

Appendix 4D

Preliminary half year report

Name of entity

ABN reference

IRESS Limited	47 060 313 359
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1. Reporting Periods

Financial half-year ended
(‘current period’)

30 June 2015

Financial half-year ended
(‘previous corresponding period’)

30 June 2014

2. Results for announcement to the market

Key Information	Current Period	Previous Corresponding Period	% Change Increase / (Decrease)	\$'000
				Amount Increase / (Decrease)
Revenue from ordinary activities	173,191	170,158	1.8%	3,033
Profit before income tax expense	35,936	34,439	4.3%	1,497
Net profit attributable to the members of the parent entity	28,490	30,073	(5.3%)	(1,583)

3. Dividends

Dividend	Period	Payment date	Amount per security Cents	Franked amount per security at 30% tax
Interim dividend*	30 June 2015	25 September 2015	16.0	50%
Final dividend	31 December 2014	31 March 2015	25.5	40%
Interim dividend	30 June 2014	30 September 2014	16.0	40%

*The record date for the interim dividend is 11 September 2015.

4. NTA Backing

Net tangible asset backing per ordinary share	Current period	Previous Corresponding Period Cents
Net tangible assets backing per ordinary share	(54.78)	(63.39)

5. Explanation of Results

Please refer to the Review of Operations contained on pages 4 to 8 for an explanation of the results.

IRESS Limited

ABN 47 060 313 359

2015 HALF YEAR FINANCIAL REPORT

IRESS Limited ABN 47 060 313 359

2015 HALF YEAR FINANCIAL REPORT

Contents

	Page
Corporate directory	1
Highlights and Financial Summary	2
Directors' report	3
Auditor's independence declaration	9
Independent auditor's review report to the members	10
Directors' declaration	12
Financial statements	
Condensed consolidated statement of profit or loss and other comprehensive income	13
Condensed consolidated statement of financial position	14
Condensed consolidated statement of changes in equity	15
Condensed consolidated statement of cash flows	16
Notes to the condensed consolidated financial statements	17

Directors	A D'Aloisio <i>Chairman</i>
	N Beattie
	J Cameron
	J Hayes
	J Seabrook
	G Tomlinson
	A Walsh <i>Chief Executive Officer and Managing Director</i>
Company secretary	P Ferguson
Registered office	Level 18, 385 Bourke Street Melbourne VIC 3000 Phone: +61 3 9018 5800 Fax: +61 3 9018 5844
Share registry	Link Market Services Limited Level 4, 333 Collins Street Melbourne VIC 3000
Auditor	Deloitte Touche Tohmatsu
Solicitors	King & Wood Mallesons
Stock exchange listings	IRESS Limited shares are quoted on the Australian Securities Exchange under the code IRE.

HIGHLIGHTS

Financial results

Total Group revenues for the six months ended 30 June 2015 increased by 2% on prior comparative period to \$173.2m, segment profit decreased by 3% to \$57.5m. Reported profit after tax was \$28.5m, compared with \$30.1m for the prior comparative period, a decrease of 5%.

Basic earnings per share for the half year was 18.12 cents per share (30 June 2014: 18.95).

The Directors have determined to pay an interim dividend of 16.0 cents per share, franked to 50% (30 June 2014:16.0 cents franked to 40%).

FINANCIAL SUMMARY

6 Months to 30 June

	2015	2014
	\$'000	\$'000
Total revenue	173,191	170,158
Profit before income tax expense	35,936	34,439
Profit after income tax expense	28,490	30,073
Basic earnings per share (cents)	18.12	18.95
Dividends per share (cents)	16.00	16.00

DIRECTORS' REPORT

The named Directors held office during and since the end of the half year.

The Directors of IRESS Limited submit herewith the financial report for the half year ended 30 June 2015. In order to comply with the provisions of the *Corporations Act 2001* (Cth), the Directors report as follows.

Board of Directors

A D'Aloisio (Chairman)
N Beattie
J Cameron
J Hayes
J Seabrook
G Tomlinson
A Walsh (Chief Executive Officer and Managing Director)

Company Secretary

P Ferguson

PRINCIPAL ACTIVITIES

During the period, the principal continuing activities of IRESS were the provision of information, trading, compliance, order management, portfolio and wealth management, and lending systems and related tools. IRESS' principal clients are financial markets and wealth management participants in Australia, New Zealand, South East Asia, Canada, South Africa and the United Kingdom.

