



Half-yearly results for six months ended 30 September 2013

6 November 2013





Strategic and operational review

Don Robert, Chief Executive Officer





First half results Highlights

Revenue growth



- Organic revenue growth of 6% (7% Q1 and 5% Q2)
 - Growth across all regions and principal activities
-

Margins



- Margins of 26%, consistent with guidance
 - Strong progress across three of our four regions
-

Strategy

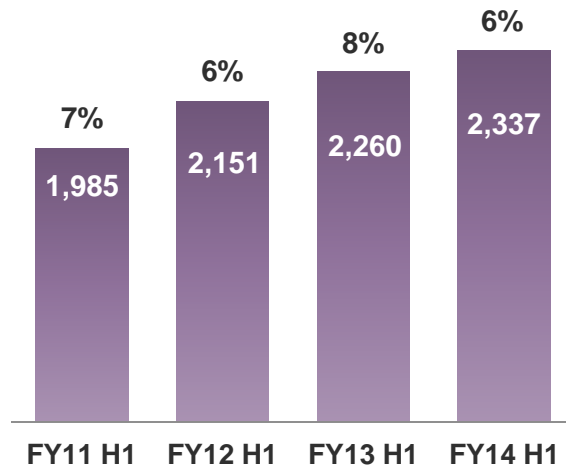


- Significant organic development via global growth programme
- Increased position in fraud and identity management with acquisition of 41st Parameter
- Agreement to acquire Passport Health Communications for US\$850m

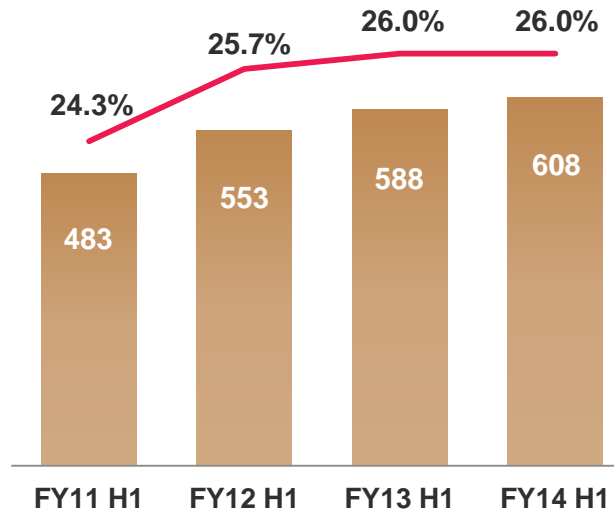


First half results Strong H1 performance

Revenue (US\$m), and
organic revenue growth %



EBIT (US\$m),
and EBIT margin %



- Total revenue growth of 6%, at constant currency, up 3% at actual rates
- Organic revenue growth of 6%
- EBIT up 7% at constant currency, up 3% at actual rates
- EPS up 10% at actual rates
- Dividend raised 7% to 11.5 US cents per share

Global continuing activities revenue and EBIT only. FY11 H1 revenue, EBIT and EBIT margin adjusted to exclude small discontinuing activities. FY12 H1 revenue, EBIT and EBIT margin adjusted to exclude the discontinued comparison shopping and lead generation businesses and small discontinuing activities. FY13 H1 revenue, EBIT and EBIT margin adjusted to exclude the divested Sinotrust Market Research Services business and other small discontinuing activities. Organic revenue growths are shown at constant FX rates and have not been restated.



First half results Regional highlights

North America

Solid growth

- Some acceleration in credit marketing
- Significant progress in new verticals
- Strong pipelines
- Adding sales resource
- New Consumer Services affinity win, since half year end

Latin America

Good performance in a slower growth environment

- Brazilian economy continues to grow although more slowly
- Experian growth driven by:
 - Growth across broader LatAm region
 - Investment initiatives



First half results Regional highlights

UK and Ireland

Investments driving improvement

- Further signs of improvement
- Years of investment coming to fruition
- Another outstanding performance in Consumer Services

EMEA/Asia Pacific

Transitional period

- Excellent progress in EMEA following realignment
- Undertaking similar exercise in Asia Pacific
 - Realignment
 - Emphasis on global products
 - Australia bureau investment



Strategy update

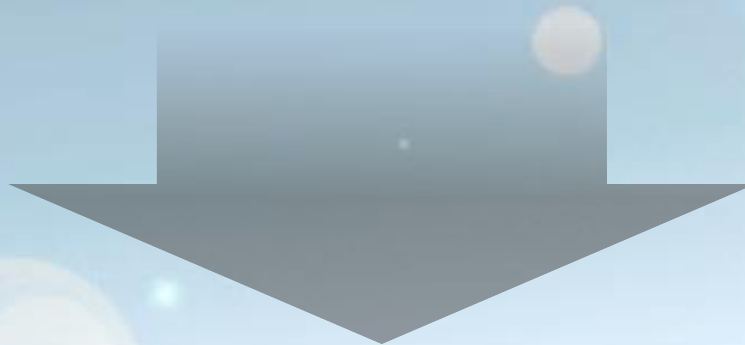
Update on global growth programme

Global growth programme

Product
innovation

New customer
segments

Expanding
geographically



Focusing on the “big plays”



Spotlight on fraud and identity management

Drivers of growth

Product
innovation

New
customer
segments

Expanding
geographically



**New account
opening fraud**



**Card-not-present
fraud**



**Account take-
over fraud**



**Online
transaction fraud**



Bust-out fraud



Mobile fraud

- **Fuelled by increase in e-commerce**
- **Globally merchants incurring fraud costs and losses of c. US\$200bn p.a.**
- **Business and governments need to detect fraud and identify consumers**
- **Experian addressable market is c. US\$2-3bn, growing at double-digit rates**
- **Experian fraud prevention and identity management revenue c. 6% of Group revenue¹, with mid-teens growth**

