

# Interim Report

Six months ended 30 September 2006



Argentina • Australia • Austria • Brazil • Bulgaria • Canada • China • Denmark • Estonia • Finland • France  
Germany • Greece • Hong Kong • Ireland • Italy • Japan • Mexico • Monaco • Netherlands • New Zealand • Norway  
Poland • Romania • Russia • Singapore • South Africa • Spain • Sweden • Turkey • United Kingdom • United States

# Highlights

- **Demerger and £800m equity issue successfully completed in October 2006**
- **Strong first half performance**
  - solid organic growth in all three regions
  - EBIT margin increased in all four principal activities
  - further contract wins by product, business and region
  - acquisitions on track
- **Sales from continuing activities up 17% at constant exchange rates to \$1.6bn, with 7% organic growth (total sales \$1.7bn, up 14%)**
- **EBIT from continuing activities up 16% at constant exchange rates to \$388m, giving 21.9% margin excluding FARES (up 90bp)**
- **Profit before tax of \$202m**
- **Pro forma net debt of \$1.6bn after net proceeds of equity issue**
- **Interim dividend of 5.5 cents per share**

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## Overview of structure of financial information

On 10 October 2006, the separation of Experian Group Limited (Experian) and Home Retail Group was completed by way of demerger. As part of the demerger, Experian Group Limited became the ultimate holding company of GUS plc and related subsidiaries and shares in GUS plc ceased to be listed on the London Stock Exchange on 6 October 2006. Experian Group Limited was incorporated and registered on 30 June 2006 under the Jersey Companies Law as a public company limited by shares. Trading in shares in Experian on the London Stock Exchange's market for listed securities commenced on 11 October 2006.

As a result of the demerger, there are two sets of financial information presented in this interim report. The commentary on pages 3 to 11 relates to Part One. This commentary is supported by an analysis of Experian sales and EBIT by principal activity on page 12 and by a reconciliation of Experian sales and EBIT by geography on page 13. The definition of non-GAAP measures used throughout this commentary is set out on pages 12 to 13.

### **Part One: Unaudited financial information for Experian**

In order to demonstrate the historical results of Experian, unaudited financial information for Experian is set out in Part One. This has been prepared on a basis consistent with the Experian information included in its prospectus dated 14 September 2006. As previously indicated, this information is presented in US dollars.

This extracted financial information may not be representative of future results. The historical capital structure does not reflect the future capital structure. Future interest income and expense, certain operating expenses, tax charges and dividends may be significantly different from those that resulted from Experian being wholly owned by GUS plc.

### **Part Two: Unaudited financial information for GUS plc**

To comply with listing requirements, consolidated financial information in respect of GUS plc and its subsidiaries, including Experian and Home Retail Group, is set out in Part Two. This financial information is reported in sterling as that was the reporting currency of GUS plc throughout the period presented.

The financial information included in Part Two in respect of the year ended 31 March 2006 will form the basis of the comparative information for inclusion in the first Annual Report of Experian Group Limited which will be published in June 2007. For the purpose of that document, the information will be re-presented in US dollars.

## Chief Executive's review

### Successfully completed demerger and £800m equity issue

On 11 October 2006, trading started in shares in Experian on the London Stock Exchange, following the demerger from GUS plc. At the same time, Experian raised £800m of new equity from existing and new shareholders, allowing it to start life as an independent company with sufficient flexibility to fund future growth opportunities.

### Good strategic and operational progress in the first half

Experian has a clear strategy to capitalise on the growth opportunities available to it. We aim to drive organic growth (through deeper client relationships, geographic and vertical expansion and product innovation); accelerate this organic growth through complementary acquisitions; and deliver operational leverage to maintain or improve margins.

We executed well against our plans in the first half:

- each of our three regions (Americas, UK and Ireland and EMEA/Asia Pacific) has delivered organic growth in the range of 6% to 8%, despite some challenging market conditions;
- EBIT margin has increased in each of our four principal activities (Credit Services, Decision Analytics, Marketing Solutions and Interactive);
- we have won a number of major new contracts with existing clients, including Bank of America, BSkyB and EDF;
- we have strengthened our position outside the US and UK, with client wins in several countries including Japan, Taiwan, China and Russia;
- we have seen further growth outside the traditional financial services sector, especially in telecommunications and government, as well as in our Interactive division, which connects consumers to clients over the Internet;
- we have introduced new products in response to clients' needs, including the VantageScore in the US, insolvency scorecards in the UK and Fusion from ClarityBlue; and
- acquisitions continue to perform well. As previously disclosed, the acquisitions made in the three years to March 2005 together delivered double-digit post-tax returns in the year to March 2006. Our more recent acquisitions are together trading to plan and are on track to meet our investment hurdle rates of a post-tax double-digit return on investment over time.

### Continued investment in business

As well as further investment through the income statement in people, products and infrastructure, we have continued to invest through capital expenditure and acquisition. Capital expenditure in the first half was \$118m, with about \$250m to \$270m expected for the full year. Of this, about \$20m relates to an accelerated technology spend on data centre consolidation in the US. Acquisition spend in the first half was \$80m. Experian has acquired credit bureaux in both Canada and Estonia (the latter in October 2006), as well as Eiger Systems, a bank account validation software company which complements the address validation activities of QAS.

### Interim dividend of 5.5 cents announced

The Board of Experian has confirmed that its dividend policy is to have a cover (based on Benchmark EPS) of at least three times on an annual basis. Consistent with this, the Board has announced an interim dividend of 5.5 cents per share.

## Part One: Unaudited financial information for Experian

The following analysis refers to the unaudited financial information for the Experian group of companies. This extracted financial information may not be representative of future results. The historical capital structure does not reflect the future capital structure. Future interest income and expense, certain operating expenses, tax charges and dividends may be significantly different from those that resulted from Experian being wholly owned by GUS plc.

**Sales from continuing activities up 17% at constant exchange rates to \$1.6bn**, 7% organic growth. Total sales \$1.7bn.

**EBIT from continuing activities up 16% at constant exchange rates to \$388m**, reflecting margin expansion in all four principal activities partly offset by the anticipated decline in FARES.

**Benchmark PBT of \$391m**, distorted by the pre-demerger central costs and capital structure and impacted by discontinuing activities. Profit before taxation of \$202m.

**Effective tax rate of 23.0%** based on Benchmark PBT, in line with our expectations for the full year.

Six months to 30 September	Sales		Profit	
	2006 \$m	2005 \$m	2006 \$m	2005 \$m
Americas	965	813	270	229
UK and Ireland	401	326	110	90
EMEA/Asia Pacific	271	249	29	29
<b>Sub-total</b>	<b>1,637</b>	<b>1,388</b>	<b>409</b>	<b>348</b>
Central activities	-	-	(21)	(16)
<b>Continuing activities</b>	<b>1,637</b>	<b>1,388</b>	<b>388</b>	<b>332</b>
Discontinuing activities <sup>1</sup>	37	84	8	22
<b>Total</b>	<b>1,674</b>	<b>1,472</b>	<b>396</b>	<b>354</b>
Net interest			(5)	9
<b>Benchmark PBT</b>			<b>391</b>	<b>363</b>
Amortisation of acquisition intangibles			(37)	(24)
Exceptional items			(138)	-
Financing fair value remeasurements			(12)	4
Tax expense of associates			(2)	-
<b>Profit before taxation</b>			<b>202</b>	<b>343</b>
Taxation			(50)	(81)
<b>Profit attributable to equity shareholders</b>			<b>152</b>	<b>262</b>
<b>Benchmark EPS (cents)</b>			<b>35.1</b>	<b>33.0</b>
<b>Basic EPS (cents)</b>			<b>17.8</b>	<b>30.8</b>
Weighted average number of ordinary shares			855.9m	848.4m

<sup>1</sup> Discontinuing activities include MetaReward and UK account processing  
See page 12 for an analysis of sales and EBIT by principal activity  
See pages 12 to 13 for the definition of non-GAAP measures

## Experian Americas

**Sales from continuing activities up 19%; 8% organic**

**EBIT from continuing activities up 27% excluding FARES; up 17% including the anticipated decline in FARES**

**EBIT margin excluding FARES up 180 basis points**

**Robust performance from Credit Services given strong comparatives and challenging market**

**Organic sales growth of over 20% in Decision Analytics and Interactive**

Six months to 30 September	2006 \$m	2005 \$m	Growth	Organic growth
<b>Sales – direct business</b>				
- Credit Services	395	379	4%	-
- Decision Analytics	38	30	26%	26%
- Marketing Solutions	173	171	1%	(2%)
- Interactive	359	233	54%	24%
<b>Total - continuing activities</b>	<b>965</b>	<b>813</b>	<b>19%</b>	<b>8%</b>
Discontinuing activities <sup>1</sup>	3	43	na	
<b>Total Americas</b>	<b>968</b>	<b>856</b>	<b>13%</b>	
<b>EBIT</b>				
- Direct business	240	188	27%	
- FARES	30	41	(27%)	
<b>Total – continuing activities</b>	<b>270</b>	<b>229</b>	<b>17%</b>	
Discontinuing activities <sup>1</sup>	(7)	5	na	
<b>Total Americas</b>	<b>263</b>	<b>234</b>	<b>12%</b>	
<b>EBIT margin<sup>2</sup></b>	<b>24.9%</b>	<b>23.1%</b>		

<sup>1</sup> Discontinuing activities include MetaReward

<sup>2</sup> EBIT margin is for continuing direct business only and excludes FARES

### Operational review

Experian Americas had another strong half year, despite some challenging markets and strong comparatives. Management focused on delivering operating leverage to drive profit growth.

#### Credit Services

*Includes consumer credit and business information bureaux, Baker Hill (commercial lending software) and automotive services*

Sales in Credit Services were up 4% in total in the first half (flat year-on-year on an organic basis), a robust performance considering the exceptionally favourable market conditions in the first half of last year, resulting in tough comparatives (H1 2005: +18%).



The impact of higher US interest rates coupled with the economic slowdown, driven by softness in the housing market, continues to affect demand for new credit from US consumers. A slowdown in sales growth of products relating to credit origination was offset by double-digit growth in portfolio management and collections products and continued strength in business credit. Baker Hill, which was acquired in August 2005, continued to deliver strong double-digit growth with further client wins including Fifth Third Bancorp and Bank of Oklahoma. VantageScore, the new credit score jointly developed by the three US credit bureaux, continues to win acceptance by clients. To date, about 400 clients have bought this score to test its effectiveness in predicting risk.

In September 2006, Experian acquired the Northern Credit Bureaus consumer database in Canada. This will enable Experian, over time, to meet clients' demands for data, building on its established Decision Analytics business in this market.

### **Decision Analytics**

*Includes credit analytics, decision support software and fraud solutions*

The performance of Decision Analytics in the first half was exceptionally strong, with sales up 26%, as the business continued to take share in the US. This reflects improved execution in sales and delivery and the strength of our product suite. During the first half, Experian further expanded its relationship with Bank of America to include many Experian analytical tools and software solutions. These provide a common platform across all the bank's credit products, embedding Experian in Bank of America's lending processes. The first half benefited from one-off development work associated with this contract. There was also good growth from recent initiatives with US credit card processors, where Experian's account management software (ProbeSM) is now used to process one quarter of all credit card accounts in the US. Good progress was also made in fraud solutions, with three of the top five US retail banks now committed to using Precise ID, our new fraud detection system.

### **Marketing Solutions**

*Includes data and data management (consumer data, list processing and data integrity, database management and analytics), digital services (CheetahMail) and research services (Simmons and Vente)*

Total sales in Marketing Solutions increased by 1% in the first half, with a slight decline (-2%) on an organic basis. As anticipated, there was a low double-digit decline in the traditional activities of consumer data, list processing and database management as clients continued to move from direct mail to other channels. These traditional activities accounted for well over half of Marketing Solutions sales in the first half. Sales in Digital Services and Research Services together delivered organic growth in excess of 20%, driven by growth in their markets, new clients and new products. Building on Experian's established position in the US, QAS is gaining traction (as evidenced by several new client wins) and ClarityBlue is seeing some early success.

### **Interactive**

*Includes Consumer Direct (online credit reports, scores and monitoring services) and lead generation businesses: LowerMyBills (mortgages), PriceGrabber (comparison shopping), Affiliate Fuel and ClassesUSA (online education)*

Sales in Interactive grew by 54% in the first half, contributing 37% of total Americas sales from continuing activities. Organic growth was 24%, with the balance of 30% from acquisitions (mainly PriceGrabber). Interactive continued to benefit from consumers' increasing use of the Internet for information and purchase decisions.

## Experian Americas continued

Consumer Direct continued its very strong performance as the clear leader in its market. During the first half, it increased marketing spend, especially in broadcast, which fuelled growth in the number of members. It also improved retention rates by an increased focus on customer service. LowerMyBills, which was acquired in May 2005, saw a moderation in the rate of sales growth in the first half, held back by contraction at a major client (Ameriquest) and a more subdued mortgage market. However, EBIT grew strongly in the period as LowerMyBills focused on more profitable marketing spend and used Experian data and analytics to improve the quality of leads it generates for lenders. It also continues to increase the number of clients it works for. PriceGrabber, which was acquired in December 2005, delivered excellent growth in the first half, due to an increase in revenue from all traffic sources (co-brands, free or organic search and paid search) and is well positioned to benefit from the expected growth in online Christmas shopping.