The core business activities of IRESS are carried out within three main divisions being Financial Markets, Wealth Management, and Enterprise Lending. These divisions serve distinct client needs, but there is increasing cross-over and many clients subscribe to services across IRESS' product set. IRESS provides solutions to clients using three core platforms: IRESS (market information and trading platform), XPLAN (Wealth Management and advice platform), and MSO (lending automation and processing platform).

IRESS' strategy is based on building leading software with quality delivery and a long-term focus on diversifying its business and achieving positions of scale. The success of this strategy over time has underpinned resilient, recurring revenue.

IRESS was founded in Australia and the continued strength of its Australian business remains an important component of its growth strategy. Over time, IRESS has diversified and grown by geography, and a material financial contribution is now from overseas operations.

Financial Markets

IRESS' Financial Markets division provides a leading range of multi-market products and services including global market data, sell-side and buy-side order and execution management, smart order routing, portfolio management, direct exchange connectivity and FIX based routing. These solutions are delivered via desktop, web and mobile devices. The solutions are modular, allowing clients to tailor functionality for different users, business units and departments, while maintaining a single integrated platform across their organisation. Specific solutions are offered for retail advisers and their clients, through to institutional traders and specialist market makers. Revenue from this business is overwhelmingly recurring and subscription based.

Wealth Management

IRESS' Wealth Management business is primarily based around the XPLAN Wealth Management solution. XPLAN is a web-based platform and includes features spanning client management, practice management, document management, compliance, portfolio management and research, cash flow modelling, risk insurance research, mortgage sourcing and an integrated revenue management system. XPLAN is a scalable wealth management and advice platform that is configured to support a range of businesses from individual practices through to institutional multi-channel wealth managers. Revenue from this business is overwhelmingly recurring and subscription based.

DIRECTORS' REPORT (CONTINUED)

PRINCIPAL ACTIVITIES (CONTINUED)

Enterprise Lending

The Enterprise Lending division is based around the MSO (Mortgage Sales and Origination) software. This is provided as a large scale software solution to leading lending institutions in the United Kingdom. The solution provides automation and integration to existing bank systems facilitating mortgage sales and origination allowing multi-channel distribution through a single solution. Where adopted, it has had a transformational impact on mortgage processing efficiency and workflow for retail lenders. During 2014, the MSO solution was repositioned from being wholly-services based to one that is more scalable, through a strategy centred on a differentiated core product, intellectual property, the experience of IRESS' people and repeatable delivery. This allows more predictable revenue, higher margins and the ability to increase new sales beyond tier one lenders, where the division has traditionally focused.

STRATEGY AND FUTURE PERFORMANCE

IRESS' strategy is to deliver sustained, medium and long-term growth, underpinned by quality, predictable revenue. Growth will occur through organic activity and, where in line with IRESS' strategic objectives, through inorganic activity.

IRESS remains committed to diversifying its business across geography and product and to achieving a position of scale in all the markets in which it chooses to compete.

Further disclosure of information regarding likely developments in the operations of the Group in future financial years, and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Accordingly, this information has not been disclosed in this report.

REVIEW OF OPERATIONS

The financial performance of IRESS is underpinned by a relentless focus on customer service delivery, significant ongoing investment in core technology offerings and its recurring subscription revenue model.

The following themes are relevant to IRESS' performance in 2015 and beyond:

- The Financial Markets business continued to be impacted by external challenges facing the industry, particularly sell-side clients. Despite this, the Financial Markets business has remained resilient.
- Ongoing regulatory and structural change is driving demand for the technology solutions offered by the Wealth Management business.
- IRESS has continued to observe and respond to increased demand from integrated Wealth Management firms where requirements spanning the entire IRESS product suite bring together capability from Financial Markets and Wealth Management.
- The Enterprise Lending business has historically been based on a business model with a less predictable revenue stream than the Financial Markets and Wealth Management businesses. IRESS' strategy is to transition this business away from initial license fee and services-based revenue to higher recurring levels of revenue over time.
- Movements in foreign exchange rates will have an increasing impact on IRESS' results as the business expands internationally.
- Potential acquisitions and opportunities remain in consideration, where these are in line with IRESS' strategic objectives.
- IRESS continues to invest in the expansion of its product offerings in response to market opportunities, regulatory change and new technology.

