

# Stephens Inc. Spring Investment Conference

5 June 2008

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## Overview

# Experian investment highlights

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- **Unique combination of data and analytics**
- **Balanced portfolio by geography and business line**
- **Investment for growth: new products, new geographies, new verticals**
- **Strong financial performance, even in challenging times**

# Overview

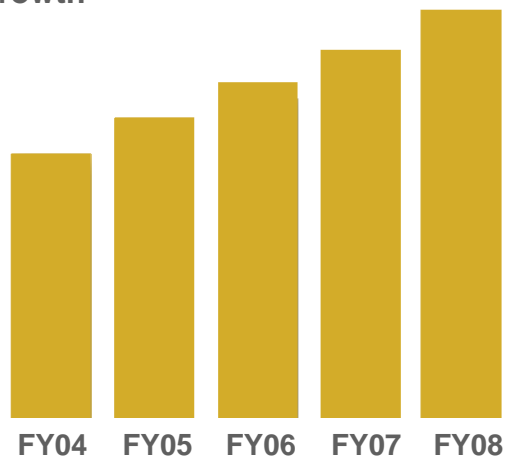
## Five year track record

### Revenue US\$m

2,014 2,461 2,930 3,407 4,059

Total growth +18% +30% +14% +14%

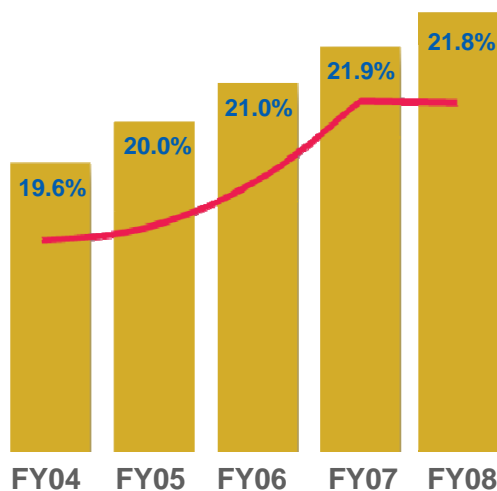
Organic growth +9% +12% +8% +4%



### EBIT US\$m and margin

468 565 685 808 938

+17% +28% +15% +13%

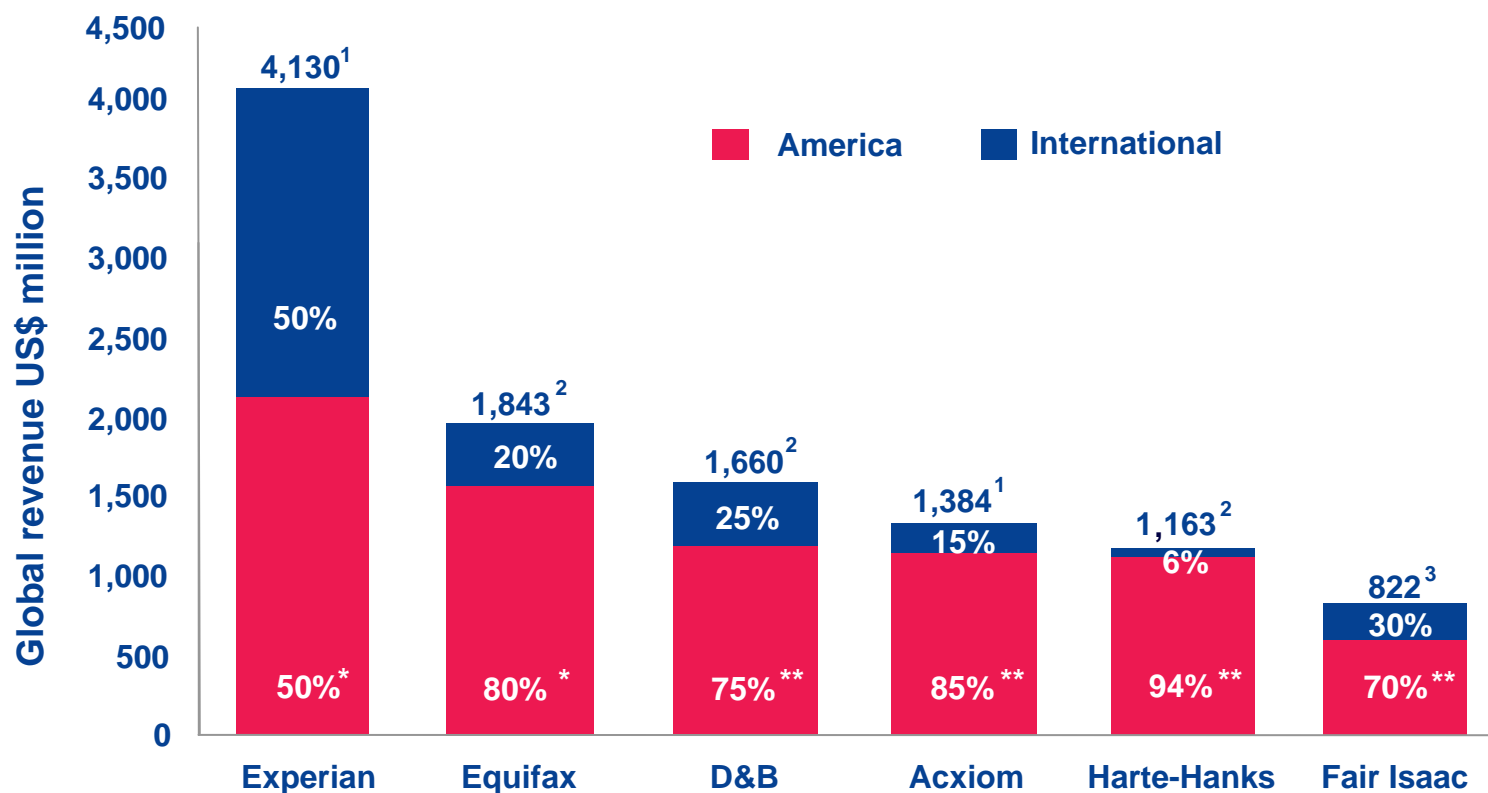


### Performance in 2008

- Revenue growth from continuing activities of 14%
- EBIT margin of 21.8%
- Cash conversion of 95%
- Full year dividend of 18.5 US cents, up 9%