¹ Based on forecast revenue for the year ending 31 March 2014



Spotlight on fraud and identity management

Acquisition of 41st Parameter

Product
innovation

New
customer
segments

Expanding
geographically



- Leader in device identification
- Card-not-present fraud detection
- Becoming an industry standard
- Significant cross-sell opportunity for Experian:
 - Of Experian's top 25 clients, only 5 are current 41st Parameter clients
 - Significant geographic expansion potential; 70% of 41st Parameter revenue is US-based



Strategy update

Growing sophistication of our vertical strategy

Product
innovation

New
customer
segments

Expanding
geographically

2008

- Dominated by financial services
- Region-centric

**Less than
50%***

2013

- Driving awareness and best practice
- Addressing coverage across markets

**Revenue from
non-financial services**

**2014
and
beyond**

- Clear strategy
- Focus on the “big vertical plays”

**More than
70%***

*Percentage of revenue from customer segments other than financial services.



Strategy update

New customer segments: focus areas

Product
innovation

New
customer
segments

Expanding
geographically

Healthcare payments



Telecommunications



Automotive



Public Sector





Acquisition of Passport Health Communications

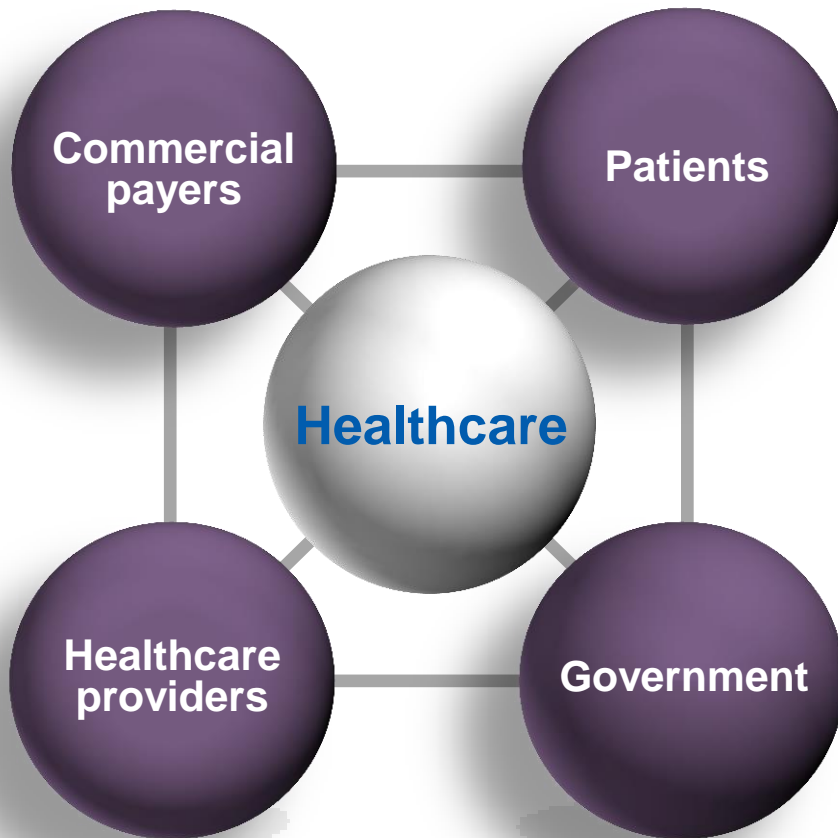
The US healthcare payment industry

Product
innovation

New
customer
segments

Expanding
geographically

US healthcare ecosystem



US healthcare payments market

- US\$2-3bn market
- Rapid growth, driven by financial pressure on healthcare providers
 - Complex web of providers and payers
 - Consumers paying more of their healthcare bills
- Hospitals seeking to become more efficient
 - Systems investment
 - Automation
 - Consolidating supplier relationships



Acquisition of Passport Health Communications Experian's healthcare payments operations

