

Stephens Spring Investment Conference 2010

May 25, 2010

Peg Smith, Executive Vice-President



Overview

Experian vital statistics

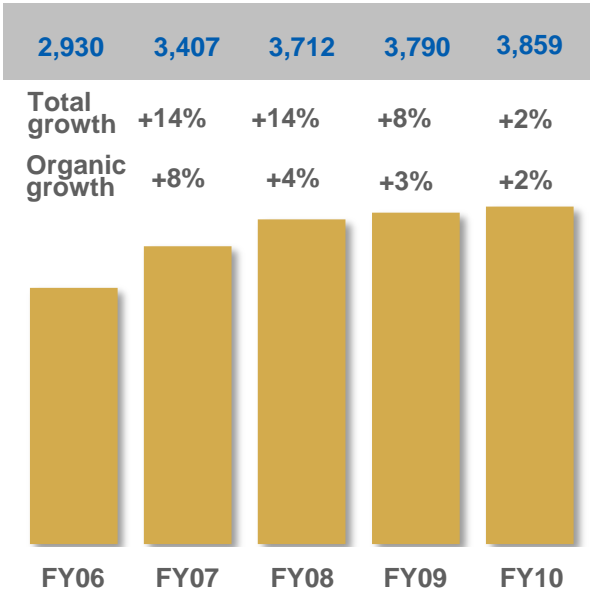


- **Sales: \$3.9 billion**
- **Profits: \$910 million**
- **Market cap: £6.7 billion**
- **In top 50 of FTSE-100**
- **Net Debt: \$1.6 billion**
- **Employees: c. 15,000**
- **Offices in 40 countries**
- **Largest markets: US, UK, Brazil**
- **Corporate headquarters: Dublin**
- **Main offices: London, Costa Mesa (US), Nottingham (UK), Sao Paolo (Brazil)**

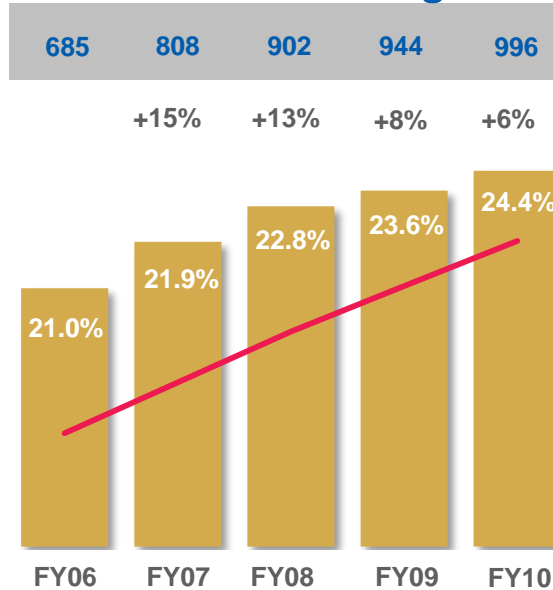
Overview

Financial highlights

Revenue US\$m



EBIT US\$m and margin



— EBIT Margin

- Strong track record of revenue and EBIT growth
- Continued to deliver margin expansion
- Benchmark EPS growth up 8%

Global continuing sales and EBIT only
 Growth at constant exchange rates and for continuing activities
 EBIT margin excluding FARES
 FY06 and FY07 sales and EBIT adjusted to exclude MetaReward.
 FY06, FY07, FY08, FY09 and FY10 sales and EBIT adjusted to exclude UK account processing, FY07 and FY08 sales and EBIT adjusted to exclude Loyalty Solutions, FY08 and FY09 sales and EBIT adjusted to exclude French transaction processing activities and other smaller discontinuing activities, FY10 sales and EBIT exclude small discontinuing activities

FY2010: Highlights

FY10

- We have grown the business, made the organisation stronger and more efficient

Revenue growth

- Total revenue growth of 2%, organic revenue up 2%
- Strength in Latin America and Interactive
- Offsets weak US and UK credit and marketing

EBIT expansion

- EBIT margins expansion of 80 basis points to 24.4%
- Continuing EBIT growth of 6%

