

ASX Market Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

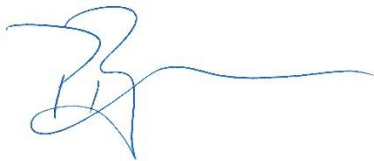
29 November 2016

Dear Sir/Madam

**IRESS LIMITED – Investor Presentation**

Please find attached for market release an information pack that will be presented later this morning to investors and analysts.

Yours sincerely,

A handwritten signature in blue ink, appearing to be "PF" followed by a long horizontal stroke.

Peter Ferguson  
Group General Counsel  
& Company Secretary



# IRESS overview

## Evans & Partners Small Cap Conference

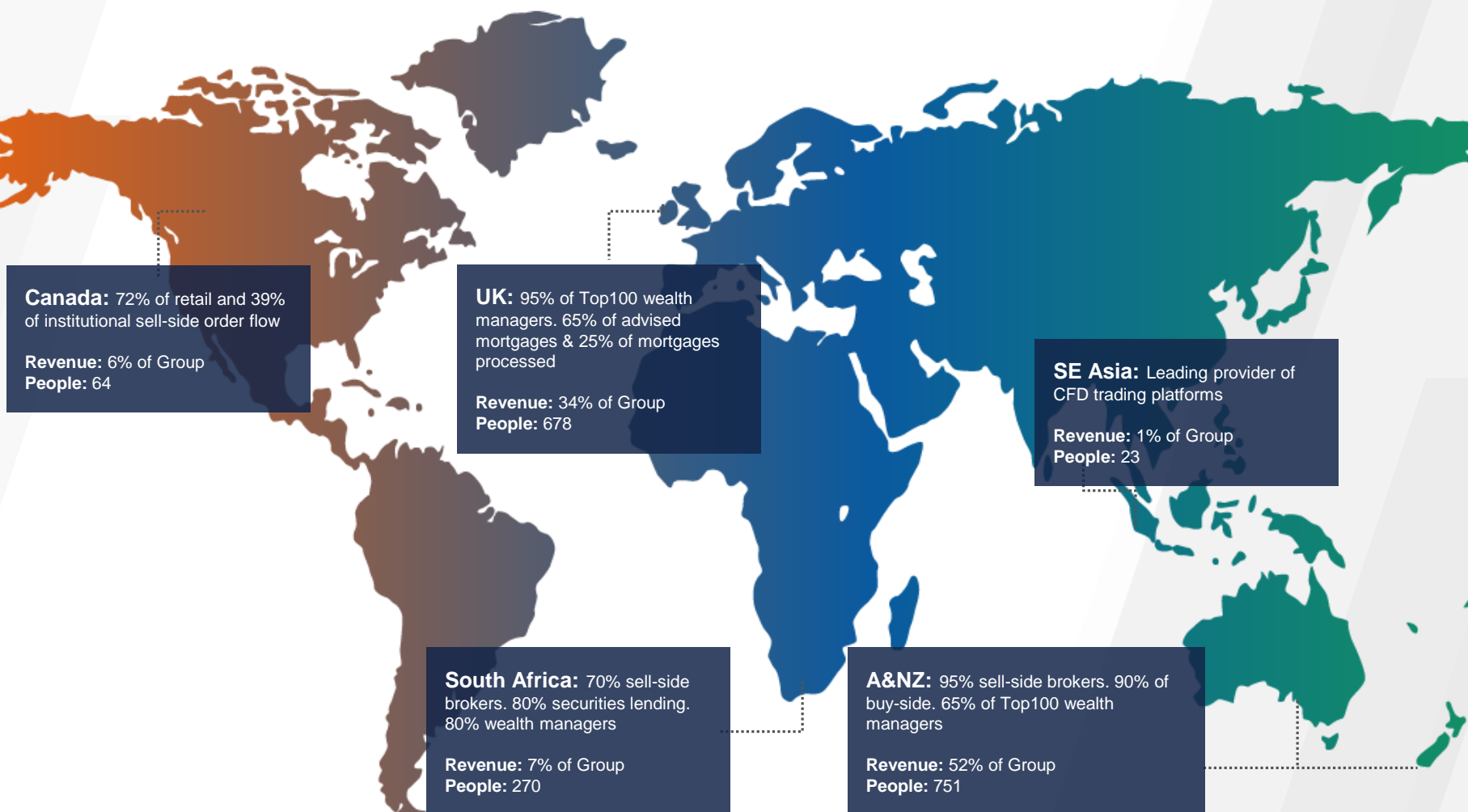
29 November 2016

Andrew Walsh - Managing Director & CEO  
John Harris - CFO



# A brief introduction to IRESS

# Global scale, local relevance



# Disciplined approach to growth



## Export IRESS IP

Continue to export IP leveraging product suite.

