

ASX Release 4 November 2020

Iress FY20 Q3 Results Update and Investor Conference Call

Consistent performance, FY20 guidance reinstated

Iress (IRE.ASX) today released a results update for Q3FY20.

Highlights

- Q3 financial result is consistent with the prior corresponding period ("pcp")
- Revenue +3%, Segment Profit +2% for the quarter
- +6% Proforma Segment Profit for the first nine months of the year in constant currency, QuantHouse performing well
- +8% revenue growth in APAC in the first nine months of the year, ongoing demand for Xplan and Super solutions
- Covid-19 impacted timing of projects in UK, revenue excluding acquisitions flat
- Q4 Outlook – increase in revenue and Segment Profit momentum with project work underway
- Growth strategy enhanced – OneVue acquisition to complete on 6 November – enables seamless integration of advice and execution with significant efficiencies

** Q3 represents July to September. All % figures stated versus pcp. Results are unaudited.*

FY20 guidance reinstated

Given the consistency of Iress' performance in Q3, the contribution from recurring revenues of c. 90% of group total, and with a view to assisting investors, Iress is reinstating profit guidance for the FY20 result.

On a constant 2019 currency basis, Segment Profit, excluding the impact of the OneVue acquisition, is expected to be around the same level this year as the 2019 Segment Profit result of \$152m.

Executing to plan

Iress chief executive, Andrew Walsh, said: "Iress has delivered a consistent performance in Q3. The strength of our recurring revenue model has been clearly demonstrated during 2020.

I am proud of the way the team has continued to perform, while mostly working from home. Although there are high levels of uncertainty around Covid-19 transmissions and government restrictions, we are continuing to prioritise the health and wellbeing of our people and delivering service continuity and major projects for clients.

"We have delivered over 500 client conversions to Xplan this year and two mortgage clients went live in August. The projects to deploy our super administration technology and service are progressing well. QuantHouse is also performing well and has achieved profitability. Covid-19 is impacting the timing of projects and business activity, postponing the revenue growth we envisaged at the beginning of the year.

Positive Q4 outlook

We expect increased revenue momentum and improved profitability in Q4. In addition to the high level of recurring revenue, a number of major client projects are underway and we will benefit from additional cost savings."

Growth strategy enhanced

"We have also made good progress in expanding our growth opportunities. The OneVue acquisition is due to complete on 6 November. We are already working through a detailed plan to deliver a disruptive, seamless and more efficient integration of advice and execution. Our opportunities in the UK, super admin and data are also significant, and affirmed. We have a positive outlook supported by structural tailwinds as the shift to the digital delivery of financial services accelerates globally."

Investor Conference Call - Thursday 5 November 9.30am AEDT

Iress CEO Andrew Walsh and CFO John Harris will host a conference call and Q&A session for investors at 9.30am AEDT on Thursday 5 November 2020.

Investors who wish to participate in the teleconference should [register here](#)

Alternatively, if you would like to listen to the audio webcast, please [pre-register here](#)

Please note, you will not be able to ask questions in the webcast.

If you are unable to listen to the announcement live, a recording of the call will be provided in the Investor section of our Iress website from Friday 6 November 2020.

Ends

For further details, please contact:

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About Iress

Iress (IRE.ASX) is a technology company providing software to the financial services industry.

We provide software and services for trading & market data, financial advice, investment management, mortgages, superannuation, life & pensions and data intelligence.

Our software is used by more than 9,000 businesses and 500,000 users globally. We have over 2,000 people based in Asia-Pacific, North America, Africa, the UK and Europe.

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