



news release

Interim Management Statement, first quarter

11 July 2014 – Experian, the global information services company, today issues an Interim Management Statement that includes an update on trading for the three months to 30 June 2014.

Commenting on the performance, Don Robert, Chief Executive Officer, said:

“As previously highlighted, we faced a number of one-off headwinds in the first quarter, including a subdued trading environment in Brazil during the World Cup and the effect of the brand transition we are undertaking in North American Consumer Services, which is progressing according to plan. These factors masked strengthening performance in North America Credit Services, where the environment for both consumer and business lending is improving, as it is in the UK, where we saw growth across all areas. Our two recent acquisitions in the high-growth areas of healthcare and fraud prevention performed strongly, with significant client wins across each. For Q1, total revenue growth was 4%, total revenue growth at constant exchange rates was 3% and organic revenue was unchanged year-on-year.

“Looking ahead, while we continue to expect growth in the first half to be constrained by the one-off headwinds we expect a return to more normal levels of organic revenue growth as the second half of the year progresses. We also continue to expect at least to maintain margins for the year, to deliver growth in earnings per share and to exceed 90% cash flow conversion.”

% change in revenue year-on-year for the three months to 30 June 2014

Continuing activities only¹	Total growth	Total growth	Organic growth
	% At actual exchange rates ²	% At constant exchange rates	% At constant exchange rates
North America	5	5	(2)
Latin America	(11)	(3)	(3)
UK and Ireland	16	6	5
EMEA/Asia Pacific	4	4	2
Experian	4	3	-

¹ Continuing activities exclude the contributions of small discontinuing businesses in Latin America and EMEA/Asia Pacific

² Experian reports in US dollars

In the three months to 30 June 2014, total revenue from continuing activities increased by 4%, at constant exchange rates growth was 3% and organic revenue was unchanged. The difference relates mainly to the acquisitions of The 41st Parameter (41st Parameter) and Passport Health Communications (Passport) and to the translation effect of the movement in British pound sterling relative to the US dollar.

By business line, Credit Services delivered organic revenue growth of 2%, Decision Analytics was unchanged, there was a decline in Marketing Services of 2%, and there was a decline of 5% in Consumer Services.

North America

Total revenue growth in North America was 5%, while organic revenue was down 2%. The difference relates primarily to the acquisitions of Passport (November 2013) and 41st Parameter (October 2013).

We saw good growth in Credit Services, where organic revenue increased by 6%. Growth in the core consumer credit bureau reflected increased credit prospecting and origination activity, business information performed well, and automotive and our legacy healthcare operations delivered good growth. In underlying terms, Passport performed very strongly, securing further client bookings, and we made good progress towards bundling the Experian product-set into the Passport platform. Decision Analytics was up 2% organically, after an exceptionally strong comparable in the prior year. On an underlying basis, the business is performing well and we continue to see good demand for credit risk management software and authentication services. We also secured key wins in the quarter for 41st Parameter with both new and existing clients. A decline in Marketing Services of 3% was driven mainly by our data activities, partially offset by growth in data quality and cross channel marketing. The decline in Consumer Services of 10% was in line with our earlier expectations as we shift our focus from the 'free' direct-to-consumer brands and invest in Experian.com as our flagship brand. To this end, we saw continued strong momentum in Experian.com during the quarter, with revenue growth of approximately 20% in the quarter, offset by further decline in the 'free' brands.

Latin America

At constant exchange rates, total and organic revenue growth in Latin America declined by 3%.

As anticipated, the World Cup impacted trading activity in Brazil. Credit Services declined by 2% as a reduction in the number of business trading days in Brazil led to lower transaction volumes, and there was also a decline in digital certificates. This was mitigated by growth across our other Latin American credit bureaux. A decline in Decision Analytics of 23% was principally due to a very strong quarter in the previous year. Meanwhile, there was some improvement in Marketing Services where the rate of decline, at 1%, continues to moderate, as new product introductions and client wins help offset weak market conditions.

UK and Ireland

At constant exchange rates, total revenue growth for UK and Ireland was 6% and organic revenue growth was 5%.

We delivered organic revenue growth in Credit Services of 4% and in Decision Analytics of 2%, as we continue to see gradual improvement in lending activity, client investment in lending infrastructure and good demand for analytics. Growth in Marketing Services was 2%. There was very strong growth in cross-channel marketing as revenue from previous client wins start to build, and we continue to see significant interest from new prospects for this platform. Data quality services also grew well and, combined, these offset a weaker performance in the data business. Consumer Services delivered good growth with organic revenue growth of 13% reflecting new member growth and increased retention rates.

EMEA/Asia Pacific

At constant exchange rates, total revenue growth for EMEA/Asia Pacific was 4% and organic revenue growth was 2%. The difference relates principally to the acquisition of 41st Parameter.

Organic revenue growth for Credit Services was 5%, as the majority of our bureaux in Europe returned to growth and our operations in Asia Pacific performed well. Decision Analytics delivered growth of 6% from successful deployments of the PowerCurve credit risk management software and growth in fraud detection. A decline in Marketing Services of 5% was due to the client in-housing event in EMEA that has been previously flagged, and there was good growth across this business line excluding this item.

Financial position

Other than as disclosed, there has been no change since 31 March 2014 to Experian's general financial position, which remains strong, and no material change to Experian's trading position to the date of this statement.

Future events

Experian will hold its AGM on 16 July 2014 and will release its half-yearly financial report on 6 November 2014.

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This announcement is available on the Experian website at <http://www.experianplc.com>. There will be a conference call today to discuss this update at 9.00am (UK time), which will be broadcast live on the website with a recording available later.

All financial information in this Interim Management Statement is based on unaudited management accounts. Certain statements made in this Interim Management Statement 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.

Neither the content of the Company's website, nor the content of any website accessible from hyperlinks on the Company's website (or any other website), is incorporated into, or forms part of, this announcement.

About Experian

Experian is the leading global information services company, providing data and analytical tools to clients around the world. The Group helps businesses to manage credit risk, prevent fraud, target marketing offers and automate decision making. Experian also helps individuals to check their credit report and credit score, and protect against identity theft.

Experian plc is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. Total revenue for the year ended 31 March 2014 was US\$4.8 billion. Experian employs approximately 16,000 people in 39 countries and has its corporate headquarters in Dublin, Ireland, with operational headquarters in Nottingham, UK; California, US; and São Paulo, Brazil.

For more information, visit <http://www.experianplc.com>.