Opportunities supported by regulatory imperatives, technology trends and client spend, product differentiation.



## Local relevance, global presence

Retain local relevance & strengths whilst leveraging global presence, scale, and synergies.

Balance centralised and distributed development capability, aligned to product strategy.



## Invest in our people

Attract, develop & retain top talent.

Invest in leadership excellence.

One IRESS culture.

Talent focus complimented by Global Graduate program.



## Pursue scale

Consistently look to streamline technology delivery for efficiency.

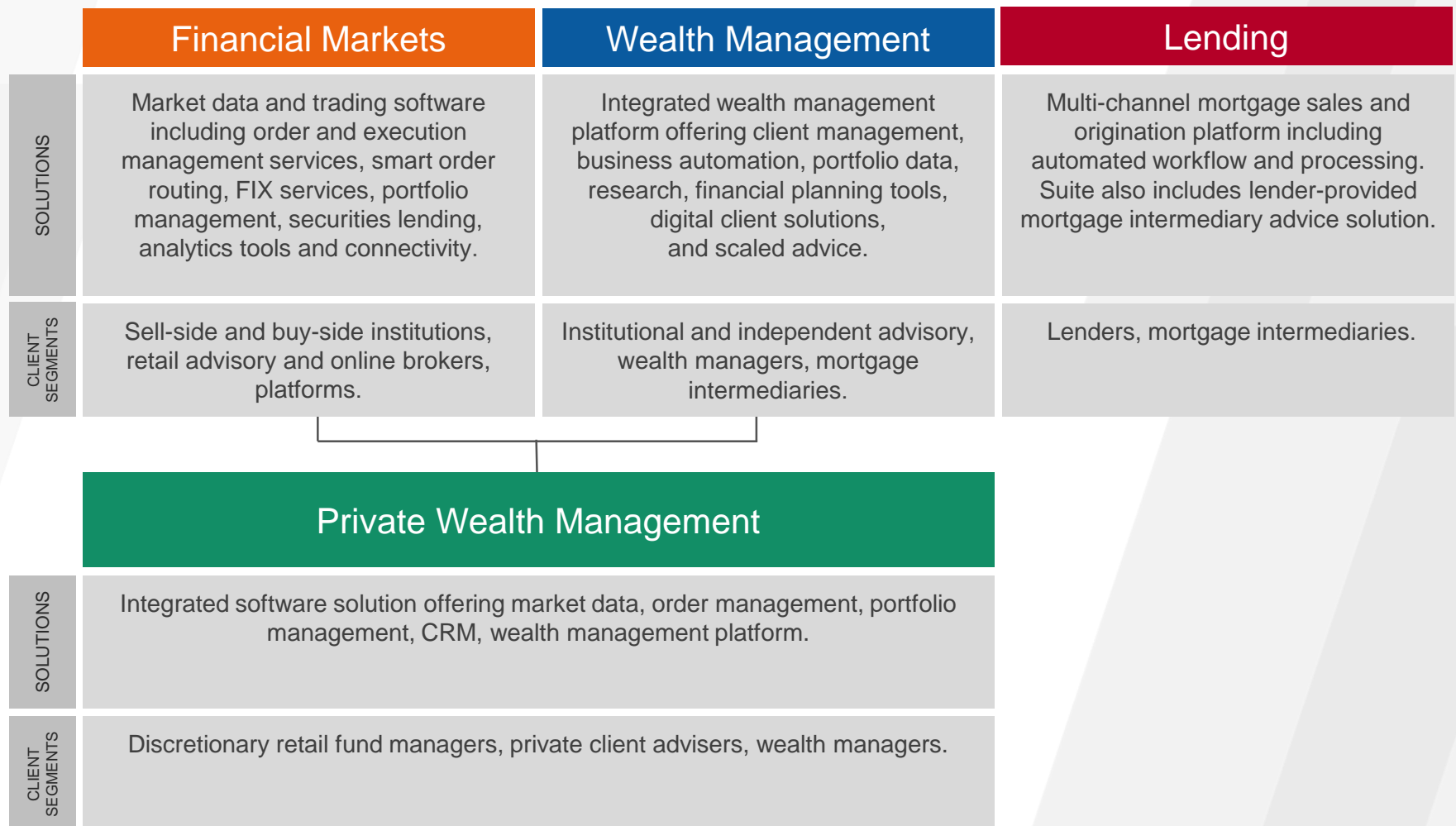
Ensure highest service and delivery standards met with consistency.



