Experian

news release

Preliminary results for the year ended 31 March 2015

12 May 2015 ─ Experian, the global information services company, today issues its full year financial results for the twelve months ended 31 March 2015.

General highlights

- A positive finish for the year, returning to organic revenue growth in Q4, and we are executing well against our five key strategic priorities.
- Our strong performance in North America Credit Services reflects the better environment for lending as well as particularly good results from business information, automotive and health.
- Encouraging progress in repositioning our consumer offer in the US with Experian.com.
- In the UK and Ireland we grew across all business areas and our Brazilian business outperformed a weak macroeconomic backdrop.
- Strong cash outcome, while investing for growth and increasing returns to shareholders.

Financial highlights

- Total revenue growth from continuing activities was 3% at constant exchange rates, with organic revenue up 1%. At actual exchange rates, total revenue from continuing activities rose 1% reflecting adverse foreign exchange movements.
- Total EBIT from continuing activities rose 4% at constant exchange rates. At actual exchange rates, total EBIT was unchanged year-on-year at US$1,306m. EBIT margin from continuing activities was 27.2%, up 10 basis points before the impact of foreign exchange movements, down 20 basis points year-on-year.
- Benchmark profit before tax was US$1,231m, up 4% at constant exchange rates, unchanged at actual rates. Profit before tax of US$1,006m (2014: US$1,049m).
- Benchmark EPS was 95.2 US cents, up 8% at constant exchange rates and 4% at actual rates. Basic EPS of 76.9 US cents (2014: 76.1 US cents).
- Strong operating cash flow with 104% conversion of EBIT into operating cash flow. Net debt reduced by US$592m, with net debt to EBITDA now 1.9 times (2014: 2.27 times).
- Second interim dividend of 27.00 US cents per ordinary share to give full year dividend of 39.25 US cents per share, up 5%. Expressed in sterling, the full year dividend increase is 16%. Our US$600m share repurchase programme is also underway.

Brian Cassin, Chief Executive Officer, commented:

"We have accomplished a lot in what has been an important year of transition for Experian. We delivered strong growth across many parts of the business, have made further progress with earnings and are increasing returns to shareholders. We finished the year well, with organic growth improving as we exited the year. We are also executing well on the five strategic priorities we outlined earlier this year. Regionally, we saw particularly good performances from our operations in North America Credit Services, UK and Ireland, Asia Pacific and Brazil where we continue to outperform a weak economy."

"As we look ahead, we will continue to execute on our plans to achieve our medium-term goals of mid single-digit organic revenue growth and strong growth in Benchmark earnings per share. In the coming year, we expect organic revenue growth to progress as we focus on our growth initiatives and as we continue to transform North America Consumer Services. While foreign exchange is a headwind, at constant currency we expect margins for the year to be stable and to deliver further progress in Benchmark earnings per share."

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There will be a presentation today at 9.30am (UK time) to analysts and investors at the Bank of America Merrill Lynch Financial Centre, 2 King Edward Street, London, EC1A 1HQ. The presentation can be viewed live via the link from the Experian website at www.experianplc.com and can also be accessed live via a dial-in facility on +44 (0)20 3037 9164. The supporting slides and an indexed replay will be available on the website later in the day.

Experian will update on first quarter trading on 16 July 2015.

See Appendix 1 and note 4 to the financial statements for definitions of non-GAAP measures used throughout this announcement.

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

Forward looking statements
Certain statements made in this announcement 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. See page 15 and note 26 to the financial statements for information on risks and uncertainties facing Experian.

Company website
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
We are the leading global information services company, providing data and analytical tools to our clients around the world. We help businesses to manage credit risk, prevent fraud, target marketing offers and automate decision making. We also help people to check their credit report and credit score, and protect against identity theft. In 2014, we were named by *Forbes* magazine as one of the 'World's Most Innovative Companies'.

We employ approximately 17,000 people in 39 countries and our corporate headquarters are in Dublin, Ireland, with operational headquarters in Nottingham, UK; California, US; and São Paulo, Brazil.

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 March 31, 2015, was US$4.8 billion.

To find out more about our company, please visit http://www.experianplc.com or watch our documentary, 'Inside Experian'.

Chief Executive Officer's review

I am pleased to report that we achieved a positive outcome during a year of transition for Experian. Earlier this year, we laid out five key strategic priorities to position the Group for sustained growth and we're executing well against the key elements of our plan. For the year ended 31 March 2015:

- As expected, organic revenue improved as we exited the year. For the year, total revenue growth from continuing activities was 1% at actual rates, 3% at constant exchange rates, and organic revenue growth was 1%. This represented flat organic revenue in the first three quarters of the year and 3% in Q4, with the uplift coming mainly from improved performances in North America Consumer Services and Decision Analytics.

- We saw strong growth during the year from North America Credit Services, the UK and Ireland, and across Asia Pacific. Latin America showed good progress despite the subdued economy in Brazil, and whilst North America Consumer Services was a headwind, we've made further progress towards transforming our consumer proposition and leveraging the Experian.com brand.

- We generated significant cash flow during the year, enabling us to support our growth ambitions, announce increasing returns to shareholders and reduce net debt. We grew Benchmark EPS by 8%, at constant exchange rates and 4% at actual rates, increased equity dividends by 5%, and reduced net debt by US$592m, while continuing to invest for growth.

Regional highlights

North America
In North America, we made further progress across Credit Services and Decision Analytics; Marketing Services was stable and we've taken a number of important steps to reposition Consumer Services.

Our core consumer bureau continued to perform well as the environment for lending improved with steady expansion in volumes. Performance was further boosted by strong growth across the non-consumer bureau component, now accounting for around 40% of Credit Services revenue in North America. Business information recovered well, following the actions we've taken to strengthen and refocus our activities. Automotive had another outstanding year as we increase market penetration with dealers, manufacturers and auto-lenders, and I'm delighted with the progress we've made in health, where Passport has exceeded our expectations. The integration of Passport has gone smoothly and we're seeing significant growth in both bookings and implementations as we expand our position with existing hospital and physician clients and add new ones. We're also laying foundations to expand our product range, to address new healthcare segments in the future. Decision Analytics had another solid year, fuelled by significant software deals, and we're making considerable progress in analytics, as lending activity picks up and clients seek tools to refine their decision-making and ability to segment the market effectively. In Marketing Services, we saw strong growth in cross-channel marketing offset by some attrition on legacy email products. We're making steady progress in cross-channel, with a good pipeline of prospects which we'll seek to convert over the coming year.

We're encouraged by progress in North America Consumer Services. Whilst uncertainty remains and we continue to invest in the brand and products to move the business forward, we believe we have passed the peak rate of decline. Our strategy is focused on transforming our consumer offering by differentiating ourselves as a data owner and providing a compelling consumer experience, while also using our firepower in consumer marketing to make Experian.com the principal brand for consumers. Key milestones in the year included making FICO scores available to consumers through Experian.com, which we launched in December 2014. Response rates since have been favourable, with an increase in membership revenue for Experian.com of 14% year-on-year in Q4. A further development took place in March when we successfully migrated freecreditreport.com customers to Experian.com. This was an important step as we seek to simplify our platforms and to generate operational efficiencies. Over the coming year we expect to introduce additional functionality in order to further enhance the consumer experience, and with this we expect the transition to make further steady progress throughout FY16 in North America Consumer Services.

Latin America

In Latin America, growth was driven largely by our own efforts as the macroeconomic backdrop continues to be weak, particularly in Brazil. During the year we implemented a series of measures in Brazil to direct our efforts at market segments where growth is available. This helped sustain momentum in business information where we've seen good growth through the introduction of new features and scores which help to enhance the value of our offers. We also continue to develop services for consumers, through products such as Limpa Nome (Clean My Name) which, while still small in terms of revenue contribution, are establishing our credentials as a provider of services to consumers in Brazil. We're also investing in talent and propositions to address emerging growth opportunities in areas like data quality and fraud prevention. These efforts, together with strong growth in our other Latin American markets, helped us withstand softer conditions in the Brazilian retail lending sector, where clients are focusing more on risk mitigation strategies than on originating new loans. We have also done a lot to enhance operational efficiency, which will help us address new growth markets more effectively while keeping a tight control on costs.

UK and Ireland

In the UK and Ireland we delivered growth across all business lines and strong progression in EBIT margins. After a period of significant investment in Credit Services, we're seeing good levels of growth in both business and consumer information. Business information is benefiting as we expand in the small and medium enterprise channel, and as we increase the sophistication of our product set for larger customers. We see further potential for growth from the provision of international data, as we leverage our new platform, called the Global Data Network. These measures, coupled with the success we've met with in newer areas such as credit pre-qualification in consumer information, have contributed to a good outcome for the year and bode well for the future. The UK was a promising market for 41st Parameter deployments (part of our fraud detection suite), where we've had a number client wins, several of which are now starting to go live, and our pipeline of prospects is building. There were also encouraging signs in Marketing Services, where our cross-channel marketing platform saw good rates of adoption, and Consumer Services delivered further growth in memberships, even as it compared against an exceptionally strong performance in the previous year.

EMEA/Asia Pacific

We've made good progress in EMEA/Asia Pacific. We saw a much improved performance in Asia Pacific, which returned to double-digit organic revenue growth. We also delivered steady underlying progress in EMEA, masked by the one-off item that we've previously referenced. Momentum is building across some of our key product lines. We had a very strong year for cross-channel marketing new business wins and saw continuing momentum for PowerCurve, our flagship credit decisioning platform.

EBIT margins

We faced a number of margin headwinds this year, specifically from higher legal and regulatory costs, the dilutive effect of recent acquisitions and the reduction in revenue in North America Consumer Services. Even so, at constant exchange rates we sustained margins due to the strength of performance in the UK and Ireland, an improving outcome in EMEA/Asia Pacific and a focus on cost containment across the Group. At constant currency, EBIT margins were up 10 basis points to 27.5%. Foreign exchange translation had an adverse effect on reported margins and at actual rates EBIT margins reduced by 20 basis points to 27.2%, mainly due to the weakening of the Brazilian real relative to the US dollar, and the depreciation of the euro relative to the US dollar.

Strategy

Earlier this year we laid out our plan aimed at delivering attractive rates of earnings growth and superior returns through a strategy focused on five key priorities, and while still at an early stage we are making good progress against our goals.

Focus: is about concentrating on our bigger businesses, with future growth more likely to come from within the existing business footprint rather than any major step-out. We have evaluated a number of smaller operations in the portfolio, some of which are non-core, and we're examining options for reducing our exposure in these areas.

Growth: we're building a strong platform for growth by investing in specific opportunities. These are in consumer information, business information, health, fraud and identity management, and software and analytics, all of which contributed positively to Experian's growth this year.

Improve performance: we've made progress in addressing performance issues in North America Consumer Services, Brazil and Marketing Services, as discussed above. Delivering sustained recovery in these areas will be critical to getting to our medium term goal of mid single-digit organic revenue growth.

Efficiency: we're making changes to our operating model to become more efficient and more agile. Recently we evolved and simplified our matrix structure by consolidating three global business lines with a remit to focus purely on strategic opportunities and global platforms. Our regions are now wholly responsible for client engagement, execution and revenue accountability. This will help sharpen our strategic focus, promote cross-collaboration and eliminate complexity. These changes are aimed at enhancing organisational effectiveness and there is no change to external reporting segments.

Capital optimisation: earlier this year we conducted a thorough review of our capital plans to sharpen focus on capital allocation. We've since implemented changes in the way we assess risk and how we allocate capital internally, with a more prominent focus on returns. We also seek to balance flexibility to invest, with optimisation of our cost of capital and balance sheet prudence, and as a result we announced changes in January 2015 to our target debt ratios and dividend policy. We also initiated a share repurchase programme, which is targeted to complete by 31 March 2016.

Other items

Cash generation and uses of cash
Cash generation during the year was strong, with EBIT conversion into operating cash flow of 104%, compared to 101% in the previous year. Operating cash flow increased to US$1,359m from US$1,321m in 2014. During the year, US$380m was utilised in organic capital investment, and US$67m supported acquisitions, principally a small credit pre-qualification business in the UK. Share purchases amounted to US$192m. In January 2015 we announced a US$600m share buyback programme, of which US$64m had been completed by the end of March 2015. Equity dividends paid amounted to US$374m, and after other small inflows a balance of US$592m was used to reduce net debt.

At 31 March 2015, net debt was US$3,217m, representing 1.9 times EBITDA for the last twelve months, and just below our target debt range of 2.0 to 2.5 times.

Return on capital employed
Return on capital employed ('ROCE') for the year was 14.9% (2014: 15.6%). As expected, ROCE reduced during the year due to the effect of the Passport and 41st Parameter acquisitions made during 2013. Excluding this effect ROCE progressed by 110 basis points during the year.