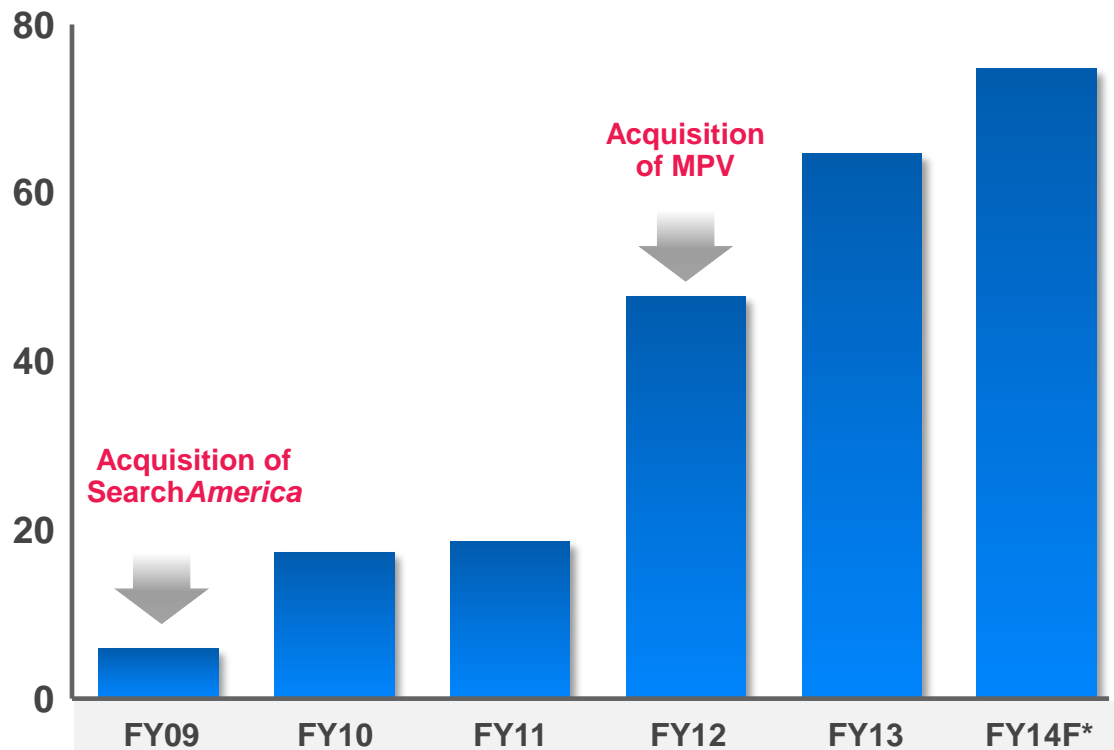
Product
innovation

New
customer
segments

Expanding
geographically



Revenue
US\$m



* Experian forecasts.

- Entered market five years ago
- Merged to form Experian Healthcare
- Mid-teens organic revenue growth with expanding margins



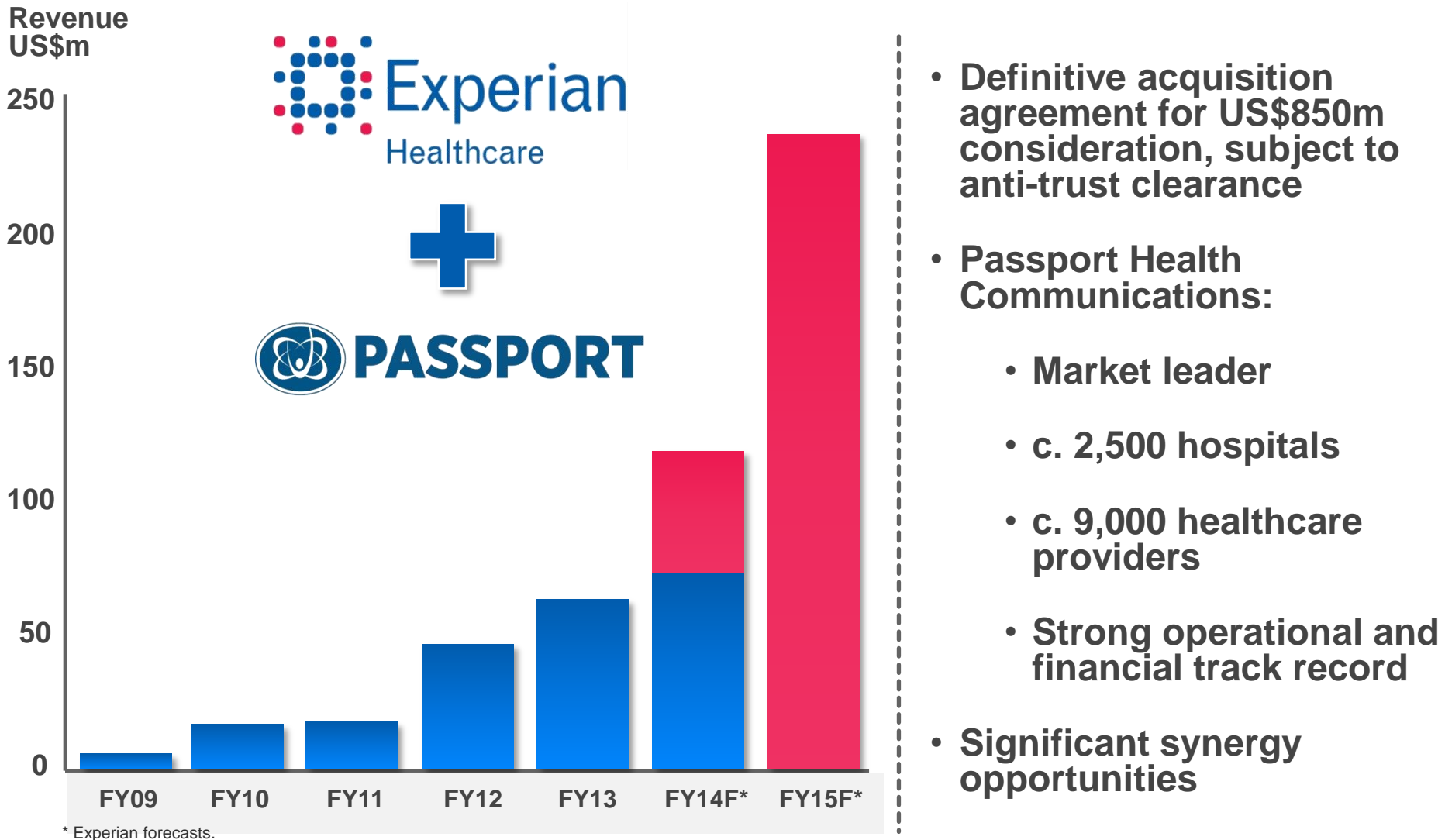
Acquisition of Passport Health Communications

