

MARKET RELEASE

2012 Integrated Research Limited Financial Year Results

Sydney, Australia, 16 August 2012 – 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 ending 30 June 2012.

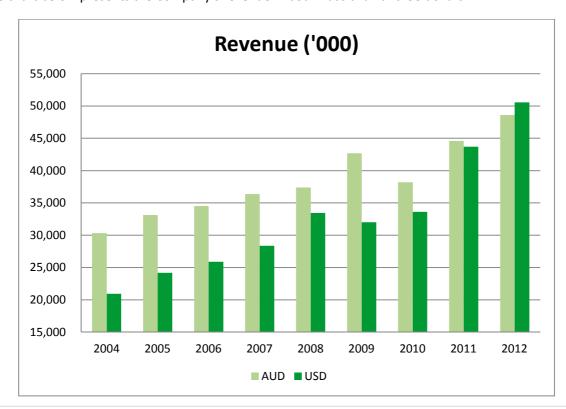
The Company is pleased to announce a 21% increase in annual after tax profit to \$9.0 million when compared to the prior financial year. New licence sales increased by 15% to \$28.9 million while total Company revenue increased by 9% over the prior financial year, to \$48.6 million.

The result would have been stronger except for the negative impact of an appreciating Australian dollar. With over 95% of revenue derived outside Australia, in constant currency, new licence sales would have grown by 19% and total Company revenue by 13% over the prior financial year.

The increase in new licence sales was driven by a 26% growth in the Unified Communications (UC, previously IPT) product line and 60% growth in Payments product line. These high growth rates were also accompanied by a 2% increase in new licence sales for the Company's HP NonStop product line.

The Company's successful focus on growing its consulting services also provided strong growth with revenues increasing by 26% to \$3.3 million representing 12% of new licence sales.

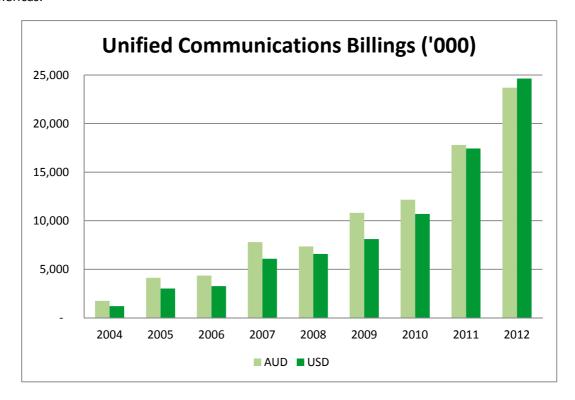
The chart below presents the Company's revenue in both Australian and US dollars.





Steve Killelea, Chairman of Integrated Research said "The full year result underpins the success of the Company's core strategy as the organization transitions from its historic dependency on the HP NonStop product line to the emerging and fast growing Unified Communications market. We anticipate the Company upholding its strong performance in FY 2013 as we continue to help organizations reduce their costs and improve the performance of their critical infrastructure."

The Company achieved record UC licence sales with particularly strong growth coming from the Americas.



Mark Brayan, CEO of Integrated Research said "I am very pleased with our strong performance this year, especially given the strength of the Australian dollar. The result stems from the successful execution of our strategy including our focus on innovative product development, geographic diversification and productivity."

The Company's PAT margin (ie PAT/revenue) was 19% for the current year compared to 17% for the prior year.

Research and Development costs were 21% of revenue and in line with historical averages. The Company will continue to invest in its future and expects expenditure in R&D to remain at a similar proportion to Company revenue in future years.

In constant currency, revenue from maintenance fees grew by 2% reflecting a 91% 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)	2012	2011	Inc/(Dec)	Constant Currency [#]
Revenue from licence fees	28,861	25,005	15%	19%
Revenue from maintenance fees	16,406	16,941	(3%)	2%
Revenue from consulting and other activities	3,341	2,646	26%	31%
Total revenue	48,608	44,592	9%	13%
Research & development expenses	(10,134)	(8,949)	13%	
Sales, consulting & marketing expenses	(23,004)	(21,023)	9%	
General and administrative expenses	(4,278)	(4,137)	3%	
Total expenses	(37,416)	(34,109)	10%	12%
Net profit before income tax	11,568	9,694	19%	
Net profit after income tax	9,035	7,465	21%	

[#] This column represents the increase/(decrease) over the prior year had currency exchange rates remained constant with the equivalent prior period.

Dividends and Shareholder Returns

Directors have declared a final dividend of 3.0 cents per share franked to 70 percent. Integrated Research continues to maintain a strong financial position and remains free of debt with a total cash position at 30 June 2012 of \$12.1 million.

	2012	2011	2010
Basic earnings per share	5.41¢	4.47¢	3.24¢
Dividends per share (interim and final)	5.0¢	4.0¢	3.0¢
Franking percentage	58%	65%	19%
Return on equity	31%	27%	22%

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® – 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.