Dividend

For the year ended 31 March 2015, we’re announcing a second interim dividend of 27.00 US cents per share. This gives a full year dividend of 39.25 US cents per share, up 5%, consistent with our policy of growing the dividend in line with or ahead of Benchmark earnings. The second interim dividend will be paid on 24 July 2015 to shareholders on the register at the close of business on 26 June 2015. If the current foreign exchange rate (£1=US$1.54 as at 11 May 2015) prevails when the second interim dividend is translated, the full year dividend expressed in sterling would increase by 16%.

People

Finally, I would like to acknowledge the tremendous effort by all the people of Experian during the past financial year. While it was a year of some challenges, we delivered a successful outcome and I am incredibly proud of how committed everyone is to pushing the business forward. The energy I see across the business is palpable and I am confident that we’ll make great progress in the coming year, delivering on the many exciting initiatives we have across the Group.

Group financial results

Revenue by geography

Year ended 31 March	2015 US$m	2014 US$m	Growth % Total at actual rates	Total at constant rates	Organic at constant rates
North America					
Credit Services	1,125	961		17	7
Decision Analytics	194	179		9	4
Marketing Services	432	433		-	-
Consumer Services	717	831		(14)	(14)
Total continuing activities	**2,468**	**2,404**	**3**	**3**	**(2)**
Discontinuing activities	-	-			
Total North America	**2,468**	**2,404**			
Latin America					
Credit Services	782	839		3	3
Decision Analytics	46	53		(2)	(2)
Marketing Services	29	33		(4)	(4)
Total continuing activities	**857**	**925**	**(7)**	**3**	**3**
Discontinuing activities	-	21			
Total Latin America	**857**	**946**			
UK and Ireland					
Credit Services	277	257		7	3
Decision Analytics	224	217		3	3
Marketing Services	235	230		1	1
Consumer Services	263	240		8	8
Total continuing activities	**999**	**944**	**6**	**5**	**4**
Discontinuing activities	-	-			
Total UK and Ireland	**999**	**944**			
EMEA/Asia Pacific					
Credit Services	182	187		4	4
Decision Analytics	130	127		10	9
Marketing Services	174	185		(1)	(3)
Total continuing activities	**486**	**499**	**(3)**	**4**	**3**
Discontinuing activities	-	47			
Total EMEA/Asia Pacific	**486**	**546**			
Total revenue - continuing activities	**4,810**	**4,772**	**1**	**3**	**1**
Total revenue - discontinuing activities	-	68			
Total revenue	**4,810**	**4,840**			

1. 2014 discontinuing activities comprise small discontinuing Marketing Services businesses.

See Appendix 2 (page 16) for analyses of revenue, EBIT and EBIT margin by business segment.

Income statement, earnings and EBIT margin analysis

Year ended 31 March	2015 US$m	2014 US$m	Growth % Total at constant rates	Growth % Total at actual rates
EBIT by geography				
North America	761	757	1	
Latin America	313	344	2	
UK and Ireland	314	284	11	
EMEA/Asia Pacific	(1)	7	30	
EBIT before Central Activities	**1,387**	**1,392**	**3**	
Central Activities – central corporate costs	(81)	(83)		
Total EBIT from continuing activities	**1,306**	**1,309**	**4**	**-**
EBIT - discontinuing activities	-	(3)		
Total EBIT from continuing operations	**1,306**	**1,306**	**4**	**-**
Net interest	(75)	(74)		
Benchmark PBT	**1,231**	**1,232**	**4**	**-**
Exceptional items	(2)	(54)		
Amortisation and impairment of acquisition intangibles	(134)	(131)		
Impairment of goodwill	-	(15)		
Acquisition expenses	(1)	(10)		
Adjustment to the fair value of contingent consideration	(7)	-		
Financing fair value remeasurements	(81)	27		
Profit before tax	**1,006**	**1,049**		
Group tax charge	(255)	(302)		
Profit after tax from continuing operations	**751**	**747**		
Benchmark earnings				
Benchmark PBT	**1,231**	**1,232**		**-**
Benchmark tax charge	(300)	(329)		
Overall Benchmark earnings	**931**	**903**		
For owners of Experian plc	**930**	**899**		**3**
For non-controlling interests	1	4		
Benchmark EPS	**US95.2c**	**US91.7c**	**8**	**4**
Basic EPS from continuing operations	US76.9c	US76.1c		
Weighted average number of ordinary shares	977m	980m		
EBIT margin – continuing activities				
North America	30.8%	31.5%		
Latin America	36.5%	37.2%		
UK and Ireland	31.4%	30.1%		
EMEA/Asia Pacific	(0.2%)	1.4%		
Total EBIT margin	**27.2%**	**27.4%**		

1. EBIT from discontinuing activities arises in Latin America and EMEA/Asia Pacific.

See Appendix 1 (page 16) and note 4 to the financial statements for definitions of non-GAAP measures.
See Appendix 2 (page 16) for analyses of revenue, EBIT and EBIT margin by business segment.

Business review

North America

Total revenue from continuing activities in North America was US$2,468m, up 3%, while organic revenue declined by 2%. The difference relates to the acquisitions of Passport (completed November 2013) and 41st Parameter (completed October 2013).

Credit Services
Total revenue growth was 17% and organic revenue growth was 7%, with strength across all major areas of activity. We saw steady progress in consumer information, with good demand for credit reference products as clients prospected for new credit customers and originated new loans. Business information performed strongly, reflecting new business wins and new product introductions. There was strength in our automotive vertical, as growth in automotive sales drove lending volumes and demand for vehicle history reports. Finally, we made significant gains in health, as we secured new client contracts from hospitals and physician practices for revenue cycle management services, and we delivered strong growth in average order value as we expanded existing customer relationships.

Decision Analytics
Total revenue growth was 9% and organic revenue growth was 4%. Against a strong prior year comparable, Decision Analytics performed well, reflecting new PowerCurve credit risk management implementations, as well as growth in analytics.

Marketing Services
Both total revenue and organic revenue were unchanged. During the year we continued to roll out our new cross-channel marketing platform, for which we are seeing good demand. Our data quality business also performed well. These gains were offset by attrition in traditional email activities, as well as further reductions in the more traditional area of list processing.

Consumer Services
This was a year of transformation for Consumer Services as we focused on establishing the Experian.com brand in the marketplace and launched a proactive roadmap of enhancements to our consumer proposition. Total and organic revenue declined 14%. The new Experian FICO product was launched to consumers on 26 December 2014 and has been well-received. In Q4, Experian.com, delivered revenue growth of 14%. As expected, there was further attrition in the legacy ‘free’ brands as we concentrated marketing resource on Experian.com. ‘Free’ brand revenue declined by 26% in Q4. The affinity channel was relatively weak as our core base of affinity partners remained out of the market for new customer marketing activity, in response to regulatory compliance requirements.

EBIT and EBIT margin
For continuing activities, North America EBIT was US$761m, up 1%. The EBIT margin was 30.8% (2014: 31.5%), as positive operating leverage was offset by additional legal and regulatory costs, and as a consequence of the ongoing investment in the brand and products in Consumer Services.

Latin America

Total revenue from continuing activities in Latin America was US$857m, with both total and organic revenue growth of 3% at constant exchange rates.

Credit Services
At constant exchange rates, total and organic revenue growth in Credit Services was 3%. There was an improvement in growth trends in Brazil in the second half of the year compared to the first half as trading activity recovered after the World Cup, although the macroeconomic backdrop remained generally weak. For the year, we delivered a strong performance in business information, as we broadened our product range with new features and scores. Trading activity in consumer information was more subdued, as lending activity remained low. Growth was strong across our other Latin American bureaux, helped by expansion in consumer credit and good progress in key business initiatives, including extension of services to low-income lenders and to the small and medium enterprise segment.

Decision Analytics
Total and organic revenue declined 2% at constant exchange rates. After a weak start, momentum improved across the region in the second half reflecting new deliveries for PowerCurve credit risk management software.

Marketing Services
Total and organic revenue at constant exchange rates declined 4%. Weak demand for prospecting and mailing data contributed to the decline as clients reduced marketing activity.

EBIT and EBIT margin
For Latin America, EBIT from continuing activities decreased to US$313m (2014: US$344m). Excluding the impact of foreign exchange rates EBIT rose by 2%. The EBIT margin was 36.5% (2014: 37.2%). The decline in margin principally related to adverse foreign exchange movements, reduced underlying revenues in Decision Analytics and Marketing Services, partially offset by cost savings in Brazil.

UK and Ireland

In the UK and Ireland, revenue was US$999m, with total revenue growth of 5% and organic revenue growth of 4% at constant exchange rates. The difference related principally to the acquisitions of 41st Parameter and a small credit data pre-qualification business.

Credit Services
Total revenue growth at constant exchange rates was 7% and organic revenue growth was 3%. Following a period of significant investment, we have seen encouraging performances within UK Credit Services. Both consumer information and business information delivered a year of solid growth, with progress across key verticals such as finance and insurance. In consumer information, there was strong growth in credit reference volumes, reflecting growth amongst key banking clients and new business wins. There was also a strong reception for our new credit pre-qualification services. In business information, growth was broad-based, driven by international data, the sale of sophisticated products to larger clients, plus further expansion of the small and medium enterprise channel including the successful launch of a new offering called My Business Profile. Partially offsetting these solid performances was a decline in the payments channel due to the reduction in activity associated with the new Single Euro Payments Area (‘SEPA’).

Decision Analytics
At constant exchange rates, total and organic revenue growth was 3%. Momentum in Decision Analytics improved as the year progressed, with a stronger finish to the year. Growth was driven by software and analytics, including new adoptions for our PowerCurve credit decisioning platform, and there was good progress in fraud and identity management, driven by authentication and anti-money laundering products. We also saw a growing contribution from 41st Parameter device identification, following several wins across a broad range of industry segments.

Marketing Services
At constant exchange rates, total and organic revenue growth in Marketing Services was 1%. We saw strong growth in cross-channel marketing, driven by sales to existing clients and new business wins, including a major win in the financial services segment. There was also further progress across data quality, which ended the year well, with encouraging new business performance. These offset contraction in targeting data.

Consumer Services
Consumer Services performed well, with total and organic revenue growth of 8% at constant exchange rates. Growth reflected further momentum in the direct-to-consumer operations, with growth in new membership subscriptions during the year. While it is a relatively small component of the business, there was strong growth in the affinity channel, with additional new wins during the year.

EBIT and EBIT margin
For the UK and Ireland, EBIT from continuing activities was US$314m, up 11% at constant exchange rates. The EBIT margin increased by 130 basis points to 31.4%, reflecting positive operating leverage and good cost containment across all areas.

EMEA/Asia Pacific

Total revenue from continuing activities in EMEA/Asia Pacific was US$486m, up 4% at constant exchange rates, with organic revenue growth of 3% at constant exchange rates. The difference relates principally to the acquisition of 41st Parameter.

Credit Services
Total and organic revenue growth at constant exchange rates was 4%. There was strong growth from our bureaux in Asia Pacific, particularly in India, Singapore and China, as well as a growing contribution from our start-up bureaux. Revenues stabilised in EMEA, and we saw progress across the majority of our bureaux in that region.

Decision Analytics
Total and organic revenue growth at constant exchange rates was 10% and 9% respectively. Decision Analytics generally strengthened as the year progressed across both EMEA and Asia Pacific. This followed action to refocus our operations in Asia Pacific, and reflected strong demand for credit decisioning software in EMEA, with further growth in key markets such as Turkey.

Marketing Services
Total revenue at constant exchange rates declined 1%, whilst organic revenue declined 3%. The decline was due to the wind down of a large email contract in EMEA, as we have previously announced, which annualises in the first quarter of FY16. Excluding this item, growth was strong. In EMEA, there was an acceleration in the new business win rates for our cross-channel marketing platform, as well as an increase in average order value, and there was good progress in Asia Pacific.

EBIT and EBIT margin
In EMEA/Asia Pacific, profitability was impacted by adverse exchange rate movements with EBIT from continuing activities of (US$1m) (2014: US$7m). Excluding the impact of exchange rates there was significant recovery in margins, with EBIT up 30% on the prior year at constant currency. This principally reflected a contraction in losses in Asia Pacific as the region starts to scale, and improved margins in key parts of EMEA as we deliver productivity enhancements.

Group financial review

Key financials

Year ended 31 March	2015	2014
Revenue – continuing operations	**US$4,810m**	US$4,840m
Organic revenue growth	**1%**	5%
EBIT margin – continuing activities	**27.2%**	27.4%
Total EBIT	**US$1,306m**	US$1,306m
EBIT growth at constant currency	**4%**	7%
Benchmark PBT	**US$1,231m**	US$1,232m
Benchmark tax rate	**24.4%**	26.7%
Benchmark EPS	**95.2 USc**	91.7 USc
Operating cash flow	**US$1,359m**	US$1,321m
Net debt	**US$3,217m**	US$3,809m
Total investment	**US$447m**	US$1,652m
Net share purchases	**US$192m**	US$371m

Summary
The Group made good progress during the year with strong performance from Credit Services and the contribution from acquisitions made in 2014, driving constant currency growth in revenue from continuing activities of 3%. We reported EBIT margin of 27.2% (2014: 27.4%) as a strong focus on productivity and efficiency helped to offset the impact of certain market headwinds and additional legal and regulatory costs.