The focus of Interactive over the last six months has been to share expertise in order to buy and deploy advertising expenditure more effectively and convert more visitors to leads. It is developing increasingly sophisticated tools, often using Experian data and analytics, to optimise both the level and type of spend on customer acquisition – an increasingly important skill as the cost of Internet advertising continues to increase.

### Financial review

Sales from continuing activities were \$965m, up 19% compared to the same period last year, with organic growth of 8%. Acquisitions, primarily in the Interactive segment, contributed 11% to sales growth in the first half, with a low single-digit contribution expected for the second half.

EBIT from direct businesses was \$240m (2005: \$188m), an increase of 27% in the period, giving an EBIT margin of 24.9% (2005: 23.1%). The margin improvement was broadly based across all segments, while Credit Services also benefited from the impact of last year's affiliate credit bureau acquisitions.

EBIT from FARES, the 20%-owned real estate information associate, declined, as anticipated, in the period to \$30m, compared to \$41m last year. This was primarily due to the decline in US mortgage originations and the residual impact of last year's corporate restructuring at FARES. The impact of falling sales on FARES' EBIT was partly offset by further cost cutting and off-shoring of back office functions, as well as initiatives to exit unprofitable client relationships. These factors are expected to provide some support to profit in the second half (H2 2005: \$28m).



## Experian UK and Ireland

**Sales from continuing activities up 22%; 8% organic**

**EBIT from continuing activities up 19%**

**EBIT margin at 27.4%, slightly impacted by first time contribution from lower margin**

**ClarityBlue acquisition**

**Credit Services showed solid organic sales growth despite a challenging UK consumer credit environment; Decision Analytics sales up 8%**

**Interactive sales more than trebled**

Six months to 30 September	2006 \$m	2005 \$m	Growth <sup>3</sup>	Organic growth <sup>3</sup>
<b>Sales</b>				
- Credit Services	128	122	4%	4%
- Decision Analytics	105	95	9%	8%
- Marketing Solutions	154	105	46%	3%
- Interactive	14	4	234%	234%
<b>Total - continuing activities</b>	<b>401</b>	<b>326</b>	<b>22%</b>	<b>8%</b>
Discontinuing activities <sup>1</sup>	34	41	na	
<b>Total UK and Ireland</b>	<b>435</b>	<b>367</b>	<b>17%</b>	
<b>EBIT - continuing activities</b>	<b>110</b>	<b>90</b>	<b>19%</b>	
Discontinuing activities <sup>1</sup>	15	17	na	
<b>Total UK and Ireland</b>	<b>125</b>	<b>107</b>	<b>14%</b>	
<b>EBIT margin<sup>2</sup></b>	<b>27.4%</b>	<b>27.6%</b>		

<sup>1</sup> Discontinuing activities include UK account processing

<sup>2</sup> EBIT margin for continuing activities only

<sup>3</sup> Growth at constant FX rates

### Operational review

Experian UK and Ireland performed well in the first half, despite a difficult consumer credit environment. This illustrates the strength of Experian's diversified portfolio by sector and product in this region.

#### Credit Services

*Includes consumer credit and business information bureaux and automotive and insurance services*

The consumer credit environment in the UK remained challenging during the first half, with a further fall in the level of gross unsecured lending to consumers, a substantial increase in bad debt write-offs as reported by financial services companies and a sharp rise in personal insolvencies. Against this background, sales in Credit Services increased by 4%. As expected, financial services clients transferred some of their spending from customer acquisition to cross-selling to existing customers, and to portfolio and risk management. There was also strong growth in the first half outside financial services, with market share gains in the telecommunications sector as an example.

## Experian UK and Ireland continued

### **Decision Analytics**

*Includes credit analytics, decision support software and fraud solutions*

Decision Analytics is more developed in the UK than in any other region, as it has grown over the years alongside Credit Services. In the first half, sales increased by 8% on an organic basis. Experian continues to sell new products to existing clients – a good example is Vodafone UK which is now buying optimisation tools. There was good take-up by clients of Experian's Consumer Indebtedness Index, which assesses a borrower's total debt levels and predicts the likelihood of repayment. There was also particularly strong growth from fraud solutions, especially in authentication services sold to the public sector and from the latest generation of the Hunter application fraud detection product. Product innovation continued with, for example, the launch of insolvency scorecards, which help lenders predict the likelihood of existing customers becoming insolvent.

### **Marketing Solutions**

*Includes data and data management (consumer data, data integrity (QAS and Eiger Systems), database management (including ClarityBlue) and analytics), digital services (CheetahMail) and business strategies (including Mosaic consumer segmentation, economic forecasting and FootFall)*

Total sales in Marketing Solutions were up 46%, with organic growth of 3%. Organic growth continues to be impacted by weakness in the UK direct mail market, although there was good growth in areas such as CheetahMail and selling Mosaic into the public sector.

The contribution from acquisitions was 43%, mainly ClarityBlue, a leading UK provider of bespoke database marketing solutions, which was acquired in January 2006. There is strong momentum in ClarityBlue as it sells deeper into existing clients such as BSKyB, wins new clients and launches new products, including Fusion. This product combines ClarityBlue's database technology with Experian's marketing data to enable mid-tier clients to lower the cost of customer acquisition.

There was also a contribution from the smaller acquisitions of Footfall (customer counting and retail information), Catalist (petrol station location planning) and Eiger Systems, which was acquired in June 2006. Eiger Systems is a market-leading provider of bank account validation and payment processing software, which complements QAS. It has demonstrated good growth in the UK with potential for international expansion.

### **Interactive**

*Comprises CreditExpert (online credit reports, scores and monitoring services sold direct to consumers)*

CreditExpert performed very well in the first half of the year, with sales more than trebling in the period, albeit from a small base. The main driver has been growth in the number of members - almost two million credit reports have been delivered to CreditExpert customers since the beginning of the financial year. CreditExpert in the UK has also continued to benefit from working closely with the US. For example, it now has exclusive distribution arrangements with the five major portals in the UK – relationships which have strengthened its market leading positions in both the US and the UK.

### **Financial review**

Total sales from continuing activities were \$401m, up 22% at constant exchange rates compared to the same period last year. Organic growth was 8%. The contribution to sales growth from acquisitions in the first half was 14%, with a broadly similar contribution expected in the second half.

EBIT from continuing activities was \$110m, an increase of 19% at constant exchange rates over the same period last year. The EBIT margin was 27.4% (2005: 27.6%), with the slight decline reflecting the first time inclusion of ClarityBlue, which has margins below the average for Experian UK and Ireland. Elsewhere, the margin expansion was broadly based in each of Credit Services, Decision Analytics and Interactive, mainly reflecting the operating leverage from organic sales growth.

## Experian EMEA / Asia Pacific

**Sales up 7%; 6% organic**

**EBIT unchanged at \$29m, reflecting higher investment in Asia Pacific and phasing of French restructuring costs**

**Excellent sales growth from Decision Analytics, especially in Southern and Eastern Europe and Asia Pacific**

Six months to 30 September	2006 \$m	2005 \$m	Growth <sup>1</sup>	Organic growth <sup>1</sup>
<b>Sales</b>				
- Credit Services	208	200	2%	2%
- Decision Analytics	44	33	32%	27%
- Marketing Solutions	19	16	14%	3%
<b>Total</b>	<b>271</b>	<b>249</b>	<b>7%</b>	<b>6%</b>
<b>EBIT</b>	<b>29</b>	<b>29</b>	-	
<b>EBIT margin</b>	<b>10.7%</b>	<b>11.6%</b>		

<sup>1</sup> Growth at constant FX rates

### Operational review

Experian EMEA/Asia Pacific had another solid half year, reflecting the balance in its business between the high growth areas of Southern and Eastern Europe and Asia Pacific and the more mature markets such as France.

#### Credit Services

*Includes consumer credit bureaux in ten countries, business information bureaux in four countries and transaction processing mainly in France*

Credit Services sales grew by 2% at constant exchange rates in the first half of the year.

Sales in transaction processing, which account for about two thirds of Credit Services revenues in EMEA/Asia Pacific, were marginally ahead of last year. Cheque processing remains a mature market but Experian continues to consolidate its processing centres to reduce costs, renew existing contracts and win new business – now working for all top six French banks for the first time. Elsewhere, Experian is seeing growth in its business process outsourcing activities, with recent contract wins and renewals in the transport, utilities and healthcare sectors, which will underpin future growth. For example, Experian has recently signed a four year, multi-million euro contract with EDF to support its growth with business customers as the French utilities market deregulates.

There was double-digit growth from consumer credit services in Southern and Eastern Europe and South Africa. The acquisition of the Estonian business and consumer credit bureaux in October 2006, although small, will enhance the service offered to Experian's Northern European clients, many of whom are active in Estonia.

## Experian EMEA / Asia Pacific continued

### **Decision Analytics**

*Includes credit analytics, decision support software and fraud solutions sold in over 60 countries around the world*

In the first half of the year, sales from Decision Analytics showed excellent growth of 32%, 27% on an organic basis, with a 5% contribution from acquisitions. There was particular strength in Southern and Eastern Europe, continued penetration in Asia (driven by contract wins in the financial services sector in Japan and Taiwan and its first small contract win in China) and strong growth in Russia. Decision Analytics continues to be used as the key way of entering and establishing a presence in new high growth geographies, before rolling out the full range of Experian credit and marketing services as appropriate.

### **Marketing Solutions**

*Includes business strategies, data integrity (QAS) and other marketing services around the world*

Sales in total increased by 14% in the period, with organic growth of 3%. There was an 11% contribution from acquisitions, principally in Business Strategies (Footfall).

### **Financial review**

Total sales were \$271m, up 7% at constant exchange rates compared to the same period last year. Organic growth was 6%.

EBIT was \$29m, unchanged at constant exchange rates from a year ago, giving an EBIT margin of 10.7% (2005: 11.6%). The margin decline in the first half was attributable to restructuring costs of \$3m relating to the further consolidation of French cheque processing centres - a similar charge was incurred in the second half of last year. Excluding these costs, margins increased slightly in the first half, whilst funding further investment in Asia Pacific in people and infrastructure.

## Other items

### **Central activities**

Following the demerger, the costs of Experian's central activities are expected to be about \$50m in a full financial year – split broadly equally between the first and second halves of the year.

In the six months to 30 September 2006, the reported costs of central activities were \$21m (2005: \$16m), including an allocation of head office costs from GUS plc.

### **Net interest**

At 30 September 2006, Experian had net debt of \$3,036m. On a pro forma basis, adjusting for net proceeds from the equity issue in October 2006 of \$1,447m, Experian would have had net debt of \$1,589m. The pro forma net interest expense for the second half of this financial year based on this level of pro forma net debt is expected to be \$35m to \$40m, including the estimated six-month credit to interest of about \$8m relating to the excess of the expected return on pension assets over the interest on pension liabilities.

In the six months to 30 September 2006, the reported net interest expense was \$5m (2005: \$9m income), reflecting the pre-demerger capital structure of Experian under GUS plc.

### Amortisation of acquisition intangibles

IFRS requires that, on acquisition, specific intangible assets are identified and recognised separately from goodwill and then amortised over their useful economic lives. These include items such as brand names and customer lists, to which value is first attributed at the time of acquisition. In the six months to 30 September 2006, the charge for amortisation of acquisition intangibles was \$37m (2005: \$24m).

### Exceptional items

Six months to 30 September	2006 \$m	2005 \$m
Demerger-related costs	110	-
UK account processing closure costs	28	-
<b>Total</b>	<b>138</b>	<b>-</b>

Costs relating to GUS' demerger of Experian and Home Retail Group comprise mainly legal and professional fees in respect of the transaction, costs in respect of the cessation of the corporate functions of GUS plc and the charge incurred on the early vesting of share awards.

Other exceptional items are those arising from the profit or loss on disposal of businesses or closure costs of material business units. All other restructuring costs have been charged against EBIT in the segments in which they are incurred. In April 2006, Experian announced the phased withdrawal from large scale credit card and loan account processing in the UK. As previously disclosed, the costs of withdrawal of approximately \$28m have been charged in the six months to 30 September 2006.

### Financing fair value remeasurements

An element of Experian's derivatives is ineligible for hedge accounting. Gains or losses on such elements arising from market movements are charged or credited to the income statement. In the six months to 30 September 2006, this amounted to a charge of \$12m (2005: \$4m credit).

### Taxation

In the six months to 30 September 2006, the effective rate of tax on Benchmark PBT, defined as the total tax expense adjusted for the tax impact of non-Benchmark items divided by Benchmark PBT of \$391m, was 23.0%. Experian expects the effective rate of tax on Benchmark PBT to be about 23% for the current financial year.

### Earnings per share

Following the demerger and equity issue completed in October, Experian now has approximately 1,021m ordinary shares in issue. The number of shares to be used for the purposes of calculating basic earnings per share will be 1,010m.

In the six months to 30 September, Benchmark EPS was 35.1 cents and basic EPS was 17.8 cents. This was calculated on a weighted average number of shares of 855.9m, reflecting the GUS capital structure during that period.