Cash conversion

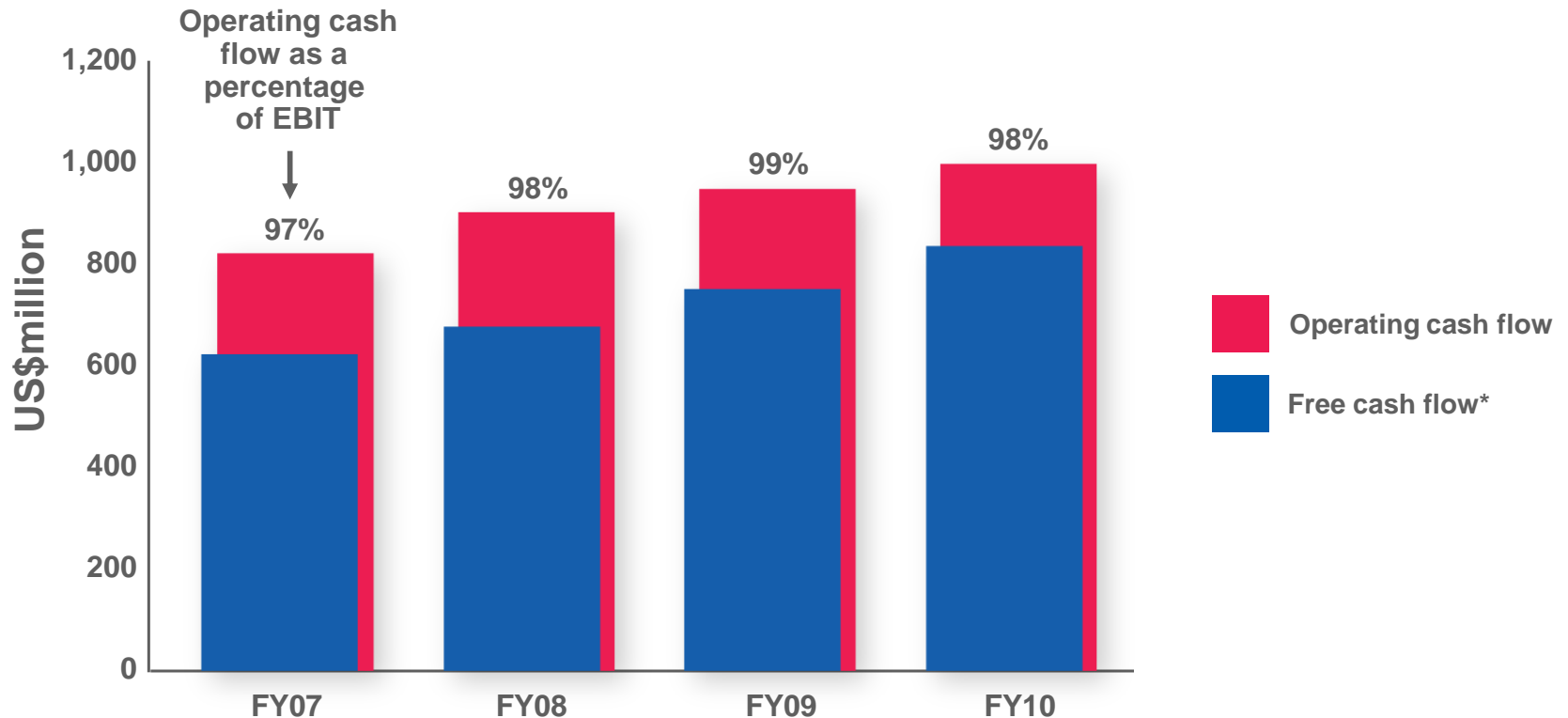
- EBIT conversion into operating cash flow at 98%
- Free cash flow of \$818m, up 11%

Balance sheet

- Net debt comfortably within target gearing ratio
- Increased dividend by 15% to 23.0 US cents, and US\$300m buyback

Overview

Highly cash generative



US\$2.8bn free cash flow generated in past 4 years

Overview

Strategic progress in FY2010

Geographies



- India licence awarded
- Restructured JV in Russia
- Emerging markets now c. 20% of group revenue

Verticals



- Public sector – extended in UK. Successful US start-up
- US healthcare – further hospital penetration
- Over 60% of group revenue now outside financial services

New products



- ProtectMyID on track
- Product introductions in Brazil and Asia Pacific

Portfolio



- Successfully exiting FARES joint venture
- Infill acquisitions in Germany and Japan

Key trends in major markets

North America

- Economic conditions improving
- Increased consumer spending
- Weak housing market
- Gradual recovery

UK & Ireland

- Beginnings of recovery
- Weak credit demand
- Risk management focus
- 6-9 months behind US

