

Experian plc

Preliminary Results for the Year Ended 31 March 2016

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Strategic and Operational Review

Brian Cassin
Chief Executive Officer, Experian

1. Preamble

Good morning, ladies and gentlemen. Welcome to our year-end results presentation. It has been a busy year at Experian, but I think we have had a very good year. It has been a year when we have made a lot of progress and developed a strong set of results.

The last two times we have stood up here, we have been talking about the things we needed to do to get our business back to organic revenue growth. It is very pleasing to stand up here and say we have delivered against that objective. We have now delivered into our target range for organic revenue growth for the year. That is probably a little bit sooner than we had anticipated. We have had the benefit of some things that have gone well in the business. As we look forward, our focus is now in sustaining that growth going forward and we have a clear strategy for that.

As we look forward, you are going to hear us talking a little bit more about some of the key principles that will drive our growth and extend our lead in data analytics and software services. That is going to be about investing in new products, better customer service, building strong client relationships and, also, building out a full range of Consumer Services and putting the consumer at the heart of how our business runs. We are going to provide you with a flavour of some of that today.

2. Highlights

Let us kick off with the highlights. We delivered 5% organic revenue growth in FY2016, and the growth trend steadily improved as we went through the year, quarter-on-quarter. We delivered 6% in H2. That is good, and it is consistent with the targets we set ourselves when we set our agenda out about 18 months ago.

We have had some standout performances, particularly in Credit Services and Decision Analytics. Market conditions have actually been pretty mixed. We have had some good and some bad. The market has been strong in the US, but Brazil has obviously been challenging. However, we have managed to grow in every region and, pretty much, across all business lines.

The majority of these improvements have actually come from operational improvements that we have made in the business. We are pretty pleased about that. In the key areas of North American Consumer Services, we are successfully repositioning that business. We have a clear path now to the future: better products, better engagement with consumers and leveraging the power of the Experian portfolio to really build out propositions as we go forward. A couple of weeks ago, you will have seen our proposed acquisition of CSIdentity ('CSID'). That is a major step in that direction.

18 months ago, we also said we needed to sharpen our focus, as a business. We have made a lot of progress on that. We have sold six businesses, and we have exited a few countries. We have generated substantial proceeds from that. We are not finished with that, but I think we have made a lot of progress against that objective. Today, we are already a tighter, better focused business. We returned about \$1 billion of capital to shareholders last year with a mixture of share buy-backs and dividends. Today, we have announced an extension of that with another \$400 million in FY17 and, also, an increase in our dividend by 2%.

This chart shows the progression in organic revenue growth as we went through the year. We called out in Q3 that there was some one-off benefit, but the 6% growth continued into Q4, about which we are very pleased. The picture is a healthy one, and it has been an improving one.

Foreign exchange was a significant headwind for us in the year, but we had flat margins at constant currencies. The important thing was that we did that whilst making some substantial investments in the business. You are going to see some examples of this as we go through the presentation.

Benchmark EPS for continuing operations¹ was up 7% at constant FX, and we had a very strong cash performance, converting about 105% of EBIT into cash, which is a really strong outcome for the year.

3. Regional Results

North America

We had a good year in North America and a big improvement on FY2015. Our star performer in North America this year was Credit Services. There was a very strong performance across all the verticals, which was driven by high volumes of credit marketing and new account openings. We also won a lot of new deals in FY2016 and we had some great success in major contract renewals, where we managed not only to extend contract terms but actually increased share of wallet. Tremendous progress has been made in the business in the year.

One of the reasons we are able to do that is something we have mentioned to you before, called One Experian, where we really pull together the capabilities we have across the organisation in lots of our business units, be it Decision Analytics, be it data, analytics or some of the expertise we have. If we are able to do that successfully, we can move the conversations on from single-point solutions into more complex propositions. That makes us a lot more difficult to compete with, and we have really benefited from that this year.

Turning to health, we had another great year. They have extended their tremendous track record with double-digit revenue growth; it is in the high teens, in fact. This

¹ Continuing EPS, adjusted for the impact of disposals, was 7% for FY16

business continues to develop very strongly. Our products continue to be recognised by industry classifications as best in class. That is very important when you come to things like RFPs. Clients do look at that. It has set us up for tremendous progress in the years ahead. In fact, in FY2016, we had our best-ever year for new-client bookings. The visibility on that business is for continued strong growth as we go forward.

A lot of the success there is also coming from increasing our share of wallet with existing clients as well as new logos. We have also talked previously about our intention to introduce more of the Experian product suite into healthcare. The first one up on that will be fraud, where we are embedding our Precise ID authentication product into patient information systems. That is going to help protect healthcare providers against identity fraud.

We have made some real progress in Marketing Services over the last 18 months. Some of the portfolio sharpening I referenced earlier on has been in this area. We have sold three businesses. We also have moved certain parts of our business back into growth. Targeting posted some very strong growth in the year. Targeting is really driving the shift to digital advertising. Our Data Quality business is growing well; we are finding new areas of growth not just in-market but also through geographical expansion. That is going very well. Our Cross-Channel Marketing business also continues to perform extremely strongly, but it is not yet big enough to offset the weak spot in the portfolio, which is Email Marketing. We feel like we are getting on top of the issues in that business, but we do expect a few more quarters before we really get to the other end of that.

Turning to Consumer Services, we are back on a path to good growth. We are targeting a larger market there. We think there are some great opportunities to leverage the entire range of Experian products to address the needs of consumers, and we will come back to that a little bit later in the presentation.

Latin America

We had a very robust performance in Latin America. It is a story that is well known to you. Market conditions really do not get much tougher than they have been in Brazil in the last year, but it still grew by high single-digits. That is an outstanding performance by our Brazilian team, in the light of that difficult backdrop.