## Overview

# Competitive distinction



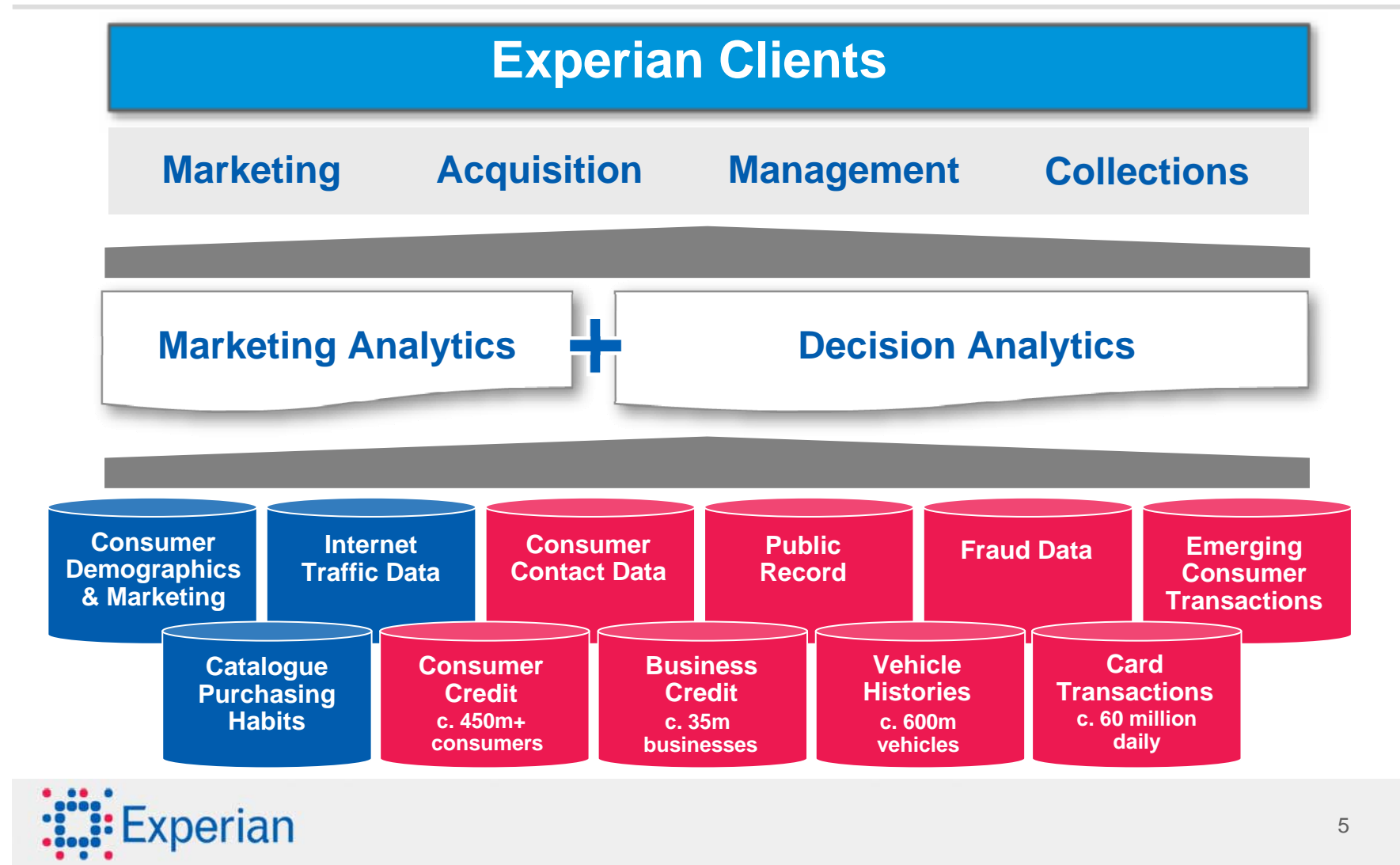
**Double the size of our closest competitor, with broader geographic reach**



\* North America only  
\*\* US only  
1 Year ended 31 March 2008  
2 Year ended 31 December 2007  
3 Year ended 30 September 2007  
Source: Latest full year revenue, company 10K

## Overview

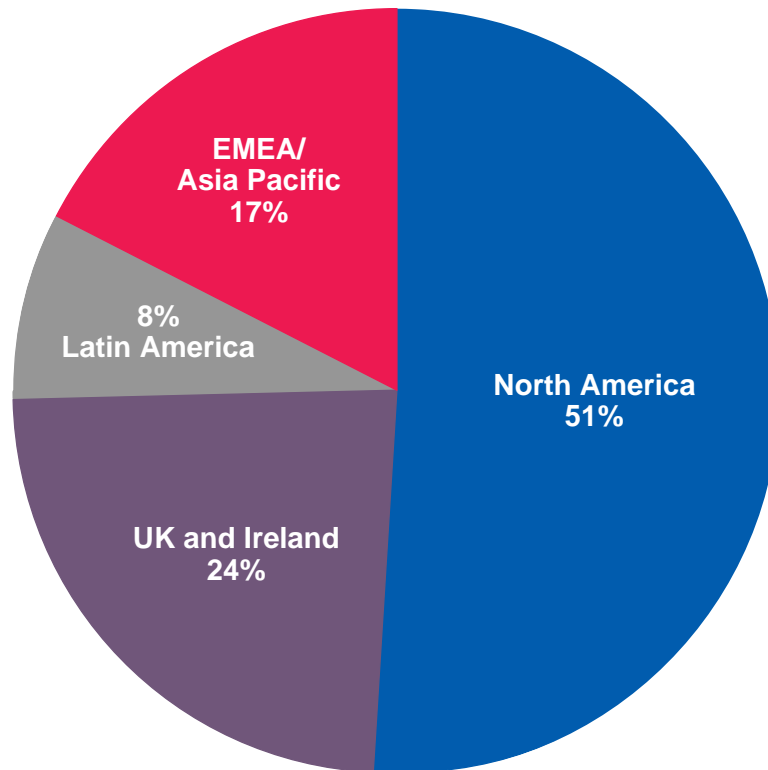
# How we do it: the Experian model



## Overview

# Portfolio balance: geographic footprint

Experian 2008 revenue by geography<sup>1</sup>



- **US and UK financial services clients are cautious**
- **Strong growth in other markets**

