# 2011 Integrated Research Limited Financial Year Results

Sydney, Australia, 18 August 2011 – Integrated Research (ASX:IRI) leading global provider of high-definition performance monitoring, business intelligence and diagnostic software, today released its results for the financial year ended 30 June 2011.

The Company achieved a 38% increase in annual after tax profit over the prior year to $7.5 million, which is within the upper end of the guidance provided to the ASX on July 7, 2011. Revenue from licence sales grew 36% to $25.0 million. Total revenue for the Company increased by 17% over the prior year, to $44.6 million.

The increase in licence sales was the result of a 52% growth in IP Telephony (IPT) products and 32% growth in Payments products together with a strong rebound in the Company's HP NonStop products. Revenue from consulting services increased by 32% to $2.6 million.

With over 95% of revenue derived outside Australia, in constant currency, revenue was up 28% over the prior year with revenue growing in all geographic regions. The chart below presents the Company's revenue in both Australian and US dollars.
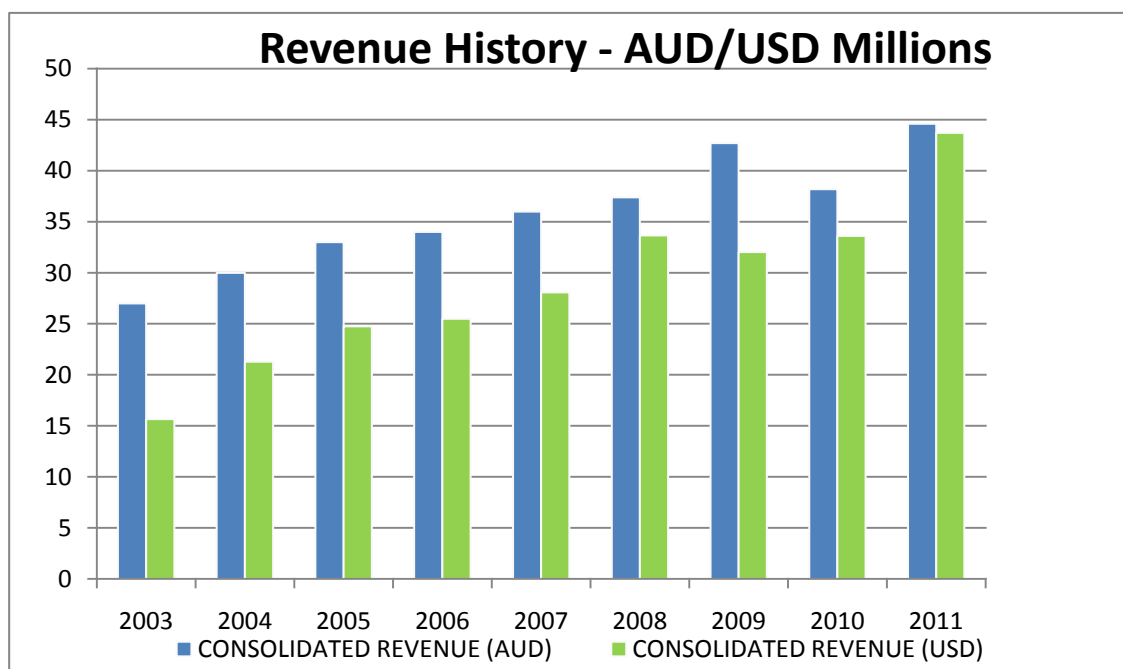
Steve Killelea, Chairman of Integrated Research said "I am very pleased with the full year results given the rapidly rising Australian dollar and the difficult trading environment, particularly in Europe. We anticipate the company performing well in the coming year as we help organizations reduce their costs while protecting their revenue."