We get asked a lot how we are managing to do that in such a tough environment. The answer is really threefold. Firstly, we are getting some benefit from countercyclical products. You would expect that for any bureau. That is delinquency notifications and collections. However, we are also taking share in that product segment. We have had some new competitive wins there. We have had great take-up of new features in business information scores and other features, which has driven strong growth in that vertical. We are delivering much stronger performance in Decision Analytics and in the other verticals in the region. All in all, we have seen a really great performance there.

Outside of Brazil, our bureaus are continuing to perform very strongly. Overall, that has given us a very good result for the business. I would make one other point, which is that you are probably all aware that Brazil is a pretty high—cost inflation

environment. In order to keep our results moving forward, we actually have to drive a lot of efficiencies in business. We have been doing that in FY2016.

Last year, we set up a new facility outside São Paulo. That will help us consolidate some of our back office functions and also benefit from a large pool of local talent in the new location we move to. It is these kinds of actions, and many others, we are taking to invest in the business during the downturn. It is not just cost efficiency; it also covers things like positive data opt-ins, building our fraud and software capabilities and, also, introducing the Data Quality business into Brazil, which we did last year.

There have been a lot of actions there which are positioning our business strongly for the future. Those investments were started in FY2016 and they will continue in FY2017. They are all included in our overall guidance for the year.

UK

Moving to the UK, the performance was good, particularly in B2B, where our growth rates have been pretty strong. Again, we had another good year in the UK for new business wins. The majority of these wins were where we combined capabilities from across our business lines. To give you a data point on that, where we managed to migrate client conversations from single-product to multi-product conversations, our win rate is extremely high; in fact, it is in excess of 80%. It is really to our advantage to move conversations in that direction.

We have seen wins across lots of different sections. We have seen it in banking; we have seen it in alternative finance; we have seen it in the energy sector. It has been driven by a couple of factors such as systems upgrades and demand for fraud products. I would also include some great examples of innovation, where we have managed to use our data and capabilities in new segments, such as the contract we won for fraud in the energy sector.

A lot of good stuff is happening. Again, it illustrates this point about One Experian. We do have a real competitive advantage when we manage to move those client conversations on to the full suite of our product set. Actually, most of our other competitors cannot match us across the whole spectrum. They can match us maybe one-to-one, but they cannot match us in every category. To the extent we are able to do that, we are able to move that dialogue on, getting better contract terms for longer and often with a bigger share of wallet, as we did in the US and the UK.

In Consumer Services, as we referenced before, this market is becoming more competitive. We do have a number of players now offering a range of consumer products, from premium-paid products to free scores. As a reminder, this is a market we created 12 years ago. It has evolved a lot over that period and, as we look forward, we are going to be evolving our business and introducing a new tiered product offering to address all segments of the market. This is similar to the approach we took in the US. We are already building on that strong market position.

You may have seen this year that we have introduced new products like scores on bank statements and we have a raft of new introductions as we look forward over the next 12 months. Our plans are already well developed and we are executing on that

strategy. You will see us responding as we go through, over the next 12-24 months.

EMEA/Asia Pacific

There is a really good story in EMEA/Asia Pacific. Two or three years ago, I stood up here and this business was really not moving forward, but we are now posting really good rates of growth. That is down to a lot of the actions we have taken operationally. We have not really done anything structurally over that period of time, but we have reduced the complexity and we have centralised a lot of functions. We have fewer countries we are focused on, and we are also focused on fewer product opportunities, like Fraud Software, Analytics, and Cross-Channel Marketing, which has also been growing very strongly there.

We see a lot of good benefit in the short term and we see a lot of long-term growth potential there. That has actually also enabled us to move on to a lot of really quite big client wins in the region. We think there is a lot of potential there, particularly in Asia Pacific.

Our goal in this region is to build on scale, build on the position we have created over the last couple of years and, over time, build that into much more material profitability.

4. Strategy Update

Turning to strategy for a moment, we first showed you this slide in November 2014. We really had five areas we were focused on to get the business moving forward. We can certainly tick quite a lot of those boxes. We have talked about some of them, such as focus, capital returns and improving our efficiency. Our focus now is much more towards driving our growth forward. I am going to talk about a few of those areas in the next couple of slides.

One of the areas we are focused on to drive our growth is expanding our business by investing in new sources of data to improve the depth and breadth of our coverage. Let me give you a few examples. In the US and UK, we are adding more rental and telecommunications data to build out records on emerging consumers. We are also partnering with social media sites to improve our coverage on small businesses in the US. We are partnering with players like Facebook to improve our targeting data.

5. Positive Data

In Brazil, our focus is on positive data. I am going to spend a few moments updating you on that. The first thing I want to say is that we see positive data as a big opportunity for us in Brazil. It is going to expand the range of opportunities we have as a business and, actually, it is hard to think of a business that would be better positioned to take advantage of the opportunities that it will present.

A very important point is that the law in Brazil requires a consumer's permission to collect and use positive data. It is the consumer decides whether a bureau receives positive data. When you have a situation where a consumer decides, that is where branding comes in and becomes really important. Serasa is actually one of the most

well known brands in Brazil – frankly amongst any companies, but certainly in the financial sector – and it is also a brand that is incredibly well trusted by consumers. There is a need to leverage that brand, and over the last couple of years we have been investing to do that.

There is also a need to educate consumers about positive data. Consumers do not naturally know what that is all about. If you look at some of the things we have told you about over the last couple of years such as the credit fairs we have run, services like Limpa Nome are really positioning Serasa as the consumer champion in that marketplace. That is starting to open up a tremendous number of opportunities for us. We are already collecting consumer opt-in and we are using a number of channels to do that: retail partnerships, some of our own branches, and also through the financial institutions.

Today, we are receiving positive data on a regular basis from all data furnishers on the more than 3 million consumers who have already opted in. The rate of consumer adoption is actually accelerating. All of these are actions we have taken at Experian Serasa, and we are well ahead of anybody else on this – and we intend to keep that advantage as we move forward. If we look at the credit-reporting system in Brazil today, we actually have 20% more negative data than any of our competitors. 60% of our data comes outside the banking sector: from retail and telecommunications companies. It really is a comprehensive and broad-based bureau asset.