## Overview

# Portfolio balance: strong growth in many areas



- Strong growth globally in Decision Analytics, particularly in emerging markets
- Business information benefits from synergies with consumer bureaux and Decision Analytics
- Strong growth in Consumer Direct
- Excellent progress in new media marketing activities
- High demand for countercyclical services, such as fraud prevention

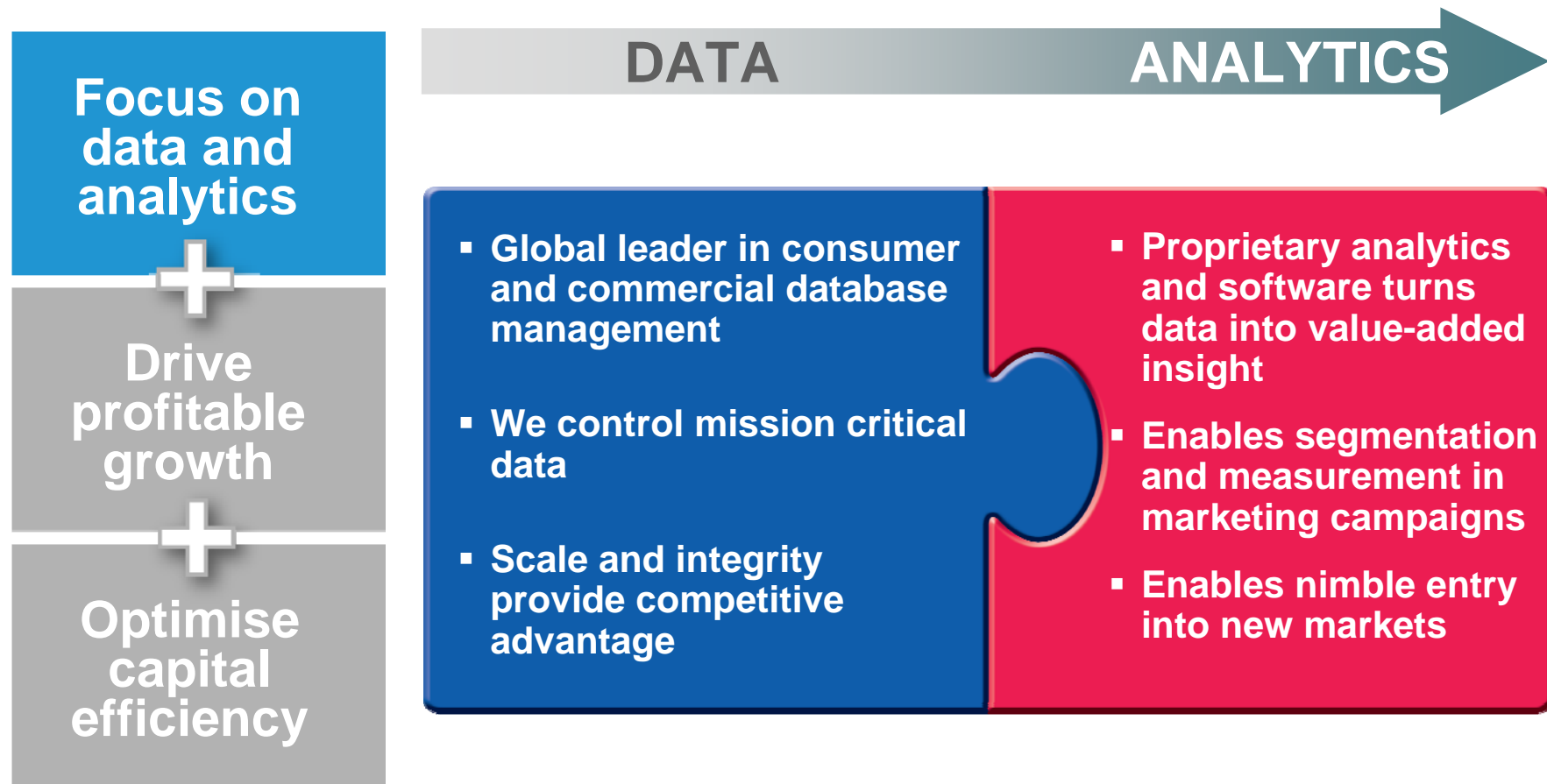
Strategy

## Evolving our strategy: our framework for success





## Focus on data and analytics



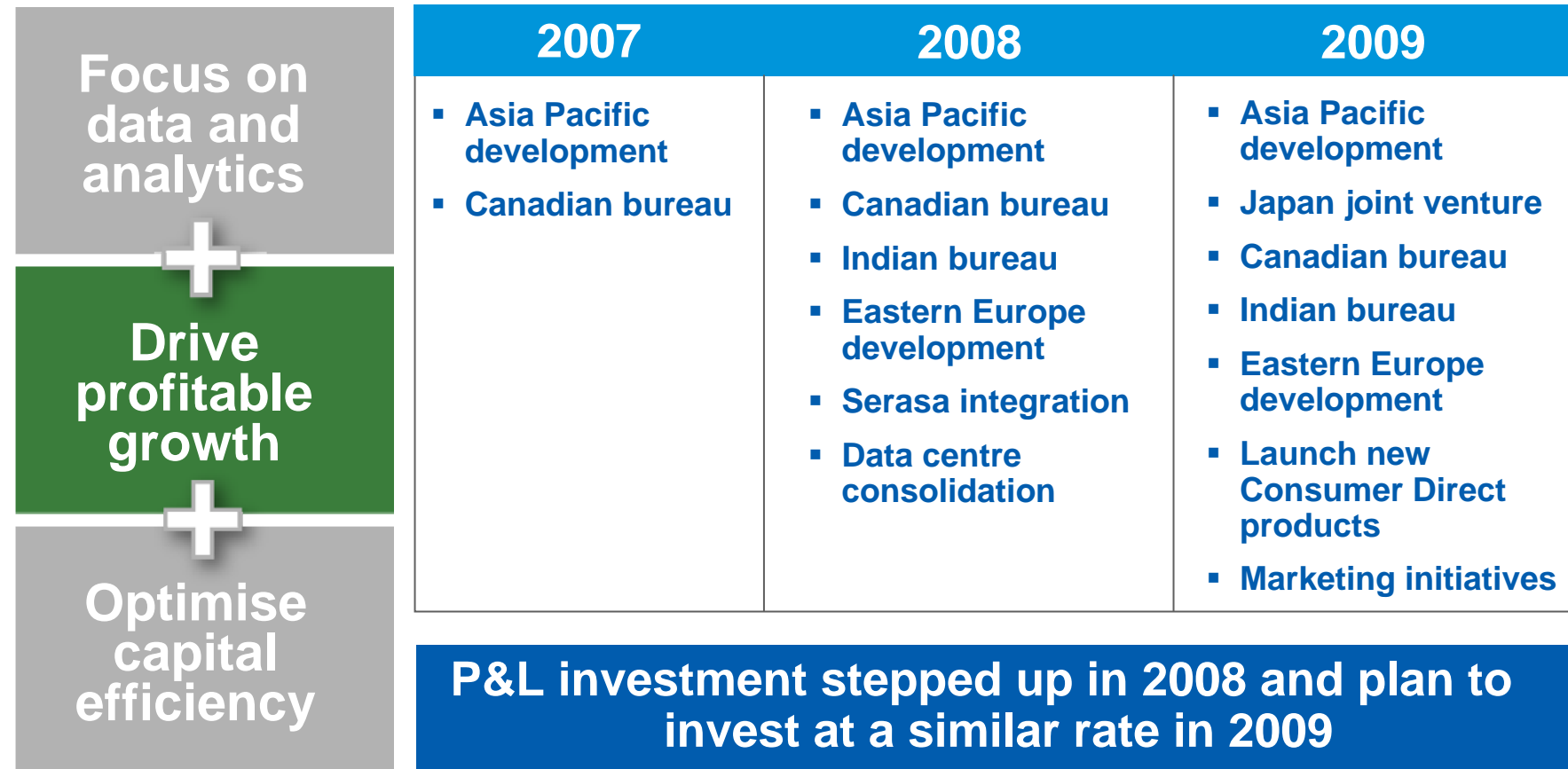
## Strategy

# Drive profitable growth: strategic action plan



## Strategy

# Drive profitable growth: organic investment



## Strong progress at Serasa

- Serasa exceeds our expectations
- Strong demand for credit in Brazil
- Becoming an integral part of Experian
- Revenue of US\$305m in nine months
- Pro forma revenue growth in high teens



**Back office integration**

**Excellent management team**

**Optimised salesforce**

**Identified product transfers**

**Leverage Latin America opportunity**

**Winning new business**

## Strategy

# Capital allocation

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Focus on  
data and  
analytics



Drive  
profitable  
growth



Optimise  
capital  
efficiency

- Committed to maintaining a strong but efficient balance sheet
- Expect to return within target debt range in current financial year
- Continue to assess our capital structure
- Look at returning surplus capital within the framework of maintaining a strong but efficient balance sheet
- Dividend policy remains unchanged

## Financial management

# Cost control

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- Focus on maximising profit and cash
- Swift and deliberate cost actions
  - Additional efficiency opportunities identified
  - Cost savings target raised from US\$80m to US\$110m annualised, for increased charge
- Continue to invest for growth