## Acquire

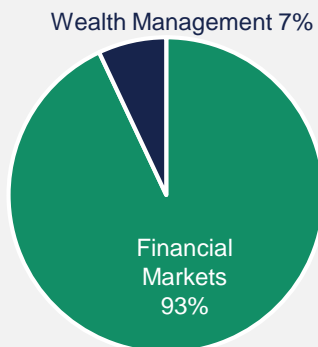
Committed and deliberate approach to acquisition in selected regions.

# Our unified capability

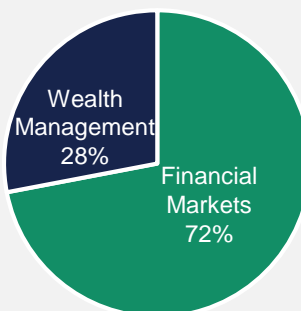


# Strong revenue growth, diversification and return to shareholders

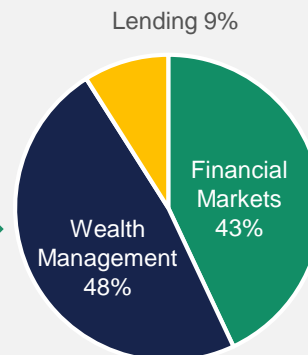
2005: **\$93m**



2010: **\$180m**

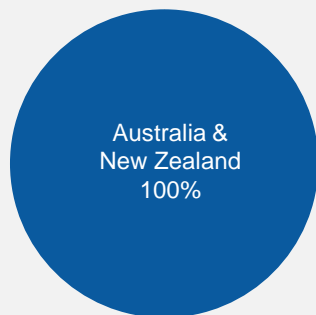


2015: **\$362m**

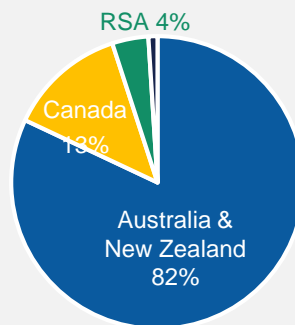


**94%**  
Revenue growth

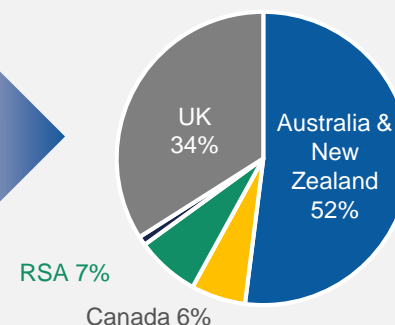
**101%**  
Revenue growth



**0%** of revenue generated outside Australia



**18%** of revenue generated outside Australia



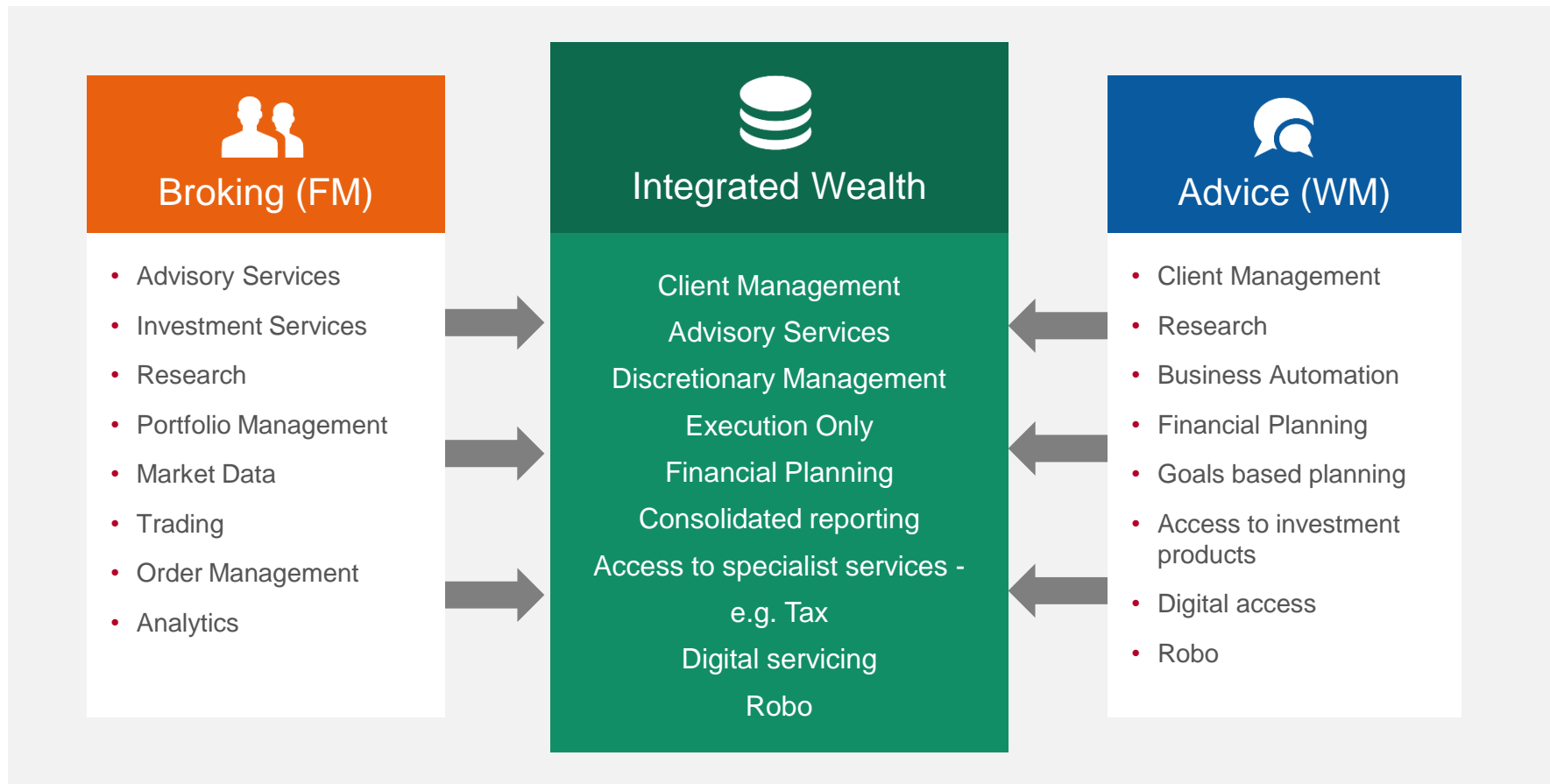
**48%** of revenue generated outside Australia

| Total Shareholder Return (to 31 December 2015) | 1 Year | 2 Year | 5 year | 10 Year |
|--|--------|--------|--------|---------|
| IRESS  | 19%    | 51%    | 54%    | 172%    |
| ASX 200  | (3%)   | 6%     | 40%    | 57%     |

# IRESS' integrated private wealth solution

# Integrated private wealth management

A large and growing number of participants now provide a range of services. These span execution only, private asset management, advice, digital servicing... and usually span multiple legacy systems.



