

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

5 May 2016

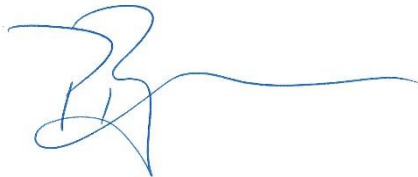
**ELECTRONIC LODGEMENT**

Dear Sir or Madam,

**RE: CHAIRMAN AND CEO'S ADDRESS 2016 ANNUAL GENERAL MEETING**

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

Yours sincerely



Peter Ferguson  
Company Secretary

## **CHAIR'S ADDRESS – TONY D'ALOISIO**

Once again, good morning and welcome to the 2016 Annual General Meeting for IRESS Limited.

This is an important day in the IRESS calendar and I thank you for making the time to attend today.

At IRESS, we are proud of our ongoing evolution as a company and business.

This is my fourth AGM, and my second as Chair. Since joining IRESS as a director in 2012, I have seen our organisation transform. For example, when I joined the IRESS board, just over one-fifth of revenue was earned offshore. It is now nearly half. As a result of this, IRESS has become a stronger and more diversified company.

This shift and growth has required significant investment and focus and it is very pleasing to see the benefits of this flowing through to our 2015 financial performance.

Despite a long-term focus on growing and diversifying our business, our overriding focus is on achieving quality and sustainable outcomes for our business and our clients. On these measures we are also in a very good position.

### **FINANCIAL PERFORMANCE**

The board is pleased with IRESS' solid financial performance in 2015, delivering for both shareholders and clients.

For the full year to 31 December 2015 revenue increased by 10% and statutory net profit by 9%.

Segment Profit, a measure of core underlying performance, increased by 7%. Consistently. Segment Profit after deducting Share Based Payments, increased by 7%.

This result was underpinned by strong performances in the United Kingdom, Australia & New Zealand and South Africa.

Acquisitions in the United Kingdom of two established financial technology businesses, Proquote and Pulse Software Systems, and favourable currency movements, also contributed positively to this result. On a constant currency basis, and excluding the contribution from acquisitions, Segment Profit growth in 2015 was 3%.

For the 2015 financial year, directors determined to pay a dividends of 42.7c per share, up 3% on 2014. This was franked to 60% at a 30% corporate tax rate.

This dividend reflects IRESS' consistent financial performance in 2015 and prior periods, and the strength of cash generation by the business.

IRESS' managing director and chief executive Andrew Walsh – to whom I will hand over shortly - will take you through the financial performance and business highlights in more detail.

## **STRATEGIC ACQUISITION BENEFITS**

During 2015, we completed three acquisitions and welcomed the clients and people from these businesses.

These strategic acquisitions are adding capability, scale and new client opportunities.

In the United Kingdom, there is an increasing need for unified, flexible and reliable technology solutions. This need is being driven by market demands and regulatory change.

The opportunity remains significant and we are well positioned for this with the strategic acquisitions of Proquote and Pulse. These were announced in September last year and concluded at the end of October.

These acquisitions further accelerate our United Kingdom position, in line with our strategy, by broadening our client base, product suite and capability.

They also provide the opportunity for broader functionality and solutions to be offered to clients of each business, thereby enhancing sources of high quality, predictable revenue.

In Australia, the acquisition of personal finance content provider, Innergi, further strengthens XPLAN.

Advisers want new ways to engage with their clients and digital capability is critical to fulfilling this need efficiently at scale.

Innergi provides content and tools that are being integrated into XPLAN, allowing advisers more meaningful ways to engage with their clients, both face-to-face and online.

Anticipating and responding to the ways our clients are working and seek to work is a key input to our product development strategies that Andrew will expand on later.

## **GEOGRAPHIC DIVERSIFICATION**

Increased geographic diversification is an important part of our strategy and, during the second half, prior investments by IRESS have translated into strong revenue growth.

IRESS is now one of Australia's largest and most significant financial technology providers and exporters.