DIRECTORS' REPORT (CONTINUED)

Dividends

The IRESS dividend policy is to maintain a payout ratio of not less than 80% of underlying Group earnings on an annualised basis. The dividend policy may be modified by the Board in the future, where it is felt appropriate. Dividends continue to be franked to the fullest extent possible, while reflecting the geographical context of the business.

In respect of the period ending 30 June 2015 the Directors determined an interim dividend of 16.0 cents per share franked to 50%. The interim dividend for the period ending 30 June 2014 was 16.0 cents per share franked to 40%.

The results of the business when viewed on a product basis including investments are as follows:

		Financial Markets \$'000 (b)	Wealth Management \$'000 (b)	Enterprise Lending \$'000 (b)	Underlying Group \$'000	Strategic Charges \$'000	Reported Group \$'000
Recurring Operational (a)							
Operating revenue	2015	75,085	81,335	16,772	173,191	-	173,191
	2014	72,648	75,279	22,232	170,158	-	170,158
Segment Profit	2015	26,089	26,149	5,305	57,543	-	57,543
	2014	28,551	24,336	6,447	59,334	-	59,334
Segment Profit before tax (c)	2015				52,668	(7,450)	45,218
	2014				55,003	(7,334)	47,669
Segment Profit after tax	2015				36,605	(5,178)	31,427
	2014				38,227	(5,097)	33,130
Non-Core							
Share Based Payments (d)	2015				(4,118)	(920)	(5,038)
	2014				(3,072)	(1,261)	(4,333)
Treasury (e)	2015						(4,905)
	2014						(4,056)
Other Non-Core Expense	2015						660
	2014						(4,841)
Total Non-Core Expense Before Tax	2015						(9,283)
	2014						(13,230)
Reported (Statutory)							
Profit after tax	2015						28,490
	2014						30,073

- (a) IRESS considers inter-period comparability of results is best presented as the underlying operating results of the relevant businesses calculated excluding share based payments, non-core items, and amortisation of intangible assets recognised through acquisition (strategic charges).
- (b) These segment results are inclusive of the Group's investments in the emerging business in Asia and Financial Markets in the United Kingdom.
- (c) This figure is derived from segment profit before tax, after depreciation and amortisation from operations (excludes amortisation of intangible assets recognised through acquisition (strategic charges)).
- (d) Strategic share based payments in the prior comparative period have been restated from (\$1,575) to (\$1,261).
- (e) Treasury includes balances such as net interest, forex gains/loss and revaluation of swaps.

DIRECTORS' REPORT (CONTINUED)

REVIEW OF GROUP RESULTS AND FINANCIAL CONDITION

Profit or Loss

IRESS' net profit after tax (NPAT) for the six months to 30 June 2015 was \$28.5m (2014: \$30.1m) a decrease of 5% on the prior comparative period. This decrease in NPAT was driven by the low tax expense recorded in the prior comparative period due to one off items relating to the Avelo acquisition. Profit before tax was \$35.9m (2014: \$34.4m) an increase of 4% on the prior comparative period.

Revenue from ordinary activities grew 2% to \$173.2m (2014: \$170.2m) as a result of growth in Financial Markets and Wealth Management revenue in all geographies partially offset by a decline in Enterprise Lending revenue. The timing of one-off initial licence fees drove the volatility of Enterprise Lending revenue.

Employee benefits expense grew 5% to \$83.4m (2014: \$79.2m) reflecting head count increases to support revenue growth in Financial Markets and Wealth Management offset by headcount reduction in the UK Enterprise Lending business.

Bad and doubtful debts expenses increased by \$0.8m predominantly due to the impact of BBY Limited, an Australian customer that entered voluntary administration.

Foreign exchange gains of \$9.6m (2014: loss \$4.4m) predominantly relate to funding arrangement associated with the acquisition of Avelo. These gains were offset by an unrealised loss from the revaluation of hedging instruments of \$9.7m (2014: gain \$3.5m) recognised within financing income/(expense).

IRESS also recognised a \$17.8m increase in the foreign currency translation reserve as a result of the Australian dollar weakening relative to UK Pounds Sterling and South African Rand.