### Foreign exchange

The £/\$ exchange rate moved from an average of \$1.82 in the six months to September 2005 to \$1.84 in 2006. The €/£ exchange rate moved from an average of €1.24 in the six months to September 2005 to €1.27 in 2006. This increased reported sales by \$19m in the first half and EBIT by \$4m.

The closing £/\$ exchange rate at 30 September 2006 was \$1.87 (2005: \$1.76), and the €/£ exchange rate at 30 September 2006 was €1.27 (2005: €1.20).

## Experian sales and EBIT by principal activity

Six months to 30 September	2006 \$m	2005 \$m	Total growth <sup>4</sup>	Organic growth <sup>4</sup>
<b>Sales</b>				
- Credit Services	731	701	4%	2%
- Decision Analytics	187	158	17%	16%
- Marketing Solutions	346	292	18%	-
- Interactive	373	237	57%	27%
<b>Total - continuing activities</b>	<b>1,637</b>	<b>1,388</b>	<b>17%</b>	<b>7%</b>
Discontinuing activities <sup>1</sup>	37	84	na	
<b>Total</b>	<b>1,674</b>	<b>1,472</b>	<b>13%</b>	
<b>EBIT</b>				
- Credit Services - direct business	198	182	8%	
- FARES	30	41	(27%)	
- Total Credit Services	228	223	2%	
- Decision Analytics	69	52	31%	
- Marketing Solutions	30	22	29%	
- Interactive	82	51	59%	
- Central activities	(21)	(16)	na	
<b>Total - continuing activities</b>	<b>388</b>	<b>332</b>	<b>16%</b>	
Discontinuing activities <sup>1</sup>	8	22	na	
<b>Total</b>	<b>396</b>	<b>354</b>	<b>11%</b>	
<b>EBIT margin<sup>2</sup></b>				
- Credit Services - direct business	27.1%	26.0%		
- Decision Analytics	36.9%	32.9%		
- Marketing Solutions	8.7%	7.5%		
- Interactive	22.0%	21.5%		
<b>Total EBIT margin<sup>3</sup></b>	<b>21.9%</b>	<b>21.0%</b>		

<sup>1</sup> Discontinuing activities include MetaReward and UK account processing

<sup>2</sup> EBIT margin is for continuing direct business only and excludes FARES

<sup>3</sup> Total EBIT margin for continuing direct business only and after central activities

<sup>4</sup> Growth at constant FX rates

## Use of non-GAAP financial information

Experian has identified certain measures that it believes will assist understanding of the performance of the business. This approach is largely comparable with that previously used by GUS plc, but as the measures are not defined under IFRS they may not be directly comparable with other companies' adjusted measures. The non-GAAP measures are not intended to be a substitute for, or superior to, any IFRS measures of performance but management have included them as these are considered to be important comparables and key measures used within the business for assessing performance.

The following are the key non-GAAP measures identified by Experian:

*Benchmark profit before tax (Benchmark PBT):* Benchmark PBT is defined as profit before amortisation of acquisition intangibles, goodwill impairments, charges in respect of the demerger-related equity incentive plans, exceptional items, financing fair value remeasurements and taxation. It includes Experian's share of pre-tax profits of associates.

*Earnings before interest and tax (EBIT):* EBIT is defined as profit before amortisation of acquisition intangibles, goodwill impairments, charges in respect of the demerger-related equity incentive plans, exceptional items, net financing costs, financing fair value remeasurements and taxation. It includes Experian's share of pre-tax profits of associates.

*Exceptional items:* The separate reporting of non-recurring items gives an indication of Experian's underlying performance. Exceptional items are those arising from the profit or loss on disposal of businesses or closure costs of material business units. All other restructuring costs have been charged against EBIT in the segments in which they are incurred.

*Discontinuing activities:* Experian defines discontinuing activities as businesses sold, closed or identified for closure during a financial year. These are treated as discontinuing activities for both sales and EBIT purposes. Prior periods, where shown, are restated to exclude the results on discontinuing activities. This financial measure differs from the definition of discontinued operations set out in IFRS 5 (Non-current assets held for sale and discontinued operations). Under IFRS 5, a discontinued operation is: (i) a separate major line of business or geographical area of operations; (ii) part of a single plan to dispose of a major line of business or geographical area of operations; or (iii) a subsidiary acquired exclusively with a view to resale.

*Continuing activities:* Businesses trading at 30 September 2006 that have not been disclosed as discontinuing activities are treated as continuing activities.

*Organic growth:* This is the year-on-year change in continuing activities sales, at constant exchange rates, excluding acquisitions (other than affiliate credit bureaux) until the first anniversary date of consolidation.

*Direct business:* Direct business refers to Experian's business exclusive of financial results of FARES.

#### Reconciliation of Experian sales and EBIT by geography

Six months to 30 September	2006			2005		
	Continuing activities \$m	Discontinuing activities \$m	Total \$m	Continuing activities \$m	Discontinuing activities \$m	Total \$m
<b>Sales</b>						
Americas	965	3	968	813	43	856
UK and Ireland	401	34	435	326	41	367
EMEA/Asia Pacific	271	-	271	249	-	249
<b>Total sales</b>	<b>1,637</b>	<b>37</b>	<b>1,674</b>	<b>1,388</b>	<b>84</b>	<b>1,472</b>
<b>EBIT</b>						
Americas - direct business	240	(7)	233	188	5	193
FARES	30	-	30	41	-	41
Total Americas	270	(7)	263	229	5	234
UK and Ireland	110	15	125	90	17	107
EMEA/Asia Pacific	29	-	29	29	-	29
Central activities	(21)	-	(21)	(16)	-	(16)
<b>Total EBIT</b>	<b>388</b>	<b>8</b>	<b>396</b>	<b>332</b>	<b>22</b>	<b>354</b>
Net interest			(5)			9
<b>Benchmark PBT</b>			<b>391</b>			<b>363</b>
Amortisation of acquisition intangibles			(37)			(24)
Exceptional items			(138)			-
Financing fair value remeasurements			(12)			4
Tax expense of associates			(2)			-
<b>Profit before tax</b>			<b>202</b>			<b>343</b>



# Experian Group Limited

## Unaudited combined income statement

for the six months ended 30 September 2006

	Notes	Six months to 30 September 2006 US\$m	2005 US\$m	Year to 31 March 2006 US\$m
Continuing operations:				
<b>Revenue</b>	3	<b>1,674</b>	1,472	3,084
Cost of sales		<b>(817)</b>	(707)	(1,527)
<b>Gross profit</b>		<b>857</b>	765	1,557
Net operating expenses		<b>(666)</b>	(475)	(971)
<b>Operating profit</b>		<b>191</b>	290	586
Interest income		<b>119</b>	123	220
Interest expense		<b>(124)</b>	(114)	(232)
Financing fair value remeasurements		<b>(12)</b>	4	(2)
Net financing (costs)/income		<b>(17)</b>	13	(14)
Share of post-tax profits of associates		<b>28</b>	40	66
<b>Profit before tax</b>	3	<b>202</b>	343	638
Tax expense	6	<b>(50)</b>	(81)	(118)
<b>Profit after tax and for the financial period</b>		<b>152</b>	262	520
<b>Attributable to:</b>				
Equity shareholders		<b>152</b>	262	520
<b>Profit after tax and for the financial period</b>		<b>152</b>	262	520
<b>Earnings per share</b>	7	<b>cents</b>	cents	cents
- Basic		<b>17.8</b>	30.8	61.2
- Diluted		<b>17.6</b>	30.2	60.1

The financial information within this document may not be representative of future results. The historical capital structure does not reflect the future capital structure. Future interest income and expense, certain operating expenses, tax charges and dividends may be significantly different from those that resulted from being wholly owned by GUS plc.

### Non-GAAP measures

	Notes	Six months to 30 September 2006 US\$m	2005 US\$m	Year to 31 March 2006 US\$m
<b>Reconciliation of profit before tax to Benchmark PBT</b>				
<b>Profit before tax</b>	3	<b>202</b>	343	638
exclude: exceptional items	5	<b>138</b>	-	7
exclude: amortisation of acquisition intangibles	5	<b>37</b>	24	66
exclude: financing fair value remeasurements	5	<b>12</b>	(4)	2
exclude: tax expense on share of profits of associates	3	<b>2</b>	-	2
<b>Benchmark PBT</b>	3	<b>391</b>	363	715
<b>Benchmark earnings per share</b>	7	<b>cents</b>	cents	cents
- Basic		<b>35.1</b>	33.0	68.0
- Diluted		<b>34.8</b>	32.4	66.8
<b>Dividend per Experian Group Limited Ordinary share (announced)*</b>	8	<b>5.5</b>		

\* The amount absorbed by this first dividend of Experian Group Limited is US\$56m.

# Experian Group Limited

## Unaudited combined balance sheet

at 30 September 2006

	30 September		31 March
	2006	2005	2006
	US\$m	US\$m	US\$m
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	2,166	1,455	2,070
Other intangible assets	820	633	818
Property, plant and equipment	481	454	459
Investment in associates	238	215	225
Deferred tax assets	378	365	351
Trade and other receivables	9	5	14
Other financial assets	60	83	145
	4,152	3,210	4,082
<b>Current assets</b>			
Inventories	5	2	3
Trade and other receivables	784	2,824	3,239
Current tax assets	169	131	157
Other financial assets	18	21	6
Cash and cash equivalents	526	122	157
	1,502	3,100	3,562
<b>Total assets</b>	<b>5,654</b>	<b>6,310</b>	<b>7,644</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Trade and other payables	(49)	(101)	(96)
Loans and borrowings	(1,208)	(2,519)	(3,213)
Deferred tax liabilities	(251)	(184)	(233)
Retirement benefit obligations	(28)	(33)	(22)
Provisions	(30)	–	–
Other financial liabilities	(2)	(3)	(14)
	(1,568)	(2,840)	(3,578)
<b>Current liabilities</b>			
Trade and other payables	(965)	(2,158)	(2,766)
Loans and borrowings	(2,402)	(799)	(300)
Other financial liabilities	(22)	(31)	(36)
Current tax liabilities	(406)	(272)	(364)
	(3,795)	(3,260)	(3,466)
<b>Total liabilities</b>	<b>(5,363)</b>	<b>(6,100)</b>	<b>(7,044)</b>
<b>Net assets</b>	<b>291</b>	<b>210</b>	<b>600</b>
<b>Equity</b>			
<b>Invested capital</b>	<b>291</b>	<b>210</b>	<b>600</b>

# Experian Group Limited

## Unaudited combined statement of recognised income and expense

for the six months ended 30 September 2006

	Six months to 30 September		Year to 31 March
	2006 US\$m	2005 US\$m	2006 US\$m
<b>Net income recognised directly in equity</b>			
Net investment hedge	102	11	(16)
Fair value losses in the period	(1)	–	(2)
Actuarial (losses)/gains in respect of defined benefit pension schemes	(17)	23	29
Currency translation differences	(41)	10	(4)
Tax charge in respect of items taken directly to equity	(11)	(11)	(7)
<b>Net income recognised directly in equity</b>	<b>32</b>	<b>33</b>	<b>–</b>
Profit for the financial period	152	262	520
<b>Total income recognised in the period</b>	<b>184</b>	<b>295</b>	<b>520</b>
<b>Total income recognised in the period attributable to:</b>			
Equity shareholders	184	295	520
<b>Total income recognised in the period</b>	<b>184</b>	<b>295</b>	<b>520</b>
<b>Cumulative adjustment for the implementation of IAS 39*</b>			
Attributable to equity shareholders	–	8	8
<b>Total</b>	<b>–</b>	<b>8</b>	<b>8</b>

\* IAS 39 was adopted on 1 April 2005.