Positive data, as we said, is the next big step. All of our actions, over the last couple of years and as we go forward will be aimed at building a complete bureau by collecting positive data, permission data from all sources, really. We are very confident that will position us very strongly in the years ahead.

6. Innovation

Digital Credit Marketing

We talked a little bit about some of the examples of innovation we have seen across the portfolio. Here are a few of them we have called out. First of all, digital credit marketing: in North America, we are redefining credit marketing. This is going to be a very significant development. What we are going to be able to do is allow our clients to make pre-approved firm offers of credit to prospective customers. This is something that has been very difficult to achieve, and it really required our capabilities across all of our business lines to make it happen. We have been in pilot with a number of clients over the last six months. The reception to this product has been very strong. We are very confident, as we roll it out in FY2017, there will be a successful product launch.

Decision Analytics

In Decision Analytics, last year we made some investments in a new and sophisticated fraud platform, building on our PowerCurve software, to pull all of our fraud capabilities together. One of the things our clients tell us is that our fraud capabilities are impressive in terms of the breadth and capability, but sometimes difficult to consume because each one of them is a separate installation. We can expand our

addressable market in fraud by actually making it easier for our clients to improve the products on an 'as and when needed' basis. We can also give them the flexibility to add in different capabilities from other companies. That is exactly what we are going to be doing with this product, and we will be launching that in FY2017. That is also very exciting.

Audience Engine

In our targeting business, we recognise the fact that we have had some good growth there. What this is doing is delivering addressable advertising and making it a reality for media providers and advertisers. We have been doing a nine-month pilot with about 70 major clients. Using our tools, they have seen a 60% improvement in sales lift from the more precise targeting, which is the combination of the data and the tools we are developing. Again, that is another good indication of the growth we really have available in that segment.

Patient Estimates

If we look at health, we talked a little bit about the fraud opportunity. We have also launched a product called Patient Estimates. This is a tool that enables patients to get a clear picture of their out-of-pocket financial obligations. Often, for consumers in the US, the extent to which they are going to get reimbursed for procedures they have to go through is a bit of a mystery for them. This is really addressing the industry need for greater transparency. There has been a very positive reception from our clients.

These are some examples of the innovation we have going on across the portfolio. These are investments we made in FY2016. There were many more we also did, and we have many more in the works for FY2017.

7. North Americas Consumer Services

I said we would come back to North American Consumer Services. In two years, we have accomplished a lot in this business. We have a really simple strategy from this point on. The first point is to enrich the services we provide and the second is to achieve greater levels of consumer engagement. That applies not only to our Consumer Services business but, also, to integrating capabilities with our Credit Services business. That is really where the benefit of being a bureau and a Consumer Services business will come to play a really strong role. Obviously, we also want to diversify our sources of revenue.

We are delivering on this, and I think we enhanced our product development capability very significantly and we are taking a lot of steps to redefine that customer experience. Last year, we went through a major technology refresh, and that has gone really well. That has given us some additional capabilities and product features we simply did not have a few years ago, such as the ability to send alerts to people or tailor products to people on mobile devices. That is all now operational, and it is giving us new opportunities to drive revenue. It is also giving us the opportunity to proactively engage with consumers, which is something we have not been able to do fully in the past. There is a lot of good momentum there.

We have done things like expanded the use of FICO Scores to now include industry-specific models. When consumers go on and look at their FICO Score, they are able to look at their FICO Score in relation to an auto loan, for instance, and see themselves scored on that specific model. We are now rolling out our lead-generation pre-qualification product, which will allow us to start generating revenue off a lot of the free leads we have had.

Our free channel has attracted just over 3.5 million consumers to date. That is going to give us a chance to start monetising that channel as we go forward. That is also proving to be quite a strong retention tool. We can allow customers to switch between paid-for and free. It means we do not lose them as customers if they decide to end their subscription service. We have also completed a lot of product refreshes in the affinity channel. That is supporting their moves to get that business back to growth.

All of these actions have been taken and there has been a hell of a lot of activity in the business – and you are seeing that in the results that are coming through. We are very excited about the future. We think a lot of these things we have done have really positioned the business well. We are also using these things as we think about how we evolve the UK business. We are going to start to implement all of these things in our business in the UK as well.

We mentioned identity. You have probably picked up that I have mentioned identity quite a few times in this presentation. It actually cuts across lots of our different businesses: in Decision Analytics, in targeting in North America etc. It is a key skill for us, and a key capability of Experian. CSIdentity is a really good strategic fit for us. We have taken another step not just to expand our presence in identity services but also to help us enhance and enrich the Consumer Services products we offer. The combination is going to allow us to provide some pretty powerful solutions for consumers to manage and protect identities, and we are going to distribute these products through the wholesale partnerships we have in place with CSIdentity, as well as direct-to-consumer and existing affinity channels.

We will be enhancing our ProtectMyID product in the premium membership and we will be hopefully creating, through that exercise, higher-value and stickier relationships with our customers. CSIdentity is also able to perform a lot of its activities, particularly cyber-detection, at a global level. In time, we see this as a global growth opportunity for us. We are excited about the opportunities this gives to us in this business. It gives us the ability to move the business on from where it is today. We look forward to completing this transaction.

8. Summary

Before I hand over to Lloyd, I will just summarise with a few points. We exited the year pretty strongly. It was a good year, and we delivered organic growth in the target range we set out for ourselves about 18 months ago. We are reinvesting back into the business significantly. We have seen some examples of that today. That is making a big difference, but we are also leveraging our skill as One Experian. That is going to enhance our competitive position and allow us to win better long-term contracts and build stronger relationships with our clients. We have made a lot of progress in turning around North America Consumer Services, and we are pleased

with the progress we have made there. As we look forward, our plans are really designed to keep that momentum going forward, sustain the good growth we have achieved and, really, capitalise on the unique strengths we have as a business across the portfolio of products and services that we have.