During the year the Group invested US$447m in organic capital expenditure and acquisitions (2014: US$1,652m) as we focused cash flow on reducing leverage following the significant acquisition expenditure during 2014. The focus on cash generation delivered a 104% conversion of EBIT to operating cash flow (2014: 101%) and at 31 March 2015 our key leverage ratio of Net debt to EBITDA was 1.9 times (2014: 2.3 times). We replaced and extended our bank borrowings, with the signing of new five-year committed revolving credit facilities of US$2,025m.

During the year the Group revised its strategic framework, as outlined earlier in the Chief Executive's review, and reviewed its capital allocation framework and medium-term financial framework. As part of the capital allocation review, we announced a new target leverage range of 2.0 to 2.5 times Net debt to EBITDA and launched a US$600m share buyback programme.

The Group reported Benchmark PBT of U$1,231m (2014: US$1,232m) and Benchmark EPS of 95.2 US cents (2014: 91.7 cents). Benchmark EPS increased by 8% at constant currency and by 4% in total as the effects of currency translation partially offset our underlying performance. The effective tax rate on Benchmark PBT was 24.4% (2014: 26.7%) as we benefited from new financing arrangements. ROCE for the year was 14.9% (2014: 15.6%) as the growth in Benchmark earnings was offset by the effects of increases in capital employed following the acquisitions in 2014 and the effects of foreign exchange movements.

The translation effects of foreign exchange rates will continue to be a significant headwind if recent rates prevail.

Income statement commentary
Revenue and profit performance – continuing operations
Total revenue growth from continuing activities was 3% in the year ended 31 March 2015 at constant exchange rates with organic growth of 1%. The difference relates primarily to the acquisitions of Passport and 41st Parameter in the prior year.

EBIT from continuing activities grew by 4% at constant exchange rates and was US$1,306m. EBIT margin from continuing activities was 27.2% (2014: 27.4%), up 10 basis points before the impact of foreign exchange movements, down 20 basis points year-on-year.

The background to these results and Group profit performance by geography is discussed within pages 3 to 11. A summary of performance by business segment is given in Appendix 2 on page 16 with an additional analysis of the income statement in Appendix 3 on page 17.

Net interest expense
The net interest expense for the year was US$75m (2014: US$74m). Experian remains strongly cash generative and both our interest expense and the related cash flows have continued to benefit from low interest rates globally.

Exceptional items
The exceptional charge of US$2m in the year under review related to business disposal transactions. Details of the exceptional charge of US$54m in the year ended 31 March 2014 are given in note 7 to the financial statements.

Other adjustments made to derive Benchmark PBT
The charge of US$223m in the year (2014: US$129m) for other adjustments made to derive Benchmark PBT is analysed in the table below. Note 4(a) to the financial statements explains the reasons for excluding such items from Benchmark PBT, with further information in respect of these items given in note 8 to the financial statements.

Year ended 31 March	**2015 US$m**	**2014 US$m**
Amortisation and impairment of acquisition intangibles	134	131
Impairment of goodwill	-	15
Acquisition expenses	1	10
Adjustment to the fair value of contingent consideration	7	-
Financing fair value remeasurements	81	(27)
Other adjustments made to derive Benchmark PBT	**223**	**129**

Tax
The Benchmark tax rate was 24.4% (2014: 26.7%). The decrease reflects a change in financing related to the funding and earnings profile following the acquisitions made in second half of the year ended 31 March 2014. Note 10 to the financial statements includes a reconciliation of the Benchmark tax charge.

The total tax charge for the year ended 31 March 2015 was US$255m and the effective tax rate was 25.3%. The blended tax rate on exceptional items and other adjustments made to derive Benchmark PBT was 20.0%. The total tax charge for the prior year was US$302m and the effective tax rate was 28.8%. This rate was higher than the Benchmark tax rate, as reductions in the main rate of UK corporation tax gave rise to a charge of US$23m for deferred tax assets recognised in respect of tax losses. The blended tax rate on exceptional items and other adjustments made to derive Benchmark PBT for that year was 27.3%.

Earnings per share (‘EPS’) and dividends per share
Basic EPS was 79.0 US cents (2014: 76.8 US cents). Basic EPS included 2.1 US cents (2014: 0.7 US cents) in respect of discontinued operations. Benchmark EPS was 95.2 US cents (2014: 91.7 US cents), an increase of 4%. Further information is given in note 12 to the financial statements.

At 31 March 2015, Experian had 1,033 million shares in issue of which some 59 million were held by employee trusts and in treasury. Accordingly, the number of shares to be used for the purposes of calculating basic EPS from 31 March 2015 is 974 million. Issues and purchases of shares after 31 March 2015 will result in an amendment to this figure.

The second interim dividend is 27.0 US cents per share (2014: 26.0 US cents) giving a total dividend for the year of 39.25 US cents (2014: 37.50 US cents), an increase of 5%. This is covered 2.4 times by Benchmark EPS.

Foreign exchange rates and sensitivity
Foreign exchange – average rates

Exchange rate movements decreased our reported revenue for the year ended 31 March 2015 by US$103m and EBIT by US$44m. The decreases were primarily as a consequence of the weakness of the Brazilian real.

The principal exchange rates used to translate reported revenue and EBIT are shown in the table below.

	2015	2014	Strengthened/ (weakened) against the US dollar
US dollar : Brazilian real	2.48	2.25	(10.2%)
Sterling : US dollar	1.61	1.59	1.0%
Euro : US dollar	1.26	1.34	(6.0%)

Foreign exchange – closing rates

The principal exchange rates used to translate assets and liabilities into the US dollar at the year end dates are shown are shown in the table below.

	2015	2014
US dollar : Brazilian real	3.22	2.27
Sterling : US dollar	1.48	1.66
Euro : US dollar	1.07	1.38

Cash flow and funding commentary
Cash flow summary

We generated very strong cash flow in the year with Operating cash flow of US$1,359m (2014: US$1,321m). Cash flow conversion was 104% (2014: 101%). Note 17 to the financial statements reconciles Cash generated from operations, as reported in the Group cash flow statement, to Operating cash flow as reported in the cash flow and Net debt summary table at Appendix 4 on page 18.

As that table shows, free cash flow in the year ended 31 March 2015 was US$1,135m (2014: US$1,067m). The net cash inflow in the year of US$698m (2014: US$570m outflow) was after acquisition spend of US$67m (2014: US$1,250m) and ordinary dividend payments of US$374m (2014: US$349m).

Capital expenditure was US$380m (2014: US$402m) representing 7.9% (2014: 8.3%) of revenue from continuing operations.

Net debt and funding

Net debt at 31 March 2015 was US$3,217m (2014: US$3,809m), with undrawn committed borrowing facilities of US$2,085m (2014: US$2,216m). Our Net debt at 31 March 2015 was 1.9 times EBITDA (2014: 2.3 times).

During the year, we reviewed our Net debt to EBITDA target and announced a new target range of 2.0 to 2.5 times. This target is consistent with striking a balance between operating an efficient balance sheet, which optimises our weighted average cost of capital, and maintaining good access to the debt capital markets.

In June 2014, we announced the signing of new five-year committed revolving credit facilities of US$2,025m. The new facilities extended the maturity of our committed funding. They replaced the previous facilities of US$2,160m, which were due to mature in 2015 and were accordingly cancelled.

Risks and uncertainties
The ten principal risks and uncertainties faced by the Group are summarised in note 26 to the financial statements.

There is increasing risk in five categories:
- loss or inappropriate use of data;
- new legislation or regulatory and enforcement changes;
- material regulatory enforcement actions and adverse litigation claims;
- increasing competition; and
- adverse and unpredictable business and financial markets.

We have identified business conduct risk as a new principal risk as a result of the changing regulatory environment. As previously reported, from 1 April 2014 the UK Financial Conduct Authority has regulated credit bureaux in the UK. Experian continues to operate under an interim permission and is in the process of obtaining its full permission.

The risk for each of the other four categories identified in note 26 has remained stable.

Appendices

1. Non-GAAP financial information

Experian has identified and defined certain measures that it believes assist understanding of the performance of the Group. These 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 these are considered to be key measures used within the business for assessing performance. Information on certain of our non-GAAP measures is set out below in the further appendices. Definitions of all our non-GAAP measures are given in note 4 to the financial statements.

2. Revenue, EBIT and EBIT margin by business segment

Year ended 31 March			Growth %	
	2015 US$m	2014 US$m	Total at constant rates	Organic at constant rates
Revenue				
Credit Services	2,366	2,244	10	5
Decision Analytics	594	576	6	4
Marketing Services	870	881	-	(1)
Consumer Services	980	1,071	(9)	(9)
Total – continuing activities	**4,810**	**4,772**	**3**	**1**
Discontinuing activities[1]	-	68	n/a	
Total	**4,810**	**4,840**	**2**	
EBIT				
Credit Services	847	806	10	
Decision Analytics	114	122	-	
Marketing Services	149	156	(2)	
Consumer Services	277	308	(11)	
Total business segments	**1,387**	**1,392**	**3**	
Central Activities – central corporate costs	(81)	(83)	-	
Total – continuing activities	**1,306**	**1,309**	**4**	
Discontinuing activities[1]	-	(3)	n/a	
Total	**1,306**	**1,306**	**4**	
EBIT margin – continuing activities				
Credit Services	35.8%	35.9%		
Decision Analytics	19.2%	21.2%		
Marketing Services	17.1%	17.7%		
Consumer Services	28.3%	28.8%		
Total EBIT margin	**27.2%**	**27.4%**		

1. Discontinuing activities comprise small discontinuing Marketing Services businesses.

3. Income statement, earnings and tax rate analysis – continuing operations

Year ended 31 March	2015			2014		
	Benchmark	Non-benchmark[1]	Total	Benchmark	Non-benchmark[1]	Total
	US$m	US$m	US$m	US$m	US$m	US$m
Revenue	**4,810**	**-**	**4,810**	**4,840**	**-**	**4,840**
Labour costs	(1,799)	-	(1,799)	(1,769)	(61)	(1,830)
Data and information technology costs	(470)	-	(470)	(481)	-	(481)
Amortisation, depreciation and impairment charges	(384)	(134)	(518)	(371)	(153)	(524)
Marketing and customer acquisition costs	(365)	-	(365)	(405)	-	(405)
Other operating charges	(491)	(10)	(501)	(510)	4	(506)
Total operating expenses	(3,509)	(144)	(3,653)	(3,536)	(210)	(3,746)
Operating profit/(loss)	**1,301**	**(144)**	**1,157**	**1,304**	**(210)**	**1,094**
Share of profit of associates	5	-	5	2	-	2
EBIT	**1,306**			**1,306**		
Non-benchmark items		**(144)**			**(210)**	
Profit/(loss) before net finance costs and tax	**1,306**	**(144)**	**1,162**	**1,306**	**(210)**	**1,096**
Net finance income/(costs)	(75)	(81)	(156)	(74)	27	(47)
Profit/(loss) before tax	**1,231**	**(225)**	**1,006**	**1,232**	**(183)**	**1,049**
Group tax credit/(charge)	(300)	45	(255)	(329)	27	(302)
Profit/(loss) after tax	**931**	**(180)**	**751**	**903**	**(156)**	**747**
Attributable to:						
Owners of Experian plc	930	(179)	751	899	(153)	746
Non-controlling interests	1	(1)	-	4	(3)	1
Profit/(loss) after tax	**931**	**(180)**	**751**	**903**	**(156)**	**747**
	US cents	**US cents**	**US cents**	**US cents**	**US cents**	**US cents**
Basic earnings/(loss) per share	**95.2**	**(18.3)**	**76.9**	**91.7**	**(15.6)**	**76.1**
	%	**%**	**%**	**%**	**%**	**%**
Effective rate of tax	**24.4**	**20.0**	**25.3**	**26.7**	**14.8**	**28.8**

1. The loss before tax for non-benchmark items of US$225m (2014: US$183m) comprises charges for exceptional items of US$2m (2014: US$54m) and other adjustments made to derive Benchmark PBT of US$223m (2014: US$129m). Further information is given in notes 7 and 8 to the financial statements.