Business description

Product
innovation

New
customer
segments

Expanding
geographically





Acquisition of Passport Health Communications

Experian positioned as market leader

Product
innovation

New
customer
segments

Expanding
geographically

2008



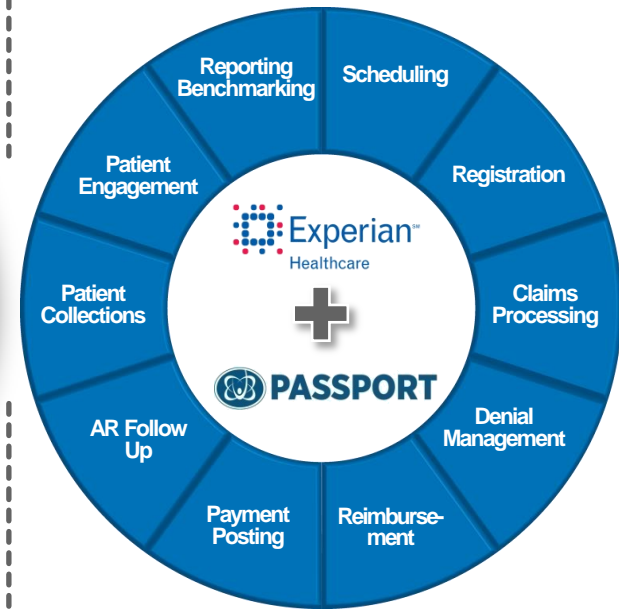
- Strong hospital market presence
- Payment prediction, collections software, address verification

2011



- Focused primarily on physician practices
- Reimbursement and payments from commercial insurance providers

2013



- Comprehensive product suite
- One-stop-shop



Acquisition of Passport Health Communications

Strategic rationale

Product
innovation

New
customer
segments

Expanding
geographically



- Coverage grows from c. 500 to nearly 3,000 hospitals
- Equivalent to 45% of US hospitals
- Significant cross-sell opportunity



- From 14 to 28 products
- Creates a full suite
- Clients can source needs from a single provider

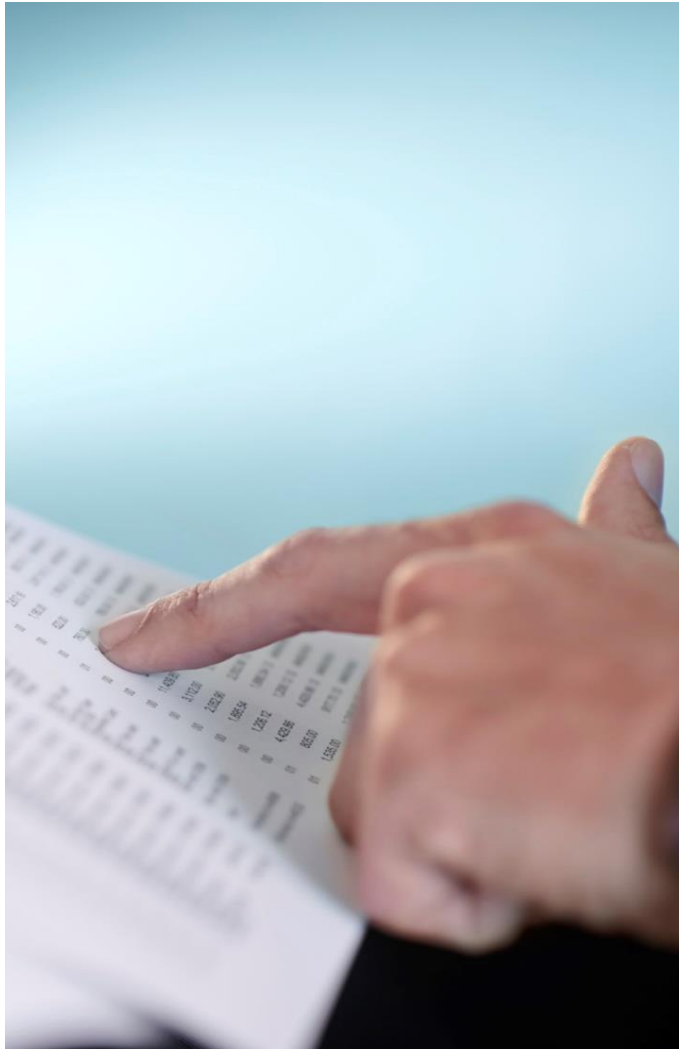


- Healthcare payments records rise from c. 1bn to c. 4bn
- Data cost efficiencies through substitution of third party data

Scale and leadership in a high-growth market



First half results Summary



- **Strong performance, despite market conditions**
- **Organic investments driving growth**
- **Adding sales resources to take advantage of opportunities**
- **Growth programme focus on “big plays”**
- **Key acquisitions supplement organic development and add scale**



Financial review

Brian Cassin, Chief Financial Officer





Financial review Highlights

Revenue Growth	Total revenue growth	6%
	Organic revenue growth	6%
EBIT margin	EBIT margin	26.0%
	Continuing activities EBIT growth	7%
PBT	Benchmark PBT growth	2%
Earnings	Benchmark EPS growth	10%
Operating cash flow	Operating cash conversion	84%
	Operating cash flow growth	18%

Revenue and EBIT growth at constant exchange rates

Note: Certain financial data have been rounded within this presentation. As a result of this rounding, the totals of data presented may vary slightly from the arithmetic totals of such data.