Other notable movements in expenses included:

- Other expenses including general administration expenses decreased 19% to \$6.8m (2014: \$8.4m) as a result of non-recurring project costs relating to the Avelo integration incurred in 2014.
- Communication and other technology expenses grew 6% to \$7.5m (2014: \$7.1m) as a result of ongoing investment in technology and infrastructure.
- Depreciation and amortisation expense increased 7% to \$12.5m (2014: \$11.7m) largely as a result of an increase in software amortisation.

Balance Sheet

IRESS maintained its strong cash position with cash and cash equivalents stable at \$75.0m (2014: \$75.0m). External borrowings also remained stable at \$178.8m (2014: \$179.1m). As noted above, derivative liabilities increased \$9.7m to \$22.6m (2014: \$12.9m).

The primary driver of movements in deferred tax assets and deferred tax liabilities was the revaluation of derivative instruments associated with funding of the Avelo acquisition.

The increase in goodwill to \$423.3m (2014: \$398.5m) relates solely to movements in foreign exchange rates during the period.

Intangibles decreased in the period to \$14.8m (2014: \$15.6m) as a result of amortisation charges partially offset by movements in foreign exchange rates.

DIRECTORS' REPORT (CONTINUED)

REVIEW OF GROUP RESULTS AND FINANCIAL CONDITION (CONTINUED)

REVIEW OF SEGMENT OPERATING RESULTS

	Operating revenue		Movement from 2014		Segment profit		Movement from 2014	
	30 June 2015 \$'000	30 June 2014 \$'000	%	Local currency %	30 June 2015 \$'000	30 June 2014 \$'000	%	Local currency %
ANZ Financial Markets	54,193	53,830	1%	1%	23,424	25,231	(7%)	(7%)
ANZ Wealth Mgmt	38,789	34,547	12%	12%	17,978	16,363	9%	9%
Total ANZ	92,982	88,377	5%	5%	41,402	41,594	(1%)	(1%)
UK Financial Markets	696	592	18%	10%	(971)	(490)	N/A	N/A
UK Wealth Mgmt	38,953	37,508	4%	(2%)	8,404	8,052	4%	(2%)
UK Enterprise Lending	16,772	22,232	(25%)	(29%)	5,305	6,447	18%	(22%)
Total UK	56,421	60,332	(6%)	(12%)	12,738	14,009	(9%)	(14%)
Canada	9,565	9,450	1%	(2%)	1,260	2,843	(56%)	(57%)
South Africa	13,047	11,100	18%	13%	4,199	2,827	49%	44%
Asia	1,176	899	31%	31%	(2,056)	(1,939)	N/A	N/A
Total	173,191	170,158	2%	N/A	57,543	59,334	(3%)	N/A

Australia and New Zealand (ANZ)

Operating Revenue grew 5% to \$93.0m (2014: \$88.4m) while Segment Profit declined 1%, largely due to the impact of BBY Limited entering voluntary administration.

Financial Markets revenue remains highly resilient and grew 1% despite external structural challenges facing the industry and two unexpected client developments: BBY Limited entering voluntary administration as noted above; and CIMB Securities withdrawing from the Australian market.

Significant investment in the IRESS product continued during the period with the rollout of IOS+ and ViewPoint expected later in the year.

Momentum in the Wealth Management business remained strong. Revenue growth of 12% on the prior comparative period was driven by new client wins and organic growth, with underlying stimulation by regulatory and structural change.

During the half, IRESS was appointed the advice technology partner for the Commonwealth Bank of Australia (CBA). The partnership will see XPLAN deployed across all of CBA's advice businesses and the introduction of XPLAN Prime, an advice solution leveraging XPLAN as a technology platform.

United Kingdom

A 2% revenue decline in local currency was offset by the depreciation of the Australian dollar leading to a 4% increase in UK revenue for Wealth Management and Financial Markets during the period. Local currency Segment Profit also declined 2%. Margins for Wealth Management and Financial Markets in the first half were lower than the prior comparative period as a result of a significant investment in wealth implementation capability.

Enterprise Lending operating revenue declined 29% in local currency as a result of the timing of one-off initial licence fee revenue. The Enterprise Lending business continues to invest in its Mortgage Sales and Origination product. This investment supports a strategy of increasing new sales beyond Tier 1 lenders and transitioning the business from licence fee and services-based revenue to higher levels of recurring revenue.