# Experian Group Limited

## Unaudited combined cash flow statement

for the six months ended 30 September 2006

	Six months to 30 September		Year to 31 March
	2006 US\$m	2005 US\$m	2006 US\$m
<b>Cash generated from operations (note 11)</b>	<b>397</b>	354	874
Interest paid	(84)	(91)	(193)
Interest received	85	96	170
Dividends received from associates	22	30	48
Tax paid	(56)	(11)	(32)
<b>Net cash inflow from operating activities</b>	<b>364</b>	378	867
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	(44)	(28)	(62)
Purchase of intangible assets	(74)	(68)	(150)
Purchase of other financial assets and investments in associates	(8)	(12)	(41)
Acquisition of subsidiaries, net of cash acquired	(80)	(625)	(1,420)
<b>Net cash flows used in investing activities</b>	<b>(206)</b>	(733)	(1,673)
<b>Cash flows from financing activities</b>			
Purchase of GUS plc shares	–	(60)	(65)
Issue of GUS plc shares	54	29	52
Sale of GUS plc shares	5	–	36
New borrowings	655	311	647
Repayment of borrowings	(1,420)	–	(63)
Capital element of finance lease rental payments	(2)	(2)	(2)
Net receipts from derivatives held to manage currency profile	21	–	13
Equity dividends paid to GUS plc shareholders	(346)	(368)	(508)
Net dividends received from other GUS group companies	13	11	21
Net proceeds on disposal of other GUS group companies	258	255	415
Funding received from/(paid to) other GUS group companies	434	(134)	(57)
Net (increase)/decrease in equity in other GUS group companies	(253)	38	93
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(581)</b>	80	582
Exchange and other movements	91	(1)	(20)
<b>Net decrease in cash and cash equivalents</b>	<b>(332)</b>	(276)	(244)
<b>Movement in cash and cash equivalents</b>			
Cash and cash equivalents at 1 April	(89)	155	155
Net decrease in cash and cash equivalents	(332)	(276)	(244)
<b>Cash and cash equivalents at the end of the financial period</b>	<b>(421)</b>	(121)	(89)

### Non-GAAP measures

#### Reconciliation of net decrease in cash and cash equivalents to movement in net debt

	Six months to 30 September		Year to 31 March
	2006 US\$m	2005 US\$m	2006 US\$m
Net debt at 1 April	(3,277)	(2,654)	(2,654)
Net decrease in cash and cash equivalents	(332)	(276)	(244)
Decrease/(increase) in debt	767	(309)	(582)
Exchange and other movements	(194)	132	203
<b>Net debt at the end of the financial period (note 9)</b>	<b>(3,036)</b>	(3,107)	(3,277)

# Experian Group Limited

## Unaudited notes to the combined financial information

for the six months ended 30 September 2006

### 1. Basis of preparation

This Combined Financial Information presents the financial record for the six months ended 30 September 2006, the six months ended 30 September 2005 and the year ended 31 March 2006 of those businesses held by Experian Group Limited at the date of admission of the shares of Experian Group Limited to the London Stock Exchange. The Combined Financial Information therefore comprises an aggregation of amounts included in the financial statements of Experian entities, GUS plc and certain other GUS entities (together the "Experian Companies"). It excludes those businesses which have been sold and have been demerged by GUS plc (principally Home Retail Group, Burberry and Lewis Group (together the "other GUS group companies")). The financial information shown for the year ended 31 March 2006 does not constitute full financial statements within the meaning of section 240 of the Companies Act 1985.

During the period, the Experian Companies did not form a separate legal group and therefore it is not meaningful to show share capital or an analysis of reserves for the Experian Companies within the Combined Financial Information. The net assets of the Experian Companies are represented by the cumulative investment in the Experian Companies (shown as "Invested capital").

The following summarises the accounting and other principles applied in preparing the Combined Financial Information:

- The Combined Financial Information has been prepared in accordance with the Listing Rules of the Financial Services Authority. There have been no new International Financial Reporting Standards ("IFRS") adopted since 1 April 2006 and accordingly the information has been prepared on a consistent basis with that reported for the year ended 31 March 2006 within the Prospectus of Experian Group Limited dated 14 September. A summary of significant accounting policies can be found on pages 91 to 97 of that Prospectus, a copy of which can be obtained from the corporate website, [www.experiangroup.com](http://www.experiangroup.com). Experian has chosen not to adopt IAS 34 "Interim Financial Statements", in preparing its 30 September 2006 interim report and, accordingly, this Combined Financial Information is not in compliance with IFRS.
- Subsidiary undertakings and associates acquired or disposed of by the Experian Companies during the period presented have been included in the Combined Financial Information from and up to the date control was passed.
- All cash and other movements in capital amounts, being shares issued or cancelled and dividends paid, in respect of GUS plc have been reflected in the cash flow and reconciliation of movements in invested capital.
- Any funding of other GUS group companies during the period of the Combined Financial Information which comprises equity holdings and quasi-equity loans has been treated as part of invested capital. All changes in such funding are shown as movements in invested capital under "net (increase)/decrease in equity in other GUS group companies".
- Debt finance utilised by GUS plc to fund the Experian Companies and the other GUS group companies and trading balances with other GUS group companies are included within the Combined Financial Information.
- Dividends paid to and received from other GUS group companies are shown as movements in invested capital under "net dividends received from other GUS group companies".
- Transactions and balances between entities included within the Combined Financial Information have been eliminated.

## 1. Basis of preparation continued

- GUS plc had not historically recharged corporate head office costs comprising administration, management and other services including, but not limited to, management information, accounting and financial reporting, treasury, taxation, cash management, employee benefit administration, payroll and professional services to any of its underlying businesses. However, for the purposes of the preparation of the Combined Financial Information an allocation has been made of the amounts of shared corporate head office costs between the Experian Companies and Home Retail Group, based on an estimate of the usage of the services. These costs were affected by the arrangements that existed in the GUS plc Group and are not necessarily representative of the position that may prevail in the future.
- Tax charges in the Combined Financial Information have been determined based on the tax charges recorded by the Experian Companies in their financial information as well as certain adjustments made for GUS plc Group consolidation purposes. The tax charges recorded in the combined income statement have been affected by the taxation arrangements within the GUS plc Group and are not necessarily representative of the tax charges that would have been reported had the Experian Companies been an independent group. They are not necessarily representative of the tax charges that may arise in the future.
- Interest income and expense recorded in the combined income statement have been affected by the financing arrangements within the GUS plc Group and are not necessarily representative of the interest income and expense that would have been reported had the Experian Companies been an independent group. They are not necessarily representative of the interest income and expense that may arise in the future. The rate of interest applying to funding balances within the Combined Financial Information has been determined by GUS plc.
- Financial information in respect of those businesses included within the Combined Financial Information has historically been reported in Sterling, as this was the dominant functional currency of the GUS plc Group when it included other GUS group companies. As a result of the sale or demerger of those entities, the relative importance to the Combined Financial Information of the Americas reporting segment, whose principal functional currency is the US Dollar, has increased. Accordingly, the Experian Companies converted from a reporting currency of Sterling to the US Dollar, being the most representative currency of its operations. The Combined Financial Information has been presented in US Dollars as though this has been the reporting currency of the Experian Companies throughout that period. The principal exchange rates used in preparing the Combined Financial Information were as follows:

	Average			Closing		
	Six months to 30 September		Year to 31 March	30 September		31 March
	2006	2005		2006	2005	
Sterling to US Dollar	<b>1.84</b>	1.82	1.79	<b>1.87</b>	1.76	1.74
Euro to US Dollar	<b>1.27</b>	1.24	1.22	<b>1.27</b>	1.20	1.22

Assets and liabilities of overseas undertakings are translated into US Dollars at the rates of exchange ruling at the balance sheet date and the income statement is translated into US Dollars at average rates of exchange.

- The Combined Financial Information has been prepared on a going concern basis and under the historical cost convention, modified by the revaluation of certain fixed assets and financial instruments.

# Experian Group Limited

## Unaudited notes to the combined financial information

for the six months ended 30 September 2006

### 1. Basis of preparation continued

The preparation of the Combined Financial Information requires management to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Combined Financial Information, deviate from actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

### 2. Use of non-GAAP measures

Experian Group Limited has identified certain measures that it believes will assist understanding of the performance of the business. The measures are not defined under IFRS and they may not be directly comparable with other companies' adjusted measures. The non-GAAP measures are not intended to be a substitute for, or superior to, any IFRS measures of performance but management has included them as they consider them to be important comparables and key measures used within the business for assessing performance.

The following are the key non-GAAP measures identified by Experian Group Limited:

#### **Benchmark Profit Before Tax ("Benchmark PBT")**

Benchmark PBT is defined as profit before amortisation of acquisition intangibles, goodwill impairments, charges in respect of the demerger-related equity incentive plans, exceptional items, financing fair value remeasurements and taxation. It includes the Experian Companies' share of associates' pre-tax profit.

#### **Earnings Before Interest and Tax ("EBIT")**

EBIT is defined as profit before amortisation of acquisition intangibles, goodwill impairments, charges in respect of the demerger-related equity incentive plans, exceptional items, net interest income/(expense), financing fair value remeasurements and taxation. It includes the Experian Companies' share of associates' pre-tax profit.

#### **Benchmark Earnings Per Share ("Benchmark EPS")**

Benchmark EPS represents Benchmark PBT less attributable taxation and minority interests divided by the weighted average number of shares in issue, and is disclosed to indicate the underlying profitability of the Experian Companies.

#### **Exceptional items**

The separate reporting of non-recurring exceptional items gives an indication of the Experian Companies' underlying performance. Exceptional items are those arising from the profit or loss on disposal of businesses or closure costs of material business units. All other restructuring costs are charged against EBIT in the segments in which they are incurred.

#### **Net debt**

Net debt is calculated as total debt less cash and cash equivalents. Total debt includes loans and borrowings (and the fair value of derivatives hedging loans and borrowings), overdrafts and obligations under finance leases. Interest payable on borrowings is excluded from net debt.



### 3. Segmental information – geographical segments

Six months ended 30 September 2006	Americas US\$m	UK & Ireland US\$m	EMEA/ Asia Pacific US\$m	Central activities US\$m	Total US\$m
<b>Revenue<sup>1</sup></b>	968	435	271	–	<b>1,674</b>
<b>Profit</b>					
EBIT <sup>2</sup>	263	125	29	(21)	<b>396</b>
Net interest expense	–	–	–	(5)	<b>(5)</b>
<b>Benchmark PBT</b>	263	125	29	(26)	<b>391</b>
Exceptional items (note 5)	–	(28)	–	(110)	<b>(138)</b>
Amortisation of acquisition intangibles (note 5)	(21)	(13)	(3)	–	<b>(37)</b>
Financing fair value remeasurements (note 5)	–	–	–	(12)	<b>(12)</b>
Tax expense on share of profit of associates	(2)	–	–	–	<b>(2)</b>
<b>Profit before tax</b>	240	84	26	(148)	<b>202</b>
Tax expense (note 6)					<b>(50)</b>
<b>Profit for the financial period</b>					<b>152</b>
Six months ended 30 September 2005	Americas US\$m	UK & Ireland US\$m	EMEA/ Asia Pacific US\$m	Central activities US\$m	Total US\$m
<b>Revenue<sup>1</sup></b>	856	367	249	–	<b>1,472</b>
<b>Profit</b>					
EBIT <sup>2</sup>	234	107	29	(16)	<b>354</b>
Net interest income	–	–	–	9	<b>9</b>
<b>Benchmark PBT</b>	234	107	29	(7)	<b>363</b>
Amortisation of acquisition intangibles (note 5)	(18)	(6)	–	–	<b>(24)</b>
Financing fair value remeasurements (note 5)	–	–	–	4	<b>4</b>
<b>Profit before tax</b>	216	101	29	(3)	<b>343</b>
Tax expense (note 6)					<b>(81)</b>
<b>Profit for the financial period</b>					<b>262</b>

<sup>1</sup> Revenue arose principally from the provision of services.

<sup>2</sup> A reconciliation between the segmental result of Experian presented in note B to the interim financial statements of GUS plc and EBIT of Experian Group Limited as presented above is shown in note 16. Costs included within Central activities represent corporate head office costs which include costs arising from finance, treasury and other global functions.

# Experian Group Limited

## Unaudited notes to the combined financial information

for the six months ended 30 September 2006

### 3. Segmental information – geographical segments continued

Year ended 31 March 2006	Americas US\$m	UK & Ireland US\$m	EMEA/ Asia Pacific US\$m	Central activities US\$m	Total US\$m
<b>Revenue<sup>1</sup></b>	1,804	758	522	–	<b>3,084</b>
<b>Profit</b>					
EBIT <sup>2</sup>	479	215	64	(31)	<b>727</b>
Net interest expense	–	–	–	(12)	<b>(12)</b>
<b>Benchmark PBT</b>	479	215	64	(43)	<b>715</b>
Exceptional items (note 5)	–	–	–	(7)	<b>(7)</b>
Amortisation of acquisition intangibles (note 5)	(46)	(18)	(2)	–	<b>(66)</b>
Financing fair value remeasurements (note 5)	–	–	–	(2)	<b>(2)</b>
Tax expense on share of profit of associates	(2)	–	–	–	<b>(2)</b>
<b>Profit before tax</b>	431	197	62	(52)	<b>638</b>
Tax expense (note 6)					<b>(118)</b>
<b>Profit for the financial period</b>					<b>520</b>

1 Revenue arose principally from the provision of services.

2 A reconciliation between the segmental result of Experian presented in note B to the interim financial statements of GUS plc and EBIT of Experian Group Limited as presented above is shown in note 16. Costs included within Central activities represent corporate head office costs which include costs arising from finance, treasury and other global functions.