Financial review North America

Six months ended 30 September US\$million

Revenue	2013	2012	Total growth	Organic growth
Credit Services	447	418	7%	7%
Decision Analytics	77	70	9%	4%
Marketing Services	203	198	3%	2%
Consumer Services	423	410	3%	3%
Total revenue	1,150	1,096	5%	5%
EBIT	351	327	7%	
EBIT margin	30.5%	29.8%		

- Organic revenue growth of 5%
- Margin improvement of 70 basis points

All figures above on a continuing activities basis
Growth at constant exchange rates



Financial review Latin America

Six months ended 30 September US\$million

Revenue	2013	2012	Total growth	Organic growth
Credit Services	432	438	7%	7%
Decision Analytics	26	19	52%	52%
Marketing Services	35	42	(11)%	(11)%
Total revenue	493	499	7%	7%
EBIT	176	172	11%	
EBIT margin	35.7%	34.5%		

- Organic revenue growth of 7%
- Margin improvement of 120 basis points

All figures above on a continuing activities basis
Growth at constant exchange rates



Financial review UK and Ireland

Six months ended 30 September US\$million

Revenue	2013	2012	Total growth	Organic growth
Credit Services	119	118	3%	3%
Decision Analytics	97	98	1%	1%
Marketing Services	106	109	0%	0%
Consumer Services	113	90	28%	28%
Total revenue	435	415	7%	7%
EBIT	129	118	12%	
EBIT margin	29.7%	28.4%		

- Organic revenue growth of 7%
- Margin improvement of 130 basis points

All figures above on a continuing activities basis
Growth at constant exchange rates



Financial review EMEA/Asia Pacific

Six months ended 30 September US\$million

Revenue	2013	2012	Total growth	Organic growth
Credit Services	92	91	1%	1%
Decision Analytics	52	50	7%	7%
Marketing Services	115	109	8%	4%
Total revenue	259	250	5%	4%
EBIT	(10)	5	(281)%	
EBIT margin	(3.9)%	2.0%		

- Organic revenue growth of 4%
- Operating loss reflects:
 - Trading weakness
 - Wind down of large contract
 - Investment in Australia bureau

All figures above on a continuing activities basis

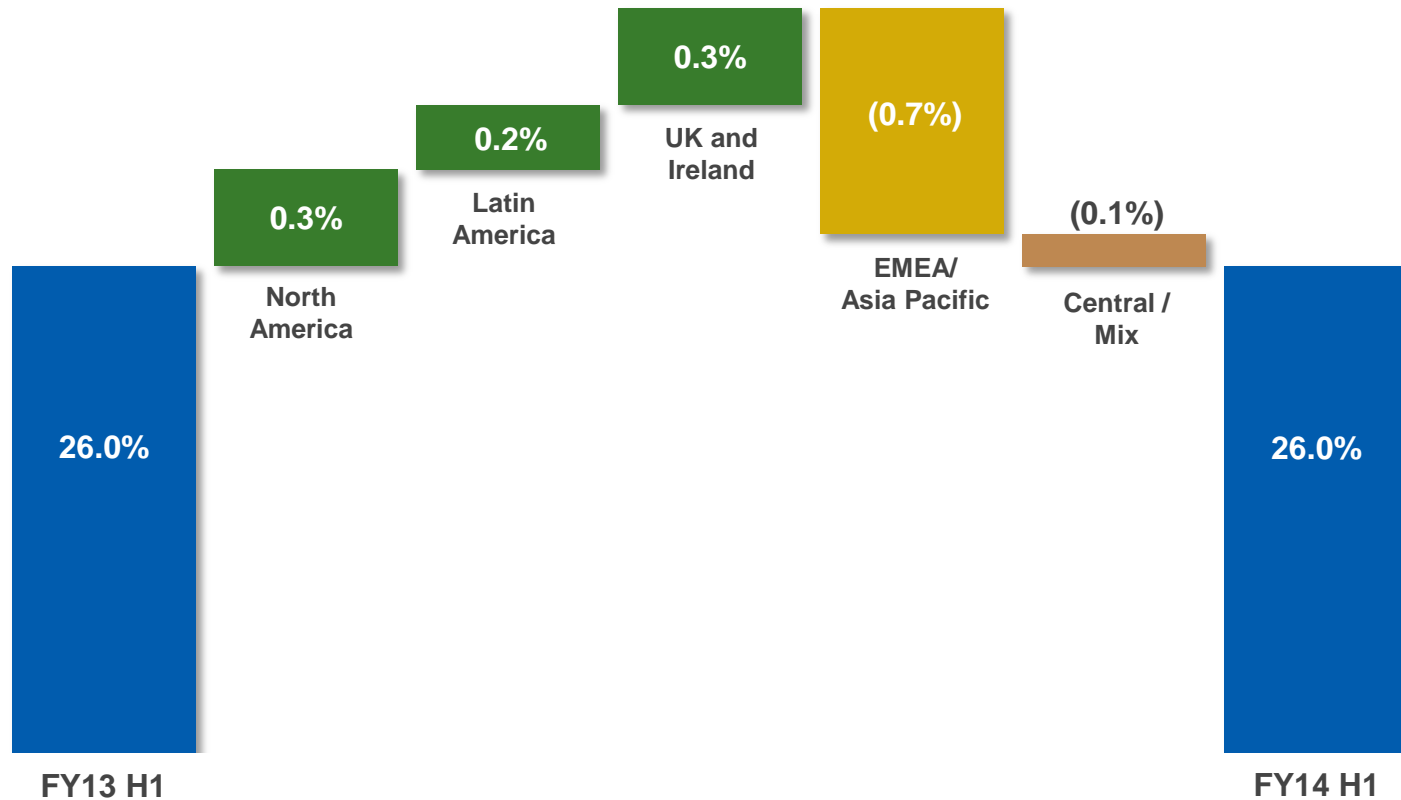
Growth at constant exchange rates

2012 restated for the divestment of Sinotrust Market Research Services and other small discontinuing activities in Credit Services and Marketing Services