## Summary

# What distinguishes Experian competitively



## Experian's competitive distinction

Geographic scale



Commitment to innovation



Portfolio diversity



Unique combination of data and analytics



# Appendix

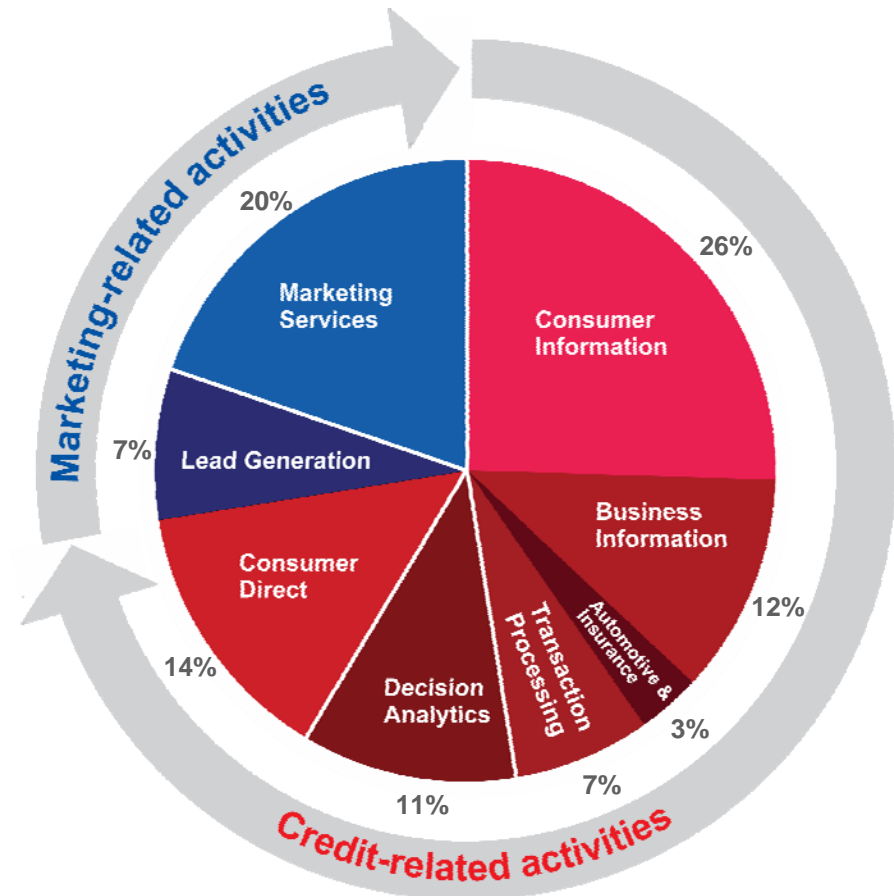
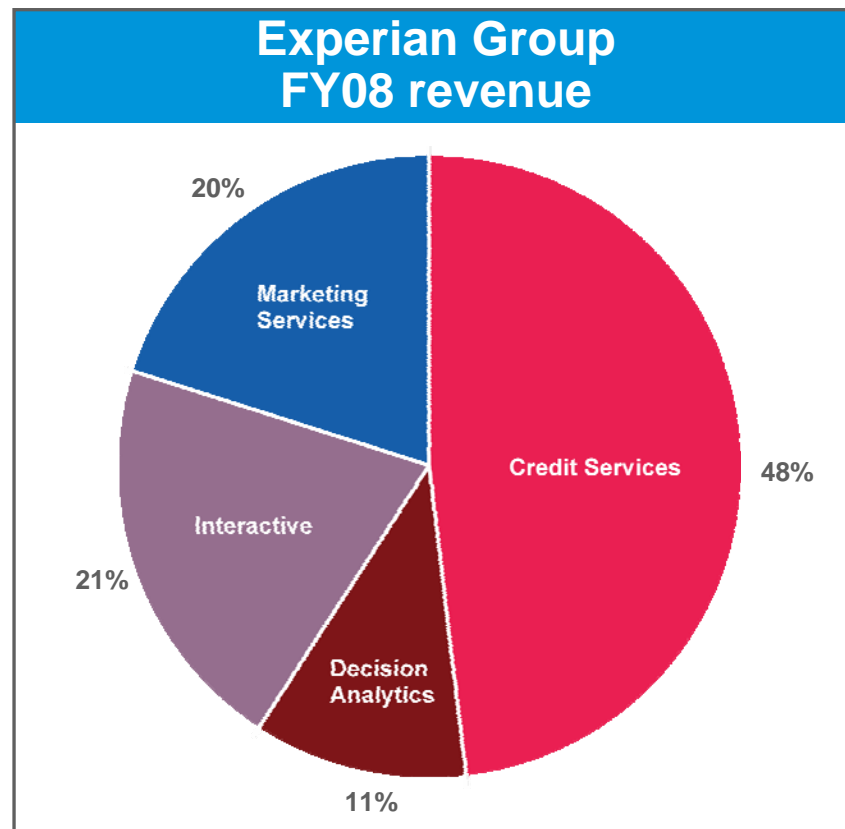
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## Appendix

# Business split



## Appendix

# Revenue and EBIT by geography

Twelve months to 31 March  
US\$million

Revenue	2008	2007	Total growth	Organic growth
North America	2,061	1,985	4%	3%
Latin America	324	5	>100%	43%
UK and Ireland	965	843	8%	3%
EMEA/Asia Pacific	710	574	13%	7%
<b>Total revenue</b>	<b>4,059</b>	<b>3,407</b>	<b>14%</b>	<b>4%</b>
EBIT before central activities	941	794	15%	
Central activities	(57)	(47)	(15)%	
<b>EBIT - direct business</b>	<b>883</b>	<b>746</b>	<b>15%</b>	
FARES	54	61	(11)%	
<b>EBIT – continuing activities</b>	<b>938</b>	<b>808</b>	<b>13%</b>	
<b>EBIT margin</b>	<b>21.8%</b>	<b>21.9%</b>		

- Organic revenue growth across all regions
- Direct EBIT growth of 15%
- Central activities reflects full year run rate and adverse FX
- Tough US mortgage market for FARES

## Appendix

# Group benchmark earnings

Twelve months to 31 March  
US\$million

	2008	2007
<b>EBIT – continuing activities</b>	<b>938</b>	<b>808</b>
Discontinuing activities	7	18
<b>EBIT</b>	<b>945</b>	<b>825</b>
Net interest	(126)	Not comparable due to demerger
<b>Benchmark PBT<sup>1</sup></b>	<b>819</b>	
Benchmark taxation	(190)	
<b>Benchmark profit after tax</b>	<b>629</b>	
Benchmark minority interest	(21)	
<b>Benchmark earnings</b>	<b>608</b>	
Weighted average number of shares	1,009	
<b>Benchmark EPS, US cents</b>	<b>60.3</b>	

- Central activities reflect post-demerger run rate
- UK account processing now subcontracted
- Net interest charge reflects acquisition funding
- Tax rate of 23.2%
- Minority interest arises mainly from Serasa

## Appendix

# Credit Services

### Twelve months to 31 March US\$million

Revenue	2008	2007	Total growth	Organic growth
North America	807	804	-	-
Latin America	305	-	n/a	n/a
UK and Ireland	293	266	4%	1%
EMEA/Asia Pacific	495	433	4%	3%
<b>Total revenue</b>	<b>1,901</b>	<b>1,503</b>	<b>19%</b>	<b>1%</b>
EBIT – direct business	531	419	21%	
Serasa integration charge	(11)	-	n/a	
<b>Total EBIT – direct business</b>	<b>520</b>	<b>419</b>	<b>19%</b>	
FARES	54	61	(11)%	
<b>Total EBIT</b>	<b>574</b>	<b>481</b>	<b>15%</b>	
<b>EBIT margin</b>	<b>27.4%</b>	<b>27.9%</b>		

- Mortgage and pre-screen offset by growth in countercyclical products, business information and automotive
- Strong Serasa performance, revenue in line with buy plan and EBIT ahead of buy plan
- UK and Ireland benefited from business information and new verticals
- Strong credit bureaux performances across EMEA

## Appendix

# Decision Analytics

**Twelve months to 31 March**  
**US\$million**

Revenue	2008	2007	Total growth	Organic growth
North America	82	77	7%	7%
Latin America	8	5	43%	43%
UK and Ireland	247	215	8%	-
EMEA/Asia Pacific	132	95	28%	20%
<b>Total revenue</b>	<b>469</b>	<b>392</b>	<b>13%</b>	<b>7%</b>
<b>EBIT</b>	<b>154</b>	<b>136</b>	<b>7%</b>	
<b>EBIT margin</b>	<b>32.8%</b>	<b>34.7%</b>		