### 4. Segmental information – business segments

Six months ended 30 September 2006	Credit Services US\$m	Decision Analytics US\$m	Marketing Solutions US\$m	Interactive US\$m	Central activities US\$m	Total US\$m
<b>Revenue</b>	765	187	346	376	–	<b>1,674</b>
<b>Profit</b>						
EBIT	243	69	30	75	(21)	<b>396</b>
Net interest expense	–	–	–	–	(5)	<b>(5)</b>
<b>Benchmark PBT</b>	243	69	30	75	(26)	<b>391</b>
Exceptional items (note 5)	(28)	–	–	–	(110)	<b>(138)</b>
Amortisation of acquisition intangibles (note 5)	(9)	–	(13)	(15)	–	<b>(37)</b>
Financing fair value remeasurements (note 5)	–	–	–	–	(12)	<b>(12)</b>
Tax expense on share of profit of associates	(2)	–	–	–	–	<b>(2)</b>
<b>Profit before tax</b>	204	69	17	60	(148)	<b>202</b>
Tax expense (note 6)						<b>(50)</b>
<b>Profit for the financial period</b>						<b>152</b>

#### 4. Segmental information – business segments continued

Six months ended 30 September 2005	Credit Services US\$m	Decision Analytics US\$m	Marketing Solutions US\$m	Interactive US\$m	Central activities US\$m	Total US\$m
<b>Revenue</b>	745	158	292	277	–	<b>1,472</b>
<b>Profit</b>						
EBIT	240	52	22	56	(16)	<b>354</b>
Net interest income	–	–	–	–	9	<b>9</b>
<b>Benchmark PBT</b>	240	52	22	56	(7)	<b>363</b>
Amortisation of acquisition intangibles (note 5)	(10)	–	(7)	(7)	–	<b>(24)</b>
Financing fair value remeasurements (note 5)	–	–	–	–	4	<b>4</b>
<b>Profit before tax</b>	230	52	15	49	(3)	<b>343</b>
Tax expense (note 6)						<b>(81)</b>
<b>Profit for the financial period</b>						<b>262</b>

  

Year ended 31 March 2006	Credit Services US\$m	Decision Analytics US\$m	Marketing Solutions US\$m	Interactive US\$m	Central activities US\$m	Total US\$m
<b>Revenue</b>	1,504	325	627	628	–	<b>3,084</b>
<b>Profit</b>						
EBIT	477	102	57	122	(31)	<b>727</b>
Net interest expense	–	–	–	–	(12)	<b>(12)</b>
<b>Benchmark PBT</b>	477	102	57	122	(43)	<b>715</b>
Exceptional items (note 5)	–	–	–	–	(7)	<b>(7)</b>
Amortisation of acquisition intangibles (note 5)	(14)	–	(16)	(36)	–	<b>(66)</b>
Financing fair value remeasurements (note 5)	–	–	–	–	(2)	<b>(2)</b>
Tax expense on share of profit of associates	(2)	–	–	–	–	<b>(2)</b>
<b>Profit before tax</b>	461	102	41	86	(52)	<b>638</b>
Tax expense (note 6)						<b>(118)</b>
<b>Profit for the financial period</b>						<b>520</b>

# Experian Group Limited

## Unaudited notes to the combined financial information

for the six months ended 30 September 2006

### 5. Exceptional and other non-GAAP measures

	Six months to 30 September		Year to 31 March
	2006	2005	2006
	US\$m	US\$m	US\$m
<b>Exceptional items</b>			
Charge on early vesting of share awards at demerger of Home Retail Group and Experian	15	–	–
Other costs incurred relating to the demerger of Home Retail Group and Experian	108	–	7
Waiver of loan to Home Retail Group	(13)	–	–
Costs incurred in the closure of UK Account Processing	28	–	–
<b>Total exceptional items</b>	<b>138</b>	<b>–</b>	<b>7</b>
<b>Other non-GAAP measures</b>			
Amortisation of acquisition intangibles	37	24	66
Charge/(credit) in respect of financing fair value remeasurements	12	(4)	2
<b>Total other non-GAAP measures</b>	<b>49</b>	<b>20</b>	<b>68</b>

#### Exceptional items

Other costs incurred relating to the demerger of Home Retail Group and Experian comprise legal and professional fees in respect of the transaction, together with costs in connection with the cessation of the corporate functions of GUS plc. As part of the demerger process, a loan due to Home Retail Group of US\$13m was waived.

On 27 April 2006, Experian announced its phased withdrawal from large scale credit card and loan account processing in the UK. The full cost of withdrawal of US\$28m, all of which will be cash, has been charged in the six months ended 30 September 2006.

#### Other non-GAAP measures

IFRS requires that, on acquisition, specific intangible assets are identified and recognised separately from goodwill and then amortised over their useful economic lives. These include items such as brand names and customer lists, to which value is first attributed at the time of acquisition. As permitted by IFRS, acquisitions prior to 1 April 2004 have not been restated. Experian has excluded amortisation of these acquisition intangibles from its definition of Benchmark PBT because such a charge is based on uncertain judgments about their value and economic life.

An element of Experian's derivatives is ineligible for hedge accounting. Gains or losses on such elements arising from market movements are credited or charged within financing fair value remeasurements in the combined income statement.

### 6. Taxation

The effective rate of tax based on the profit before tax for the six months ended 30 September 2006 of US\$202m (2005: US\$343m) is 24.8% (2005: 23.6%). The effective rate of tax based on Benchmark PBT, defined as the total tax expense, adjusted for the tax impact of non-Benchmark items, divided by Benchmark PBT of US\$391m (2005: US\$363m), is 23.0% (2005: 22.7%).

The tax expense comprises:

	Six months to 30 September		Year to 31 March
	2006	2005	2006
	US\$m	US\$m	US\$m
UK taxation	15	48	50
Non-UK taxation	35	33	68
<b>Total tax expense</b>	<b>50</b>	<b>81</b>	<b>118</b>

## 7. Basic and diluted earnings per share

The calculation of basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of GUS plc Ordinary shares in issue during the period (excluding own shares held in treasury and in the ESOP trust, which are treated as cancelled).

The weighted average number of Ordinary shares in issue used in calculations has been adjusted to take account of issues, repurchases and cancellations of GUS plc Ordinary shares, including the effect of a share consolidation that took place in December 2005 following the Burberry dividend in specie.

The calculation of diluted earnings per share reflects the potential dilutive effect of employee share incentive schemes under the existing GUS plc arrangements and does not take account of the new arrangements put in place as part of the demerger of Home Retail Group and Experian, or the new issue of shares by Experian Group Limited.

	Six months to 30 September		Year to 31 March
	2006 cents	2005 cents	2006 cents
<b>Basic earnings per share</b>	<b>17.8</b>	30.8	61.2
Add back of exceptional and other non-GAAP measures, net of tax	<b>17.3</b>	2.2	6.8
<b>Benchmark earnings per share</b>	<b>35.1</b>	33.0	68.0
<b>Diluted earnings per share</b>	<b>17.6</b>	30.2	60.1
Add back of exceptional and other non-GAAP measures, net of tax	<b>17.2</b>	2.2	6.7
<b>Benchmark diluted earnings per share</b>	<b>34.8</b>	32.4	66.8

	Six months to 30 September		Year to 31 March
	2006 US\$m	2005 US\$m	2006 US\$m
<b>Earnings</b>	<b>152</b>	262	520
Add back of exceptional and other non-GAAP measures, net of tax	<b>148</b>	18	58
<b>Benchmark earnings</b>	<b>300</b>	280	578

	Six months to 30 September		Year to 31 March
	2006 m	2005 m	2006 m
<b>Number of shares in issue during the period</b>	<b>855.9</b>	848.4	849.8
Dilutive effect of share incentive awards	<b>8.3</b>	15.1	15.0
<b>Diluted number of shares in issue during the period</b>	<b>864.2</b>	863.5	864.8

## 8. Dividend

An interim dividend of 5.5 US cents per Experian Group Limited Ordinary share has been announced (but not provided) and will be paid on 2 February 2007 to shareholders on the register of members at the close of business on 5 January 2007. Unless shareholders elect to receive US Dollars by 5 January 2007, their dividends will be paid in Sterling at a rate per share calculated on the basis of the exchange rate from US Dollars to Sterling on 12 January 2007.

Pursuant to the Income Access Share arrangements put in place as part of the demerger, shareholders in Experian Group Limited are able to elect to receive their dividends from a UK source (the "IAS election"). Shareholders who held 50,000 or fewer shares on the demerger or new shareholders who have acquired shares since the demerger and have a total holding of less than 50,000 shares at the close of business on 5 January 2007, are deemed to have made an IAS election unless they elect otherwise in writing by 5 January 2007. Shareholders who hold more than 50,000 shares and who wish to receive their dividends from a UK source must make an IAS election in writing by 5 January 2007. All elections and deemed elections remain in force indefinitely unless revoked.

# Experian Group Limited

## Unaudited notes to the combined financial information

for the six months ended 30 September 2006

### 9. Analysis of net debt

	30 September		31 March
	2006 US\$m	2005 US\$m	2006 US\$m
Overdrafts net of cash and cash equivalents	(421)	(121)	(89)
Derivatives hedging loans and borrowings	5	89	79
Debt due within one year	(1,418)	(551)	(50)
Finance leases	(3)	(5)	(6)
Debt due after more than one year	(1,199)	(2,519)	(3,211)
<b>Net debt at the end of the financial period</b>	<b>(3,036)</b>	<b>(3,107)</b>	<b>(3,277)</b>

### 10. Reconciliation of movement in invested capital

	Six months to 30 September		Year to March
	2006 US\$m	2005 US\$m	2006 US\$m
Opening invested capital	600	(2)	(2)
Cumulative adjustment for the implementation of IAS 39*	–	8	8
Profit for the financial period	152	262	520
Equity dividends paid to GUS plc shareholders	(346)	(368)	(508)
Net dividends received from other GUS group companies	13	11	21
Net income recognised directly in equity for the financial period	32	33	–
Reduction in minority interests share of net assets	–	(2)	–
Net proceeds on disposal of other GUS group companies	–	255	415
Disposal/(purchase) of GUS plc shares	5	(60)	(29)
Employee share option schemes:			
– value of employee services	34	6	30
– proceeds from shares issued	54	29	52
Net (increase)/decrease in equity in other GUS group companies	(253)	38	93
<b>Closing invested capital</b>	<b>291</b>	<b>210</b>	<b>600</b>

\* IAS 39 was adopted on 1 April 2005.

### 11. Cash generated from operations

	Six months to 30 September		Year to 31 March
	2006 US\$m	2005 US\$m	2006 US\$m
<b>Cash flows from operating activities</b>			
Profit after tax	152	262	520
Adjustments for:			
Tax expense	50	81	118
Share of post-tax profits of associates	(28)	(40)	(66)
Net financing costs/(income)	17	(13)	14
Operating profit	191	290	586
Depreciation and amortisation	146	124	270
Credit in respect of share incentive schemes	34	6	30
Exceptional items included in working capital	90	–	7
Change in working capital	(64)	(66)	(19)
<b>Cash generated from operations</b>	<b>397</b>	<b>354</b>	<b>874</b>

## 12. Post-employment benefits

Following changes introduced by the Finance Act 2004 which took effect from 6 April 2006 (A-Day), the GUS Pension Scheme, being the principal defined benefit pension scheme operated by the Experian Companies, has implemented revised terms for members exchanging pension at retirement date for a tax-free lump sum. With less than six months of experience since A-Day, insufficient time has elapsed as at 30 September 2006 to reliably estimate the changes in the commutation behaviour of pension scheme members in the longer term. Accordingly, no effect of this change has been recognised in the Combined Financial Information.

## 13. Related parties

Experian companies made net sales and recharges, under normal commercial terms and conditions that would be available to third parties, to First American Real Estate Solutions LLC (an associated undertaking) of US\$15m in the six months ended 30 September 2006 (2005: US\$11m) and US\$21m in the year ended 31 March 2006. There were no other material transactions with related parties.

## 14. Post balance sheet events

On 10 October 2006, Experian Group Limited became the ultimate holding company of GUS plc and the separation of Home Retail Group and Experian by way of demerger was completed. Shares in GUS plc ceased to be listed as part of the demerger process. Trading in shares in Experian Group Limited on the London Stock Exchange's market for listed securities commenced on 11 October 2006. Experian Group Limited also raised US\$1,447m (£778m) by way of a share offer on that day.

## 15. Corporate information

Experian Group Limited is incorporated and registered in Jersey under the Jersey Companies Law as a public company limited by shares.

## 16. Reconciliation of segmental information – income statement

Reconciliations between the key information of the Experian segment presented in note B to the interim financial statements of GUS plc and the segmental information shown in note 3 are set out below.

		Six months to 30 September		Year to 31 March
	Notes	2006 m	2005 m	2006 m
a) Revenue				
Experian segment – total revenue	B	<b>£908</b>	£808	£1,725
Translated into US\$ at the average exchange rate	3	<b>\$1,674</b>	\$1,472	\$3,084
b) Segmental result to EBIT				
Experian segmental result	B	<b>£186</b>	£187	£380
Translated into US\$ at the average exchange rate		<b>\$343</b>	\$341	\$680
Exceptional item – Costs incurred in the closure of Experian UK Account Processing	5	<b>\$28</b>	–	–
Amortisation of acquisition intangibles	5	<b>\$37</b>	\$24	\$66
GUS central activities <sup>1</sup>		<b>\$(12)</b>	\$(11)	\$(19)
Total EBIT	3	<b>\$396</b>	\$354	\$727

<sup>1</sup> For the purposes of preparation of the Combined Financial Information an allocation has been made of the amounts of shared corporate head office costs between Experian Companies and Home Retail Group, based on estimated usage of the services.



# Experian Group Limited

## Unaudited notes to the combined financial information

for the six months ended 30 September 2006

### 17. Reconciliation from GUS plc to Experian Group Limited – balance sheet

A reconciliation between the consolidated balance sheet of GUS plc and its subsidiary undertaking (the “GUS Group”) and the combined balance sheet of the Experian Companies at 30 September 2006 is set out below.