Financial review

EBIT margin by geography



FY13 restated for the divestment of Sinotrust Market Research Services and other small discontinuing activities in EMEA/Asia Pacific



Six months ended 30 September US\$million

Revenue	2013	2012	Total growth	Organic growth
Credit Services	1,090	1,065	6%	6%
Decision Analytics	252	237	9%	7%
Marketing Services	459	458	2%	1%
Consumer Services	536	500	8%	8%
Total revenue	2,337	2,260	6%	6%
EBIT before central activities	646	622	7%	
Central activities	(38)	(34)		
EBIT – continuing activities	608	588	7%	
EBIT margin	26.0%	26.0%		

- Organic revenue growth of 6%
- EBIT growth of 7%
- EBIT margin maintained

All figures above on a continuing activities basis
Growth at constant exchange rates

2012 restated for the divestment of Sinotrust Market Research Services and other small discontinuing activities in Credit Services and Marketing Services, and for further costs of \$1m within Central Activities as a result of the adoption of IAS 19 (revised).



Financial review

Group benchmark earnings

Six months ended 30 September
US\$million

	2013	2012	Growth
Total EBIT	608	589	3%
Net Interest	(35)	(29)	
Benchmark PBT¹	573	560	2%
Benchmark taxation	(154)	(140)	
<i>Benchmark taxation rate</i>	<i>26.9%</i>	<i>25.0%</i>	
Benchmark PAT	419	420	
Benchmark non-controlling interest	(1)	(37)	
Benchmark earnings	418	383	9%
Weighted average number of shares, million	983	988	
Closing number of shares, million	979	987	
Benchmark EPS, US cents	42.5	38.8	10%

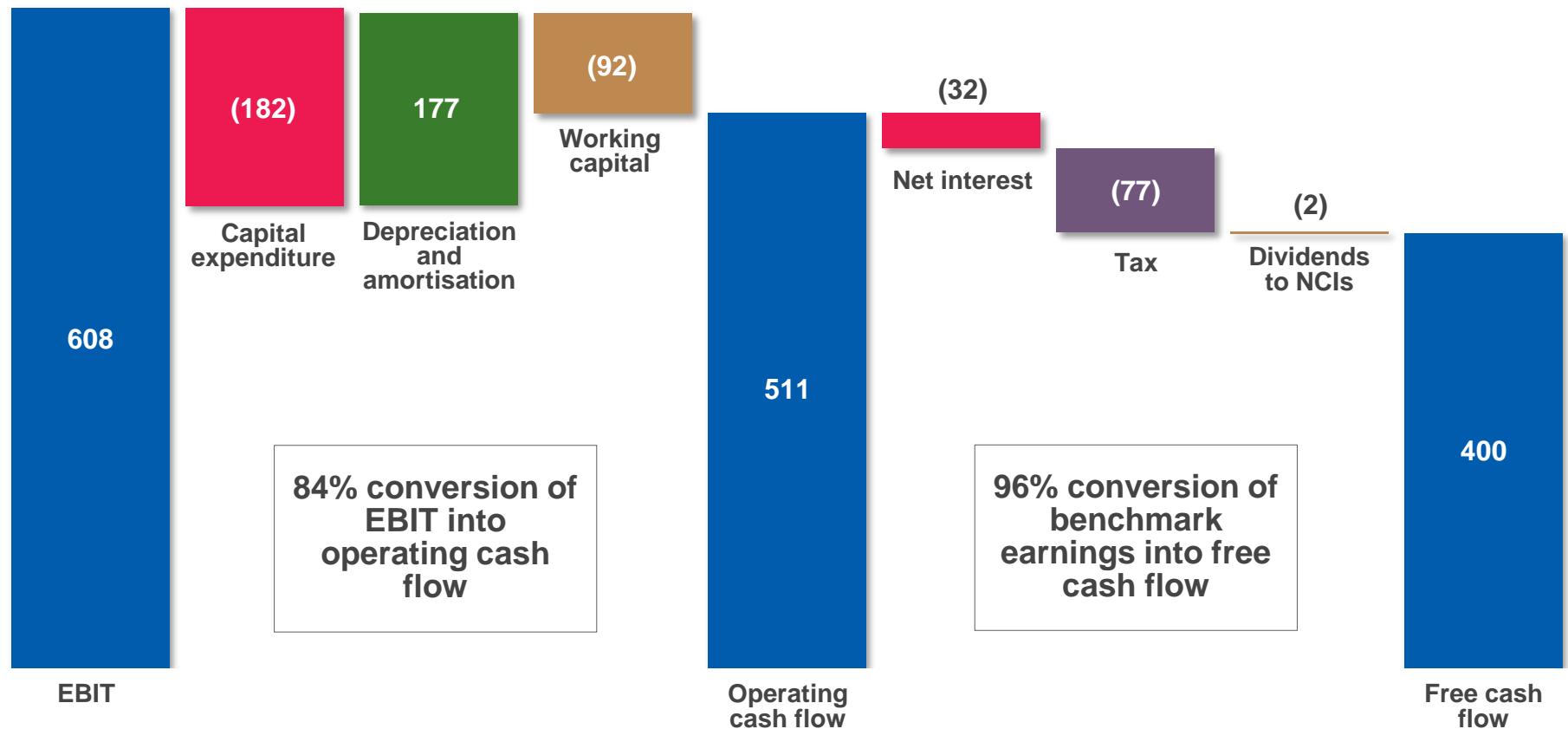
¹ Benchmark PBT is defined as profit before amortisation of acquisition intangibles, acquisition expenses, goodwill impairments, charges in respect of the demerger-related equity incentive plans, exceptional items, financing fair value remeasurements and tax. It includes the Group's share of associates' pre-tax profit.



