

Appendix 4D

Preliminary half year report

Name of entity	ABN reference
IRESS Limited	47 060 313 359

1. Reporting Periods

Financial half-year ended (‘current period’)	Financial half-year ended (‘previous corresponding period’)
30 June 2014	30 June 2013

2. Results for announcement to the market

\$A'000

Key Information	Current Period	Previous Corresponding Period	% Change Increase/(Decrease)	Amount Increase/(Decrease)
Revenue from ordinary activities	170,158	105,391	61.45	64,767
Profit before income tax expense	34,439	25,979	32.56	8,460
Net profit attributable to the members of the parent entity	30,073	17,820	68.76	12,253
Dividends (distributions)			Amount per security	Franked amount per security at 30% tax
Interim Dividend	Record Date Payable	15 September 2014 30 September 2014	16.0c	40%
Supplementary Comments of any figures above: Please refer to the Reviewed Financial Statements for the half-year ended 30 June 2014.				

3. Condensed consolidated statement of profit or loss and other comprehensive income

Please refer to the Reviewed Financial Statements for the half-year ended 30 June 2014.

4. Condensed consolidated statement of financial position

Please refer to the Reviewed Financial Statements for the half-year ended 30 June 2014.

5. Condensed consolidated statement of changes in equity

Please refer to the Reviewed Financial Statements for the half-year ended 30 June 2014.

6. Condensed consolidated statement of cash flows

Please refer to the Reviewed Financial Statements for the half-year ended 30 June 2014.

7. Dividends

	Date paid/payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign sourced dividend
Interim dividend:	Current year	30 September 2014	16.0¢	6.40¢
	Previous year	28 September 2013	13.5¢	12.15¢
Final dividend:	Current year	n/a	-	-
	Previous year	28 March 2014	24.5¢	22.05¢

Total dividend (distribution) per security (interim)

+ Ordinary securities
Preference + securities

Current year	Previous year
16.0¢	13.5¢

Total dividend (distribution) paid/payable (interim)

+Ordinary securities (each class separately)	Interim
Preference + securities (each class separately)	Interim
Other equity instruments (each class separately)	Interim

Current period \$A'000	Previous corresponding period * \$A'000
25,456	17,494
-	-
-	-
25,456	17,494

Total

* Where applicable, amounts provided have been updated to reflect the actual dividend paid.

8. Dividend Reinvestment plans

The company does not have a dividend reinvestment plan.

9. NTA Backing

	Current Period	Previous Corresponding Period
Net tangible asset/(liability) backing per +ordinary security (¢ per share)	(63.39)¢	59.4¢

10. Controlled entities

There have been no changes to the Controlled entities since December 2013.

11. Other Significant Information

Please refer to the Reviewed Financial Statements for the half-year ended 30 June 2014.

12. Foreign Entities

There have been no changes to the Controlled entities since December 2013.

13. Commentary

13.1 Earnings per security

Please refer to note 9 of the Reviewed Financial Statements for the half-year ended 30 June 2014.

13.2 Returns to shareholders including distributions and buy backs

Please refer to the Reviewed Financial Statements for the half-year ended 30 June 2014.

Note 6 Issued Capital

Note 7 Dividends

13.3 Significant features of operating performance

Review of group results

- The reported net profit after tax was \$30.1m (2013: \$17.8m), a 69.1% increase on reported profits for the same period last year. Impacting on comparability of results for 2014 and 2013 are:
- Revenue from ordinary activities increased by \$64.8m or up 61.5%, driven by \$59.5m contribution from the United Kingdom and growth in Wealth Management in Australia; NZ by \$4.9m.
- Employee benefits expenses increased by \$35.0m or 79% during the period. This increase arises from a number of factors including:
 - . Reflecting the Avelo acquisition together with continued investment to support product development and service levels, headcount increased during the period by 578.
 - . Share based payments (SBP) issued to employees decreased slightly, mainly due to cancellations during the period.
- Other employee administration expenses increased by \$2.2m during the period, mainly due to an increase in travel and accommodation expenditure associated with supporting an increasingly global business. The Group continues to incur greater than prior periods travel expenditure subsequent to the acquisition of Avelo in relation to integration activities.
- Facilities rent expense increased by \$0.7m, primarily due to an additional rental expense relating to the United Kingdom business.
- Depreciation and amortisation expense increased by \$2.8m, mainly from:
 - . Additional intangible acquisition assets from the United Kingdom (Avelo acquisition),
 - . An increase on plant and equipment acquired with Avelo.
- Other expenses including general administration expenses include additional project costs of \$1.2m.
- Net interest and financing expense of \$1.2m (2013: income of \$0.3m), an increase in net interest expense on swaps and loans entered into late 2013.
- The collective impact of these changes was an increase in basic EPS from 13.82 cents per share to 18.95 cents per share, an increase of 37.1%.

Further details on the performance of the Company are set out in the Reviewed Financial Statements for the half-year ended 30 June 2014.

13.4 Other factors which have affected or likely to affect the results

Please refer to the Reviewed Financial Statements for the half-year ended 30 June 2014.

14. Compliance Statement

This report should be read in conjunction with the Reviewed Financial Statements for the half-year ended 30 June 2014.



Sign here:

(Company Secretary)

Date: 20 August 2014

Print name:

PETER FERGUSON