4. Cash flow and Net debt summary

Year ended 31 March	2015 US$m	2014 US$m
EBIT from continuing operations	1,306	1,306
Amortisation and depreciation (see Appendix 5)	384	371
Capital expenditure	(380)	(402)
Disposal of property, plant and equipment	4	13
Increase in working capital	(1)	(36)
Profit retained in associates	(1)	(1)
Charge for share incentive plans	47	70
Operating cash flow	**1,359**	**1,321**
Net interest paid	(74)	(74)
Tax paid – continuing operations	(145)	(174)
Dividends paid to non-controlling interests	(5)	(6)
Free cash flow	**1,135**	**1,067**
Cash outflow for exceptional restructuring costs	(12)	(65)
Acquisitions	(67)	(1,250)
Disposal of businesses and investments	16	27
Ordinary dividends paid	(374)	(349)
Net cash inflow/(outflow) – continuing operations	**698**	**(570)**
Net debt at 1 April	(3,809)	(2,938)
Net share purchases	(192)	(371)
Exchange, discontinued operations and other movements	86	70
Net debt at 31 March	**(3,217)**	**(3,809)**

5. Reconciliation of amortisation, depreciation and impairment charges

Year ended 31 March	2015 US$m	2014 US$m
As reported in the Group income statement	518	524
Less: amortisation and impairment of acquisition intangibles	(134)	(131)
Less: exceptional asset write-off	-	(7)
Less: impairment of goodwill	-	(15)
As reported in the cash flow and Net debt summary	**384**	**371**

Group income statement

for the year ended 31 March 2015

	Notes	2015 US$m	2014 US$m
Revenue	5	**4,810**	4,840
Labour costs		**(1,799)**	(1,830)
Data and information technology costs		**(470)**	(481)
Amortisation, depreciation and impairment charges		**(518)**	(524)
Marketing and customer acquisition costs		**(365)**	(405)
Other operating charges		**(501)**	(506)
Total operating expenses		**(3,653)**	(3,746)
Operating profit		**1,157**	1,094
Interest income		**25**	22
Finance expense		**(181)**	(69)
Net finance costs	9(a)	**(156)**	(47)
Share of post-tax profit of associates		**5**	2
Profit before tax	5	**1,006**	1,049
Group tax charge	10(a)	**(255)**	(302)
Profit for the financial year from continuing operations		**751**	747
Profit for the financial year from discontinued operations	11(a)	**21**	7
Profit for the financial year		**772**	754
Attributable to:			
Owners of Experian plc		**772**	753
Non-controlling interests		**-**	1
Profit for the financial year		**772**	754

	Notes	US cents	US cents
Earnings per share			
Basic	12(a)	**79.0**	76.8
Diluted	12(a)	**78.1**	75.8
Earnings per share from continuing operations			
Basic	12(a)	**76.9**	76.1
Diluted	12(a)	**76.0**	75.1

	Notes	US cents	US cents
Non-GAAP information:			
Full year dividend per share	13(a)	**39.25**	37.50

Group statement of comprehensive income

for the year ended 31 March 2015

	2015 US$m	2014 US$m
Profit for the financial year	**772**	754
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurement of post-employment benefit assets and obligations	**(15)**	(14)
Deferred tax credit	**3**	4
Items that will not be reclassified to profit or loss	**(12)**	(10)
Items that may be reclassified subsequently to profit or loss:		
Fair value (losses)/gains recognised on available-for-sale financial assets	**(1)**	5
Currency translation losses	**(571)**	(188)
Items that may be reclassified subsequently to profit or loss	**(572)**	(183)
Items reclassified to profit or loss:		
Reclassification of fair value gain on available-for-sale financial assets	**(2)**	-
Reclassification of cumulative currency translation gain in respect of divestments	**-**	(2)
Items reclassified to profit or loss	**(2)**	(2)
Other comprehensive income for the financial year[1]	**(586)**	(195)
Total comprehensive income for the financial year	**186**	559
Attributable to:		
Continuing operations	**166**	552
Discontinued operations	**21**	7
Owners of Experian plc	**187**	559
Non-controlling interests	**(1)**	-
Total comprehensive income for the financial year	**186**	559

1. Amounts reported within other comprehensive income are in respect of continuing operations and, except as reported for post-employment benefit assets and obligations, there is no associated tax. Currency translation items are taken directly to the translation reserve within other reserves. Other items within other comprehensive income are taken directly to retained earnings.

Non-GAAP measures:

Reconciliation of profit before tax to Benchmark PBT

for the year ended 31 March 2015

	Notes	2015 US$m	2014 US$m
Profit before tax	5	**1,006**	1,049
Exceptional items	7	**2**	54
Amortisation and impairment of acquisition intangibles	8	**134**	131
Impairment of goodwill	8	**-**	15
Acquisition expenses	8	**1**	10
Adjustment to the fair value of contingent consideration	8	**7**	-
Financing fair value remeasurements	8	**81**	(27)
Benchmark PBT	5	**1,231**	1,232

	Notes	US cents	US cents
Benchmark PBT per share		**126.0**	125.7
Benchmark earnings per share			
Basic	12(a)	**95.2**	91.7
Diluted	12(a)	**94.1**	90.5

Group balance sheet

at 31 March 2015

	Notes	2015 US$m	2014 US$m
Non-current assets			
Goodwill		**4,393**	4,807
Other intangible assets	14	**1,624**	1,869
Property, plant and equipment	14	**390**	469
Investments in associates		**8**	13
Deferred tax assets		**264**	460
Post-employment benefit assets	15(a)	**58**	74
Trade and other receivables		**10**	9
Available-for-sale financial assets		**40**	46
Other financial assets		**125**	229
		6,912	7,976
Current assets			
Inventories		**3**	2
Trade and other receivables		**878**	942
Current tax assets		**29**	13
Other financial assets		**8**	27
Cash and cash equivalents	16(g)	**147**	212
		1,065	1,196
Current liabilities			
Trade and other payables		**(1,122)**	(1,168)
Borrowings	18(b)	**(146)**	(584)
Current tax liabilities		**(91)**	(91)
Provisions		**(31)**	(54)
Other financial liabilities		**(14)**	(5)
		(1,404)	(1,902)
Net current liabilities		**(339)**	(706)
Total assets less current liabilities		**6,573**	7,270
Non-current liabilities			
Trade and other payables		**(33)**	(52)
Borrowings	18(b)	**(3,146)**	(3,576)
Deferred tax liabilities		**(385)**	(412)
Post-employment benefit obligations	15(a)	**(60)**	(61)
Other financial liabilities		**(148)**	(65)
		(3,772)	(4,166)
Net assets		**2,801**	3,104
Equity			
Called up share capital	20	**103**	103
Share premium account	20	**1,506**	1,492
Retained earnings		**18,523**	18,167
Other reserves		**(17,346)**	(16,680)
Attributable to owners of Experian plc		**2,786**	3,082
Non-controlling interests		**15**	22
Total equity		**2,801**	3,104

Group statement of changes in total equity

for the year ended 31 March 2015

	Called up share capital (Note 20) US$m	Share premium account (Note 20) US$m	Retained earnings US$m	Other reserves US$m	**Attributable to owners of Experian plc US$m**	Non-controlling interests US$m	**Total equity US$m**
At 1 April 2014	103	1,492	18,167	(16,680)	**3,082**	22	**3,104**
Profit for the financial year	-	-	772	-	**772**	-	**772**
Other comprehensive income for the financial year	-	-	(15)	(570)	**(585)**	(1)	**(586)**
Total comprehensive income for the financial year	-	-	757	(570)	**187**	(1)	**186**
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	-	-	47	-	**47**	-	**47**
- shares issued on vesting	-	14	-	-	**14**	-	**14**
- other exercises of share awards and options	-	-	(104)	112	**8**	-	**8**
- related tax credit	-	-	30	-	**30**	-	**30**
- purchase of shares by employee trusts	-	-	-	(38)	**(38)**	-	**(38)**
- other payments	-	-	(6)	-	**(6)**	-	**(6)**
Purchase of shares held as treasury shares	-	-	-	(170)	**(170)**	-	**(170)**
Transactions in respect of non-controlling interests	-	-	6	-	**6**	(1)	**5**
Dividends paid	-	-	(374)	-	**(374)**	(5)	**(379)**
Transactions with owners	-	14	(401)	(96)	**(483)**	(6)	**(489)**
At 31 March 2015	**103**	**1,506**	**18,523**	**(17,346)**	**2,786**	**15**	**2,801**

for the year ended 31 March 2014

	Called up share capital (Note 20) US$m	Share premium account (Note 20) US$m	Retained earnings US$m	Other reserves US$m	**Attributable to owners of Experian plc US$m**	Non-controlling interests US$m	**Total equity US$m**
At 1 April 2013	102	1,480	17,849	(16,247)	**3,184**	40	**3,224**
Profit for the financial year	-	-	753	-	**753**	1	**754**
Other comprehensive income for the financial year	-	-	(5)	(189)	**(194)**	(1)	**(195)**
Total comprehensive income for the financial year	-	-	748	(189)	**559**	-	**559**
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	-	-	70	-	**70**	-	**70**
- shares issued on vesting	1	12	-	-	**13**	-	**13**
- other exercises of share awards	-	-	(132)	85	**(47)**	-	**(47)**
- related tax credit	-	-	4	-	**4**	-	**4**
- purchase of shares by employee trusts	-	-	-	(126)	**(126)**	-	**(126)**
- other payments	-	-	(7)	-	**(7)**	-	**(7)**
Purchase of shares held as treasury shares	-	-	-	(203)	**(203)**	-	**(203)**
Transactions with non-controlling interests	-	-	(16)	-	**(16)**	(12)	**(28)**
Dividends paid	-	-	(349)	-	**(349)**	(6)	**(355)**
Transactions with owners	1	12	(430)	(244)	**(661)**	(18)	**(679)**
At 31 March 2014	**103**	**1,492**	**18,167**	**(16,680)**	**3,082**	**22**	**3,104**

Group cash flow statement

for the year ended 31 March 2015

	Notes	2015 US$m	2014 US$m
Cash flows from operating activities			
Cash generated from operations	16(a)	**1,720**	1,641
Interest paid		**(96)**	(95)
Interest received		**22**	21
Dividends received from associates		**4**	1
Tax paid	16(d)	**(145)**	(174)
Net cash inflow from operating activities – continuing operations		**1,505**	1,394
Net cash inflow from operating activities – discontinued operations	11(a)	**32**	140
Net cash inflow from operating activities		**1,537**	1,534
Cash flows from investing activities			
Purchase of other intangible assets		**(316)**	(319)
Purchase of property, plant and equipment		**(64)**	(83)
Sale of property, plant and equipment		**2**	8
Sale/(purchase) of other financial assets		**7**	(3)
Acquisition of subsidiaries, net of cash acquired	16(e)	**(58)**	(1,223)
Disposal of subsidiaries – continuing operations		**18**	25
Disposal of subsidiaries – discontinued operations	11(b)	**(9)**	5
Net cash flows used in investing activities		**(420)**	(1,590)
Cash flows from financing activities			
Cash inflow in respect of net share purchases		**16**	13
Cash outflow in respect of net share purchases		**(208)**	(384)
Other payments on vesting of share awards		**(6)**	(7)
Payments to acquire non-controlling interests	16(e)	**(8)**	(19)
New borrowings		**-**	1,911
Repayment of borrowings		**(539)**	(1,144)
Net (payments)/receipts for derivative financial instruments held to manage currency profile		**(2)**	43
Net receipts from equity swaps		**2**	5
Dividends paid		**(379)**	(355)
Net cash flows (used in)/from financing activities		**(1,124)**	63
Net (decrease)/increase in cash and cash equivalents		**(7)**	7
Cash and cash equivalents at 1 April		**208**	226
Exchange movements on cash and cash equivalents		**(56)**	(25)
Cash and cash equivalents at 31 March	16(g)	**145**	208

Notes to the financial statements

for the year ended 31 March 2015

1. Corporate information

Experian plc (the ‘Company’) is the ultimate parent company of the Experian group of companies (‘Experian’ or the ‘Group’). The Company is incorporated and registered in Jersey as a public company limited by shares and is resident in Ireland. The Company’s ordinary shares are traded on the London Stock Exchange’s Regulated Market (Premium Listing).

2. Basis of preparation

The financial information set out in this preliminary announcement does not constitute the Group’s statutory financial statements, which comprise the annual report and audited financial statements, for the years ended 31 March 2015 or 31 March 2014 but is derived from the statutory financial statements for the year ended 31 March 2015. The Group’s statutory financial statements for the year ended 31 March 2015 will be made available to shareholders in June 2015 and delivered to the Jersey Registrar of Companies in due course. The auditors have reported on those financial statements and have given an unqualified report which does not contain a statement under Article 111(2) or Article 111(5) of the Companies (Jersey) Law 1991. The Group’s statutory financial statements for the year ended 31 March 2014 have been delivered to the Jersey Registrar of Companies. The auditors reported on those financial statements and gave an unqualified report which did not contain a statement under Article 111(2) or Article 111(5) of the Companies (Jersey) Law 1991.

The Group’s statutory financial statements for the year ended 31 March 2015 have been:

- prepared in accordance with the Companies (Jersey) Law 1991 and International Financial Reporting Standards (‘IFRS’ or ‘IFRSs’) as adopted for use in the European Union and IFRS Interpretations Committee interpretations;
- prepared on a going concern basis and under the historical cost convention, as modified for the revaluation of available-for-sale financial assets and certain other financial assets and financial liabilities;
- presented in US dollars, the most representative currency of the Group's operations, and generally rounded to the nearest million; and
- prepared using the principal exchange rates set out on page 14.

Other than those disclosed in this preliminary announcement, no significant events impacting the Group have occurred between 31 March 2015 and 11 May 2015 when this preliminary announcement was approved for issue.