Canada

In local currency, operating revenue was down 1.8% on the prior comparative period as a result of economic and business conditions in Canadian financial markets. However, revenue is stabilising and increased 1.5% compared to the 6 months ending 31 December 2014. Investment in people and premises led to a 57% decline in Segment Profit.

South Africa

Operating Revenue grew 13% in local currency as a result of favourable market conditions and demand for integrated and flexible solutions. Segment Profit increased 44% reflecting revenue growth and lower people costs due to deferred recruitment that is not reflective of the sustainable cost base.

DIRECTORS' REPORT (CONTINUED)

REVIEW OF GROUP RESULTS AND FINANCIAL CONDITION (CONTINUED)

REVIEW OF SEGMENT OPERATING RESULTS (CONTINUED)

Asia

Operating Revenue in Asia increased 31% from a low base driven by growth in CFD platform revenue and a number of new wealth implementations. The Segment Profit decline reflects an increased allocation of global market data costs into the region.

CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial period other than those referred to in the financial statements or notes thereto.

SUBSEQUENT EVENTS

Other than as outlined below, there has been no other matter or circumstance that has arisen since the end of the financial period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future years.

Business Combination

On 1 July 2015 the Group acquired Innergi for a total consideration of \$2.8m consisting of \$0.7m cash and \$2.1m contingent consideration. Innergi is a business that enables financial advice practices and superannuation funds to better engage with their clients and members with timely and relevant content and a digital delivery platform. Innergi's content will be combined with XPLAN to further strengthen the Group's offer to clients.

AUDITOR'S INDEPENDENCE DECLARATION

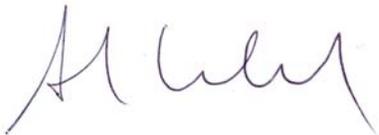
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001 (Cth)*, is set out on page 9.

ROUNDING OFF AMOUNTS

The Company is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with the Class Order, amounts in the Half Year Financial Report are rounded off to the nearest thousand dollars, and where possible, in the Directors' report.

Signed in accordance with a resolution of the Directors made pursuant to s.306(3) of the *Corporations Act 2001 (Cth)*.

On behalf of the Directors



Mr A Walsh

Chief Executive Officer and Managing Director

Melbourne, 20 August 2015

The Board of Directors
IRESS Limited
Level 18, 385 Bourke Street
MELBOURNE VIC 3000

20 August 2015

Dear Board Members,

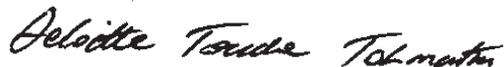
IRESS Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of IRESS Limited.

As lead audit partner for the review of the financial statements of IRESS Limited for the half year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



G J McLean
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Ltd

Independent Auditor's Review Report to the Members of IRESS Limited

We have reviewed the accompanying half year financial report of IRESS Limited, which comprises the condensed consolidated statement of financial position as at 30 June 2015, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half year or from time to time during the half year as set out on pages 12 to 22.

Directors' Responsibility for the Half Year Financial Report

The directors of the company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of IRESS Limited's financial position as at 30 June 2015 and its performance for the half year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of IRESS Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of IRESS Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of IRESS Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the half year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



DELOITTE TOUCHE TOHMATSU



G J McLean
Partner
Chartered Accountants
Melbourne, 20 August 2015

DIRECTORS' DECLARATION

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (b) in the Directors' opinion, the attached interim financial statements and notes thereto are in accordance with the *Corporations Act 2001 (Cth)*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001 (Cth)*.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'A Walsh', with a stylized flourish at the end.