EMEA

- Mixed market conditions
- Emerging markets offsetting more developed countries

Latin America

- Returning to full economic growth
- Banks expanding credit portfolios

Asia Pacific

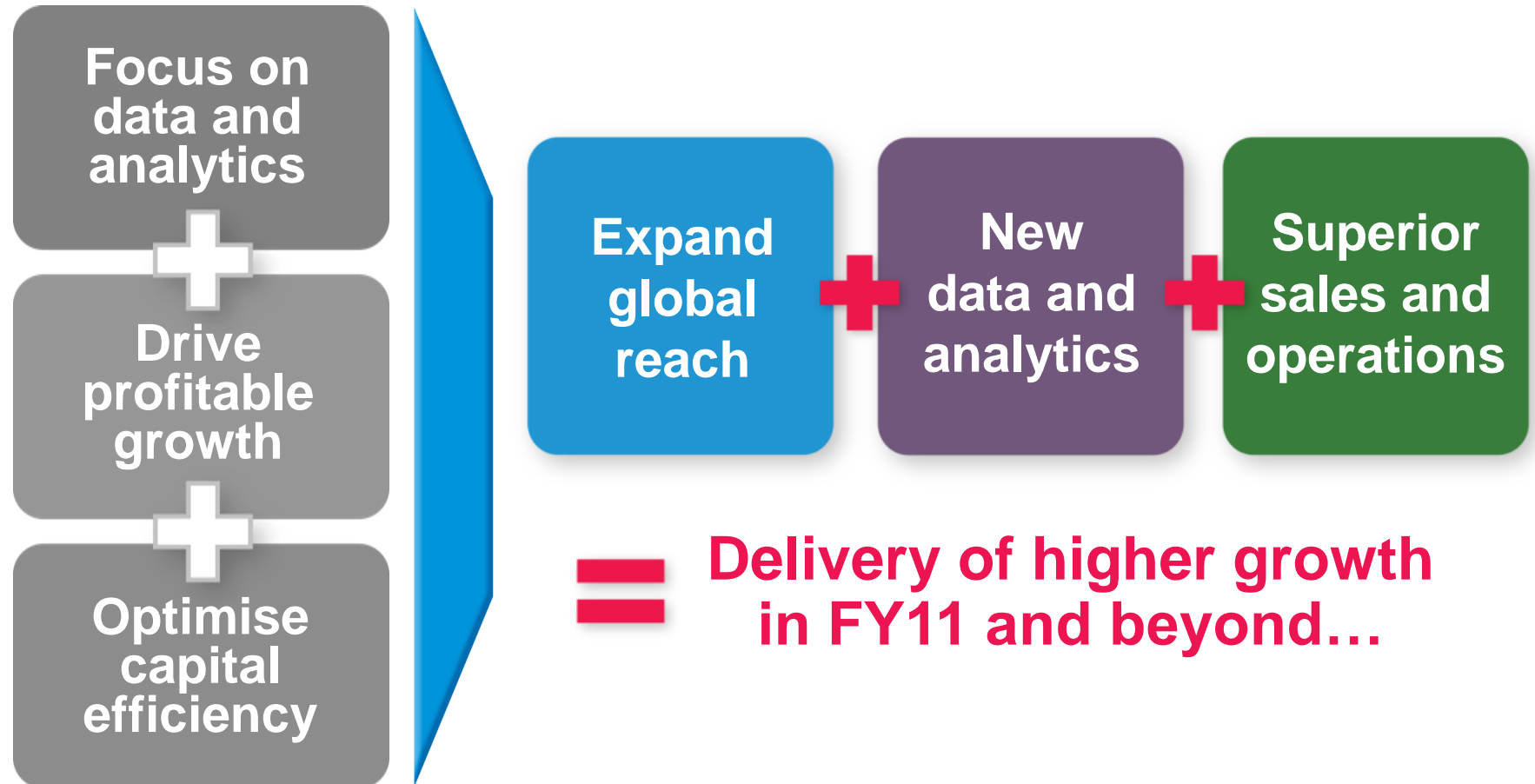
- Economies strengthening
- Growth in lending demand
- Banks seeking to expand regionally