	GUS Group (Note a) £m	Home Retail Group (Note b) £m	Adjustments (Note c) £m	Experian Companies £m	Experian Companies US\$m
<b>Assets</b>					
<b>Non-current assets</b>					
Goodwill	3,036	(1,879)	–	1,157	2,166
Other intangible assets	521	(83)	–	438	820
Property, plant and equipment	943	(686)	–	257	481
Investment in associates	128	(1)	–	127	238
Deferred tax assets	311	(109)	–	202	378
Retirement benefit assets	7	(22)	15	–	–
Trade and other receivables	30	(25)	–	5	9
Other financial assets	45	(13)	–	32	60
	5,021	(2,818)	15	2,218	4,152
<b>Current assets</b>					
Inventories	935	(933)	–	2	5
Trade and other receivables	913	(508)	15	420	784
Current tax assets	97	(7)	–	90	169
Other financial assets	9	–	–	9	18
Cash and cash equivalents	545	(264)	–	281	526
	2,499	(1,712)	15	802	1,502
<b>Total assets</b>	<b>7,520</b>	<b>(4,530)</b>	<b>30</b>	<b>3,020</b>	<b>5,654</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Trade and other payables	(60)	34	–	(26)	(49)
Loans and borrowings	(875)	229	–	(646)	(1,208)
Deferred tax liabilities	(201)	67	–	(134)	(251)
Retirement benefit obligations	–	–	(15)	(15)	(28)
Provisions	(16)	–	–	(16)	(30)
Other financial liabilities	(1)	–	–	(1)	(2)
	(1,153)	330	(15)	(838)	(1,568)
<b>Current liabilities</b>					
Trade and other payables	(1,605)	1,104	(15)	(516)	(965)
Loans and borrowings	(1,283)	–	–	(1,283)	(2,402)
Provisions	(93)	93	–	–	–
Other financial liabilities	(21)	10	–	(11)	(22)
Current tax liabilities	(262)	45	–	(217)	(406)
	(3,264)	1,252	(15)	(2,027)	(3,795)
<b>Total liabilities</b>	<b>(4,417)</b>	<b>1,582</b>	<b>(30)</b>	<b>(2,865)</b>	<b>(5,363)</b>
<b>Net assets</b>	<b>3,103</b>	<b>(2,948)</b>	<b>–</b>	<b>155</b>	<b>291</b>

Notes

a) As reported in the interim financial statements of GUS plc.

b) Following the demerger, financial information in respect of Home Retail Group is separately reported by that company. The information above has been extracted, without material adjustment, from Home Retail Group's interim Combined Financial Information for the six months ended 30 September 2006.

c) Adjustments comprise (i) the reclassification of certain inter-company receivables and payables between Home Retail Group and Experian Companies and (ii) the reclassification of pension balances.

## Part Two: Unaudited financial information for GUS plc

The following analysis refers to financial information in respect of GUS plc and its subsidiaries, including Home Retail Group and Experian.

### Financial review

Total GUS revenue from continuing operations was £3,722m in the six months to 30 September 2006, compared to £3,420m in the same period last year. Profit before tax was £176m in the period, compared to £269m last year. There was an exceptional charge of £91m in the six months to 30 September 2006 (2005: nil) in respect of costs relating to the demerger (£76m) and costs incurred by Experian in the closure of its UK account processing business (£15m).

### Home Retail Group

Home Retail Group's revenue in the six months to 30 September 2006 was £2,820m (2005: £2,618m). This comprised Argos revenue of £1,794m (2005: £1,609m), Homebase revenue of £979m (2005: £966m) and Financial Services revenue of £47m (2005: £43m). Home Retail Group's profit before tax was £117m (2005: £115m). Further details on the results of Home Retail Group can be found within its interim announcement, issued on 21 November 2006.

### Experian

Experian's revenue in the six months to 30 September 2006 was £902m (2005: £802m). Experian's profit before tax was £185m (2005: £187m) with the profit before tax for the six months to 30 September 2006 stated after their exceptional charge of £15m. Further information on Experian's results is detailed in Part One of these financial results.

### Demerger

On 10 October 2006, Experian Group Limited became the ultimate holding company of GUS plc and the separation of Home Retail Group and Experian by way of demerger was completed. Shares in GUS plc ceased to be listed as part of the demerger process. Trading in shares in Home Retail Group plc and Experian Group Limited on the London Stock Exchange's market for listed securities commenced on 11 October 2006. Experian Group Limited also raised US\$1,447m (£778m) by way of a share offer on that day.

# GUS plc

## Unaudited group income statement

for the six months ended 30 September 2006

		Six months to 30 September 2006	2005 (Restated) (Note A) £m	Year to 31 March 2006 (Restated) (Note A) £m
	Notes	£m		
Continuing operations:				
<b>Revenue</b>	B	<b>3,722</b>	3,420	7,262
Cost of sales		<b>(2,288)</b>	(2,100)	(4,529)
<b>Gross profit</b>		<b>1,434</b>	1,320	2,733
Net operating expenses	C	<b>(1,240)</b>	(1,056)	(2,079)
<b>Operating profit</b>		<b>194</b>	264	654
Interest income		<b>45</b>	53	98
Interest expense		<b>(71)</b>	(69)	(137)
Financing fair value remeasurements		<b>(7)</b>	(1)	(3)
Net financing costs		<b>(33)</b>	(17)	(42)
Share of post-tax profits of associates		<b>15</b>	22	37
<b>Profit before tax</b>	B	<b>176</b>	269	649
Group tax expense	D	<b>(52)</b>	(74)	(165)
<b>Profit after tax and for the financial period from continuing operations</b>		<b>124</b>	195	484
Discontinued operations:				
(Loss)/profit for the financial period from discontinued operations	F	<b>(8)</b>	102	111
<b>Profit after tax and for the financial period</b>		<b>116</b>	297	595
<b>Attributable to:</b>				
Equity shareholders in GUS plc		<b>116</b>	276	569
Minority interests		<b>–</b>	21	26
<b>Profit after tax and for the financial period</b>		<b>116</b>	297	595
<b>Dividend for the period</b>	H	<b>–</b>	82	284
<b>Earnings per share</b>	G			
– Basic		<b>13.6p</b>	28.0p	60.2p
– Diluted		<b>13.4p</b>	27.6p	59.2p
<b>Dividend per GUS plc Ordinary share (declared and proposed)</b>	H	<b>–</b>	9.6p	31.5p

# GUS plc

## Unaudited group balance sheet

at 30 September 2006

	30 September 2006	2005 (Restated) (Note A)	31 March 2006
	£m	£m	£m
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	3,036	2,822	3,068
Other intangible assets	521	429	532
Property, plant and equipment	943	1,093	959
Investment in associates	128	127	129
Deferred tax assets	311	337	314
Retirement benefit assets	7	–	18
Trade and other receivables	30	86	51
Other financial assets	45	61	91
	5,021	4,955	5,162
<b>Current assets</b>			
Inventories	935	1,015	883
Trade and other receivables	913	1,130	1,051
Current tax assets	97	74	119
Other financial assets	9	25	6
Cash and cash equivalents	545	309	221
	2,499	2,553	2,280
Assets of discontinued operations classified as held for sale	–	281	–
<b>Total assets</b>	<b>7,520</b>	<b>7,789</b>	<b>7,442</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Trade and other payables	(60)	(138)	(83)
Loans and borrowings	(875)	(1,653)	(2,067)
Deferred tax liabilities	(201)	(172)	(201)
Retirement benefit obligations	–	(102)	–
Provisions	(16)	–	–
Other financial liabilities	(1)	(1)	(8)
	(1,153)	(2,066)	(2,359)
<b>Current liabilities</b>			
Trade and other payables	(1,605)	(1,552)	(1,391)
Loans and borrowings	(1,283)	(455)	(174)
Provisions	(93)	(87)	(89)
Other financial liabilities	(21)	(21)	(21)
Current tax liabilities	(262)	(247)	(276)
	(3,264)	(2,362)	(1,951)
Liabilities of discontinued operations classified as held for sale	–	(59)	–
<b>Total liabilities</b>	<b>(4,417)</b>	<b>(4,487)</b>	<b>(4,310)</b>
<b>Net assets</b>	<b>3,103</b>	<b>3,302</b>	<b>3,132</b>
<b>Shareholders' equity</b>			
Share capital	255	255	256
Share premium	125	84	97
Other reserves	(189)	(263)	(240)
Retained earnings	2,911	3,059	3,018
Total shareholders' equity	3,102	3,135	3,131
Minority interests in equity	1	167	1
<b>Total equity</b>	<b>3,103</b>	<b>3,302</b>	<b>3,132</b>

# GUS plc

## Unaudited group statement of recognised income and expense

for the six months ended 30 September 2006

	Six months to 30 September 2006	2005 (Restated) (Note A)	Year to 31 March 2006
	£m	£m	£m
<b>Net (expense)/income recognised directly in equity</b>			
Cash flow hedges	(5)	4	(2)
Net investment hedge	55	5	(9)
Fair value (losses)/gains in the period	(1)	(3)	2
Actuarial (losses)/gains in respect of defined benefit pension schemes	(14)	(8)	7
Currency translation differences	(42)	2	14
Recycled cumulative exchange loss in respect of divestments	–	3	3
Tax (charge)/credit in respect of items taken directly to equity	(9)	1	5
<b>Net (expense)/income recognised directly in equity</b>	<b>(16)</b>	<b>4</b>	<b>20</b>
Profit for the financial period	116	297	595
<b>Total income recognised in the period</b>	<b>100</b>	<b>301</b>	<b>615</b>
<b>Total income recognised in the period attributable to:</b>			
Equity shareholders in GUS plc	100	280	586
Minority interests	–	21	29
<b>Total income recognised in the period</b>	<b>100</b>	<b>301</b>	<b>615</b>
<b>Cumulative adjustment for the implementation of IAS 39*</b>			
Attributable to equity shareholders in GUS plc	–	10	10
Attributable to minority interests	–	2	2
<b>Total</b>	<b>–</b>	<b>12</b>	<b>12</b>

\* IAS 39 was adopted on 1 April 2005.

# GUS plc

## Unaudited group cash flow statement

for the six months ended 30 September 2006

	Six months to 30 September 2006	2005 (Restated) (Note A)	Year to 31 March 2006 (Restated) (Note A)
	£m	£m	£m
Continuing operations:			
<b>Cash generated from operations (note K)</b>	<b>592</b>	464	923
Interest paid	(37)	(22)	(63)
Interest received	13	10	30
Dividends received from associates	12	17	27
Tax paid	(63)	(36)	(108)
<b>Net cash inflow from operating activities</b>	<b>517</b>	433	809
Continuing operations:			
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	(85)	(153)	(261)
Sale of property, plant and equipment	2	2	6
Purchase of intangible assets	(70)	(46)	(112)
Sale of intangible assets	–	1	2
Purchase of other financial assets and investment in associates	(4)	(7)	(28)
Acquisition of subsidiaries, net of cash acquired	(43)	(384)	(819)
Disposal of subsidiaries	140	127	360
<b>Net cash flows used in investing activities</b>	<b>(60)</b>	(460)	(852)
Continuing operations:			
<b>Cash flows from financing activities</b>			
Purchase of treasury and ESOP shares	–	(33)	(36)
Issue of Ordinary shares	29	16	29
Sale of own shares	3	–	20
New borrowings	348	237	340
Repayment of borrowings	(770)	–	(35)
Capital element of finance lease rental payments	(2)	(2)	(3)
Net receipts from derivatives held to manage currency profile	29	–	14
Equity dividends paid	(188)	(202)	(284)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(551)</b>	16	45
Exchange and other movements	53	(3)	(8)
<b>Net decrease in cash and cash equivalents – continuing operations</b>	<b>(41)</b>	(14)	(6)
<b>Net decrease in cash and cash equivalents – discontinued operations</b>	<b>–</b>	(74)	(173)
<b>Net decrease in cash and cash equivalents</b>	<b>(41)</b>	(88)	(179)
<b>Movement in cash and cash equivalents from continuing operations</b>			
Cash and cash equivalents at 1 April – continuing operations	80	84	84
Net decrease in cash and cash equivalents	(41)	(14)	(6)
Exchange and other movements	–	–	2
<b>Cash and cash equivalents at the end of the financial period – continuing operations</b>	<b>39</b>	70	80

### Non-GAAP measures

#### Reconciliation of net decrease in cash and cash equivalents to movement in net debt

	Six months to 30 September 2006	2005	Year to 31 March 2006
	£m	£m	£m
Net debt at 1 April – as reported	(1,974)	(1,427)	(1,427)
Cash and cash equivalents at 1 April – discontinued operations	–	(173)	(173)
Other financial assets at 1 April – discontinued operations	–	(31)	(31)
Net debt at 1 April – continuing operations	(1,974)	(1,631)	(1,631)
Net decrease in cash and cash equivalents	(41)	(14)	(6)
Decrease/(increase) in debt	424	(235)	(302)
Exchange and other movements	12	11	(35)
<b>Net debt at the end of the financial period (note I)</b>	<b>(1,579)</b>	(1,869)	(1,974)

# GUS plc

## Unaudited notes to the interim financial statements

for the six months ended 30 September 2006

### A. Basis of preparation

The interim financial statements of GUS plc and its subsidiary undertakings (the "GUS Group") have been prepared in accordance with the Listing Rules of the Financial Services Authority. There have been no new International Financial Reporting Standards ("IFRS") adopted since 1 April 2006 and accordingly the information has been prepared on a consistent basis with that reported for the year ended 31 March 2006. The GUS Group has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing its 30 September 2006 interim financial statements and, accordingly, these interim financial statements are not in compliance with IFRS.