Mr A Walsh
Chief Executive Officer and Managing Director

Melbourne, 20 August 2015

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 JUNE**

	Notes	2015 \$'000	2014 \$'000
Revenue from ordinary activities		173,191	170,158
Other income		212	68
Customer data fees		(14,504)	(14,671)
Communication and other technology expenses		(7,518)	(7,114)
Employee benefits expense		(83,393)	(79,222)
Employee administration expenses		(4,327)	(4,354)
Other expenses including general administration expenses		(6,827)	(8,383)
Facilities rent		(3,238)	(3,039)
Bad and doubtful debts		(1,268)	(486)
Business acquisition and restructuring expenses		-	(1,315)
Foreign exchange gain/(loss)	2	9,642	(4,367)
Profit before depreciation, amortisation, interest and income tax		61,970	47,275
Depreciation and amortisation expense		(12,461)	(11,665)
Profit before interest and income tax expense		49,509	35,610
Interest revenue		3,388	2,342
Interest expense		(7,267)	(7,004)
Financing (expense)/income	2	(9,694)	3,491
Net interest and financing costs		(13,573)	(1,171)
Profit before income tax		35,936	34,439
Income tax expense		(7,446)	(4,366)
Profit after income tax		28,490	30,073
Other comprehensive income			
<i>Item that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		17,784	(7,787)
Total comprehensive income for the period		46,274	22,286
		Cents per share	Cents per share
Earnings per share			
Basic earnings per share		18.12	18.95
Diluted earnings per share		17.88	18.78

Notes to the Condensed consolidated financial statements are included on pages 17 to 22

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT**

	Notes	30 June 2015 \$'000	31 December 2014 \$'000
Assets			
Current Assets			
Cash and cash equivalents		74,962	74,914
Trade and other receivables		27,442	24,700
Other receivables		9,609	9,877
Current tax receivables		37	37
Total current assets		112,050	109,528
Non-Current Assets			
Plant and equipment		10,341	9,675
Computer software		13,859	19,320
Goodwill		423,285	398,462
Intangibles		14,825	15,561
Deferred tax assets		26,559	21,387
Other financial assets		33	34
Total non-current assets		488,902	464,439
Total assets		600,952	573,967
Liabilities			
Current Liabilities			
Trade and other payables		12,535	14,108
Other payables		16,461	12,412
Current tax payables		1,849	1,762
Provisions		7,484	6,503
Total current liabilities		38,329	34,785
Non-Current Liabilities			
Borrowings		178,820	179,110
Derivative liabilities		22,605	12,910
Provisions		4,823	4,863
Deferred tax liabilities		14,685	11,351
Total non-current liabilities		220,933	208,234
Total liabilities		259,262	243,019
Net assets		341,690	330,948
Equity			
Issued capital	4	275,315	275,315
Reserves		54,582	31,760
Retained earnings		11,793	23,873
Total equity		341,690	330,948

Notes to the Condensed consolidated financial statements are included on pages 17 to 22

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE**

	Issued capital \$'000	Retained earnings/ (accumulated losses) \$'000	Share- based payments reserve \$'000	Foreign currency translation reserve \$'000	Total Equity \$'000
2015					
Balance at 1 January 2015	275,315	23,873	16,604	15,156	330,948
Profit for the period	-	28,490	-	-	28,490
Other comprehensive income	-	-	-	17,784	17,784
Total comprehensive income	-	28,490	-	17,784	46,274
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	-	(40,570)	-	-	(40,570)
Share-based payment expense	-	-	5,038	-	5,038
	-	(40,570)	5,038	-	(35,532)
Balance at 30 June 2015	275,315	11,793	21,642	32,940	341,690
2014					
Balance at 1 January 2014	275,315	(9,417)	54,575	6,296	326,769
Profit for the period	-	30,073	-	-	30,073
Other comprehensive income	-	-	-	(7,787)	(7,787)
Total comprehensive income	-	30,073	-	(7,787)	22,286
Transactions with owners in their capacity as owners:					
Dividends paid	-	(38,815)	-	-	(38,815)
Share-based payment expense	-	-	4,333	-	4,333
	-	(38,815)	4,333	-	(34,482)
Balance at 30 June 2014	275,315	(18,159)	58,908	(1,491)	314,573

Notes to the Condensed consolidated statement of changes in equity are included on pages 17 to 22

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 JUNE**

	2015 \$'000	2014 \$'000
Cash flows from operating activities		
Receipts from customers	190,093	193,857
Payments to suppliers	(48,737)	(59,147)
Payments to employees	(82,092)	(82,346)
Interest received	3,429	2,342
Interest paid	(7,585)	(7,004)
Income taxes paid	(9,996)	(8,511)
Net cash inflow from operating activities	45,112	39,191
Cash flows from investing activities		
Payments for plant and equipment	(5,368)	(3,795)
Proceeds from sale of property, plant and equipment	13	-
Dividends received	-	66
Net cash outflow from investing activities	(5,355)	(3,729)
Cash flows from financing activities		
Dividends paid	(40,570)	(38,815)
Net cash outflow from financing activities	(40,570)	(38,815)
Net increase / (decrease) in cash and cash equivalents	(813)	(3,353)
Cash and cash equivalents at the beginning of the financial year	74,914	71,405
Effects of exchange rate changes on cash and cash equivalents	861	171
Cash and cash equivalents at end of period	74,962	68,223