- Good growth against strong comparatives in North America
- Lower revenue from application processing balanced by growth in fraud prevention and risk management in UK
- Broad-based growth across EMEA/Asia Pacific
- Margin dilution due to acquisition mix and regional mix

## Appendix

# Marketing Services

Twelve months to 31 March  
US\$million

Revenue	2008	2007	Total growth	Organic growth
North America	380	353	8%	2%
Latin America	10	-	n/a	n/a
UK and Ireland	356	329	2%	(3)%
EMEA/Asia Pacific	83	46	67%	11%
<b>Total revenue</b>	<b>830</b>	<b>728</b>	<b>10%</b>	<b>1%</b>
<b>EBIT</b>	<b>78</b>	<b>65</b>	<b>18%</b>	
<b>EBIT margin</b>	<b>9.4%</b>	<b>8.9%</b>		

- Good progress in new media activities in North America
- Cutbacks in UK financial services spending
- Good growth in EMEA/Asia Pacific
- Acquisitions performing well
- Margin improvement of 50bp, reflects favourable mix

## Appendix Interactive

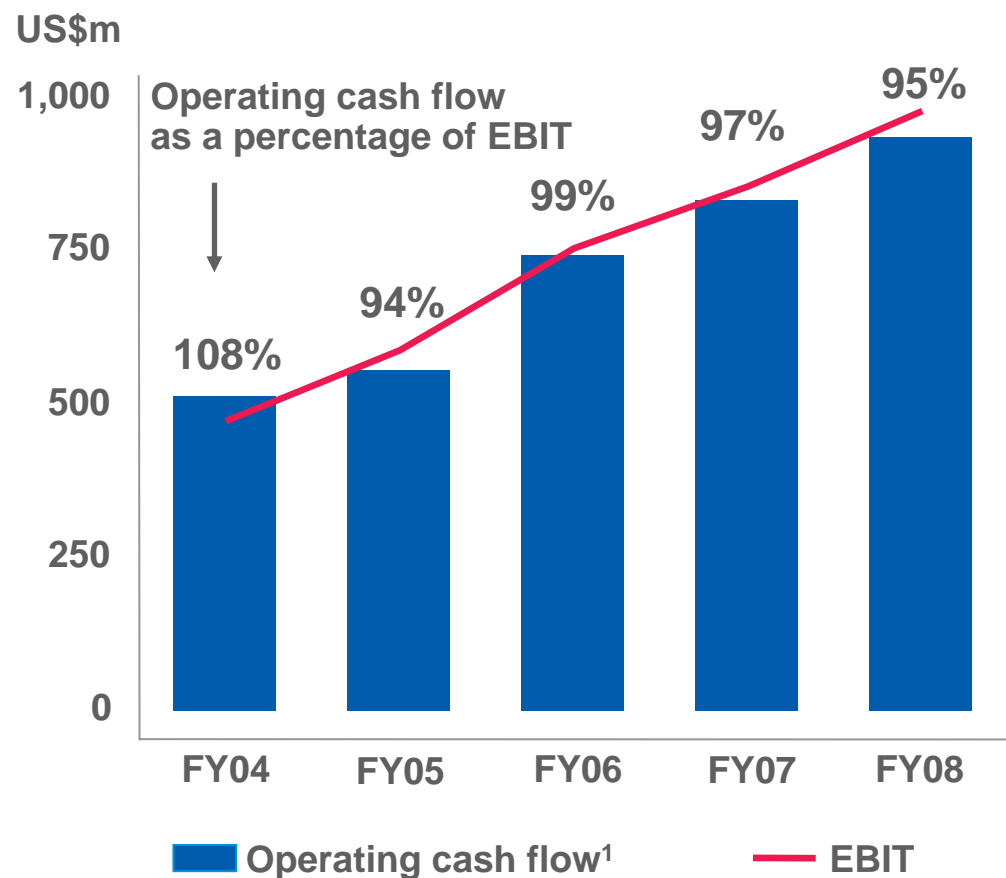
### Twelve months to 31 March US\$million

Revenue	2008	2007	Total growth	Organic growth
North America	791	751	5%	5%
UK and Ireland	68	33	95%	95%
<b>Total revenue</b>	<b>859</b>	<b>784</b>	<b>9%</b>	<b>9%</b>
<b>EBIT</b>	<b>189</b>	<b>173</b>	<b>9%</b>	
<b>EBIT margin</b>	<b>22.0%</b>	<b>22.1%</b>		

- Growth at North America Consumer Direct in excess of 20%
- PriceGrabber performed well
- Weakness at LowerMyBills
- Excellent performance in the UK
- Margins maintained

## Appendix

# Highly cash generative



- **Attractive financial characteristics**
  - Recurring revenue
  - High margins
  - Low capital intensity
- **Goal is to convert at least 85% of EBIT to cash**