The GUS Group interim financial statements comprise the results for the six months ended 30 September 2006 and 30 September 2005 and the year ended 31 March 2006. The results for the six months ended 30 September 2005 have been extracted from the GUS Group's interim report for that period, and have been adjusted to reflect the reclassification of Burberry as a discontinued operation. This change was also reflected in the GUS Group's financial statements for the year ended 31 March 2006. In addition, as also indicated therein, some further adjustments were made as a result of clearer IFRS interpretation becoming available. The comparative figures for the six months ended 30 September 2005 have been restated accordingly and the effect of these changes is shown below.

### GUS Group income statement

	Notes	Six months ended 30 September 2005		
		Operating profit £m	Profit before tax £m	Profit for the financial period £m
<b>As reported on 17 November 2005</b>		341	348	298
Further adjustments:				
Reclassification of Burberry (note F)		(76)	(78)	–
Adjustment for depreciation on store impairment charges	(i)	4	4	4
Adjustment for further amortisation of acquisition intangibles	(ii)	(4)	(4)	(4)
Adjustment for guaranteed rental uplifts	(iii)	(1)	(1)	(1)
<b>As restated</b>		264	269	297

### GUS Group balance sheet

	Notes	Net assets 30 September 2005 £m
<b>As reported on 17 November 2005</b>		3,376
Further adjustments:		
Adjustment for store impairment charges, net of depreciation	(i)	(20)
Adjustment for onerous leases	(i)	(14)
Adjustment for amortisation of acquisition intangibles	(ii)	(12)
Adjustment for guaranteed rental uplifts	(iii)	(2)
Adjustment for recognition of taxation liabilities	(iv)	(26)
<b>As restated</b>		3,302

Notes:

- (i) Store impairment charges and onerous leases. It had been the policy of Home Retail Group to use a geographic clustering approach when looking at whether store assets should be impaired, but emerging practice required impairment reviews to be performed on a store by store basis. As a result of this change, there was an impairment charge at Homebase of £36m, relating to the balance sheet at 31 March 2004 on transition to IFRS. There was no impairment charge in the year ended 31 March 2005. The Homebase store impairment charge has been determined on a store by store basis by comparing the carrying value of property, plant and equipment with the net present value of their future cash flows. The store impairment charge also triggered the recognition of an onerous lease provision of £14m at 31 March 2005.
- (ii) £8m of acquisition intangibles have been reclassified from goodwill and these intangibles are now amortised with £4m charged to the income statement.
- (iii) The results for the year ended 31 March 2005 were also adjusted as a result of clearer guidance on the accounting treatment of 'guaranteed rental uplifts' payable on certain leased premises. Such uplifts are now recognised on a straight line basis over the length of the lease. The effect was to reduce the retained earnings reserve and net assets by £2m at 30 September 2005. There was a £1m charge to the income statement for the six months ended 30 September 2005.
- (iv) The tax adjustments relate to the recognition of taxation liabilities on earlier acquisitions.



## A. Basis of preparation continued

In the financial statements for the year ended 31 March 2006, the GUS Group separately reported provisions which comprised certain liabilities of Home Retail Group. These are also separately reported at 30 September 2006 with the comparative figures at 30 September 2005 restated accordingly. As a consequence, trade and other payables of £87m, which were reported within current liabilities at 30 September 2005, are now reported separately as provisions.

Comparative figures for the six months ended 30 September 2005 and the year ended 31 March 2006 have also been restated to be consistent with the treatment adopted in preparing the historical financial information for the GUS demerger circular. There has been a reallocation of costs between cost of sales and operating expenses to reflect the policies adopted therein. In addition the classification of derivatives in the balance sheet at 30 September 2005 and in the cash flow statements for the six months ended 30 September 2005 and the year ended 31 March 2006 has been revised.

The results for the year ended 31 March 2006 have been extracted from the GUS Group's statutory financial statements for that year. Those financial statements incorporated the results of GUS plc and its subsidiary undertakings for the financial year ended 31 March 2006 with the exception of Homebase where the GUS Group included its results for the financial year to the end of February. This was done to facilitate comparability to avoid distortions related to the timing of Easter. The financial information shown for the year ended 31 March 2006 does not constitute full financial statements within the meaning of section 240 of the Companies Act 1985. The full financial statements for that year have been reported on by the GUS Group's auditors and delivered to the Registrar of Companies. The audit report was unqualified and did not contain a statement under section 237(2) or section 237(3) of the Companies Act 1985.

In October 2006, Experian Group Limited became the ultimate holding company of GUS plc and the separation of Home Retail Group and Experian by way of demerger was completed. Accordingly, in the Annual Report and Financial Statements of Experian Group Limited for the year ending 31 March 2007, Home Retail Group will be reported as a discontinued operation. Home Retail Group has been treated as a continuing operation for the six months ended 30 September 2006.

The preparation of interim financial statements requires management to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the interim financial statements, deviate from actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

The GUS Group interim financial statements are unaudited but have been reviewed by the auditors. Their report is set out on page 44.

# GUS plc

## Unaudited notes to the interim financial statements

for the six months ended 30 September 2006

### B. Segmental information (primary segments)

#### Six months ended 30 September 2006

	Continuing operations								Total Group £m
	Argos £m	Homebase £m	Financial Services £m	Home Retail Group Total £m	Experian £m	Central activities £m	Total continuing £m	Discontinued operations £m	
<b>Revenue</b>									
Total revenue	1,794	979	47	<b>2,820</b>	<b>908</b>	–	<b>3,728</b>	–	<b>3,728</b>
Inter-segment revenue <sup>1</sup>	–	–	–	–	<b>(6)</b>	–	<b>(6)</b>	–	<b>(6)</b>
<b>Revenue from external customers</b>	<b>1,794</b>	<b>979</b>	<b>47</b>	<b>2,820</b>	<b>902</b>	–	<b>3,722</b>	–	<b>3,722</b>
<b>Profit</b>									
<b>Operating profit</b>	72	41	4	<b>117</b>	<b>170</b>	<b>(93)</b>	<b>194</b>	–	<b>194</b>
Group share of associates' profit before tax	–	–	–	–	<b>16</b>	–	<b>16</b>	–	<b>16</b>
<b>Segmental result</b>	<b>72</b>	<b>41</b>	<b>4</b>	<b>117</b>	<b>186</b>	<b>(93)</b>	<b>210</b>	–	<b>210</b>
Net interest	–	–	–	–	–	<b>(26)</b>	<b>(26)</b>	–	<b>(26)</b>
Financing fair value remeasurements	–	–	–	–	–	<b>(7)</b>	<b>(7)</b>	–	<b>(7)</b>
Tax expense on share of profit of associates	–	–	–	–	<b>(1)</b>	–	<b>(1)</b>	–	<b>(1)</b>
<b>Profit before tax</b>	<b>72</b>	<b>41</b>	<b>4</b>	<b>117</b>	<b>185</b>	<b>(126)</b>	<b>176</b>	–	<b>176</b>
Group tax expense							<b>(52)</b>	<b>(8)</b>	<b>(60)</b>
<b>Profit for the financial period</b>							<b>124</b>	<b>(8)</b>	<b>116</b>

#### Six months ended 30 September 2005

	Continuing operations								Total Group £m
	Argos £m	Homebase £m	Financial Services £m	Home Retail Group Total £m	Experian £m	Central activities £m	Total continuing £m	Discontinued operations £m	
<b>Revenue</b>									
Total revenue	1,609	966	43	<b>2,618</b>	<b>808</b>	–	<b>3,426</b>	<b>486</b>	<b>3,912</b>
Inter-segment revenue <sup>1</sup>	–	–	–	–	<b>(6)</b>	–	<b>(6)</b>	–	<b>(6)</b>
<b>Revenue from external customers</b>	<b>1,609</b>	<b>966</b>	<b>43</b>	<b>2,618</b>	<b>802</b>	–	<b>3,420</b>	<b>486</b>	<b>3,906</b>
<b>Profit</b>									
<b>Operating profit</b>	59	52	4	<b>115</b>	<b>165</b>	<b>(16)</b>	<b>264</b>	<b>130</b>	<b>394</b>
Group share of associates' profit before tax	–	–	–	–	<b>22</b>	–	<b>22</b>	–	<b>22</b>
<b>Segmental result</b>	<b>59</b>	<b>52</b>	<b>4</b>	<b>115</b>	<b>187</b>	<b>(16)</b>	<b>286</b>	<b>130</b>	<b>416</b>
Net interest	–	–	–	–	–	<b>(16)</b>	<b>(16)</b>	<b>2</b>	<b>(14)</b>
Financing fair value remeasurements	–	–	–	–	–	<b>(1)</b>	<b>(1)</b>	–	<b>(1)</b>
<b>Profit before tax</b>	<b>59</b>	<b>52</b>	<b>4</b>	<b>115</b>	<b>187</b>	<b>(33)</b>	<b>269</b>	<b>132</b>	<b>401</b>
Group tax expense							<b>(74)</b>	<b>(30)</b>	<b>(104)</b>
<b>Profit for the financial period</b>							<b>195</b>	<b>102</b>	<b>297</b>

<sup>1</sup> Inter-segment revenue represents the provision of services between Experian and Financial Services.

As indicated in note A, the segmental information for the six months ended 30 September 2005 has been restated. Discontinued operations comprise the businesses Burberry, Lewis and Wehkamp which were all individual segments. Additional information on these segments is shown in note F.

## B. Segmental information (primary segments) continued

Year ended 31 March 2006

	Continuing operations							Discontinued operations £m	Total Group £m
	Argos £m	Homebase <sup>2</sup> £m	Financial Services £m	Home Retail Group Total £m	Experian £m	Central activities £m	Total continuing £m		
<b>Revenue</b>									
Total revenue	3,893	1,562	93	<b>5,548</b>	<b>1,725</b>	–	<b>7,273</b>	<b>653</b>	<b>7,926</b>
Inter-segment revenue <sup>1</sup>	–	–	–	–	<b>(11)</b>	–	<b>(11)</b>	–	<b>(11)</b>
<b>Revenue from external customers</b>	<b>3,893</b>	<b>1,562</b>	<b>93</b>	<b>5,548</b>	<b>1,714</b>	<b>–</b>	<b>7,262</b>	<b>653</b>	<b>7,915</b>
<b>Profit</b>									
<b>Operating profit</b>	296	39	6	<b>341</b>	<b>342</b>	<b>(29)</b>	<b>654</b>	<b>141</b>	<b>795</b>
Group share of associates' profit before tax	–	–	–	–	<b>38</b>	–	<b>38</b>	–	<b>38</b>
<b>Segmental result</b>	<b>296</b>	<b>39</b>	<b>6</b>	<b>341</b>	<b>380</b>	<b>(29)</b>	<b>692</b>	<b>141</b>	<b>833</b>
Net interest	–	–	–	–	–	<b>(39)</b>	<b>(39)</b>	<b>3</b>	<b>(36)</b>
Financing fair value remeasurements	–	–	–	–	–	<b>(3)</b>	<b>(3)</b>	–	<b>(3)</b>
Tax expense on share of profit of associates	–	–	–	–	<b>(1)</b>	–	<b>(1)</b>	–	<b>(1)</b>
<b>Profit before tax</b>	<b>296</b>	<b>39</b>	<b>6</b>	<b>341</b>	<b>379</b>	<b>(71)</b>	<b>649</b>	<b>144</b>	<b>793</b>
Group tax expense							<b>(165)</b>	<b>(33)</b>	<b>(198)</b>
<b>Profit for the financial period</b>							<b>484</b>	<b>111</b>	<b>595</b>

1 Inter-segment revenue represents the provision of services between Experian and Financial Services.

2 The Homebase results are for the year ended 28 February 2006.

Discontinued operations comprise the businesses Burberry, Lewis and Wehkamp which were all individual segments. Additional information on these segments is shown in note F.

# GUS plc

## Unaudited notes to the interim financial statements

for the six months ended 30 September 2006

### C. Exceptional items

	Six months to 30 September		Year to 31 March
	2006	2005	2006
	£m	£m	£m
Charge on early vesting of share awards at demerger of Home Retail Group and Experian	13	–	–
Other costs incurred relating to the demerger of Home Retail Group and Experian	63	–	4
Costs incurred in the closure of UK Account Processing	15	–	–
<b>Total exceptional items</b>	<b>91</b>	<b>–</b>	<b>4</b>

Other costs incurred relating to the demerger of Home Retail Group and Experian comprise legal and professional fees in respect of the transaction, together with costs in connection with the cessation of the corporate functions of GUS plc.