Financial Review

Lloyd Pitchford
Chief Financial Officer, Experian

1. Highlights

Thank you, Brian. Let me start with some of the highlights, and then we will move on to the results in a little bit more detail.

As Brian mentioned, we ended the year strongly, with Group organic revenue growth in Q4 of 6%, which brought the growth overall for the year to 5%. EBIT margin at constant FX rates was stable, as guided. Benchmark EPS at constant FX grew by 5%. As you know, we saw significant FX headwinds during the year, particularly with the volatility of the Brazilian real and the strength of the US dollar. This impacted revenue by 9%, EBIT margin by 60 basis points and EPS by 11%, as we travelled through the year. At actual FX rates, it was another strong year for cash generation, with operating cash conversion of 105%. Finally, return on capital employed increased by 50 basis points to 15.4%.

2. Revenue Growth

Turning from highlights onto revenue growth, our goals for this year, as Brian mentioned, were to deliver improving growth and momentum within our target range. We have delivered on this with sequential improvement throughout FY2016. The one-off benefit from the on-boarding of the new affinity client is highlighted in Q3 on the chart. You can see that momentum continued into the fourth quarter, which is when we traditionally report our strongest growth. As you can see on the right, all of the regions contributed to that Group organic growth progression. Overall, there was good progress for the year within our target medium-term range.

Taking a look at two specific focus areas, North America Consumer Services and Brazil, on the left is the recovering trend in North America Consumer Services and, as you can see, we made good progress with continued strength and growing scale with Experian.com, reduced drag from some of our legacy areas and a boost to affinity from the new client on-boarding. Importantly, we finish the year in a modest growth position in North America Consumer Services.

The chart on the right shows the growth trend in Brazil, where it continues to be a very uncertain economic environment. With a combination of support from countercyclical products and proactive self-help, the business has performed well and strengthened a little bit in the traditionally strong Q4. Overall, there was a good revenue performance in these two businesses through the year.

3. EBIT

Moving on to EBIT and the key margin drivers, you can see we have adjusted for the disposals we made during the year and restated the prior year to 27.3%. For FY2016, we have delivered on our guidance we laid out at the start of the year of flat constant currency margin.

In North America, the UK and Ireland, the margin there reflects some growth investments, as Brian outlined, and also high regulatory costs. We held margins steady in Latin America as a result of some of the efficiencies, which offset some of the inflationary factors. In EMEA/Asia Pacific, you are seeing the benefit of increasing scale benefits in that business as it grows. After the FX effect of 60 basis points, the reported margin was 26.7%.

4. Regional Performance

North America

Turning to look at the regional performances in a little bit more detail, starting with North America, total organic revenue growth was 3%. Credit Services had a strong year, delivering 10% organic growth overall. This was helped by volume growth in credit marketing and origination volumes, while both health and auto maintained their double-digit growth rates. Decision Analytics saw some softness due mainly to the weakness in the public-sector vertical we talked about during the year and despite some strength in fraud prevention.

Marketing Services was also slightly weaker due to attrition in the email marketing business. Targeting and data quality continued to grow well, and there were significant business wins in the new cross-channel marketing ('CCM') platform. As highlighted earlier, whilst lower overall for the year, our turnaround strategy in Consumer Services has taken good effect. Looking ahead, we expect first half growth in FY2017 to be around the level of Q4 growth, before improving as we deliver on some further aspects of the product roadmap in the second half of the year.

The lower EBIT margin mainly reflects the growth investment to support the consumer channel and strategic growth investments across the business lines.

Latin America

Turning to Latin America, you can see, despite the continuing challenges in the external environment, 7% organic growth represents a good outcome for the year. Growth in Credit Services in Brazil was driven by a mix of delinquency letters, price and new product introductions. There was also a strong contribution from other bureaux across the region. Decision Analytics improved, as we exited the year, helped by new analytics and score and we further enhanced accuracy through the introduction of some new attributes.

Turning to the margin, this was maintained at constant currency, despite the investment in new initiatives, some of which Brian referenced earlier. As we look ahead, we see no near-term change to the challenging external environment. That

means growth in the year ahead may moderate within the mid single-digit range.

UK and Ireland

In the UK and Ireland, we delivered 5% organic growth and good growth in Credit Services driven by strong volumes, new business wins and good progress in key channels such as SME and insurance. The strong performance in Decision Analytics was boosted by a one-off rollout of a new verification service in the UK public sector and we will lack that in the first quarter of this year. Marketing Services declined fractionally, whilst in Consumer Services organic growth was driven by higher membership in the first half of the year. Growth rates slowed in the second half, with some membership attrition.

Looking ahead, we intend to launch a tiered multi-product platform in the UK, similar to how we have progressed the business in the US. You may see some softening as we go through this year as we lead that business through that transition. In the UK, the margin also reflected increased regulatory and legal costs associated with the introduction of the FCA regime.

EMEA/Asia Pacific

Finally, moving on to EMEA and Asia Pacific, organic growth was 7%. The decline in Credit Services was mainly due to weakness in markets such as the Nordics and South Africa, which offset good performance in India and Japan. Decision Analytics and Marketing Services were very strong, helped by new-business wins and increased customer penetration as we focused on the integrated One Experian propositions that Brian outlined earlier. Overall losses were significantly reduced, as we have driven efficiencies and started to derive scale benefits.

5. Income Statement Summary

EBIT

If we turn to the income statement summary, total EBIT was US\$1,210 million, 3% ahead of the prior year at constant FX, down 7% at actual FX. Net interest was stable, as free cash flow and disposal proceeds balanced the cash return to shareholders. This resulted in Benchmark PBT of US\$1,136 million, 3% ahead at constant rates and 8% below at actual rates. The Benchmark tax rate for the year was 24.9%. After a reduction, on a weighted average, in the number of shares, Benchmark EPS was 89.1 5% up on the prior year at constant FX and 6% down after the FX drag I mentioned. If you adjust for discontinued activities we sold during the year, the continuing EPS at constant FX was up 7%.