Regulatory update: US financial industry reform

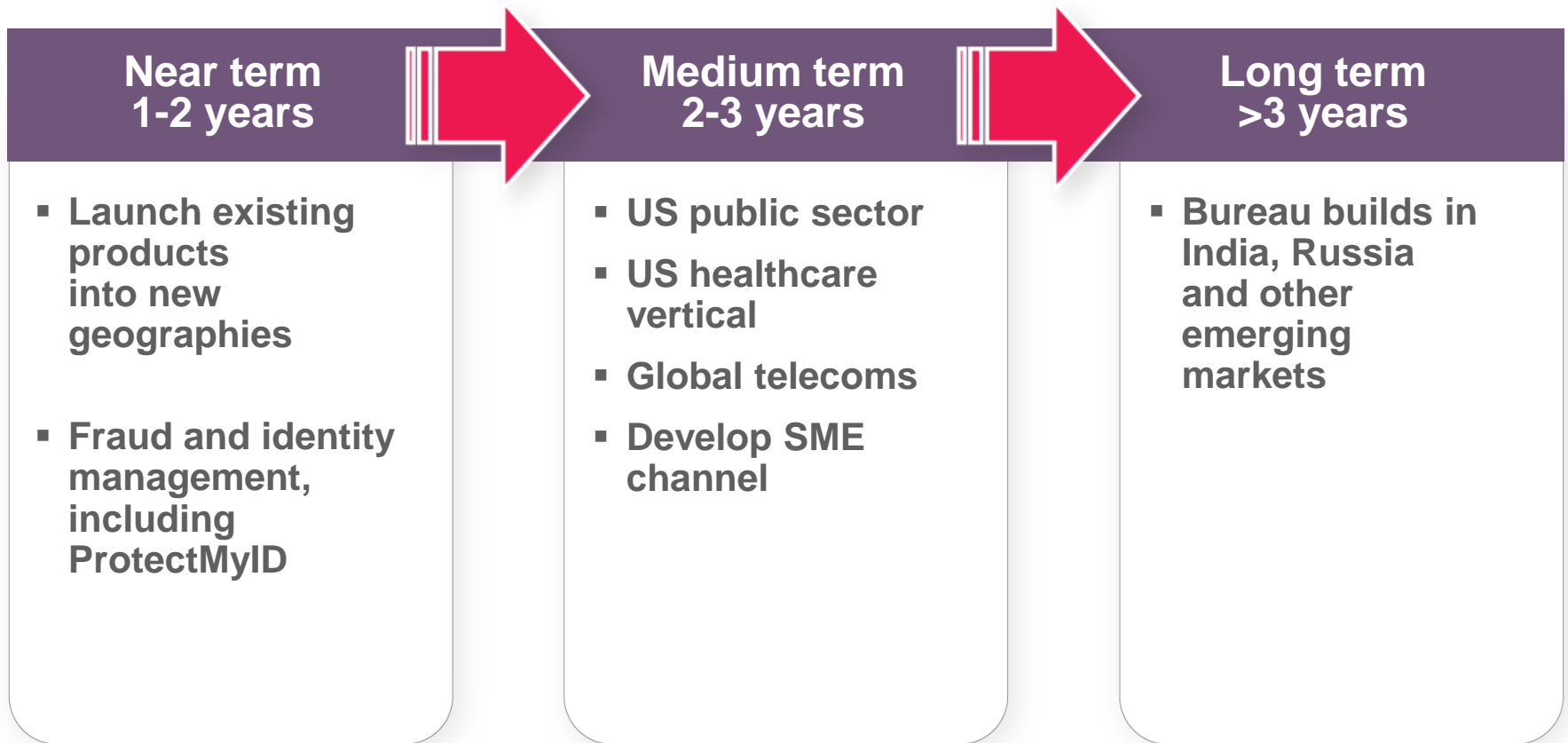


- **Credit Card Act: new client requirements including new risk management obligations**
- **Requiring more transparency and better analytics**
- **Consumer Direct: switched advertising to FreeCreditScore.com; added FTC required disclosures to FreeCreditReport.com**
- **Legislative environment remains fluid, we will adapt as needed**

Taking control of growth



Expand global reach: stages of development



Expect incremental revenue of over US\$300m collectively over 3-5 years

Strategy

Deliver innovative data and analytics



New sources of data



- Niche data
 - Small business loan
 - Mortgage loan
 - Property valuation
 - Voter ID