## Appendix

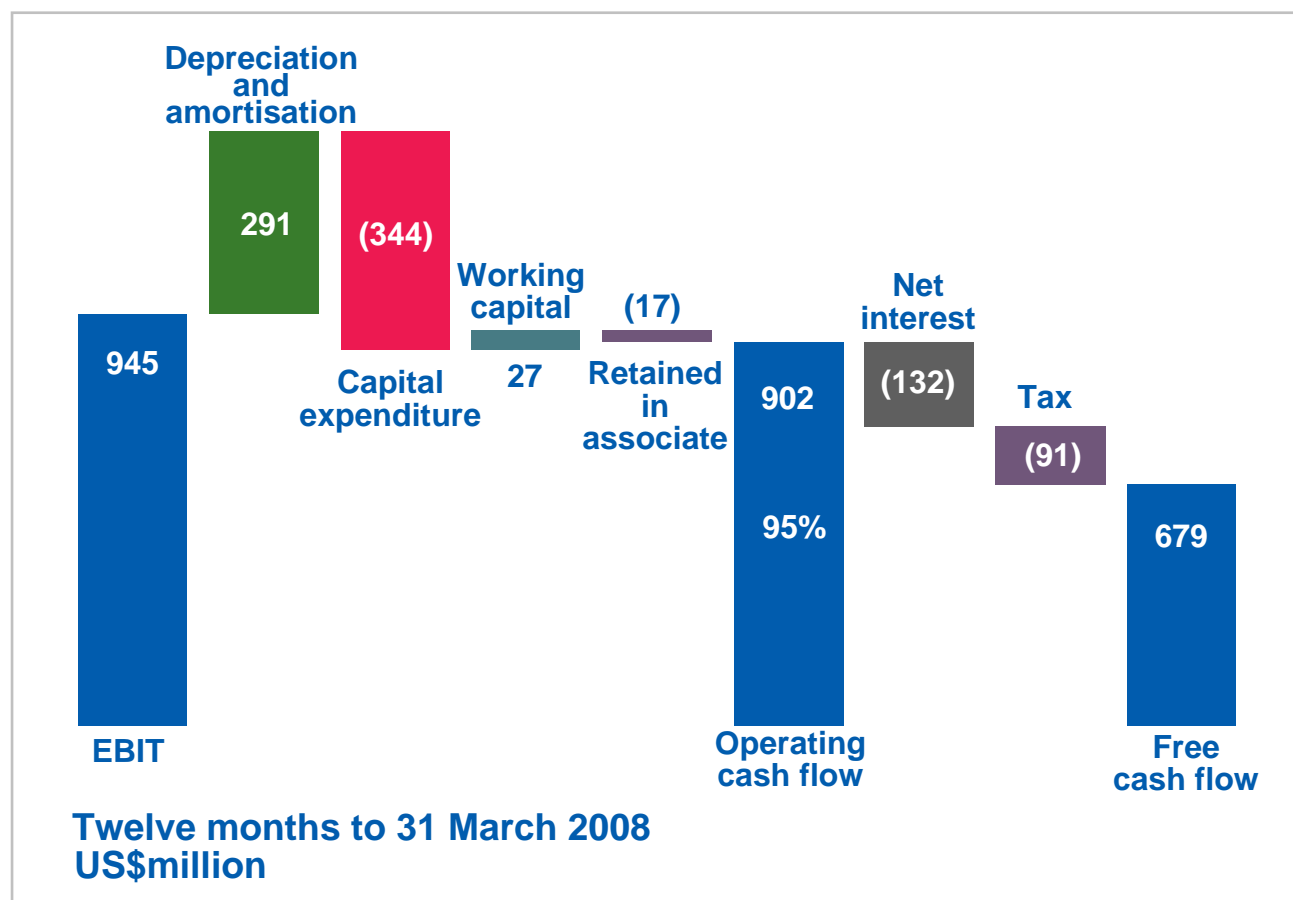
# Operating cash flow

Twelve months to 31 March  
US\$million

	2008	2007
EBIT	945	825
Depreciation and amortisation	291	237
Capital expenditure	(344)	(275)
Change in working capital	27	39
Retained in associate	(17)	(22)
<b>Operating cash flow</b>	<b>902</b>	<b>804</b>
Operating cash flow %	95%	97%

## Appendix

# Strong cash flow conversion



- Continued strong cash flow conversion
- Capital expenditure includes approximately US\$50m from Serasa
- Cash tax payable at 11% of benchmark PBT
- Free cash flow conversion of 108% of Group benchmark profit after tax

## Appendix

# Cost efficiency programme

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Off-shoring/outourcing

Organisational  
streamlining

Facilities consolidation

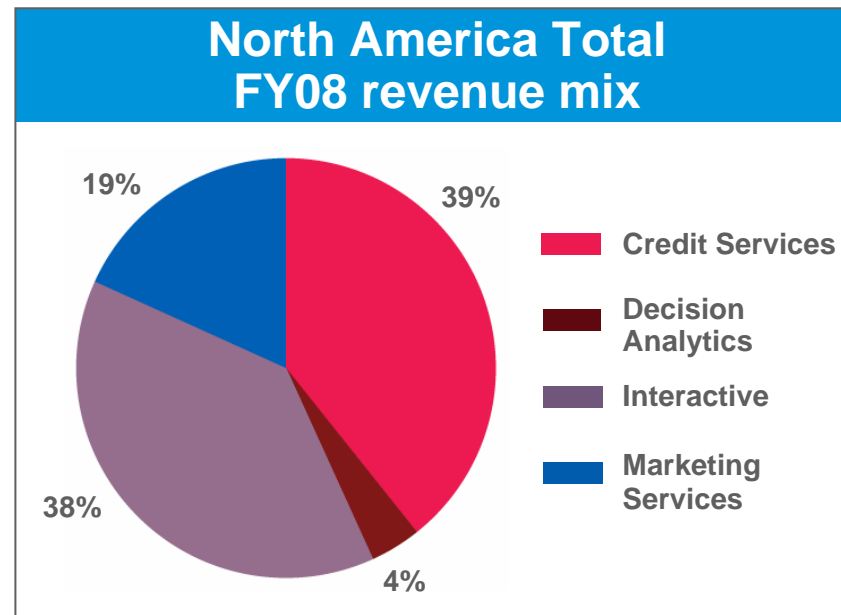
Global IT infrastructure  
integration

	Exceptional charge <sup>1</sup>	Cost savings
FY08	US\$(60)m	-
FY09	US\$(40)m+US\$(40)m	US\$50m
FY10 onwards	-	US\$110m annualised