Financial review

Cash flow performance

Six months ended 30 September
US\$million





Financial review

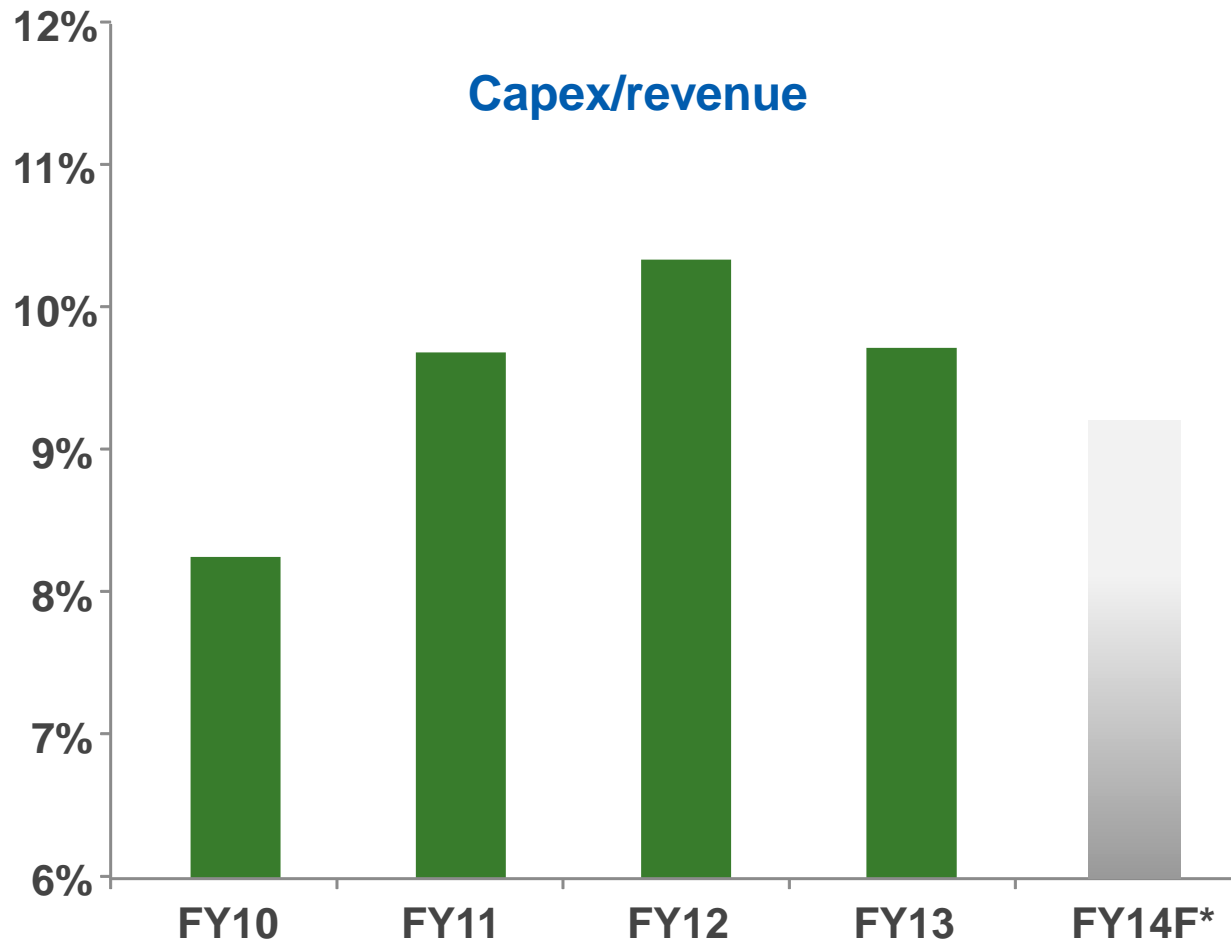
Net debt reconciliation

Six months ended 30 September
US\$million





Investing for growth Capital expenditure



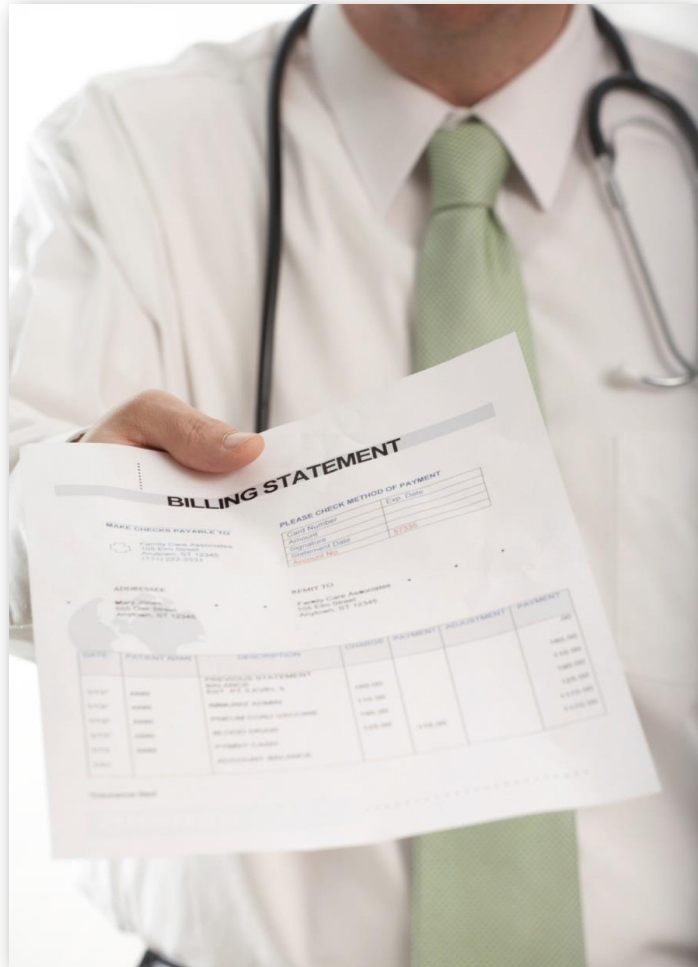
- Capex/revenue peaked at just over 10% in FY12
- Expect capex/revenue to be closer to 9% for FY14