# The UK client segment opportunity

Participants are typically found to operate across client segments and therefore client needs. This requires flexibility and capability across product and service propositions, frequently a challenge with legacy technology.

| Assets                |              | Product needs   |  |  | Financial advice needs   |
|-----------------------|--------------|---|--|--|--|
| Ultra-HNW             | £10m+        |   | <ul style="list-style-type: none"> <li>SIPPs</li> <li>Unit Trusts/OEICs                             <ul style="list-style-type: none"> <li>Small-mid cap sectors</li> <li>Emerging Mkts</li> </ul> </li> <li>On-shore bonds</li> <li>Off-shore bonds</li> <li>Income drawdown</li> <li>FX</li> <li>Established market equities</li> <li>ETF's</li> </ul> | <ul style="list-style-type: none"> <li>Structured products</li> <li>Hedge Funds</li> <li>Derivatives</li> <li>Property funds /collectives</li> <li>Private placement</li> <li>Global equities</li> </ul> | <ul style="list-style-type: none"> <li>Trust planning</li> <li>Fiduciary services</li> <li>SME: value extraction</li> <li>Specialist tax advice</li> <li>Cross border strategies</li> <li>"Team of experts" (legal etc)</li> </ul> |
| High Net Wealth (HNW) | £1m - 10m    | <ul style="list-style-type: none"> <li>Cash</li> <li>Group pensions</li> <li>Personal pensions</li> <li>ISAs</li> <li>UK equities</li> <li>Unit trusts / OEICS                             <ul style="list-style-type: none"> <li>Large Cap</li> <li>Balanced</li> <li>Passives</li> </ul> </li> <li>Annuities</li> <li>Protection / Insurance</li> </ul> |  |  | <ul style="list-style-type: none"> <li>Comprehensive financial planning (Ongoing)</li> <li>Pension consolidation</li> <li>Tax advice</li> <li>IHT / Estate planning</li> </ul>   |
| Mass Affluent         | £250k – 1m   |   |  |  | <ul style="list-style-type: none"> <li>Financial planning (One off)</li> <li>Simplified / Focussed advice</li> <li>Guidance and information</li> <li>Retirement planning</li> <li>Post-retirement planning (50+)</li> </ul>        |
|                       | £50k - £250k |   |  |  | <ul style="list-style-type: none"> <li>Child savings</li> </ul>  |

# The case for change

Replacing disparate legacy systems with a new operating platform will enable the migration of heritage business lines to a new operating model and deliver the following benefits:



**Cost reductions** - support to adviser ratios, lower recruitment



**Revenue enhancement** – FP/IM, service improvement, prospecting



**Head count reductions** – central services



**Client experience** – FP/IM, service improvement, prospecting



**Risk mitigation** – improved controls, key man dependencies



**Improved advice** – Consistency, central control, investment process



**Decommissioning** – licensing costs, headcount reduction



**Management control and oversight** – net new money reporting, KPI's

# Working with IRESS – Tilney Bestinvest

IRESS partnered with Tilney Bestinvest to deliver XPLAN to the London FP/IM business within 12 months:

## Strength of product

- Only UK product able to support an integrated FP/IM proposition
- Open technology able to integrate with third-parties (custodians / digital)

## Global scale

- Able to draw on global scale to support complex UK implementation
- Ability to draw upon breadth of experience to solve complex challenges

## People capability

- Delivery team with extensive industry and product knowledge
- Experienced individuals able to engage at all levels to ensure delivery

# Business impact of IRESS' integrated platform

## Before

Legacy technologies and operational silos

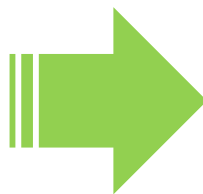
Inconsistent online / offline client experience

Disparate and manual business processes

Fragmented and ageing online client experience

Multiple custodians and operational complexity/inconsistency

Limited operational / technical scalability



## After

New portfolio management tools

New client advice tools

Consistent client processes (e.g. suitability)

Centrally managed investment process and scale

Single view of clients, portfolios, holdings, across channels

STP trading and settlement

Enhanced client reports / meeting material

Consistent fee and revenue model

# Financial Synergy acquisition

# Financial Synergy acquisition completed

Extends IRESS' range and scale of services and solutions

## Rationale

- Financial Synergy is a leading provider of software to the Australian superannuation industry.
- Flagship product, Acuity, is the core registry system for leading industry and retail super funds and third party administrators.
- Combined capability, customer base and technology are strongly complimentary.
- All Financial Synergy people, including its senior management team, have been retained and will continue to deliver superior service to superannuation clients.