Notes to the Condensed consolidated statement of cash flows are included on pages 17 to 22

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

1 STATEMENT OF COMPLIANCE

Iress Limited (the 'Company') is a Company domiciled in Australia. The half-year financial report is a general-purpose financial report, comprising the Company and its subsidiaries (collectively referred to as 'the Group' or 'IRESS'), prepared in accordance with the requirements of the *Corporations Act 2001 (Cth)*, and Australian Accounting Standards including AASB 134 Interim Financial Reporting.

The half-year financial report does not include all notes of the type normally included within the annual financial report. Accordingly, should be read in conjunction with the annual financial report of IRESS for the year ended 31 December 2014 and any public announcements made by IRESS during the half-year ended 30 June 2015 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001 (Cth)*.

The half-year financial report was authorised for issue by the Directors on 20 August 2015.

BASIS OF PREPARATION

The condensed consolidated half-year financial report has been prepared on the basis of historical cost, except for derivative financial instruments and investments in financial assets which have been measured at fair value. All amounts are presented in Australian dollars unless otherwise indicated.

The accounting policies used are consistent with those applied in the 2014 annual report. In the current period, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for annual reporting periods commencing on or after 1 January 2015. The adoption of these new and revised Standards and Interpretations has not resulted in changes to the Group's policies.

2 NET FOREIGN EXCHANGE GAINS AND LOSSES

	30 June 2015 \$'000	30 June 2014 \$'000
Unrealised foreign exchange gains/(losses) from operations	9,759	(4,624)
Realised foreign exchange gains/(losses) from operations	(117)	257
Net foreign exchange gains/(losses) included in expenses (a)	9,642	(4,367)
Financing (expense)/income (b)	(9,694)	3,491
Net foreign exchange losses recognised in profit before income tax	(52)	(876)

- (a) The Group is exposed to foreign denominated transactions predominately in the United Kingdom, South Africa and Canada.
- (b) Comprises the fair value of two GBP 33.000m swap liabilities for 3 years and 5 years respectively. This income is partially offset by the unrealised foreign exchange gains/(losses) on the movement on the financing of Avelo.

3 SEGMENT INFORMATION

The Group's operations are managed by region. The exceptions to this are in Australia and New Zealand, where the operations are still managed by Financial Markets and Wealth Management, and in the United Kingdom, where the operations are currently managed by Financial Markets, Wealth Management and Enterprise. Any transactions directly between segments are charged on an arm's length basis.

The Group's segments are Australia and New Zealand Financial Markets, Australia and New Zealand Wealth Management, Canada, South Africa, Asia, United Kingdom Financial Markets, United Kingdom Wealth Management and United Kingdom Enterprise Lending.

Financial Market

The Financial Market segment provide information, trading, compliance, order management, portfolio systems and related tools to cash equity participants in Australia, New Zealand, Canada, Asia, South Africa and United Kingdom.

Wealth Management

The Wealth Management segment provides financial planning systems and related tools to Wealth Management professionals located in Australia, New Zealand, South Africa, Asia and the United Kingdom.

Enterprise Lending

The Enterprise Lending segment operates in the United Kingdom to provide enterprise mortgage origination software and associated consulting services.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2015
(continued)

3 SEGMENT INFORMATION (CONTINUED)

Reportable Segments 2015 \$'000	ANZ		ANZ		South		UK		UK		Total UK
	Financial Markets	Wealth Mgmt	Financial Markets	Wealth Mgmt	ANZ Canada	Africa	Financial Markets	Wealth Mgmt	Enterprise Lending	Total UK	
Revenue	54,193	38,789	92,982	9,565	1,176	13,047	1,176	696	38,953	16,772	173,191
Other income	54,193	38,789	92,982	9,565	1,176	13,047	1,176	696	38,953	16,772	212
Total revenue & other income	54,193	38,789	92,982	9,565	1,176	13,047	1,176	696	38,953	16,772	173,403
Results											
Segment profit/(loss)	23,424	17,978	41,402	1,260	(2,056)	4,199	(2,056)	(971)	8,404	5,305	57,543
Share based payment expense											(5,038)
Other contribution (a)											9,465
Profit before interest, tax, depreciation & amortisation	(6,972)	(210)	(7,182)	(211)	(68)	(466)	(68)	-	(3,203)	(1,331)	(12,461)
Depreciation & amortisation											49,509
Profit before interest & tax											(13,573)
Net financing expense											35,936
Profit before income tax expense											(7,446)
Income tax expense											28,490
Profit for the half year											28,490