PBT

Looking at the reconciliation of Benchmark to statutory PBT, you can see the exceptional items in there, principally the net gains on disposals. The other key movements were in financing, fair-value remeasurements, which relate to foreign currency effects on intra-group funding into Brazil. If you take those into account,

you can see statutory PBT is US\$1,027 million, which was 2% higher than the prior year.

Cash Flow

As I mentioned, cash flow was again very strong for the year with 105% of EBIT converted into operating cash. Net capex was 325 million, which was around 7% of Group revenue, a little below our guidance range. Alongside a small working capital inflow, this led to operating cash flow of US\$1,270 million. Free cash flow of over a billion represented a cash conversion rate of 125% of Benchmark earnings.

Medium-Term Financial Framework

Turning to our medium-term financial framework, it has guided our investment and capital-allocation decisions, as we look to create sustainable value for the business. Our financial framework across the medium-term is to deliver mid single-digit organic growth and, through the disciplined allocation of the Group's cash flow potential, to report strong growth in earnings per share, meaning high single-digit or low double-digit growth over time.

If we look at how we applied this framework during the year, as I mentioned, we continued to generate significant cash flow. This has provided the balance sheet flexibility to both grow the business and provide ongoing returns to shareholders. During the year, the Group utilised organic cash flow and non-core disposal proceeds to invest organically in some of the key growth initiatives and our foundational priorities Brian discussed earlier.

We have followed through on our commitment to shareholder returns with nearly US\$1 billion in the form of dividends and share buy-backs. For FY2017, we continue to invest to drive growth in line with the strategic objectives and, as you know, we recently announced the agreement to acquire CSIdentity for US\$360 million. At the end of the year, we had around US\$140 million of our buy-back programme still to conclude and we have topped that up and increased it to an overall buy-back of US\$400 million for the year ahead.

Looking ahead, we will continue to rigorously apply this capital framework, balanced across: organic investment, innovation and growing the business; optimising and investing in the portfolio; and returning cash to shareholders.

Balance Sheet

Looking at the balance sheet, we ended the year with net debt of US\$3 billion, down US\$200 million on the prior year. After generating free cash flow of over US\$1 billion in disposal proceeds, net share repurchases were US\$592 million and dividends paid US\$380 million.

As you can see, the net debt to EBITDA ratio at the end of the year was 1.9 times, which is just below the bottom of our target range, which is 1-2.5 times, giving us plenty of flexibility as we head towards FY2017 and beyond. You can see on the right-hand side pro forma for CSIdentity, had we owned that for the year, net debt to

EBITDA at the end of March would have been 2.1 times.

As part of the capital framework, one of the key measures we use to assess our performance is returns we are making from the capital base. In FY2015, post-tax and for general capital, it was 14.9%. You can see from the chart organic growth performance has increased that during the year by 70 basis points, after adjusting for FX and disposals, giving overall a Return on Capital Employed of 15.4%.

6. FY2017 Modelling

Moving to some modelling considerations and guidance for the year ahead, as we have said, we expect the acquisition of CSIdentity to complete sometime during the first half and add 1-2 percentage points to group revenue in FY2017, depending on its final close date.

We expect net interest in FY2017 to be in the region of US\$80-85 million, which is inclusive of the CSIdentity investment and the total US\$400 million of expected share purchases. Benchmark tax is expected to be flat, around 25%. As a reminder, our cash tax rate will trend up over the next 5-6 years towards that P&L rate. We expect capex to return to within our framework-guidance range of 8-9% of revenue. Taking that into account and the expected share buy-backs, we have a full-year weighted-average number of shares expected to be around 940 million for the year ahead. Finally, FX continues to be volatile, but it is the first time for a while that we have been able to say, 'We do not expect it to have an impact on the results for the year ahead.'

7. Summary

Wrapping it up with a summary and outlook, I think we have made significant progress over the past year delivering mid single-digit organic growth and flat margins at constant currency, in line with the targets we set out, providing a strong platform for future sustainable growth.

For FY2017, we expect Group organic revenue growth to be in our target mid single-digit range and with that traditional weighting slightly towards the second half. For the year, we expect stable margins at constant currency, as we continue to invest behind our strategic priorities and deliver further progress on Benchmark earnings per share.

We will continue to focus on the strategic priorities we have laid out – investing in our highest-growth opportunities, focusing our portfolio, rigorously applying our financial framework – to focus on that creation of sustainable, compound, long-term value.

I will hand you back to Brian.

Questions and Answers

Brian Cassin Chief Executive Officer, Experian

I think we have had a good year, and we have laid out some of our agenda for the year ahead. The ambition for the last couple of years and going forward has been to build a better, stronger company, which is capable of fulfilling and sustaining the growth ambitions that we have. We are going to do that by continuing to invest in our business, in product innovation, new data sources, technology security, operational excellence and, also, superior customer service. As a result, we believe we are going to be in a great position to continue to generate significant shareholder value in the future.

Thank you very much. That is the end of the presentation. I am going to ask Kerry Williams, our COO, to join us on stage and we will take your questions. Could I ask that you wait for the microphone before you ask your question? Thank you.

Kean Marden, Jefferies

Good morning. Could I ask two questions, please? First of all, looking at the overall Consumer Services division, the margins there fell by about 300 basis points year-on-year. Could you maybe break that down? Is it the North American business or the UK business primarily driving that? Does like-for-like organic revenue-growth revival in that unit require margin dilution for a while? Will it stabilise or will we start to see an improvement coming through in the future?

Secondly, looking at developments in the last couple of days, with the US Treasury Department's white paper on online-lending business models, is that a channel you are already exploiting or does that provide you with a growth avenue?

Brian Cassin

Lloyd do you want to take the margin question and Kerry do you want to take the second one?

Lloyd Pitchford

Yes, I think we have obviously progressed our offerings significantly within this last year in North America with the launch of the FICO partnership, so clearly there are elements of the cost base particular to this year. I think, as you look ahead in North America, you would expect a more even mix of a flow through of revenue down to margin. The UK is a different market. I think clearly we will be investing in a product set there in the year ahead.