## Transaction overview

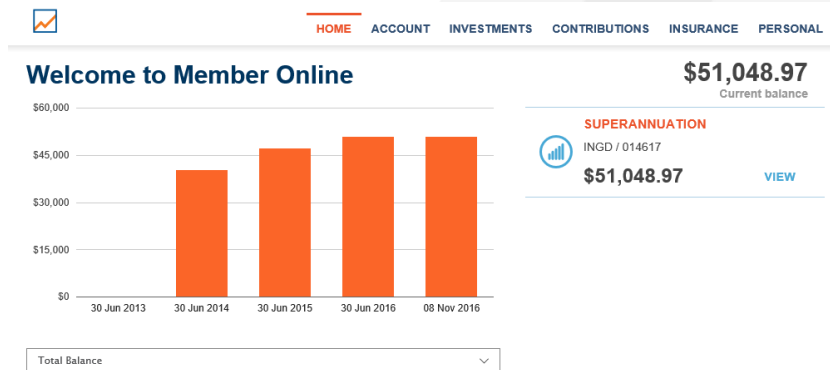
- Purchase price of up A\$85m-\$90m (contingent on future events).
- Transaction funded through a successful institutional placement and retail share offer.
- Expected to be more than 2% EPS (underlying) accretive in 2017.

# Financial Synergy acquisition completed

## Extends IRESS' range and scale of services and solutions

### Product Strategy

- The unique product combination expands the range and scale of services and solutions that can be offered to clients of both businesses.
- Scaled opportunities for managed services in superannuation through leveraging existing IRESS capability and scale.
- IRESS has accelerated the integration of the online superannuation portal (Acurity Online) and IRESS' market leading advice technology.
- By linking Acurity Online to XPLAN, super fund members will gain direct access (via the Acurity Online portal) to XPLAN's suite of financial planning tools and advice decisioning.
- Deep integration between core registry and advice provides a significant benefit to superfunds to leverage product capability without large integration needs. A differentiated solution in an area that typically requires customisation of discrete technology components and lacking flexibility.
- Early working solution was recently previewed by representatives of more than 50 superannuation funds and third party administrators at Acurity User Forum.



\* Your benefit has been calculated using the most recent unit prices. Care should be taken before making any commitments on this information as the amounts shown may change. The amount that you receive if you leave Direction Super may be different to the benefit to take account of new transactions and changes in the value of the underlying assets of the Fund.

### Are you on track for a comfortable retirement?

If you retire at 64, you could have around \$29,220 pa to live on.

Is this enough?

[FIND OUT MORE](#)



To retire comfortably you will need

**\$37,500pa**

Your current situation means you could afford

**\$29,220pa**

# 2016 update

# 2016 update

## 2016 financial outlook

- On a constant currency basis, IRESS continues to expect strong revenue growth and solid constant currency Segment Profit growth in FY16, subject to the timing of client projects.
- The weakening of the GBP against the AUD during 2016 will impact IRESS' 2016 results reported in AUD
- 2016 result is underpinned by:
  - Strong momentum in wealth management in both Australia and the UK;
  - Resilient financial markets performance, particularly in Australia;
  - Continuing strong growth in South Africa; and
  - Full year contribution from businesses acquired in 2015.

## 2016 financial outlook (cont.)

- As previously advised, UK Lending is currently undergoing transition to a recurring revenue model which will impact short term financial performance.

## INET acquisition

- The acquisition of INET in South Africa completed on 10<sup>th</sup> November and integration activities have commenced.
- This acquisition extends IRESS' integrated market data, trading and portfolio services in South Africa, further strengthens local expertise and provides an opportunity for revenue from integrated products and cost synergies through scale.

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