

## Integrated Research Limited

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### ASX MARKET RELEASE

## Integrated Research Limited Announces Record First Half Results

**Sydney, Australia, 14 February 2008** - Integrated Research (ASX:IRI) (IR), leading developer and provider of systems and application management solutions for high availability computing environments, today reported its consolidated results for the six-month period ending 31 December 2007.

The company is pleased to announce a record net profit after tax for the period of \$4.2 million, an increase of 121% compared to \$1.9 million for the corresponding period last year.

New licence sales were \$11.5 million, an increase of 53% over the comparable period last year. Maintenance revenue increased slightly compared to the prior period. Total revenue for the six months ended 31 December 2007 was \$20.1 million which represents a 25% increase.

All geographic segments and all product lines showed revenue growth on the same period last year. New license revenue for the IP Telephony products was \$2.8 million for the first half which was an increase of 73% on the same period last year. NonStop new license revenue was \$6.8 million which represented an increase on the prior period of 32%.

Windows/Unix/Linux new license revenue was \$1.9 million, an increase on the prior period of 150%.

Total expenses for the first half were \$14.7m which was an overall increase of 7% on the same period last year. This reflects the company's continued investment in sales and product development, particularly in the IP Telephony products. Staff numbers at 31 December 2007 was 146 compared to 137 at 31 December 2006.

The consolidated entity's profit before tax was \$5.6million compared to \$2.6 million for the corresponding period last year, an increase of 114%.

Directors have declared an increased interim dividend of 1.5 cents per share unfranked, payable on 7 March 2008 to shareholders registered at the end of trading on 22 February 2008. Prior year interim dividend was 1.0 cent.

The following table summarises the consolidated entity's key revenue, expense and profit results for the first half, compared to the corresponding period last year:

<b>In thousands of AUD</b>	<b>2007</b>	<b>2006</b>	<b>% Inc/(Dec)</b>
Revenue from license fees	11,474	7,494	53%
Revenue from maintenance fees	8,222	8,187	-
Revenue from other operating activities	426	434	(2%)
<b>Total revenue from ordinary activities</b>	<b>20,122</b>	<b>16,115</b>	<b>25%</b>
Total expenses from ordinary activities	14,732	13,731	7%
Net profit before income tax	<b>5,614</b>	2,627	<b>114%</b>
<b>Net profit after income tax</b>	<b>4,212</b>	<b>1,903</b>	<b>121%</b>

Mark Brayan, CEO of Integrated Research said: "Integrated Research continued its investment in sales and product development in the first half of 2007/08, particularly for the IP Telephony platform and released a number of new versions of its software to the market. All geographic segments and all product lines showed revenue growth over the same period last year".

Integrated Research continues to maintain a strong financial position and remains free of debt with a total cash position at 31 December 2007 of \$8.7 million, after paying a final dividend for FY 2007 of 2.0 cents per share in September 2007 (\$3.3 million).

Steve Killelea, Chairman of Integrated Research said: "The revenue and profit growth is extremely pleasing. We continue to make good progress in our sales execution and development of new products. For the full financial year both revenue and profit after tax are expected to be higher than in the previous year."

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## **About Integrated Research**

**[www.prognosis.com](http://www.prognosis.com)**

Integrated Research – the people behind PROGNOSIS - is a publicly listed company with a 20-year heritage of providing performance monitoring software for business-critical computing and IP telephony environments.

The company services customers in more than 50 countries through direct sales offices in the USA, Europe, and Australia, and via a global channel-driven distribution network.

Customers include the world's largest bank, telecommunications company, stock exchange and computer hardware manufacturer.

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