The company achieved record IPT sales in each trading region and global sales growth outpaced the rate of IPT phone deployments worldwide resulting in increased market penetration. The successful increase in licence sales is in part attributable to the Company's strategic alliances with major technology vendors and the successful uptake of Prognosis within their customer bases.
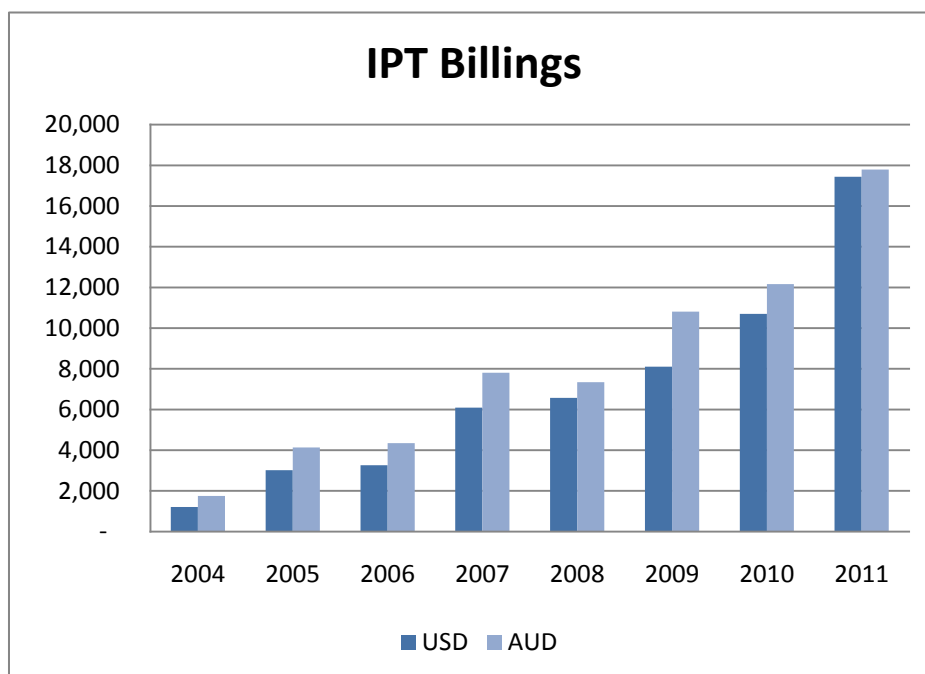
Mark Brayan, CEO of Integrated Research said "I am very pleased with our strong result this year. It validates our company strategy. Our focus on high growth markets such as Communications and Payments and the insight Prognosis provides to increasingly complex environments is delivering value to our customers and shareholders."

The Company improved profitability by keeping expense growth at 6%, well below revenue growth of 17%. The Company continues to invest in research and development with a net increase of 7% over the prior year to $8.9 million.

In constant currency, revenue from maintenance fees grew by 5% reflecting a 95% retention rate in the Company's maintenance base.

The table below summarises the Company's key revenue, expense and profit results compared to the prior year:

Financial result highlights ($'000)	2011	2010	% Inc/(Dec)
Revenue from licence fees	25,005	18,413	36%
Revenue from maintenance fees	16,941	17,789	(5%)
Revenue from consulting and other activities	2,646	1,999	32%
Total revenue	44,592	38,201	17%
Research & development expenses	(8,949)	(8,347)	7%
Sales, consulting & marketing expenses	(21,023)	(19,197)	10%
General and administrative expenses	(4,137)	(4,599)	(10%)
Total expenses	(34,109)	(32,143)	6%
Currency exchange losses	(1,170)	(353)	231%
Net profit before income tax	9,694	6,046	60%
Net profit after income tax	7,465	5,401	38%

Dividends

Directors have declared a final dividend of 2.5 cents per share franked to 75 percent. Integrated Research continues to maintain a strong financial position and remains free of debt with a total cash position at 30 June 2011 of $11.6 million.

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About Integrated Research (IR) - IR is a leading global provider of high-definition performance monitoring, business intelligence and diagnostic software. The creator of award-winning Prognosis® and PowerMinder™– IR builds scalable, customizable solutions designed to manage continuity-critical IT infrastructure, payments and communications ecosystems. IR provides real time solutions that give customers the insight they need to run their business, reduce their operating costs, minimize risk, and gain competitive advantage.