution made by Avelo, Operating Revenue grew by 4.2% and Segment Profit declined slightly by 0.6%.
- The successful acquisition of Avelo saw the company include debt in its capital structure for the first time but at conservative levels and structured efficiently.

Obviously the Avelo acquisition was a standout event. I will say more about that shortly, but first a few comments on the respective business segments.

FINANCIAL MARKETS AUSTRALIA AND NEW ZEALAND (CEO will speak to this item)

- Business conditions in 2013 for financial markets remained difficult for all and the retail segment in particular.
- Although operating revenue was marginally lower overall, there was increased demand for several key solutions offsetting the impact of subscription reductions by our clients in response to their business conditions.
- Pleasingly there was also a slight increase in the run rate for recurring revenue during the year.
- Operating revenue was down 1.6% on the prior year and Segment Profit declined by 4.9%.

¹ Presented at the Annual General Meeting held at IRESS Limited's office at 18/385 Bourke Street Melbourne at 11.30 on 1 May 2014.

Wealth Management

- Wealth Management ANZ performed strongly in 2013.
- The FoFA compliance deadline was an important stimulus for activity, but demand was robust across the customer base, with customers moving ahead with strategic opportunities using XPLAN and associated services.
- To provide some insight to the relative contributions to this demand, solutions directly related to FoFA represented approximately 20% of revenue growth over the past twelve months, and broader XPLAN subscriptions represented 80% of revenue growth.
- Operating Revenue and Segment Profit growth for the year was 16.9% and 18.4% respectively.

CANADA (CEO will speak to this item)

- Economic conditions in Canada continued to affect client businesses and resulted in further customer headcount and general cost reductions leading to revenue reduction over the course of the year.
- Business development in IRESS' private wealth management solution is encouraging ahead of impending regulatory change, although the financial impact will be insufficient in the short-medium term to offset broader business conditions.
- Operating Revenue for the year declined by 6.5% (AUD). Segment Profit declined by 14.1% (AUD).

SOUTH AFRICA (CEO will speak to this item)

- Growth in South Africa has continued to be strong in local currency for the year.
- Operating Revenue growth for the year was 11.2% (ZAR) with a Segment Profit increase of 7.9% (ZAR). The appreciation of the Australian dollar against the Rand over the year has impacted the contribution to the group results such that in Australian dollars, Operating Revenue grew by 1.5% and Segment Profit reduced by 2.5%.

ASIA (CEO will speak to this item)

- In Asia we have made good progress into integrated core trading and market data solutions for the sell-side with a seed client taking the

IRESS suite live in the first quarter. We continue to see demand for regional connectivity and interaction together with international market demand from Australia making our investment in Asia increasingly important.

- Revenue from IRESS investment in Asia almost doubled in 2013. The Asian cost base continues to be managed within our net loss limit of \$4.0m per annum.

UNITED KINGDOM (CEO will speak to this item)

Wealth Management

- The Avelo acquisition was completed on 9 September 2013. The transaction, which represents the most significant change in IRESS' history, immediately enhances our strategic position in the UK and the region giving us brand presence, scale and capability. Although clearly the impact is greatest in the wealth management position, the additional presence also benefits our business as a whole.
- In financial terms, the contribution of the enlarged UK Segment to group financial results for 2013 was modest: revenue contribution was £20.3m, which resulted in a £3.0m Segment Profit. Operating Revenue for the IRESS pre-existing wealth management operation grew from basic levels in 2012 to £1.0m in 2013, and continued modestly to build capability anticipating the completion of Avelo in September, resulting in a Segment Loss of £1.9m in 2013.
- In terms of integration, IRESS' existing wealth management business has been fully merged with the broader UK business operationally.
- The combined UK wealth management business is well positioned to harness its unique product breadth and delivery capacity. Consistent with this, during the final calendar quarter we saw a healthy pipeline of external opportunities stimulated by regulatory change and the need for integration, efficiency, and effective oversight, in addition to new opportunities presented in our existing client base.
- In addition to what has been IRESS' traditional wealth management segment, the Avelo acquisition has added mortgage origination to our product capability and business dimension. Opportunities presented in the enterprise mortgage origination segment continue to be supported by differentiated product, regulatory stimulus and efficiency demands.

Financial Markets

- UK Financial Markets revenue increased to £0.3m in 2013 with key new implementations. Our focus in the UK is disciplined, based on

selected products and solutions supported by local and regional capability, and we expect opportunities from demand for integrated trading and wealth solutions.

OUTLOOK (CEO will speak to this item)

The early months of 2014 have seen promising customer engagements across strategic and discretionary initiatives beyond the mandatory regulatory change that has dominated recent periods.

In this light, in 2014 we cautiously anticipate improved conditions in financial markets but expect a subdued financial impact on the group that will lag the emerging opportunities, and a positive yet moderated Australian wealth management result.

Our wealth management business in the UK provides a similar level of visibility and resilience as our other recurring businesses and will make a substantial contribution to 2014. As noted previously, the enterprise business is less predictable and we are cautioned by the volatility in the UK banking environment.

When combined with a twelve month contribution from Avelo, assuming foreign exchange at constant levels, we expect Segment Profit in 2014 to exceed 2013 by more than 20%.

CHAIRMAN'S ROLE (Chair will speak to this item)

At this meeting I am announcing my intention to leave the board. Since founding the company with colleagues in 1993 I served as its Managing Director until 2009 including the first 9 years of its life as a listed company. My intention when taking the role of Chairman at that time, against generally recommended practice, was to fully support the transition to Mr Andrew Walsh, who has since led the company with skill and success.

It is now appropriate for the process of renewal to continue and I am delighted that Mr Tony D'Aloisio has agreed to take on the role of Chairman. We intend for a transition period of some months with Tony formally taking over later in the year. I feel fortunate to have been on a shared journey with so many talented and dedicated colleagues for so many years. I am very confident that our current staff, management and directors have the skills and experience to take the company forward.

Peter Dunai
Chairman
1 May 2014