This preliminary announcement has been prepared in accordance with the Listing Rules of the UK Financial Conduct Authority, using the accounting policies applied in the preparation of the Group’s statutory financial statements for the year ended 31 March 2015. Those policies were published in full in the Group’s statutory financial statements for the year ended 31 March 2014 and are available on a corporate website, at www.experianplc.com/annualreport.

Notes to the financial statements (continued)

for the year ended 31 March 2015

3. Recent accounting developments

There have been no accounting standards, amendments and interpretations effective for the first time in these financial statements and which have had a material impact on the financial statements.

The information below is a summary of other recent external accounting developments. We routinely review these and adapt our financial reporting systems and processes as appropriate. Other than IFRS 9 and IFRS 15, none of these developments is currently expected to have a significant impact on the Group.

The following accounting standards, amendments and interpretations are effective for the first time for the Group's accounting periods beginning on or after 1 April 2015:

- Amendments to IAS 19 'Defined benefit plans: employee contributions'';
- Annual improvements to IFRSs 2010–2012 cycle; and
- Annual improvements to IFRSs 2011–2013 cycle.

There are a number of other new standards and amendments to existing standards currently in issue but not yet effective, including two significant standards:

- IFRS 9 'Financial instruments', issued in final form in July 2014 following the completion of its phased release; and
- IFRS 15 'Revenue from contracts with customers'.

IFRS 9 is, and IFRS 15 is expected to be, effective for Experian for the year ending 31 March 2019 (subject to EU endorsement). We are assessing their impact and, in the case of IFRS 15, this includes a systematic review of existing major contracts to ensure that the impact of the new standard is fully understood and changes to financial reporting systems are made in advance of the effective date. It is not however not practicable to quantify the effect of these two standards at the date of approval of these financial statements. There are no other new standards, amendments to existing standards or interpretations that are not yet effective that would be expected to have a material impact on the Group financial statements.

Notes to the financial statements (continued)

for the year ended 31 March 2015

4. Use of non-GAAP measures in the financial statements

As detailed below, the Group has identified and defined certain measures that it believes assist understanding of Experian's performance. 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 key measures used within the business to assess performance.

(a) Benchmark profit before tax ('Benchmark PBT')

Benchmark PBT is disclosed to indicate the underlying profitability of the Group. It is defined as profit before amortisation and impairment of acquisition intangibles, impairment of goodwill, acquisition expenses, adjustments to contingent consideration, exceptional items, financing fair value remeasurements, tax and discontinued operations. It includes the Group's share of continuing associates' pre-tax results.

An explanation of the basis on which Experian reports exceptional items is provided below. Other adjustments made to derive Benchmark PBT are explained as follows:

- Charges for the amortisation and impairment of acquisition intangibles are excluded from the definition of Benchmark PBT because such charges are based on judgments about their value and economic life. Impairment of goodwill is similarly excluded from the definition of Benchmark PBT.
- Acquisition expenses are excluded from the definition of Benchmark PBT as they bear no relation to the Group's underlying performance or to the performance of the acquired businesses. Adjustments to contingent consideration are similarly excluded from the definition of Benchmark PBT.
- Charges and credits for financing fair value remeasurements within finance expense in the Group income statement are excluded from the definition of Benchmark PBT. These relate to that element of the Group's derivatives that is ineligible for hedge accounting together with gains and losses on put options in respect of acquisitions. Amounts recognised generally arise from market movements and accordingly bear no direct relation to the Group's underlying performance.

(b) Benchmark PBT per share

Benchmark PBT per share comprises Benchmark PBT divided by the weighted average number of issued ordinary shares.

(c) Earnings before interest and tax ('EBIT')

EBIT is defined as Benchmark PBT before the net interest expense charged therein.

(d) Earnings before interest, tax, depreciation and amortisation ('EBITDA')

EBITDA is defined as EBIT before the depreciation and amortisation charged therein.

(e) Discontinuing activities

Discontinuing activities are businesses sold, closed or identified for closure during a financial year. These are treated as discontinuing activities for both revenue and EBIT purposes. The results of discontinuing activities are disclosed separately with the results of the prior period re-presented as appropriate. This measure differs from the definition of discontinued operations set out in IFRS 5.

(f) Continuing activities

Businesses trading at 31 March 2015, which are not disclosed as discontinuing activities, are treated as continuing activities.

(g) Constant exchange rates

To highlight its organic performance, Experian discusses its results in terms of growth at constant exchange rates, unless otherwise stated. This represents growth calculated after translating both years' performance at the prior year's average exchange rates.

(h) Total growth

This is the year-on-year change in the performance of Experian's activities. Total growth at constant exchange rates removes the translational foreign exchange effects arising on the consolidation of Experian's activities.

(i) Organic revenue growth

This is the year-on-year change in the revenue of continuing activities, translated at constant exchange rates, excluding acquisitions until the first anniversary of their consolidation.

4. Use of non-GAAP measures in the financial statements (continued)

(j) Benchmark earnings and Overall benchmark earnings

Benchmark earnings comprise Benchmark PBT less attributable tax and non-controlling interests. Benchmark earnings attributable to non-controlling interests comprise that portion of Benchmark earnings that relates to non-controlling interests. Benchmark PBT less attributable tax is designated as Overall benchmark earnings. The attributable tax for this purpose excludes significant tax credits and charges arising in the year which, in view of their size or nature, are not comparable with previous years, together with tax arising on exceptional items and on total adjustments made to derive Benchmark PBT.

(k) Benchmark earnings per share ('Benchmark EPS')

Benchmark EPS comprises Benchmark earnings divided by the weighted average number of issued ordinary shares.

(l) Benchmark tax charge and rate

The Benchmark tax charge is the tax charge applicable to Benchmark PBT. It differs from the Group tax charge by tax attributable to exceptional items and other adjustments made to derive Benchmark PBT, and exceptional tax charges. A reconciliation is provided in note 10(b) to the financial statements. The related effective rate of tax is calculated by dividing the Benchmark tax charge by Benchmark PBT

(m) Exceptional items

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

(n) Operating and Free cash flow

Operating cash flow is EBIT from continuing operations, plus amortisation, depreciation and charges in respect of share-based incentive plans, less capital expenditure net of disposal proceeds and adjusted for changes in working capital and the profit or loss retained in continuing associates. Free cash flow is derived from Operating cash flow by excluding net interest, tax paid in respect of continuing operations and dividends paid to non-controlling interests.

(o) Cash flow conversion

Cash flow conversion is Operating cash flow expressed as a percentage of EBIT.

(p) Net debt

Net debt is borrowings (and the fair value of derivatives hedging borrowings) excluding accrued interest, less cash and cash equivalents reported in the Group balance sheet and other highly liquid bank deposits with original maturities greater than three months.

Notes to the financial statements (continued)

for the year ended 31 March 2015

5. Segment information

(a) Income statement

Year ended 31 March 2015	North America US$m	Latin America US$m	UK & Ireland US$m	EMEA/ Asia Pacific[1] US$m	**Total operating segments US$m**	Central Activities US$m	**Total continuing operations US$m**
Revenue from external customers							
Continuing activities	2,468	857	999	486	**4,810**	-	**4,810**
Discontinuing activities	-	-	-	-	**-**	-	**-**
Total	2,468	857	999	486	**4,810**	-	**4,810**
Reconciliation from EBIT to profit/(loss) before tax							
EBIT							
Continuing activities	761	313	314	(1)	**1,387**	(81)	**1,306**
Discontinuing activities	-	-	-	-	**-**	-	**-**
Total	761	313	314	(1)	**1,387**	(81)	**1,306**
Net interest (note 9(b))	-	-	-	-	**-**	(75)	**(75)**
Benchmark PBT	761	313	314	(1)	**1,387**	(156)	**1,231**
Exceptional items (note 7)	-	(2)	-	-	**(2)**	-	**(2)**
Amortisation of acquisition intangibles	(74)	(37)	(14)	(9)	**(134)**	-	**(134)**
Acquisition expenses	-	-	(1)	-	**(1)**	-	**(1)**
Adjustment to the fair value of contingent	-	-	(7)	-	**(7)**	-	**(7)**
Financing fair value remeasurements	-	-	-	-	**-**	(81)	**(81)**
Profit/(loss) before tax	687	274	292	(10)	**1,243**	(237)	**1,006**

Year ended 31 March 2014	North America US$m	Latin America US$m	UK & Ireland US$m	EMEA/ Asia Pacific[1] US$m	**Total operating segments US$m**	Central Activities US$m	**Total continuing operations US$m**
Revenue from external customers							
Continuing activities	2,404	925	944	499	**4,772**	-	**4,772**
Discontinuing activities	-	21	-	47	**68**	-	**68**
Total	2,404	946	944	546	**4,840**	-	**4,840**
Reconciliation from EBIT to profit/(loss) before tax							
EBIT							
Continuing activities	757	344	284	7	**1,392**	(83)	**1,309**
Discontinuing activities	-	-	-	(3)	**(3)**	-	**(3)**
Total	757	344	284	4	**1,389**	(83)	**1,306**
Net interest (note 9(b))	-	-	-	-	**-**	(74)	**(74)**
Benchmark PBT	757	344	284	4	**1,389**	(157)	**1,232**
Exceptional items (note 7)	(27)	(8)	(12)	(7)	**(54)**	-	**(54)**
Amortisation and impairment of acquisition intangibles	(50)	(48)	(14)	(19)	**(131)**	-	**(131)**
Impairment of goodwill (note 8)	-	-	-	(15)	**(15)**	-	**(15)**
Acquisition expenses	(9)	-	-	(1)	**(10)**	-	**(10)**
Financing fair value remeasurements	-	-	-	-	**-**	27	**27**
Profit/(loss) before tax	671	288	258	(38)	**1,179**	(130)	**1,049**

1. EMEA/Asia Pacific represents all other operating segments.

Additional information by operating segment, including that on total and organic growth at constant exchange rates, is provided within pages 3 to 11.

Notes to the financial statements (continued)

for the year ended 31 March 2015

5. Segment information (continued)

(b) Revenue by country – continuing operations

	2015	2014
	US$m	US$m
USA	**2,453**	2,391
Brazil	**763**	819
UK	**992**	936
Colombia	**73**	94
Other	**529**	600
	4,810	4,840

Revenue is primarily attributable to countries other than Ireland. No single client accounted for 10% or more of revenue in the current or prior year.

(c) Revenue by business segment – continuing operations

The additional analysis of revenue from external customers provided to the chief operating decision-maker and accordingly reportable under IFRS 8 is given within note 6. This is supplemented by voluntary disclosure of the profitability of groups of service lines. For ease of reference, Experian continues to use the term ‘business segments’ when discussing the results of groups of service lines.

Notes to the financial statements (continued)

for the year ended 31 March 2015

6. Information on business segments (including non-GAAP disclosures)

Year ended 31 March 2015	Credit Services US$m	Decision Analytics US$m	Marketing Services US$m	Consumer Services US$m	**Total business segments US$m**	Central Activities US$m	**Total continuing operations US$m**
Revenue from external customers							
Continuing activities	2,366	594	870	980	**4,810**	-	**4,810**
Discontinuing activities	-	-	-	-	**-**	-	**-**
Total	2,366	594	870	980	**4,810**	-	**4,810**
Reconciliation from EBIT to profit/(loss) before tax							
EBIT							
Continuing activities	847	114	149	277	**1,387**	(81)	**1,306**
Discontinuing activities	-	-	-	-	**-**	-	**-**
Total	847	114	149	277	**1,387**	(81)	**1,306**
Net interest (note 9(b))	-	-	-	-	**-**	(75)	**(75)**
Benchmark PBT	847	114	149	277	**1,387**	(156)	**1,231**
Exceptional items (note 7)	-	-	(2)	-	**(2)**	-	**(2)**
Amortisation of acquisition intangibles	(90)	(15)	(17)	(12)	**(134)**	-	**(134)**
Acquisition expenses	(1)	-	-	-	**(1)**	-	**(1)**
Adjustment to the fair value of contingent consideration	(7)	-	-	-	**(7)**	-	**(7)**
Financing fair value remeasurements	-	-	-	-	**-**	(81)	**(81)**
Profit/(loss) before tax	749	99	130	265	**1,243**	(237)	**1,006**

Year ended 31 March 2014	Credit Services US$m	Decision Analytics US$m	Marketing Services US$m	Consumer Services US$m	**Total business segments US$m**	Central Activities US$m	**Total continuing operations US$m**
Revenue from external customers							
Continuing activities	2,244	576	881	1,071	**4,772**	-	**4,772**
Discontinuing activities	-	-	68	-	**68**	-	**68**
Total	2,244	576	949	1,071	**4,840**	-	**4,840**
Reconciliation from EBIT to profit/(loss) before tax							
EBIT							
Continuing activities	806	122	156	308	**1,392**	(83)	**1,309**
Discontinuing activities	-	-	(3)	-	**(3)**	-	**(3)**
Total	806	122	153	308	**1,389**	(83)	**1,306**
Net interest (note 9(b))	-	-	-	-	**-**	(74)	**(74)**
Benchmark PBT	806	122	153	308	**1,389**	(157)	**1,232**
Exceptional items (note 7)	(41)	(10)	-	(3)	**(54)**	-	**(54)**
Amortisation and impairment of acquisition intangibles	(74)	(11)	(27)	(19)	**(131)**	-	**(131)**
Impairment of goodwill (note 8)	-	-	(15)	-	**(15)**	-	**(15)**
Acquisition expenses	(5)	(4)	(1)	-	**(10)**	-	**(10)**
Financing fair value remeasurements	-	-	-	-	**-**	27	**27**
Profit/(loss) before tax	686	97	110	286	**1,179**	(130)	**1,049**

Additional information by business segment, including that on total and organic growth at constant exchange rates, is provided within pages 3 to 11 and on page 16.