(a) Other contribution predominately comprises unrealised foreign exchange gains and losses.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2015
(continued)

3 SEGMENT INFORMATION (CONTINUED)

Reportable Segments 2014 \$'000	ANZ		UK		UK		UK		UK		Total UK
	Financial Markets	Wealth Mgmt	Financial Markets	Wealth Mgmt	Enterprise Lending	Enterprise Lending	Enterprise Lending	Enterprise Lending	Enterprise Lending	Enterprise Lending	
Revenue	53,830	34,547	88,377	9,450	11,100	899	592	37,508	22,232	60,332	170,158
Other income											68
Total revenue & other income	53,830	34,547	88,377	9,450	11,100	899	592	37,508	22,232	60,332	170,226
Results											
Segment profit/(loss)											
Share based payment expense	25,231	16,363	41,594	2,843	2,827	(1,939)	(490)	8,052	6,447	14,009	59,334
Other contribution (a)											(4,333)
Profit before interest, tax, depreciation & amortisation											(7,726)
Depreciation & amortisation	(6,350)	(265)	(6,615)	(262)	(529)	(111)	-	(2,919)	(1,229)	(4,148)	(11,665)
Profit before interest & tax											35,610
Net financing expense											(1,171)
Profit before income tax expense											34,439
Income tax expense											(4,366)
Profit for the half year											30,073

(a) Other contribution predominately comprises, business restructuring expenses and unrealised foreign exchange gains and losses.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2015**
(continued)

4 ISSUED CAPITAL

Fully paid ordinary share capital

Details	Number of shares '000	\$'000
Balance at 1 January 2015	159,097	275,315
Issue of shares	937	-
Closing balance at 30 June 2015	160,034	275,315
Treasury shares	2,051	-
Total contributed equity	157,983	275,315

5 DIVIDENDS

	30 June 2015 \$'000	30 June 2014 \$'000
Dividends recognised and paid during the half year		
Final dividend for 2014 25.5 cents per share franked to 40% (2013: 24.5 franked to 40%)	40,570	38,815

Dividends declared after balance date

Since the end of the half year, the Directors declared an interim dividend of 16.0 cents per share franked to 50%. (2014: 16.0 cents per share franked to 40%)

25,605	25,455
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6 CONTINGENCIES

Other than as noted below, there are no contingent liabilities that need to be disclosed at the reporting date.

A move to a new location in Toronto has resulted in a potential exposure. IRESS is in discussions with the owner to discontinue its interest in the site. The owner has asserted a claim; IRESS disputes the claim.

7 SHARE-BASED PAYMENTS

To assist in the attraction, retention and motivation of employees, the Group operates share based payment plans. On 7 May 2015 the Group issued new share grants as outlined below;

Shares Issued	Grant Date	Vesting Date	Shares	Valuation
Deferred Shares	7 May 2015	8 May 2018	593,896	\$10.15
Deferred Shares Rights	7 May 2015	8 May 2018	262,284	\$9.02
Performance Rights 3 years	7 May 2015	8 May 2018	261,737	\$5.30
Performance Rights 4 years	7 May 2015	8 May 2019	60,000	\$5.17
Performance Rights 3 years (deferred 12 months)	7 May 2015	8 May 2019	60,000	\$5.13

8 SUBSEQUENT EVENTS

Other than as outlined below, there has been no other matter or circumstance that has arisen since the end of the financial period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future years.

Business Combination

On 1 July 2015 the Group acquired Innergi for a total consideration of \$2.8m consisting of \$0.7m cash and \$2.1m contingent consideration. Innergi is a business that enables financial advice practices and superannuation funds to better engage with their clients and members with timely and relevant content and a digital delivery platform. Innergi's content will be combined with XPLAN to further strengthen the Group's offer to clients. The acquisition accounting for this transaction has not been finalised.