* Experian forecasts.



Investing for growth

Acquisition of Passport Health Communications



- US\$850m cash consideration, funded from committed facilities
- Completion expected mid to late November
- Financial expectations:
 - US\$121m forecast revenue in CY2013, up 23% organically
 - US\$145m forecast revenue in CY2014, of which 84% is already contracted
 - Expect EBIT margin in high twenties in CY2014
- Earnings accretive on completion



Capital strategy

Capital allocation and leverage

Capital allocation framework

- Aim to balance:
 - Balance sheet prudence
 - Funding growth plans
 - Shareholder returns

Status update

- Target net debt range is 1.75–2.0x EBITDA
- Following recently announced acquisitions, net debt will be c.US\$4.2bn
- Stopping share repurchase programme having repurchased US\$370m year-to-date
- Expect net debt to EBITDA of approximately 2.25x by year end, subject to trading and future M&A activity
- Will provide usual update on future capital allocation plans in May



Net interest

- Net interest in the region of US\$75m to US\$85m, subject to completion of the acquisition of Passport Health Communications

Tax

- Benchmark tax rate of c.27%

Capital expenditure

- Capital expenditure expected to be closer to 9% of revenue

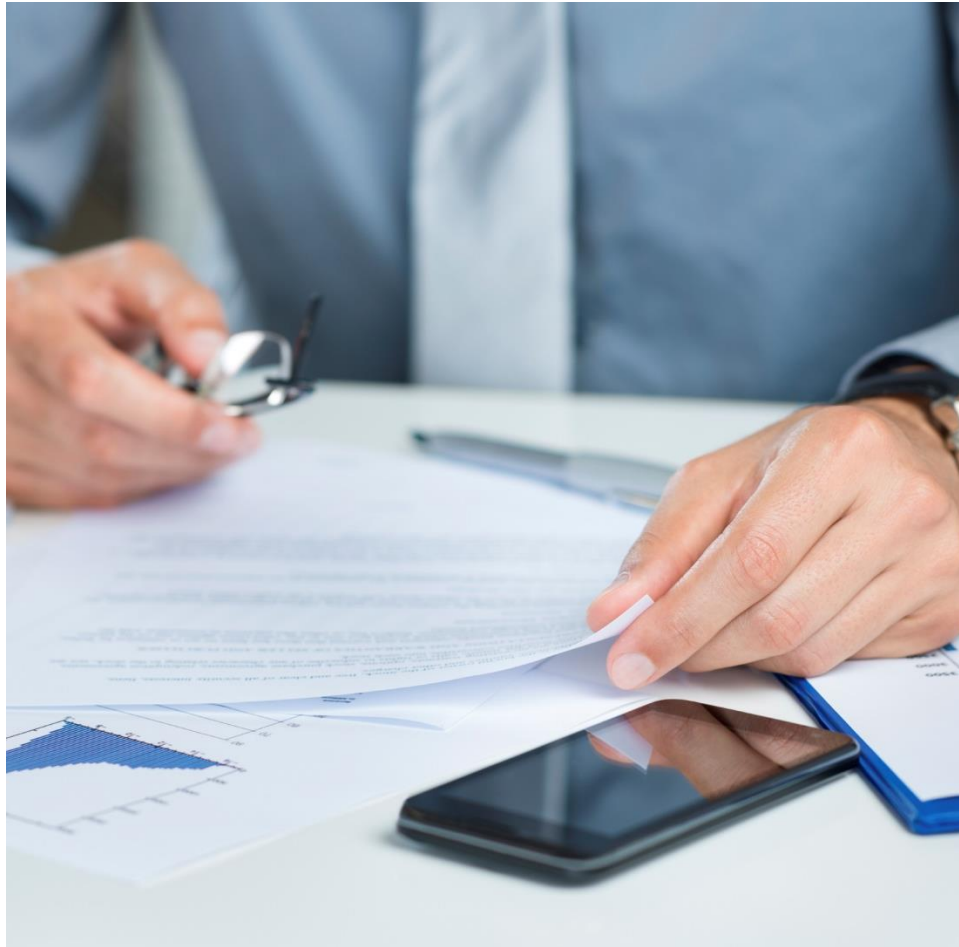
WANOS

- Expect weighted average number of shares to be c.980m for the full year



Financial review

Financial summary and outlook



- Good performance in H1
- Outlook for H2:
 - Organic revenue growth to be in a similar range as H1
- For the full year:
 - Modest margin improvement
 - Cash conversion of at least 90%



Summary

Don Robert, Chief Executive Officer





First half results Summary



- Good progress both strategically and operationally
- Investments for growth yielding good results
- Augment organic development with key acquisitions

Creating more ways to win



Half-yearly results for six months ended 30 September 2013

6 November 2013