Kerry Williams, Chief Operating Officer, Experian

In regards to the online lending, it is a sector that we play in. We have about a 30% market share. I think we have been a little bit more cautious with whom we do business, and so we are quite comfortable with the ones we are doing business with

and we expect them to continue to grow. It is a nice piece of business for us but it is certainly not a substantially material piece of business for us.

Kean Marden

So, does the Treasury White Paper not necessarily lead to a step-up in the regulatory framework and therefore increased demand from that channel?

Kerry Williams

No, the issue that that channel is having right now is the funding sources that are drying up for them from some of the major banks, and so when they solve their funding issues they will be able to continue their growth.

Brian Cassin

I would add that the funding issues are one thing. The White Paper really points to opportunities for us, because it takes it more into the mainstream processes that you have to follow and actually that is where products and services that we provide really come into fruition. In addition, particularly giving people comfort on things: veracity, the verification of loan details and you could see the balance outstanding. These are all things that we do across the whole spectrum and I think there is plenty of opportunity. Whether that balances some of the business declines they might see if they hit a bit of turbulence, we do not know. I think that there are upsides there as well.

Paul Sullivan, Barclays

Could you firstly give us a sense of the proportion of growth that you think you are seeing from new product development that you feel you have put in place over the last couple of years? How do you see that changing over the next couple of years? Also, regarding the level of investment, is that the main thing that is holding back operational gearing at the group? That is the first question.

Second is the potential threat in terms of positive data and new entrants in the Brazilian market. Do you see that as a potential threat and how do you view the costs that you may need to put into the business as you ramp up positive data and the impact that could have on margin?

For the final question on the UK business, you have talked about potential for margin attrition and possibly revenue attrition over the next 12 or 18 months as you reinvent that model. Do we look at what the experience you have seen in the US was as a guide to how bad it could get? Could you just help us quantify the downside risks?

Brian Cassin

We will deal with that in sections; I will ask Kerry and Lloyd to comment. Let us deal with the investment point because I think this is actually across the piece. If you look at our business over the last couple of years, we have had to deal with a number of issues in terms of turning businesses around, for example Consumer Services North America, and we have taken a lot of action in Marketing Services. What we have also done at the same time is actually putting investment back in our business, and some

of the initiatives that you have seen up there have been things that we have done and invested behind in FY16. We were quite clear when we stood up 18 months ago about what we wanted to do from a margin perspective and that our flat margin guidance gives us the ability to do that. That was a job that we had to do.

As we look forward we always see a lot of opportunities to invest in the business, and again, as we look forward to next year, we see that flat margin guidance giving us the ability to do that, as well as to manage through the transitions that we have done. We have had some significant transitions in this business over the last couple of years; you have seen it. I think we have coped extremely well with that. I think we have come out the other side of that really strongly. We fully expect to be able to continue to manage our way though and pursue the growth opportunities that we have got. I will let Lloyd come back in terms of trying to quantify some of that.

On the Brazilian side, as I said in the presentation, positive data is a big opportunity for us. We reference there the fact that consumers have to opt-in, so unless a consumer sees some benefit from positive data they are not actually going to opt-in. Over the last couple of years we have done more work than anybody in Brazil to really generate consumer knowledge and education around that. We are also seeing a response which is such that positive data is actually synonymous with Serasa and our brand strength is really powerful in Brazil. We regularly rank amongst the most trusted brands in Brazil and also amongst the most widely known. We have a very strong business. We have a very strong position. We are very confident that we will be able to build out the most comprehensive set of data in that marketplace.

We are also very confident of the capabilities that we have as an organisation to do stuff with that positive data. It is one thing having the data. It is another thing building the products and services on it. We live with competition in every marketplace that we operate in, some of which is from independent bureaux, some of which are bank owned. It is no different. We have competition today in Brazil that we respond to every day. We look at it as an ability to expand our business, an opportunity which is there, and not just on the bureau side, but actually when you start to think about some of the things that we can do from the consumer side once we start to educate around positive data and what we can do in Consumer Services with our brand. Actually, there is a whole raft of things that we can do and we have a lot of playbooks that we have seen in the US and all of the places where we are actively investing today. Our view is that, longer term, we are going to see that and drive our business forward.

Perhaps Kerry can add a bit more colour to some of our activities on that over the last couple of years, and we will come back to Lloyd on the question on investments.

Kerry Williams

Regarding the consumers in Brazil, we have spent a lot of time doing research to find out how they view positive data and how they view Serasa Experian in particular. It is very interesting. Before positive data was enacted and before we did our research with the consumers, they viewed Serasa as a great brand and they viewed Serasa as the one that has the ability to say no when they are applying for credit. After positive data has been enacted the consumers' response is to view Serasa as: 'Well of course that is who I want to have my data; because they can say no, they are obviously the

one that will say yes.’ They view other entities in the marketplace as not having their best interest and being able to provide that impartial ability to provide the data into the lending decision. The consumers have a very specific view of Serasa and positive data, and they view it in a manner that we are there and we are in a position to help them. The credit fairs that Brian has mentioned, Limpa Nome and MeProteja, in terms of things that we have rolled out to the consumers with our education, helping them to understand how to improve their credit backgrounds, are all resonating very well with the consumers.

At the same time we have many different segments of the market, whether it is midsize institutions, whether it is telcos, whether it is retailers, that are highly motivated to make sure that there is a robust provider of positive data in the marketplace so that they can continue to move their business forward. When you take all of that together and the fact that the director consumer business really does not exist at scale in Brazil today and you start adding this together, we have a great opportunity to create the director consumer business. At the end of it, as we collect the opt-ins, our Brazilian bureau will actually be the most resilient bureau that exists anywhere in the world, of any bureau provider, because it will be made up of millions of direct authorisations from consumers and no one can take that away from the consumer. No one can withhold that data because that is what the law is. We are very excited about this because this just creates an additional moat around our business as we collect these opt-ins and our ability to monetise in terms of consumers in the future.