7. Exceptional items – continuing operations

	2015 US$m	2014 US$m
Restructuring costs:		
Redundancy costs	-	61
Asset write-offs	-	7
Restructuring costs	-	68
Loss/(gain) on disposal of businesses	2	(14)
Total exceptional items	**2**	54
By Group income statement caption:		
Labour costs	-	61
Amortisation, depreciation and impairment charges	-	7
Other operating charges	2	(14)
Total exceptional items	**2**	54

(a) Restructuring costs

The Group conducted a strategic review of its cost base during the year ended 31 March 2013 and recognised a charge of US$54m in connection with this significant programme in that year and a further charge of US$68m in the year ended 31 March 2014. No further charge has been recognised in the year ended 31 March 2015. The cash outflow from the restructuring programme in the year ended 31 March 2015 was US$12m (2014: US$65m) and a reconciliation of the charge to the cash outflow is given in note 16(c).

(b) Loss/(gain) on disposal of businesses

The loss/(gain) on disposal of businesses in both the current and prior year related to small disposals with a cash inflow of US$18m (2014: US$25m).

8. Other adjustments made to derive Benchmark PBT – continuing operations

	2015 US$m	2014 US$m
Amortisation and impairment of acquisition intangibles:		
Amortisation	134	122
Impairment	-	9
Amortisation and impairment of acquisition intangibles	134	131
Impairment of goodwill	-	15
Acquisition expenses	1	10
Adjustment to the fair value of contingent consideration	7	-
Financing fair value remeasurements	81	(27)
Other adjustments made to derive Benchmark PBT	**223**	129
By Group income statement caption:		
Amortisation, depreciation and impairment charges	134	146
Other operating charges	8	10
Within operating profit	142	156
Finance expense	81	(27)
Other adjustments made to derive Benchmark PBT	**223**	129

During the year ended 31 March 2014, the Group recorded impairment charges of US$24m, comprising US$9m on acquisition intangibles (primarily customer relationships and other contractual relationships) and US$15m on goodwill, on a business in the Asia Pacific segment that was sold during that year. There were no such charges in the year ended 31 March 2015. Further information on the nature of the items within the above table is given in note 4(a).

Notes to the financial statements (continued)

for the year ended 31 March 2015

9. Net finance costs

(a) Net finance costs included in profit before tax

	2015 US$m	2014 US$m
Interest income:		
Bank deposits, short-term investments and loan notes	**(24)**	(20)
Interest on opening retirement benefit assets	**(1)**	(2)
Interest income	**(25)**	(22)
Finance expense:		
Interest expense	**100**	96
Charge/(credit) in respect of financing fair value remeasurements	**81**	(27)
Finance expense	**181**	69
Net finance costs included in profit before tax	**156**	47

(b) Net interest expense included in Benchmark PBT

	2015 US$m	2014 US$m
Interest income	**(25)**	(22)
Interest expense	**100**	96
Net interest expense included in Benchmark PBT	**75**	74

10. Tax – continuing operations

(a) Group tax charge and effective rate of tax

	2015 US$m	2014 US$m
UK tax	**67**	71
Non-UK tax	**188**	231
Group tax charge	**255**	302
Profit before tax	**1,006**	1,049
Effective rate of tax based on profit before tax	**25.3%**	28.8%

(b) Reconciliation of the Group tax charge to the Benchmark tax charge

	2015 US$m	2014 US$m
Group tax charge	**255**	302
Tax relief on exceptional items	**-**	8
Tax relief on other adjustments made to derive Benchmark PBT	**45**	42
Deferred tax charge arising on rate reduction	**-**	(23)
Benchmark tax charge	**300**	329
Benchmark PBT	**1,231**	1,232
Benchmark tax rate	**24.4%**	26.7%

In the year ended 31 March 2014, a deferred tax charge of US$23m was recognised as a consequence of the enacted reduction in the main rate of UK corporation tax from 23% to 20% and the associated reduction in deferred tax assets recognised in respect of tax losses.

(c) Tax recognised in other comprehensive income and directly in equity

In the year ended 31 March 2015, the charge of US$586m (2014: US$195m) in respect of other comprehensive income is after a deferred tax credit of US$3m (2014: US$4m), relating to remeasurement losses on post-employment benefit assets and obligations.

In the year ended 31 March 2015, a tax credit relating to employee share incentive plans of US$30m (2014: US$4m) has been recognised in equity and reported as appropriate within transactions with owners. This amount comprises a current tax credit of US$35m (2014: US$17m) and a deferred tax charge of US$5m (2014: US$13m).

Notes to the financial statements (continued)

for the year ended 31 March 2015

11. Discontinued operations

(a) Comparison shopping and lead generation businesses

Experian completed a transaction to divest these businesses in October 2012 and their results and cash flows are classified as discontinued.

(i) Results - profit on disposal

	2015 US$m	2014 US$m
Profit on disposal of discontinued operations	**-**	-
Tax credit in respect of disposal	**21**	7
Profit for the financial year from discontinued operations	**21**	7

In the year ended 31 March 2014, a current tax credit of US$7m was recognised primarily on tax losses arising in respect of the disposal. A further current tax credit of US$21m was recognised in the year ended 31 March 2015.

(ii) Cash inflow from operating activities

	2015 US$m	2014 US$m
Tax recovery on disposal transaction	**32**	144
Other cash flows from operating activities	**-**	(4)
Cash inflow from operating activities	**32**	140

(b) Cash flow on disposal of discontinued operations

	2015 US$m	2014 US$m
Comparison shopping and lead generation businesses:		
Partial redemption of loan note	**-**	5
Transaction costs paid	**(1)**	-
Comparison shopping and lead generation businesses	**(1)**	5
Cash flow for earlier disposal	**(8)**	-
Net cash (outflow)/inflow	**(9)**	5

The net cash outflow of US$9m on the disposal of the discontinued businesses (2014: inflow of US$5m) is disclosed in the Group cash flow statement within net cash flows used in investing activities. Contingent consideration is available to Experian, in respect of the comparison shopping and lead generation businesses, if defined profit targets are achieved over time, and in certain other circumstances, up to US$25m. This is in addition to the amount of US$74m receivable and recognised in respect of a loan note.

Notes to the financial statements (continued)

for the year ended 31 March 2015

12. Earnings per share disclosures

(a) Earnings per share

	Basic		Diluted	
	2015 US cents	2014 US cents	**2015 US cents**	2014 US cents
Continuing and discontinued operations	**79.0**	76.8	**78.1**	75.8
Deduct: discontinued operations	**(2.1)**	(0.7)	**(2.1)**	(0.7)
Continuing operations	**76.9**	76.1	**76.0**	75.1
Add: exceptional items, net of related tax	**0.2**	4.7	**0.2**	4.6
Add: other adjustments made to derive Benchmark PBT, net of related tax	**18.1**	8.6	**17.9**	8.5
Add: other exceptional tax items	**-**	2.3	**-**	2.3
Benchmark earnings per share from continuing operations (non-GAAP measure)	**95.2**	91.7	**94.1**	90.5

(b) Analysis of earnings

(i) Attributable to owners of Experian plc

	2015 US$m	2014 US$m
Continuing and discontinued operations	**772**	753
Deduct: discontinued operations	**(21)**	(7)
Continuing operations	**751**	746
Add: exceptional items, net of related tax	**2**	46
Add: other adjustments made to derive Benchmark PBT, net of related tax	**177**	84
Add: other exceptional tax items	**-**	23
Benchmark earnings attributable to owners of Experian plc (non-GAAP measure)	**930**	899

(ii) Attributable to non-controlling interests

	2015 US$m	2014 US$m
Continuing and discontinued operations	**-**	1
Add: amortisation of acquisition intangibles attributable to non-controlling interests, net of related tax	**1**	3
Benchmark earnings attributable to non-controlling interests (non-GAAP measure)	**1**	4

(c) Reconciliation of Overall benchmark earnings to profit for the financial year

	2015 US$m	2014 US$m
Overall benchmark earnings (non-GAAP measure)	**931**	903
Profit from discontinued operations	**21**	7
Loss from exceptional items, net of related tax	**(2)**	(46)
Loss from other adjustments made to derive Benchmark PBT, net of related tax	**(178)**	(87)
Other exceptional tax items	**-**	(23)
Profit for the financial year	**772**	754

(d) Weighted average number of ordinary shares used

	2015 million	2014 million
Weighted average number of ordinary shares	**977**	980
Add: dilutive effect of share incentive awards, options and share purchases	**11**	13
Diluted weighted average number of ordinary shares	**988**	993

13. Dividends

(a) Dividend information

	2015		2014	
	US cents per share	**US$m**	US cents per share	US$m
Amounts recognised and paid during the financial year:				
First interim – paid in January 2015 (2014: January 2014)	**12.25**	**120**	11.50	113
Second interim – paid in July 2014 (2014: July 2013)	**26.00**	**254**	24.00	236
Dividends paid on ordinary shares	**38.25**	**374**	35.50	349
Full year dividend for the financial year	**39.25**	**383**	37.50	367

A second interim dividend in respect of the year ended 31 March 2015 of 27.00 US cents per ordinary share will be paid on 24 July 2015 to shareholders on the register at the close of business on 26 June 2015 and is not included as a liability in these financial statements. This dividend and the first interim dividend paid in January 2015 comprise the full year dividend for the financial year of 39.25 US cents per ordinary share. Unless shareholders elect by 26 June 2015 to receive US dollars, 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 3 July 2015.

(b) Income access share ('IAS') arrangements

As its ordinary shares are listed on the London Stock Exchange, the Company has a large number of UK resident shareholders. In order that shareholders may receive Experian dividends from a UK source, should they wish, the IAS arrangements have been put in place. The purpose of the IAS arrangements is to preserve the tax treatment of dividends paid to Experian shareholders in the UK, in respect of dividends paid by the Company. Shareholders who elect, or are deemed to elect, to receive their dividends via the IAS arrangements will receive their dividends from a UK source (rather than directly from the Company) for UK tax purposes.

Shareholders who hold 50,000 or fewer Experian shares on the first dividend record date after they become shareholders, unless they elect otherwise, will be deemed to have elected to receive their dividends under the IAS arrangements.

Shareholders who hold more than 50,000 shares and who wish to receive their dividends from a UK source must make an election to receive dividends via the IAS arrangements. All elections remain in force indefinitely unless revoked.

Unless shareholders have made an election to receive dividends via the IAS arrangements, or are deemed to have made such an election, dividends will be received from an Irish source and will be taxed accordingly.

(c) Dividend waivers

In the year ended 31 March 2015 the employee trusts waived their entitlements to dividends of US$5m (2014: US$8m). There is no entitlement to dividend in respect of own shares held in treasury.

14. Capital expenditure, disposals and capital commitments

During year ended 31 March 2015, the Group incurred capital expenditure of US$380m (2014: US$402m) in continuing operations.

Excluding any amounts in connection with the disposal of businesses, the book value of other intangible fixed assets and property, plant and equipment disposed of in the year ended 31 March 2015 was US$4m (2014: US$13m) and the amount realised was US$2m (2014: US$8m).

At 31 March 2015, the Group had capital commitments in respect of property, plant and equipment and intangible assets and for which contracts had been placed of US$78m (2014: US$96m). These include commitments of US$45m not expected to be incurred before 31 March 2016. Commitments as at 31 March 2014 included commitments of US$59m not then expected to be incurred before 31 March 2015.

Notes to the financial statements (continued)

for the year ended 31 March 2015

15. Post-employment benefit assets and obligations – defined benefit plans

(a) Balance sheet assets/(obligations)

	2015 US$m	2014 US$m
Retirement benefit assets/(obligations) - funded plans:		
Fair value of funded plans' assets	**1,094**	1,104
Present value of funded plans' obligations	**(1,036)**	(1,030)
Assets in the Group balance sheet for funded defined pension benefits	**58**	74
Obligations in the Group balance sheet for unfunded post-employment benefits:		
Present value of defined pension benefits - unfunded plans	**(52)**	(50)
Present value of post-employment medical benefits	**(8)**	(11)
Liabilities in the Group balance sheet	**(60)**	(61)
Net post-employment benefit obligations/(assets)	**(2)**	13

The post-employment benefit assets and obligations are denominated primarily in sterling.