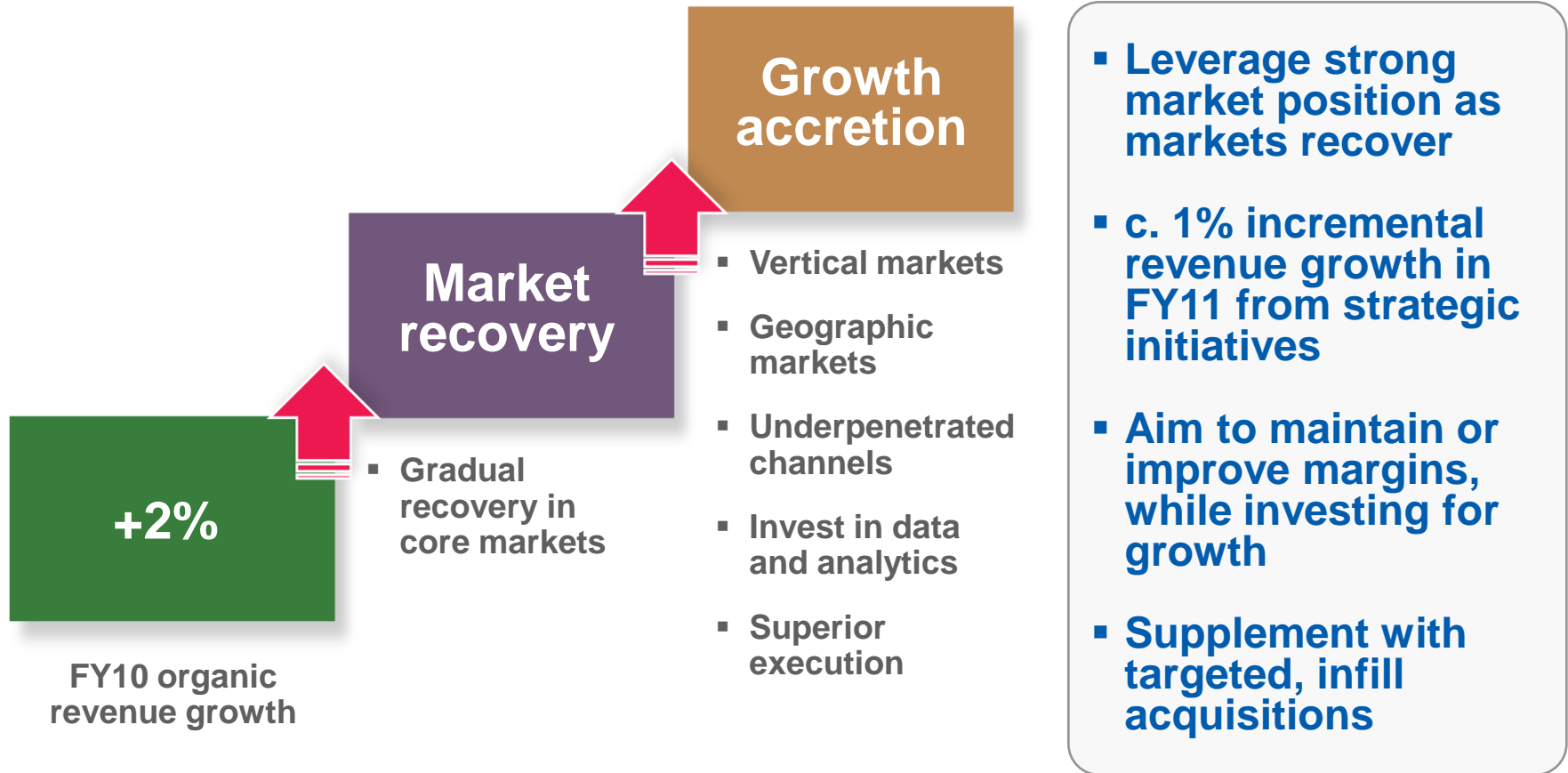
Enhanced analytics and platforms



- New fraud prevention tools
- New partnerships for digital advertising
- Sophisticated risk tools, e.g. Future Delphi