Lloyd Pitchford

I will touch on a comment on innovation and margin and then onto the UK. If you look back at the financial framework we have put in place, it is about creating sustainable long-term growth. That means investing back in the business. That also means investing through the P&L and not just in capital. I think, where we laid out that framework, we say we will think of margin each year as an output and not an input constraint, and we have lots of opportunities as Brian mentioned, to invest in innovation. We can do that within that flat margin guidance. I think, if you look at innovation spend, increasingly with our One Experian approach we are putting bundled products together, so across our different businesses and across different platforms. That means going to customers and selling them a bundle of activities. It is much more difficult than it has been in the past to break that out, but equally that is a more compelling sales proposition to our customers. We do not break out innovation in the last two years or more recently; we think very much about those bundle propositions.

Onto the UK, clearly the UK is a different market to the US. We have a lot of learnings from the US transition and a lot of product development and the technology platform that we have developed in the US that we can port over to the UK. I think the UK experience is very different from the US. It can soften from where we are here by about 1% as we introduce those new propositions. Where we are heading to is a much better place. The market is much bigger and we can segment it and offer different propositions to different customers. That is the experience from the US.

Rajesh Kumar, HSBC

I will just follow up on the Brazil question. Clearly two years ago you said you would write down positives from the story and it seems to have come back in a big way. You have collected 3 million signatures. I remember you said that you need at least 10 to 15 million for it to be commercial. What are we seeing in terms of the pace of collections that suddenly makes you put that back on the flight back? I will also follow up on the expense of positive data collection; what is the run-rate expense; how is it capitalised? Can we get some colour on that?

Brian Cassin

For the last couple of years we have been running a lot of research and pilots as to what the most effective way of collecting positive data is. It is more of a scale challenge than anything else. I think that through that work we have alighted on what we think the best mechanism is, so we have a variety of different opportunities. I will ask Kerry to talk a little bit more about that and then Lloyd can comment on the cost.

Kerry Williams

The opt-ins that we have collected so far have all been through our test channels. We have not actually rolled-out our complete programme; that is actually coming in the next few weeks or months. We have been testing and making sure we understand which channels work the best, how the consumers view them and who are going to be our partners. Regarding the things that we have found, we tested with one of the retailers and they actually gave us real estate within their stores. This is very important to them; the retailers are very interested in making sure that the data is collected because that helps them move merchandise. The response rates there have been very significant.

We have also been working on the ability to collect online but we have to go through various fraud authentication measures in Brazil. Without a positive database existing in Brazil, authentication of the consumer in an online environment is much more difficult. We have been working with Febraban and we have been getting approvals. We think that we will be able to get to the online opt-in environment in the not too distant future with the progress that we have made there.

We have a number of channels that we have been testing and we are now in the process of actually moving those forward into what I would call production. The 3 million that we have collected have all been through our testing efforts, not because we have been rolling out a full operational programme at this point. We are very encouraged that just our test results have resulted in the 3-3.5 million opt-ins. That has almost doubled just in the last 12 months. It is continuing to accelerate as this starts to become a virtual process where the consumers understand what they need to do.

Brian Cassin

We talked about some of the channels that I outlined in my presentation. Just to be clear, we are getting opt-ins from financial institutions as well, so this is from really every distribution channel in Brazil, and those opt-ins continue to increase everywhere. As Kerry has said, we are not at scale yet and we have not pushed it at scale, but I

think we are very encouraged with the progress that we have made.

Lloyd Pitchford

On the accounting policy, it is similar to all other assets. If the cost is direct and incremental then you capitalise it. We capitalise data costs. If it is very general in nature then we would expense it, but most data programmes appear both in capital and in expense. The spend today has been pretty immaterial if you look at the Brazil flat margin for this last year, at a constant currency. Our capex came in below our guidance range overall for the group. It has been very immaterial this year.

Rajesh Kumar

Should we expect it to increase as you ramp up the collection process in Brazil?

Lloyd Pitchford

Our capex guidance is in our normal guidance range of 8% to 9%. There will be no change to that.

Rajesh Kumar

Just on the GIC bit which the banks have started, it is the same banks who sold you Serasa. Do you understand why they are doing it? It is a bit confusing for all of us looking at that. They sold you Serasa and then they started a competitor. It just does not make sense why they would do that.

Kerry Williams

We work constantly with the banks down there and we ask them lots of reasons why. I can only tell you some of the answers that they have given us. One is that they have a great desire to make sure that they do not incur legal exposure. Brazil is very litigious from the consumers and so, with this new source of positive data, they want to make sure that they have the ability to ensure that they are not suffering greater legal exposure. A large financial institution down there may have 500,000 law suits in their legal department on any given day. That is how litigious it is in the Brazilian market. That is one of the reasons that they have given us. That is kind of the main thing that they have said that is the reason why they want to do it.

The reason that the regulators, government and consumer advocacy groups want to do it is because of the very high interest rates that exist in Brazil. If you have a credit card in Brazil and you revolve a balance there, you are most likely paying 100% or more on an annual basis. The reason that positive data was put in in the first place was to allow the ability to offer lower interest rates to the consumers because there was a better transparency of their ability to repay. You can draw your own conclusions from that.

Rajesh Kumar

Is it not a long investment for them and a very uncharacteristic investment, in terms

of the fact that typically banks are not known for starting up a tech company? I just cannot get my head around what the pressing need is for them to start their own. Obviously, like you, they can go through the online route to get the opt-ins if that is the route required for them.

Kerry Williams

In the Brazilian market the banks have had a history of starting different companies over time. In any particular area they do this, there may be three or four companies operating that are not owned by the banks and there may be one company that is owned by the banks. It is not unusual for the banks to do these kinds of things.