(b) Movements in net post-employment benefit assets/(obligations) recognised in the Group balance sheet

	2015 US$m	2014 US$m
At 1 April	**13**	24
Differences on exchange	**(2)**	2
Charge to Group income statement	**(9)**	(9)
Remeasurement losses recognised within other comprehensive income	**(15)**	(14)
Contributions paid by the Group	**11**	10
At 31 March	**(2)**	13

(c) Group income statement charge

	2015 US$m	2014 US$m
Current service cost	**8**	9
Administration expenses	**2**	2
Charge within labour costs and operating profit	**10**	11
Interest income	**(1)**	(2)
Total charge to Group income statement	**9**	9

(d) Actuarial assumptions

	2015 %	2014 %
Discount rate	**3.3**	4.3
Inflation rate – based on the UK Retail Prices Index (the 'RPI')	**2.9**	3.3
Inflation rate – based on the UK Consumer Prices Index (the 'CPI')	**1.9**	2.3
Increase in salaries	**3.4**	3.8
Increase for pensions in payment – element based on the RPI (where cap is 5%)	**2.8**	3.0
Increase for pensions in payment – element based on the CPI (where cap is 2.5%)	**1.5**	1.7
Increase for pensions in payment – element based on the CPI (where cap is 3%)	**1.7**	1.9
Increase for pensions in deferment	**1.9**	2.3
Inflation in medical costs	**5.9**	6.8

The mortality and other demographic assumptions used at 31 March 2015 remain broadly unchanged from those used at 31 March 2014 and disclosed in the Group's statutory financial statements for the year then ended.

Notes to the financial statements (continued)

for the year ended 31 March 2015

16. Notes to the Group cash flow statement

(a) Cash generated from operations

	Note	**2015 US$m**	2014 US$m
Profit before tax		**1,006**	1,049
Share of post-tax profit of associates		**(5)**	(2)
Net finance costs		**156**	47
Operating profit		**1,157**	1,094
Loss on disposals of fixed assets		**2**	5
Loss/(gain) on disposal of businesses		**2**	(14)
Depreciation and amortisation		**518**	500
Impairment of acquisition intangibles		**-**	9
Impairment of goodwill		**-**	15
Charge in respect of share incentive plans		**47**	70
Increase in working capital	16(b)	**(1)**	(36)
Acquisition expenses – difference between Group income statement charge and amount paid		**-**	2
Adjustment to the fair value of contingent consideration		**7**	-
Movement in exceptional items included in working capital		**(12)**	(4)
Cash generated from operations		**1,720**	1,641

(b) Increase in working capital

	2015 US$m	2014 US$m
Inventories	**(1)**	3
Trade and other receivables	**(42)**	(6)
Trade and other payables	**42**	(33)
Increase in working capital	**(1)**	(36)

(c) Reconciliation of cash outflow in respect of restructuring programme

	Note	**2015 US$m**	2014 US$m
Charge for restructuring costs	7	**-**	68
Working capital movements		**12**	4
Asset write-offs		**-**	(7)
Cash outflow in respect of restructuring programme		**12**	65

(d) Cash outflow in respect of tax

	Note	**2015 US$m**	2014 US$m
Tax paid – continuing operations		**145**	174
Tax recovery on disposal transaction - discontinued operations	11(a)	**(32)**	(144)
Cash outflow in respect of tax		**113**	30

Notes to the financial statements (continued)

for the year ended 31 March 2015

16. Notes to the Group cash flow statement (continued)

(e) Cash flows on acquisitions (non-GAAP measure)

	Note	**2015 US$m**	2014 US$m
Purchase of subsidiaries	22	**61**	1,235
Net cash acquired with subsidiaries		**(3)**	(13)
Deferred consideration settled		**-**	1
As reported in the Group cash flow statement		**58**	1,223
Acquisition expenses paid		**1**	8
Payments to acquire non-controlling interests		**8**	19
Cash outflow for acquisitions (non-GAAP measure)		**67**	1,250

(f) Cash outflow in respect of net share purchases (non-GAAP measure)

	Note	**2015 US$m**	2014 US$m
Issue of ordinary shares	20	**(14)**	(13)
Net cash (inflow)/outflow on vesting of share awards and exercise of share options		**(2)**	55
Purchase of shares held as treasury shares		**170**	203
Purchase of shares by employee trusts		**38**	126
Cash outflow in respect of net share purchases (non-GAAP measure)		**192**	371
As reported in the Group cash flow statement:			
Cash inflow in respect of net share purchases		**(16)**	(13)
Cash outflow in respect of net share purchases		**208**	384
		192	371

(g) Analysis of cash and cash equivalents

	2015 US$m	2014 US$m
Cash and cash equivalents in the Group balance sheet	**147**	212
Bank overdrafts	**(2)**	(4)
Cash and cash equivalents in the Group cash flow statement	**145**	208

17. Reconciliation of Cash generated from operations to Operating cash flow (non-GAAP measure)

	Notes	**2015 US$m**	2014 US$m
Cash generated from operations	16(a)	**1,720**	1,641
Acquisition expenses paid		**1**	8
Purchase of other intangible assets		**(316)**	(319)
Purchase of property, plant and equipment		**(64)**	(83)
Sale of property, plant and equipment		**2**	8
Dividends received from associates		**4**	1
Cash outflow in respect of restructuring programme	16(c)	**12**	65
Operating cash flow (non-GAAP measure)		**1,359**	1,321

Free cash flow for the year ended 31 March 2015 was US$1,135m (2014: US$1,067m). Cash flow conversion for the year ended 31 March 2015 was 104% (2014: 101%).

Notes to the financial statements (continued)

for the year ended 31 March 2015

18. Net debt (non-GAAP measure)

(a) Analysis by nature

	2015 US$m	2014 US$m
Cash and cash equivalents (net of overdrafts)	**145**	208
Debt due within one year - bank loans	**(100)**	-
Debt due within one year – commercial paper	**(40)**	(576)
Debt due within one year – finance lease obligations	**(4)**	(4)
Debt due after more than one year – bonds and notes	**(2,456)**	(2,743)
Debt due after more than one year – bank loans and finance lease obligations	**(673)**	(823)
Derivatives hedging loans and borrowings	**(89)**	129
	(3,217)	(3,809)

(b) Analysis by balance sheet caption

	2015 US$m	2014 US$m
Cash and cash equivalents	**147**	212
Current borrowings	**(146)**	(584)
Non-current borrowings	**(3,146)**	(3,576)
Total reported in the Group balance sheet	**(3,145)**	(3,948)
Accrued interest reported within borrowings above but excluded from Net debt	**17**	10
Derivatives reported within financial assets	**16**	135
Derivatives reported within financial liabilities	**(105)**	(6)
	(3,217)	(3,809)

(c) Analysis of movements in Net debt

	1 April 2014	Movements in the year ended 31 March 2015				**31 March 2015**
		Net cash inflow	Net share purchases	Fair value gains/(losses)	Exchange and other	
	US$m	US$m	US$m	US$m	US$m	**US$m**
Cash and cash equivalents	212	183	(192)	-	(56)	**147**
Borrowings	(4,160)	534	-	(44)	378	**(3,292)**
Total reported in the Group balance sheet	(3,948)	717	(192)	(44)	322	**(3,145)**
Accrued interest	10	7	-	-	-	**17**
Derivatives hedging loans and borrowings	129	-	-	53	(271)	**(89)**
	(3,809)	724	(192)	9	51	**(3,217)**

19. Undrawn committed bank borrowing facilities

	2015 US$m	2014 US$m
Facilities expiring in:		
Less than one year	**60**	-
One to two years	**-**	2,216
Four to five years	**2,025**	-
	2,085	2,216

Notes to the financial statements (continued)

for the year ended 31 March 2015

20. Called up share capital and share premium account

	Number of shares million	Called up share capital US$m	Share premium account US$m
At 1 April 2013	1,030.1	102	1,480
Shares issued under employee share incentive plans	1.5	1	12
At 31 March 2014	1,031.6	103	1,492
Shares issued under employee share incentive plans	1.2	-	14
At 31 March 2015	**1,032.8**	**103**	**1,506**

21. Own shares held

	Number of shares million	Cost of shares US$m
At 1 April 2013	42	565
Purchase of shares held as treasury shares	11	203
Purchase of shares by employee trusts	7	126
Exercise of share options and awards	(6)	(85)
At 31 March 2014	54	809
Purchase of shares held as treasury shares	10	170
Purchase of shares by employee trusts	2	38
Exercise of share options and awards	(7)	(112)
At 31 March 2015	**59**	**905**

Own shares held at 31 March 2015 include 46 million shares held as treasury shares and 13 million shares held by employee trusts. Own shares held at 31 March 2014 include 38 million shares held as treasury shares and 16 million shares held by employee trusts. The total cost of own shares held at 31 March 2015 of US$905m (2014: US$809m) is deducted from other reserves in the Group balance sheet.

Notes to the financial statements (continued)

for the year ended 31 March 2015

22. Acquisitions

(a) Acquisitions in the year

The Group made three individually immaterial acquisitions, in connection with which provisional goodwill of US$53m was recognised, based on the fair value of the net assets acquired of US$23m. Net assets acquired, goodwill and acquisition consideration are analysed below.

	US$m
Intangible assets:	
Customer and other relationships	**13**
Software development	**12**
Marketing related assets	**1**
Intangible assets	**26**
Trade and other receivables	**3**
Cash and cash equivalents	**3**
Trade and other payables	**(4)**
Deferred tax liabilities	**(5)**
Total identifiable net assets	**23**
Goodwill	**53**
Total	**76**
Satisfied by:	
Cash	**61**
Fair value of equity interest held prior to business combination	**12**
Recognition of non-controlling interest	**1**
Deferred and contingent consideration	**2**
Total	**76**

These provisional fair values contain amounts which will be finalised no later than one year after the dates of acquisition. Provisional amounts have been included at 31 March 2015, as a consequence of the timing and complexity of the acquisitions. Goodwill represents the synergies, assembled workforces and future growth potential of the businesses. The goodwill arising of US$53m is not currently deductible for tax purposes.

The contingent consideration arrangement requires payments to the former owners of an acquired company based on the achievement of revenue targets. Payments are due at the end of each of the first three years following acquisition and the potential amount that the Group could be required to make under this arrangement is between US$nil and US$13m. The fair value of this consideration has been estimated by applying the income approach and during the year an increase of US$7m has been recognised in the Group income statement based on latest forecasts of business performance. This is a Level 3 fair value measurement as defined under IFRS. There have been no other material gains, losses, error corrections or other adjustments recognised in the year that relate to current year acquisitions.

(b) Additional information

(i) Current year acquisitions

	US$m
Increase in book value from fair value adjustments:	
Intangible assets	**26**
Other assets and liabilities	**(5)**
Increase in book value from fair value adjustments	**21**
Gross contractual amounts receivable in respect of trade and other receivables	**3**
Revenue from 1 April 2014 to dates of acquisition	**2**
Revenue from dates of acquisition to 31 March 2015	**11**
Loss before tax from dates of acquisition to 31 March 2015	**6**

At the dates of acquisition, the gross contractual amounts receivable in respect of trade and other receivables of US$3m were expected to be collected in full.

It has been impracticable to estimate the impact on Group profit before tax had the acquired entities been owned from 1 April 2014, as their accounting policies and period end dates did not accord with those of the Group prior to their acquisition.

22. Acquisitions (continued)

(ii) For prior year acquisitions

There was a cash outflow of US$1,223m reported in the Group cash flow statement in the year ended 31 March 2014, after a deduction of US$13m for net cash acquired with subsidiaries. There was deferred consideration of US$1m settled in that year. These cash flows principally related to the acquisitions of Passport Health Communications, Inc. and The 41st Parameter, Inc.

Other than a reduction to goodwill of US$14m on the determination of a deferred tax balance, there have been no material gains, losses, error corrections or other adjustments recognised in the year ended 31 March 2015 that relate to acquisitions in prior years.

23. Contingencies

(a) Brazilian credit scores

As indicated in our 2014 annual report and financial statements, the Group had received a significant number of claims in Brazil, primarily in three states, relating to the disclosure and use of credit scores. In November 2014, The Superior Tribunal of Justice, the highest court in Brazil for such cases, determined the principal legal issues involved and ruled that the cases had no merit under Brazilian law. Whilst elements of the legal process have yet to be exhausted, the directors do not believe that the outcome of any such claims will have a materially adverse effect on the Group's financial position. However, as is inherent in legal proceedings, there is a risk of outcomes that may be unfavourable to the Group.

(b) Tax

As previously indicated, Serasa has been advised that the Brazilian tax authorities are challenging the deduction for tax purposes of goodwill amortisation arising from its acquisition by Experian in 2007. The possibility of this resulting in a liability to the Group is believed to be remote, on the basis of the advice of external legal counsel and other factors in respect of the claim.