Investment for growth

Ingredients for medium term growth



Strategy

Capital strategy framework



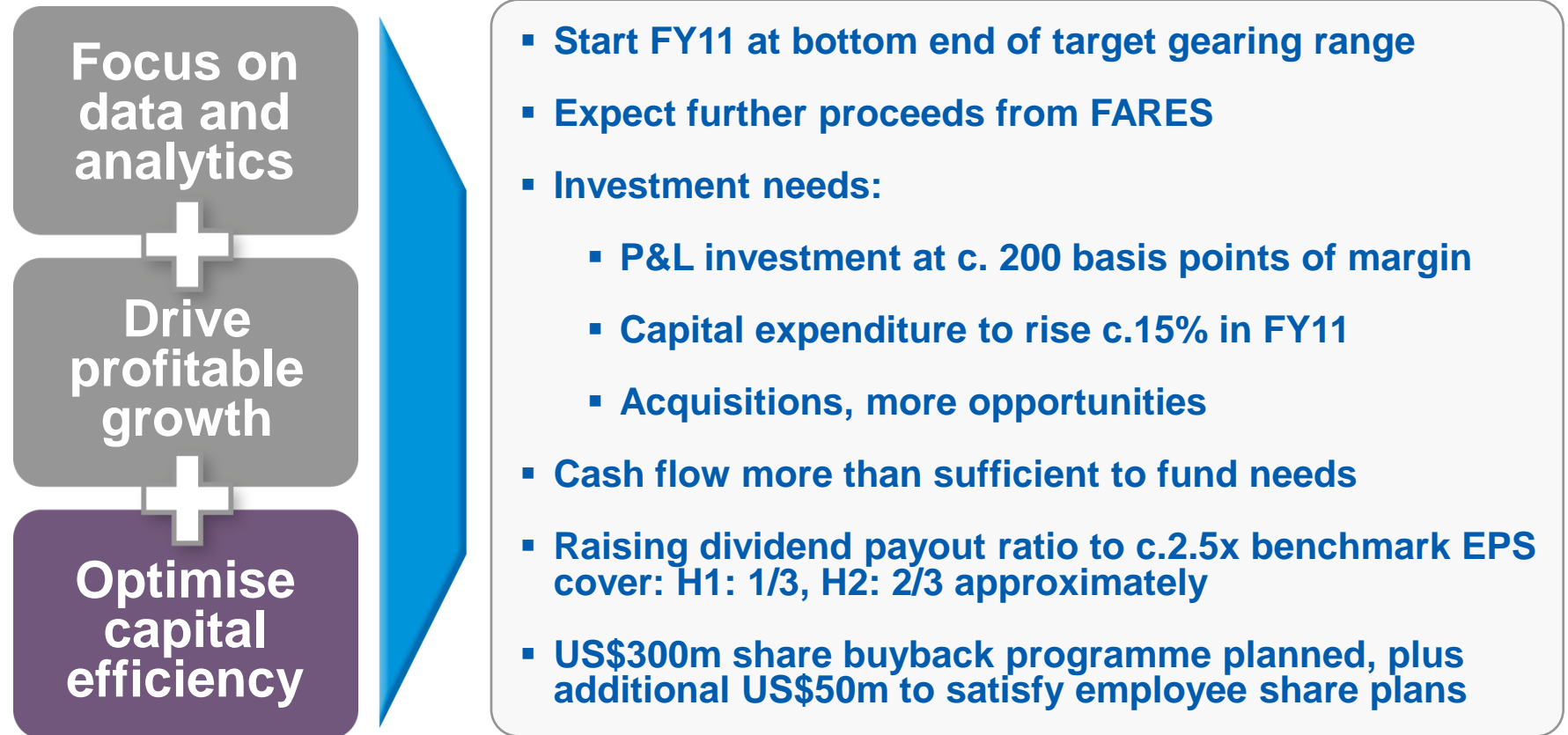
► Strategy

- **Maintain strong investment grade credit rating**
- **Meet investment needs of the business**
- **Return surpluses to shareholders**

► Outcome

- **Net debt significantly reduced due to strength of cash flow**
- **Investment sustained throughout downturn and in future plans**
- **Capital return via enhanced dividend and buyback**

Components of capital strategy



Client perspectives in a new market environment



New opportunities emerging for Experian

Credit Services and Decision Analytics: strategic priorities



- Further differentiate through:
 - More valuable data and models
 - Integrated Credit Services and Decision Analytics salesforce
- Expand in growth markets: healthcare, automotive and public sector
- Enter underpenetrated channels e.g. small business

Expect to return to growth in H2 FY11

Credit Services and Decision Analytics

Consumer Information

- New products: good early take-up of income insight products

Automotive

- Differentiation: accident data driving growth

Business Information

- Investment: linkage, scores and enhanced sales strategy

Decision Analytics

- Growing pipeline: new models and some clients starting to rethink platforms

New verticals

- Public sector: wins e.g. in identity management
- Healthcare: help hospitals streamline payment planning