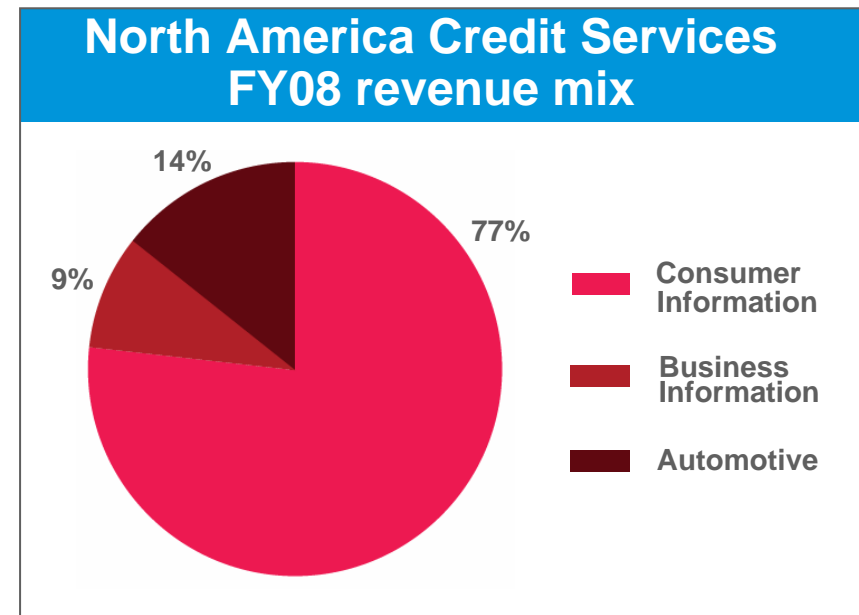
**Set to deliver annualised savings  
of US\$110m from FY10**

## Appendix

# North America financial summary



**Credit Services and Decision Analytics comprise 43% of total NA revenue**

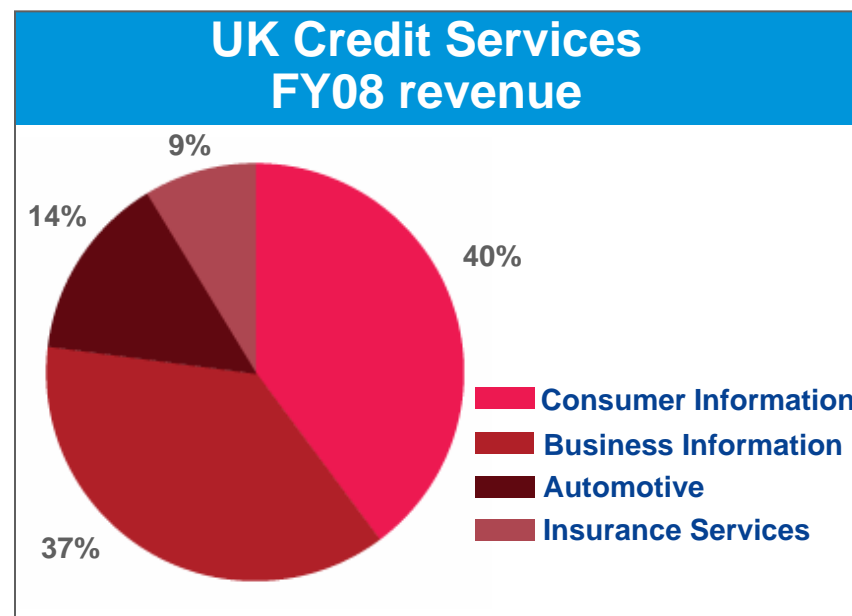
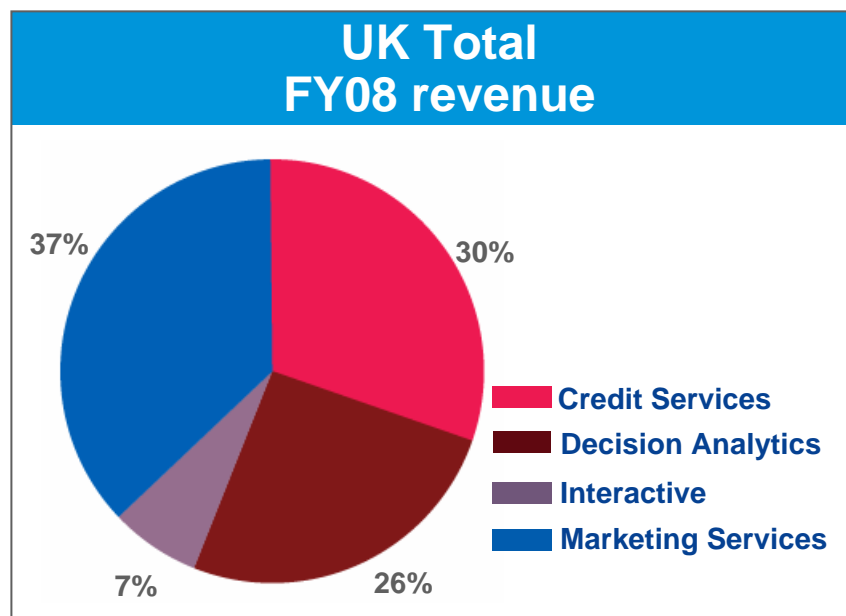


### Approximate % of NA Credit Services

- Pre-screen <15%
- Account management and collections >20%
- Mortgage <10%

## Appendix

# UK and Ireland financial summary



**Balanced spread of revenues**

## Appendix

# FY09 modelling considerations

<b>EBIT</b>	<ul style="list-style-type: none"><li>▪ Cost savings of US\$50m in second half</li></ul>
<b>Central activities</b>	<ul style="list-style-type: none"><li>▪ Costs estimated to be c.US\$60m</li></ul>
<b>Net interest</b>	<ul style="list-style-type: none"><li>▪ Net interest in the region of US\$130-140m, after c.US\$20m net pension credit</li></ul>
<b>Exceptional items</b>	<ul style="list-style-type: none"><li>▪ Restructuring charge of US\$80m, exceptional cash cost of c.US\$100m</li></ul>
<b>Tax</b>	<ul style="list-style-type: none"><li>▪ Benchmark tax rate of c.23%, cash tax rate similar to FY08</li></ul>
<b>Capital expenditure</b>	<ul style="list-style-type: none"><li>▪ Capital expenditure expected to be between US\$360m and US\$390m</li></ul>

# Contacts

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## Event calendar

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<b>10 July 2008</b>	<b>Interim management statement, first quarter</b>
<b>16 July 2008</b>	<b>Annual General Meeting</b>
<b>15 October 2008</b>	<b>Trading update, first half</b>
<b>19 November 2008</b>	<b>Half-yearly announcement</b>



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