Forty-eight per cent of revenue is now from operations outside Australia & New Zealand. This is up from 21% in 2012.

In the same period, Segment Profit from outside Australia & New Zealand grew from 7% to 29%.

In particular, we have seen growing momentum in our United Kingdom business, driven by a number of XPLAN implementations in the second half.

Despite expanded international presence, we are equally focused on our Australia & New Zealand markets and do not take our market leadership or role for granted and are actively engaged in innovation with our established and emerging clients.

Australia & New Zealand performed strongly with double-digit growth in wealth management and, in our financial markets business, run-rate revenue exceeded levels in the prior year, despite client-specific impacts in Australia in the first half.

Our ongoing investment is driving strong outcomes, and we expect this will continue in 2016.

## **CONCLUSION**

Finally, on the subject of today's resolutions, I will comment on just one, namely the resolution to increase the Directors' Fee pool from \$900,000 to \$1.2 million.

It is important that IRESS' director fees are set at market levels in order to ensure that the Company can attract and retain highly qualified directors with appropriate experience and skills. The Board does not anticipate increasing Directors' remuneration immediately following the Annual General Meeting but is likely to consider the matter further later in the year. The proposed increase in the fee pool will also allow IRESS to appoint a further director and continue to strengthen the diversity of skills and experience of those who make up the Board.

I conclude by thanking the directors, our managing director and CEO Andrew Walsh, his executive team and the 1,500 people around the globe for continuing to deliver outstanding value for our shareholders and a superior service to our clients.

On behalf of the board and management, I also thank you, our shareholders, for sharing our confidence in our strategy by choosing to invest in IRESS.

I now hand over to Andrew Walsh.

## **CEO ADDRESS – ANDREW WALSH**

Thank you Tony.

Our strategy at IRESS is to deliver sustained, medium and long-term growth underpinned by high quality, predictable revenue. We achieve this through strategic investments in people, products and technology, in markets that support structured scale benefits.

During 2015, we demonstrated this through successfully positioning our delivery as an international vendor with scale; uniquely positioned to meeting the needs of a broad range of financial services participants.

As Tony mentioned, over time IRESS has become one of Australia's largest exporters of financial technology. As a company we provide solutions to some of the world's largest financial institutions in Australia, New Zealand, Singapore, South Africa, the United Kingdom and Canada.

### **BUSINESS HIGHLIGHTS**

Our business highlights for the year show a number of significant client wins, product milestones and an investment program in prior periods that is delivering strong outcomes.

In addition to the strategic acquisitions Tony has already mentioned, other highlights in 2015 include being appointed the advice technology partner for the Commonwealth Bank of Australia. As a result, we are deploying IRESS' multi-channel advice platform concurrently servicing CBA's full-service advice businesses and scaled advice.

We also announced a long-term, strategic partnership with Atom, the United Kingdom's first all-digital bank, to implement the latest version of IRESS' Mortgage Sales & Origination platform.

Revenue growth in the United Kingdom during the year reflected implementation successes and associated recurring license revenue.

In 2015, Maybank Kim Eng, a leading investment bank in Asia, appointed IRESS as its technology partner to provide multi-asset solutions for retail trading.

And we commenced implementations of our private wealth solution with MD Financial Management, a leading wealth manager and discretionary asset manager in Canada.

There continues to be strong demand in South Africa for our breadth of solutions: IRESS trading and market data solutions, XPLAN wealth management, and IRESS' integrated private wealth solution.

And finally during 2015 we commenced the rollout of IRESS' next generation online market data and trading solution, ViewPoint, including to a tier 1 Canadian bank.

## SEGMENT PERFORMANCE

In terms of performance by segment, **Australia and New Zealand's** financial markets business is proving highly resilient despite challenging sell-side conditions.

Tony has already spoken to the improved recurring run rate in the financial markets business, the double-digit growth in the wealth management business and the acquisition of personal finance content provider, Innergi.