On 27 April 2006, Experian announced its phased withdrawal from large scale credit card and loan account processing in the UK. The full cost of withdrawal of £15m, all of which is cash, has been charged in the six months ended 30 September 2006.

### D. Taxation

The effective rate of tax based on the profit before tax for the six months ended 30 September 2006 of £176m (2005: £269m) is 29.5% (2005: 27.5%).

The tax expense comprises:

	Six months to 30 September		Year to 31 March
	2006	2005	2006
	£m	£m	£m
UK taxation	32	56	126
Non-UK taxation	20	18	39
<b>Total tax expense</b>	<b>52</b>	<b>74</b>	<b>165</b>

### E. Foreign currency

The principal exchange rates used were as follows:

	Average			Closing		
	Six months to 30 September		Year to 31 March	30 September		31 March
	2006	2005	2006	2006	2005	2006
US Dollar	1.84	1.82	1.79	1.87	1.76	1.74
Euro	1.46	1.47	1.46	1.48	1.47	1.44

Assets and liabilities of overseas undertakings are translated into Sterling at the rates of exchange ruling at the balance sheet date and the income statement is translated into Sterling at average rates of exchange.

## F. Discontinued operations

(i) The results for discontinued operations were as follows:

	Six months to 30 September		Year to 31 March
	2006	2005	2006
	£m	£m	£m
Revenue:			
Burberry	–	355	472
Wehkamp	–	111	161
Lewis Group	–	20	20
Total revenue	–	486	653
EBIT:			
Burberry	–	76	94
Wehkamp	–	13	20
Lewis Group	–	5	5
Total EBIT	–	94	119
Net interest income	–	2	3
Profit before tax of discontinued operations	–	96	122
Tax charge in respect of pre-tax profit	–	(30)	(33)
Profit after tax of discontinued operations	–	66	89
Gains/(losses) on disposal of discontinued operations:			
Gain on Burberry shares	–	–	10
Costs incurred relating to the demerger of Burberry	–	–	(5)
Loss on disposal of Wehkamp	–	–	(19)
Profit on disposal of Lewis Group	–	36	36
Gains on disposals	–	36	22
Tax charge in respect of disposals	(8)	–	–
(Loss)/profit after tax on disposals	(8)	36	22
<b>(Loss)/profit for the financial period from discontinued operations</b>	<b>(8)</b>	<b>102</b>	<b>111</b>

In the six months ended 30 September 2006, there was a tax charge in respect of taxation assets no longer recoverable following earlier disposals. In addition the GUS Group received the deferred consideration in respect of the disposal of the home shopping and Reality businesses of £140m.

On 19 May 2005, the GUS Group announced the sale of its remaining 50% interest in Lewis Group Limited and on 13 December 2005 divested its remaining 65% interest in Burberry Group plc. On 19 January 2006, the GUS Group sold Wehkamp, the leading home shopping brand in the Netherlands. As a result, these operations have been reclassified as discontinued.

(ii) The cash flows attributable to discontinued operations comprise:

	Six months to 30 September		Year to 31 March
	2006	2005	2006
	£m	£m	£m
From operating activities	–	(32)	(43)
From investing activities	–	(38)	(122)
From financing activities	–	(7)	(8)
Exchange and other movements	–	3	–
<b>Net decrease in cash and cash equivalents in discontinued operations</b>	<b>–</b>	<b>(74)</b>	<b>(173)</b>

# GUS plc

## Unaudited notes to the interim financial statements

for the six months ended 30 September 2006

### G. Basic and diluted earnings per share

The calculation of basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders of GUS plc by the weighted average number of Ordinary shares in issue during the period (excluding own shares held in treasury and in the ESOP trust, which are treated as cancelled).

The calculation of diluted earnings per share reflects the potential dilutive effect of employee share incentive schemes. The earnings figures used in the calculations are unchanged for diluted earnings per share.

During the prior year the GUS Group demerged its remaining interest in Burberry. This was followed by a share consolidation which reduced the number of GUS plc Ordinary shares in issue to 849m. As a result of the share consolidation the earnings per share numbers are comparable.

	Six months to 30 September		Year to 31 March
	2006 pence	2005 pence	2006 pence
Basic earnings per share:			
<b>Continuing operations</b>	<b>14.5</b>	19.8	51.2
Discontinued operations	<b>(0.9)</b>	8.2	9.0
<b>Continuing and discontinued operations</b>	<b>13.6</b>	28.0	60.2
Diluted earnings per share:			
<b>Continuing operations</b>	<b>14.3</b>	19.5	50.4
Discontinued operations	<b>(0.9)</b>	8.1	8.8
<b>Continuing and discontinued operations</b>	<b>13.4</b>	27.6	59.2

  

	Six months to 30 September		Year to 31 March
	2006 £m	2005 £m	2006 £m
Earnings:			
<b>Continuing operations</b>	<b>124</b>	195	484
Discontinued operations	<b>(8)</b>	81	85
<b>Continuing and discontinued operations</b>	<b>116</b>	276	569

  

	Six months to 30 September		Year to 31 March
	2006 m	2005 m	2006 m
Number of shares in issue:			
<b>Number of shares in issue during the period</b>	<b>855.9</b>	986.5	946.7
Dilutive effect of share incentive awards	<b>8.3</b>	15.1	15.0
<b>Diluted number of shares in issue during the period</b>	<b>864.2</b>	1,001.6	961.7

## H. Dividends

	Six months to 30 September				Year to 31 March	
	2006 pence per share	2006 £m	2005 pence per share	2005 £m	2006 pence per share	2006 £m
Amounts recognised as distributions to equity holders during the period:						
Interim	–	–	–	–	9.6	82
Final	21.9	188	20.5	202	20.5	202
<b>Ordinary dividends paid on equity shares</b>	<b>21.9</b>	<b>188</b>	20.5	202	30.1	284

These dividends have been recognised and paid as dividends to GUS plc shareholders. No dividend has been declared in respect of the six months ended 30 September 2006.

## I. Analysis of net debt

	30 September		31 March
	2006 £m	2005 £m	2006 £m
Cash and cash equivalents (net of overdrafts)	39	171	80
Derivatives hedging loans and borrowings	4	31	46
Debt due within one year	(757)	(312)	(29)
Finance leases	(2)	(5)	(5)
Debt due after more than one year	(863)	(1,653)	(2,066)
<b>Net debt at the end of the financial period</b>	<b>(1,579)</b>	(1,768)	(1,974)
Continuing operations	(1,579)	(1,869)	(1,974)
Discontinued operations	–	101	–
<b>Net debt at the end of the financial period</b>	<b>(1,579)</b>	(1,768)	(1,974)

Net debt is a non-GAAP measure and is calculated as total debt less cash and cash equivalents. Total debt includes loans and borrowings (and the fair value of derivatives hedging loans and borrowings), overdrafts and obligations under finance leases. Interest payable on borrowings is excluded from net debt.

# GUS plc

## Unaudited notes to the interim financial statements

for the six months ended 30 September 2006

### J. Reconciliation of movements in equity

	Six months to 30 September 2006	2005 (Restated) (Note A)	Year to 31 March 2006
	£m	£m	£m
Total equity at 1 April	3,132	3,311	3,311
Cumulative adjustment for the implementation of IAS 39*	–	12	12
Balance at 1 April, as restated	3,132	3,323	3,323
Profit for the financial period	116	297	595
Net (loss)/income recognised directly in equity for the financial period	(16)	4	20
Employee share option schemes:			
– value of employee services	27	12	35
– proceeds from shares issued	29	16	30
Decrease in minority interests arising due to corporate transactions	–	(108)	(277)
Disposal/(purchase) of ESOP shares	3	(33)	(16)
Equity dividends paid during the period (note H)	(188)	(202)	(284)
Dividend in specie relating to the demerger of Burberry Group plc	–	–	(287)
Dividends paid to minority shareholders	–	(7)	(7)
<b>Total equity at the end of the financial period</b>	<b>3,103</b>	<b>3,302</b>	<b>3,132</b>

\* IAS 39 was adopted on 1 April 2005.

### K. Cash generated from operations

	Six months to 30 September 2006	2005 (Restated) (Note A)	Year to 31 March 2006 (Restated) (Note A)
	£m	£m	£m
<b>Cash flows from operating activities</b>			
Profit after tax	124	195	484
Adjustments for:			
Group tax expense	52	74	165
Share of post-tax profits of associates	(15)	(22)	(37)
Net financing costs	33	17	42
Operating profit	194	264	654
Depreciation and amortisation	156	137	295
Gain on disposal of fixed assets and non-cash charges	–	1	–
Credit in respect of share incentive schemes	26	12	30
Exceptional items included in working capital	49	–	4
Change in working capital	167	50	(60)
<b>Cash generated from operations</b>	<b>592</b>	<b>464</b>	<b>923</b>



## **L. Post-employment benefits**

Following changes introduced by the Finance Act 2004 which took effect from 6 April 2006 (A-Day), the principal defined benefit pension schemes operated by the GUS Group (the GUS Pension Scheme and the Argos Pension Scheme) have implemented revised terms for members exchanging pension at retirement date for a tax-free lump sum. With less than six months of experience since A-Day, insufficient time has elapsed as at 30 September 2006 to reliably estimate the changes in the commutation behaviour of pension scheme members in the longer term. Accordingly, no effect of this change has been recognised in the interim financial statements.

## **M. Related parties**

Experian companies made net sales and recharges, under normal commercial terms and conditions that would be available to third parties, to First American Real Estate Solutions LLC (an associated undertaking) of £8m in the six months ended 30 September 2006 (2005: £6m) and £12m in the year ended 31 March 2006. There were no other material transactions with related parties.

## **N. Post balance sheet events**

On 10 October 2006, Experian Group Limited became the ultimate holding company of GUS plc and the separation of Home Retail Group and Experian by way of demerger was completed. Shares in GUS plc ceased to be listed as part of the demerger process. Trading in shares in Experian Group Limited on the London Stock Exchange's market for listed securities commenced on 11 October 2006. Experian Group Limited also raised US\$1,447m (£778m) by way of a share offer on that day.

## **O. Corporate information**

GUS plc is a public limited company incorporated and domiciled in England and during the period under review was listed on the London Stock Exchange.

## **P. Corporate website**

The maintenance and integrity of the website on which this report is published, [www.experiangroup.com](http://www.experiangroup.com), is the responsibility of the directors. The work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

# GUS plc

## Independent review report to GUS plc

### Introduction

We have been instructed by the Company to review the financial information for the six months ended 30 September 2006 which comprises the group interim balance sheet as at 30 September 2006 and the related group interim statements of income, cash flows and recognised income and expenses for the six months then ended and related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

### Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The Listing Rules of the Financial Services Authority require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

This interim report has been prepared in accordance with the basis set out in note A.

### Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the disclosed accounting policies have been applied. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance. Accordingly we do not express an audit opinion on the financial information. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the Listing Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 September 2006.

PricewaterhouseCoopers LLP  
London  
21 November 2006

## Shareholder information

### Registrar

Enquiries concerning holdings of the Company's shares and notification of the holder's change of address should be referred to Experian's Registrar, Lloyds TSB (Jersey) Services Limited, PO Box 63, 7 Bond Street, St Helier, Jersey, JE4 8PH. Telephone: 0845 601 0810 (or +44 121 415 7586 from outside the UK). A text phone facility for those with hearing difficulties is also available by telephoning 0870 600 3950 (or +44 121 415 7028 from outside the UK).

### Electronic communications

Shareholders can arrange to receive future Experian annual and interim reports electronically and to submit voting instructions on line at shareholder meetings by registering for Shareview through the Company's website, [www.experiangroup.com](http://www.experiangroup.com). You will need to select shareholder information and then e-communication from the menu. Alternatively, you can enter the page direct using the following address, [www.experiangroup.com/corporate/shareinfo/ecomunication/](http://www.experiangroup.com/corporate/shareinfo/ecomunication/). The Shareview service gives you access to a comprehensive range of shareholder information, including dividend payment details.

### Experian corporate website

A full range of investor relations information on Experian is available at [www.experiangroup.com](http://www.experiangroup.com).

### Share price information

The latest Experian share price is available on the share price information section of the Experian corporate website, [www.experiangroup.com](http://www.experiangroup.com), as well as through other information sources.

### Share dealing facility

Existing or potential UK resident investors can buy or sell Experian shares using Internet and telephone share dealing services from Lloyds TSB Registrars Share Dealing by logging on to [www.shareview.co.uk/dealing](http://www.shareview.co.uk/dealing) or calling 0870 850 0852 between 8.00am and 4.30pm (UK time) on weekdays.

### Financial calendar

Interim dividend record date	5 January 2007
Third quarter trading update	10 January 2007
Interim dividend payment date	2 February 2007
Second half trading update	17 April 2007
Preliminary announcement of results for the year to 31 March 2007	23 May 2007
Annual General Meeting	18 July 2007

### Registered office

Experian Group Limited, 22 Grenville Street, St Helier, Jersey, JE4 8PX.

Certain statements made in this interim report are forward looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results referred to in these forward looking statements.

#### Roundings

Certain financial data has been rounded within this interim report. As a result of this rounding, the totals of data presented may vary slightly from the actual arithmetic totals of such data.



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