Well positioned for market recovery

Returning to growth in Marketing Services



- Transformation to targeted, digital marketing
 - Now about 60% of revenues
 - Higher growth, higher margin
 - More cost effective for clients
- Tightened operational execution
 - Deliver across multiple channels
 - Faster go-to-market
- Investing for growth

Poised to return to growth

Spotlight on North America

Marketing Services: building our global footprint



- **Leader in global data coverage**
- **Best platform footprint**
- **Able to deliver for both local and global clients**

Delivering greater client value through a suite of offline and digital marketing capabilities

Interactive: multiple products, multiple channels

Products

PROTECTmy 

CREDITCHECK[®] *Total*

Triple AdvantageSM

 Triple**Alert**.com

Channels

Direct broadcast
advertising

Display advertising

Corporate clients:
Private label
Employee benefits

Data breaches

User Experience

- New value-added product features
- Enhanced functions
- Best-in-class support

▶ Expanding
addressable market

▶ Broaden base of
business

▶ Increased retention
and cross-sell

Spotlight on North America

Consumer Direct: enhancing value to drive retention



How we enhance value

Snapshot

- Monthly credit statement

Credit score tracker

- Score determinants
- Options to improve

Improved dispute process

- Enhanced query capabilities
- Quicker resolution

Spotlight on North America

Update on ProtectMyID

Call to order: 1-866-974-MYID (6943) Member Login

PROTECTmyID

Stop identity theft in its tracks.
ProtectMyID.com makes it easy for you.

Powerful protection - We're so confident in our product that we back it with our \$1 Million Product Guarantee.

Rapid resolution - If necessary, a dedicated Fraud Resolution agent will help you cut through the red tape.

Global leader - Only ProtectMyID.com is backed by Experian® - a world leader in protecting personal information.

Backed by our 14 day Money Back Guarantee!

First Name
Last Name
ZIP Code

Protect Your Identity NOW!

Get started today for only \$9.95 a month!

For Parents:
Adults aren't the only victims of identity theft - kids are the new target. Now you can protect your children with ChildSecure® as part of your ProtectMyID.com membership. For a nominal monthly fee, you can rest easier knowing that your children's identities are safe and secure. [Learn more](#)

Daily Detection
Identity theft is difficult to spot. Every day, we monitor the areas identity thieves target most. If key changes occur, we'll alert you so you can put a stop to any unauthorized activity. [Learn more](#)

Internet Protection
We scour the Internet looking for unauthorized use of your credit cards, debit cards and Social Security number. If we detect any suspicious activity, we'll alert you right away. [Learn more](#)

Address Safeguard
Identity thieves steal pre-approved credit card offers out of mailboxes. If someone tries to redirect your personal mail in order to initiate an identity theft, you'll know about it. [Learn more](#)

Medical Defense
Did you know that Medical Identity Theft is one of the fastest growing crimes? [Learn more](#)

Experian, Equifax, TransUnion, McAfee SECURE TESTED 1.0-1.1.1.1

* This is not related to the \$1 Million Product Guarantee. At ProtectMyID.com we are committed to providing the highest quality product and assistance to our members. If you are not completely satisfied, call us at 1-866-974-MYID within 14 days of ordering or we will refund your membership fee, which is the amount billed to your account every month at year. Our money back satisfaction promise is available to first time ProtectMyID.com members. Please note that certain fees may not be refundable.

- Protection is a c. US\$150m market today, high growth
- Over 100,000 members since September 2009 launch
- Driving further take-up through distribution partnerships

Partners and consumers trust Experian to provide the most effective and secure identity safeguards



Lead generation

- **Successful diversification: education, insurance**
- **Lending vertical back to growth**
- **Scale in media buying**
- **Use Experian data and analytics**

PriceGrabber

- **Build syndication revenues, e.g. Yahoo! Shopping**
- **Expand advertising network**
- **Build consumer value - mobile applications**
- **Strengthen merchant network**

Summary: our top priorities for driving growth



- **Clients positioning for opportunities in recovery**
- **Experian strategy:**
 - **Take advantage of market underpenetration**
 - **Innovate – investing in new products**
 - **Diversify – drive performance in new verticals**
 - **New segments – new types of customers**

**Plenty of opportunities:
all about execution**

The Experian model: creating value for shareholders



- **Strong financial performance**
- **Global market leader**
- **Significant growth opportunities**
- **Efficient capital management**

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