In the **United Kingdom**, the positive result reflects a number of XPLAN implementations during the second half, with annualised contract value growing by 11% over the year.

**South Africa** continues to show strong performance with revenue growth across our product suite and integrated solutions. Our business in South Africa mimics our functional scope and role of that in Australia, servicing the full range of participants on the sell side, buy side, broking, and wealth, retail and institutional.

Revenue from our **Canadian** operations stabilised in 2015 in what remains a challenging economic and business environment. We have made deliberate investments in senior people, implementation capability and new premises and this provides a good platform for diversified growth from an already established cost base.

Finally, in **Asia**, financial markets clients using our CFD platform technology and several retail and private wealth implementations have driven revenue growth.

## FOCUS ON PRODUCT DEVELOPMENT

We have continued to position IRESS as an innovative, reliable and a respected technology partner through leading products and delivery.

IRESS provides a comprehensive product suite encompassing market data, trading, portfolio management and advice. Pleasingly, we are recognised by our clients for the breadth and depth of our solutions and are seen as a solution provider with scale.

In the past year, we have focused investment in our core infrastructure and processes to ensure we continue to anticipate technology trends and manage risks. While IRESS has always provided open integration tools, we have promoted further productisation of these for the use cases we anticipate for our own product development and that of clients.

Some examples where we are investing include ViewPoint, which is IRESS' next generation active trading platform across both desktop and iWatch.

And another example is Prime: our new objective-based, scalable advice solution built leveraging IRESS' core wealth management platform, XPLAN. We will launch this in Australia in the second half of 2016.

The latest version of our MSO product, currently being implemented in the United Kingdom, is highly configurable and manages the full mortgage sales and originations process.

Our integrated software solution, Private Wealth Management, is increasingly relevant in client segments in the markets in which we operate, albeit some at different stages of evolution.

We are also focused on responding to self-directed needs of our clients by enabling a digital experience and scaled responses to mass market and transactional advice.

Globally, the convergence of traditionally separate client segments and channel offerings continues. We see this as an opportunity and are well positioned to respond to this.

Our business, people and solutions will continue to evolve to reflect this environment and we have a heightened focus on user-centred design.

## **UPDATE**

We are confident of strong revenue growth in 2016, underpinned by momentum in wealth management, resilient financial markets performance, and by the full year impact of acquisitions.

Foreign exchange has been a feature in the 2015 result and this will be an increasingly relevant component of IRESS' financial results in future periods. We will continue to progress our strategy to diversify earnings by geography and market segment.

In Australia & NZ, our current focus is about leadership in financial markets, responding to opportunity and demand in wealth management and successfully deploying Prime for Scaled Advice.

In the United Kingdom, momentum will continue by delivering value from Proquote and Pulse, delivering to landmark Private Wealth Management clients, and the product deployment and new sales of MSO that in time will grow our recurring profile in the lending segment.

Diversified revenue is an ongoing focus in Canada extending from an established cost base, which is very focussed on the successful delivery of Private Wealth Management.

Our business in South Africa is has a range of initiatives to support broad revenue growth across our product range and specific enterprise implementations in wealth management.

In South-east Asia, our focus is on continued revenue growth and the delivery of retail cash equity workflow.

The challenge of execution across the business remains, however we anticipate our activities will deliver solid profit growth this year.

## **ACKNOWLEDGEMENTS**

Our achievements in 2015 directly reflect the passion and sustained efforts of our 1,500 people, and their focus on the interests and outcomes of our clients and shareholders. These qualities underpin the success and resilience of IRESS as we continue to grow and scale. I thank each and every one of you for your dedication.

Thank you also to the Chair and IRESS directors for your leadership, support and oversight.

To our clients, I thank you for your continued support of our business and working with us, as partners, to develop even greater solutions for your businesses.

I welcome the clients and people who have joined IRESS as a result of acquisitions this year and look forward to delivering even greater value going forward.

Finally, I echo the Chair's thank you to our shareholders for their vote of confidence in our business and our strategy.

---