In addition, in the normal course of business, the Group has a number of open tax returns with various tax authorities with whom we are in active dialogue. Liabilities relating to these open and judgmental matters are based on an assessment as to whether additional taxes will be due, after taking into account external advice where appropriate.

(c) Other litigation and claims

There continue to be a number of pending and threatened litigation and other claims involving the Group across all its major geographies which are being vigorously defended. The directors do not believe that the outcome of any such claims will have a materially adverse effect on the Group's financial position. However, as is inherent in legal, regulatory and administrative proceedings, there is a risk of outcomes that may be unfavourable to the Group. In the case of unfavourable outcomes the Group may benefit from applicable insurance recoveries.

24. Events occurring after the end of the reporting period

Details of the second interim dividend announced since the end of the reporting period are given in note 13(a).

25. Company website

The Company has a website which contains up-to-date information on Group activities and published financial results. The directors are responsible for the maintenance and integrity of statutory and audited information on this website. 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 preliminary announcement since it was initially presented on the website. Jersey legislation and UK regulation governing the preparation and dissemination of financial information may differ from requirements in other jurisdictions.

Notes to the financial statements (continued)

for the year ended 31 March 2015

26. Risks and uncertainties

Experian is an innovation-driven, global business. Risk management is central to how we operate, enabling us to create value and deliver returns to shareholders. It operates at all levels throughout our organisation, across regions, global businesses and operational support functions. Our approach to risk management encourages clear decision making about which risks we take and how we manage them, based on an understanding of their potential strategic, commercial, financial, compliance, legal and reputational implications.

Our risk management framework provides a structured and consistent process for identifying, assessing, responding to and reporting risks. It enables management to demonstrate a responsible and proactive embedded approach to risk management. In doing so, the Board's main functions are supported by identifying and managing risk, in line with our strategic objectives, risk appetite, corporate responsibility strategy and the long-term drivers of our business.

2015 risk assessment

Our businesses and strategy expose the Group to a number of inherent risks. The Board has carefully considered the type and extent of the significant risks it is willing to take, so the Group can achieve its strategic objectives and deliver a satisfactory return to shareholders.

Over time, the Group’s risk profile evolves. As a result, we have updated the principal risks to reflect the Board’s view of the most important risks currently facing the Group. We have added a new risk in respect of business conduct risk and expanded our discussion of risks associated with ineffective business execution and adverse and unpredictable financial markets. We have also updated the descriptions for other risks.

Long-term performance risks

Throughout the year, we have critically reviewed and evaluated the risks Experian faces. This section outlines our assessment of the most significant risks and uncertainties that could affect our long-term performance. The list is not exhaustive and it is likely to change during the year, as some risks assume greater importance and others become less significant.

(a) Risk area – *loss or inappropriate use of data*

What is the risk?

- We may experience cyber attacks on us, our partners or third-party contractors
- We may suffer other breaches of security or lost, misappropriated or misused data

How would the risk impact our business?

- Losing or misusing data could result in material loss of business, substantial legal liability, regulatory enforcement actions or significant harm to our reputation

How do we manage the risk?

- We have a number of defensive and proactive practices across the Group, based on our global security policies
- A programme of continuous measurement and alerting helps ensure that we quickly highlight areas of risk in our business practices and manage them accordingly
- Our enterprise risk management framework works to create transparency across layers of management and seeks to ensure we have appropriate oversight of data security, privacy and protection

Notes to the financial statements (continued)

for the year ended 31 March 2015

26. Risks and uncertainties (continued)

(b) Risk area – *new legislation or regulatory and enforcement changes*

What is the risk?

- New laws, changes to existing regulations or heightened regulatory scrutiny could affect how we operate our business, including how we collect and use consumer information for marketing, risk management and fraud detection, and for serving Experian Consumer Services' clients, or how we are able to market or offer these services to clients or consumers

How would the risk impact our business?

- We may suffer increased costs or reduced revenue resulting from modified business practices, adopting new procedures, self-regulation or paying fines
- We may face brand damage or an adverse market reaction as a result of non-compliance with privacy laws

How do we manage the risk?

- We educate lawmakers, regulators, consumer and privacy advocates, industry trade groups, our clients and other stakeholders in the public policy debate
- Our global compliance team has region-specific regulatory expertise and works with our businesses to identify and adopt balanced compliance strategies. This is complemented by executing our Seven Elements of Compliance Programme that directs the structure, documentation, tools and training requirements to support manager compliance on an ongoing basis

(c) Risk area *– material regulatory enforcement actions and adverse litigation claims*

What is the risk?

- Litigation and regulatory actions may result from our business operations under privacy, permissible purpose, consumer protection or other laws or regulations including in the form of class actions

How would the risk impact our business?

- An adverse outcome in a claim could result in civil or criminal penalties, as well as negative publicity that harms our reputation

How do we manage the risk?

- We vigorously defend all pending and threatened claims, employing internal and external counsel to effectively manage and dispose of proceedings
- We analyse the causes of claims, to identify any potential changes we need to make to our business processes and policies
- We maintain insurance coverage, where feasible and appropriate, and following a review during the year increased our coverage levels

26. Risks and uncertainties (continued)

***(d) Risk area** – increasing competition*

What is the risk?

- New or existing competitors may develop products and services that are superior to ours, or achieve greater market acceptance
- New or existing competitors may be able to sell products at lower prices than ours by accepting lower margins or because they benefit from proprietary ownership of data, technological superiority or economies of scale

How would the risk impact our business?

- Price reductions may reduce our margins, market share and results of operations, and harm our ability to obtain new clients or retain existing ones
- We might be unable to support changes in the way our businesses and clients use and purchase information, affecting our operating results

How do we manage the risk?

- We are committed to continued research and investment in new data sources, people, technology and products, to support our strategic plan
- We carry out detailed competitive and market analyses
- We continue to develop new products that leverage our scale and allow us to deploy capabilities into new and existing markets and geographies
- We use rigorous processes to identify and select our development investments, so we can effectively introduce new products and services to the market

***(e) Risk area –** data ownership, access and integrity*

What is the risk?

- How we collect, aggregate, analyse and use consumer and client information could be changed or restricted, based on consumer privacy and data accuracy concerns
- Our data providers could be unable to provide their data to us, withdraw the data or impose a different fee structure for using the data

How would the risk impact our business?

- Our ability to provide products and services to our clients could be affected, leading to a materially adverse effect on our business, reputation and operating results

How do we manage the risk?

- We monitor legislative and regulatory initiatives, and educate lawmakers, regulators, consumer and privacy advocates, industry trade groups, clients and other stakeholders in the public policy debate
- We use standardised selection, negotiation and contracting of provider agreements, to address delivery assurance, reliability and protections relating to critical service provider relationships
- Our legal contracts define how we can use data and provide services
- We analyse data to make sure we receive the best value and highest quality

26. Risks and uncertainties (continued)

(f) Risk area – *dependency on highly skilled personnel*

What is the risk?

- We may be unable to attract, motivate or retain key talent, or to hire and retain personnel at reasonable compensation levels
- Our competitors may offer more attractive employment terms and seek to hire our highly talented personnel

How would the risk impact our business?

- Not having the right people could materially affect our ability to service our clients and grow our business

How do we manage the risk?

- In every region, we have ongoing recruitment, personal and career development and talent identification and development programmes
- We carry out our Global People Survey approximately every 18 to 24 months and act on the feedback
- We offer competitive compensation and benefits and review them regularly
- We actively monitor attrition rates, with a focus on individuals designated as high talent or in strategically important roles

(g) Risk area *– non-resilient or non-agile IT environment*

What is the risk?

- Advances in technology may result in rapidly changing consumer and client preferences for products, services and delivery formats that we may not be able to support
- Our systems, personnel and operations could be exposed to damage, interruption and pandemic outbreaks

How would the risk impact our business?

- If we cannot quickly adapt our products, services or delivery formats to the way our businesses and clients use and purchase information, it could result in material loss of business or increased costs
- Any significant failure or interruption could have a materially adverse effect on our business, financial performance, financial condition or reputation

How do we manage the risk?

- We identify and select technology investments that support enhancements to our existing products and services and the introduction of new ones
- We maintain a sufficient level of redundant operations to cover a loss of personnel or a system failure
- We ensure strict standards, procedures and training programmes for physical security
- We have business continuity plans and incident management programmes, and seek to ensure these plans develop as the business and technology environment change
- We duplicate information in our databases and run back-up data centres

26. Risks and uncertainties (continued)

***(h) Risk area** – ineffective business execution*

What is the risk?

- We may be unable to effectively execute our key business strategies, which are designed to maintain our leading positions in most of our markets, or to improve performance in some areas where growth has moderated because of cyclical headwinds or changing market dynamics
- Entering into new strategic partnerships or acquiring new businesses may not produce the desired financial or operating results

How would the risk impact our business?

- Failure to successfully implement our key business strategies could have a materially adverse effect on our ability to achieve our revenue or growth targets
- Poorly executed business acquisitions or partnerships could result in material loss of business, increased costs, reduced revenue, substantial legal liability, regulatory enforcement actions or significant harm to our reputation

How do we manage the risk?

- We comprehensively review our business activities and formulate strategic plans, including rationalisation where necessary, that address both the opportunities and challenges of the next five years. As a result, we sometimes withdraw from low-growth or low-return markets
- We rigorously assess all acquisitions and partnerships, using both in-house experts and professional advisers
- We conduct extensive post-acquisition and organic investment reviews, to ensure performance remains consistent with the business plan

***(i) Risk area** – adverse and unpredictable business and financial markets*

What is the risk?

- Exposure to adverse market conditions triggered by global, regional or country-level economic or social events
- The Group is subject to evolving and complex tax laws and interpretations which may be subject to significant change. This may lead to increased effective tax rates in future and uncertainty in the application of these laws may also result in different outcomes to the amounts provided
- We present our financial statements in US dollars. However, we transact business in a number of currencies. Changes in the US dollar relative to our other currencies could impact our financial results

How would the risk impact our business?

- Economic slowdown in our markets could result in sluggish demand for our products and services, affecting our operations and profitability
- Net income could be reduced and tax payments increased as a result of settlement of historic tax positions or increases in our effective tax rates
- We benefit from the strengthening of currencies relative to the US dollar and are adversely affected by the weakening of currencies relative to it

How do we manage the risk?

- We have a diverse portfolio by geography, product, sector and client
- We have counter-cyclical products and services
- We enter into forward foreign exchange contracts to protect the US dollar value of certain assets and for certain future commercial transactions
- We convert cash balances which accumulate in foreign currencies into US dollars
- We retain internal and external tax professionals, who regularly monitor developments in international tax and assess the impact of changes and differing outcomes

Notes to the financial statements (continued)

for the year ended 31 March 2015

26. Risks and uncertainties (continued)

(j) Risk area *– business conduct risk*

What is the risk?

- Inappropriate execution of our business strategies or activities could adversely affect our clients, consumers or counterparties

How would the risk impact our business?

- Clients could receive the wrong products or not have access to the right products, resulting in material loss of business, substantial legal liability, regulatory enforcement actions or significant harm to our reputation

How do we manage the risk?

- We have a Global Code of Conduct and Anti-Corruption and Gifts and Hospitality policies, which ensure our people understand the behaviours we expect from them
- In the USA, we continue to update our operating standards to ensure we place consumers at the heart of what we do
- In the UK, we continue to develop our definition and standard of conduct risk, within the context of the Financial Conduct Authority's ('FCA') definition. This involves building out and embedding a new framework for conduct risk management in preparation for possible FCA examinations.

Statement of directors' responsibilities

The directors confirm that, to the best of their knowledge, the financial statements are prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the Group taken as a whole; and the management report includes a fair review of the development and performance of the business and the position of the Company and the Group taken as a whole, and a description of the principal risks and uncertainties that they face is included in note 26.

The names and functions of the directors in office as at 6 May 2014 were listed in the Experian annual report 2014. A number of changes to the board had been announced by that date and these have now taken effect. Accordingly in the period from 6 May 2014 to the date of this report:

- Sir John Peace stood down as Chairman and retired as a director after the conclusion of the 2014 Annual General Meeting on 16 July 2014.
- Don Robert, formerly Chief Executive Officer, was appointed as Chairman with effect from 16 July 2014.
- Brian Cassin, formerly Chief Financial Officer, was appointed as Chief Executive Officer with effect from 16 July 2014.
- Chris Callero stood down as President and Chief Operating Officer and retired as a director after the conclusion of the 2014 Annual General Meeting on 16 July 2014.
- Kerry Williams was appointed as Chief Operating Officer and as a director with effect from 16 July 2014.
- Sir Alan Rudge stood down as Deputy Chairman/Senior Independent Director and retired as a director after the conclusion of the 2014 Annual General Meeting on 16 July 2014.
- George Rose, a non-executive director, was appointed Deputy Chairman/Senior Independent Director with effect from 16 July 2014.
- Lloyd Pitchford was appointed as Chief Financial Officer and as a director with effect from 1 October 2014.

A list of current directors is maintained on the Company website at www.experianplc.com.

By order of the Board

Charles Brown

Company Secretary

11 May 2015