Ed Steele, Citi

I have a couple of questions, first of all following on from that discussion. Could you just remind me: when you get your 3 million opt-ins, does that mean you need to share those with your current competitor or any new competitors or are they just for Serasa? How does it work the other way round? Should this new entrant get lots of opt-ins, because you have the deal in place, do you necessarily get those?

Brian Cassin

If we go back to the point about the consumer deciding, where we collect opt-ins ourselves, that is our information. Where an opt-in is collected through a different channel, the consumer is free to decide which organisation can get the data. That comes back to the point about brand. I think, if you did a blind test today and asked 10 Brazilian consumers, if they are going to give their positive data to an organisation, which organisation they would give it to, I am pretty sure that 10 out of those would say Serasa. That is where the real advantage comes in, but the consumer chooses. They have a choice as to whom they can give their data to.

Ed Steele

I would like to ask about when the banks pursue their opt-ins.

Brian Cassin

We cannot restrict it just to the banks if that is what your question is. They have to give them a choice so it will not just be, 'Opt-in for positive data and you only have one choice.' They will see the range of options there.

Kerry Williams

It would be against the law to restrict it.

Brian Cassin

There is going to be the ability for consumers to actually give their data to many people. I keep coming back to the point which is: whoever has the strongest competitive position and whoever has the strongest brand, whoever has the strongest presence with consumers, is going to do very well in that scenario.

Ed Steele

I will just follow up on that. With your three million opt-ins, what percentage of those have also opted in for your existing competitor, as presumably you have had to provide that option?

Kerry Williams

We do know that percentage; it is not one that we release. The process that we are going through is heavily in our favour.

Brian Cassin

Let me give you a real life example that illustrates this. In the UK we have a very strong brand; most people know who Experian is. About 18 months ago, the Government launched IDaaS, which is essentially your ability to access government services through online verification. You will see it if you go on the websites. If you go there you will see that there is a multitude of people that you can authenticate yourself through and essentially there are variations in the product, but to a consumer they do not know that at the outset. Who are they going to pick? Are they going to pick the Post Office or are they going to pick Experian? They have no basis to make a choice except the brand.

Guess what? 70% and more of consumers pick Experian? Why? They do this because they know Experian and trust the Experian brand. We are synonymous with things like identification and information. If we do these tests and look at the strength of our brand in the UK and we look at the strength of the Serasa brand in Brazil, Serasa is the strongest brand we have in the portfolio full stop. Absolutely hands down. The media coverage that we get for our credit fair activities in Serasa is valued at hundreds of millions of dollars, which we do not pay for. I think we have a tremendously powerful position there. There is obviously uncertainty around a process where a consumer has to do something new, but that uncertainty applies to every player in the marketplace. In those situations the strongest player usually does very well.

Kerry Williams

I would add that all of our efforts around positive data, the education that we have done and testing we have done with the consumers has been viewed very positively by the consumer advocacy groups, the regulators and the consumers themselves. The announcement that the banks made about their bureau was not viewed positively with all of the market testing that we did with consumers, advocacy groups and other entities in the market. Our brand I think just puts us in an excellent position as we move forward with this initiative.

Ed Steele

Regarding India and Australia, you have not mentioned them as part of the growth in EMEA. Is that because they remain very immaterial in revenue?

Brian Cassin

That is quite possible. I think we have spent some time talking about them in the past. India is growing very strongly for us; our performance there is getting better and better. It is still very small but I think we are very happy with that. Part of the reason you see Asia Pacific perform very well is because we have done extremely well, particularly in Decision Analytics there. I think we are getting close to actually having pretty much every bank in Australia and New Zealand running on PowerCurve software. If you think that most of the decision engines are going to be linked into Experian products and services for some time to come, you will realise that that gives us quite a significant competitive advantage in that marketplace.

There is nothing really new to add regarding the bureau; that is and always has been focused on a bureau when comprehensive data comes into place. Comprehensive data is not in place today in Australia so for us it is built but it is still really waiting for that legislation to become enacted. I think once comprehensive data comes into play, then we have a tremendous opportunity because of the installed base that we have there. I think we see that as a good opportunity going forward.

Andy Grobler, Credit Suisse

I have just three questions, if I may. I have one more on Brazil. You have talked about the 3 million opt-ins that you have; do you know how many opt-ins there have been in total in Brazil? What proportion has come to Experian? Secondly, regarding marketing, CCM has grown very quickly as email weakens. At what point do you think you will get to the tipping point so that the growth in cross-channel marketing is dominating that division? Thirdly, regarding organic growth for fiscal 2017, you expect it to be second-half weighted against tougher comps. Why is there that expectation?

Brian Cassin

Kerry, you may know the specifics about this. We have more opt-ins in Brazil than anybody else combined actually.

Kerry Williams

As the information is shared at an industry trade group meeting, I do not want to speak out of turn. What I would tell you is that the only other entity that has collected it and has talked about this is in the hundreds of thousands.

Brian Cassin

We do see continued great progress in CCM; growth rates are extremely high in that product and we are continuing to see some attrition in the email. I think that all of the attrition in email is down to some of the operational problems that we have had in the past. We have spent a lot of time over the last 18 months fixing those. We believe that we are moving into a much better position with that business in this coming year. I do not think that we can be exactly precise or as precise as you would want us to be in terms of when that will turn into overall growth at that portfolio level but the second half will be our target. We are hoping we will get there but there are still a range of outcomes.

What we can say is that we have done a lot in that Marketing Services portfolio and not just to position the other businesses for growth but also to exit some of the businesses which you have seen. We have really tightened that up and significantly improved operating performance. We are in a much better position even though the growth is obviously not where we want it to be. That is really our focus for the next year.

Lloyd Pitchford

We have seen the mix improve quite substantially this year, and over 20% of the email business is now the new platform versus the old platform. The weight of that mix will start to bear fruit as we come to the second half and the turn of the year. On organic growth, just traditionally we have a strong close to the year. I think it is a fine point. Let us say you have a 5% number for the year as a whole; we might be a little under that, for 4.5 % to 5%, in the first half and 5.5% in the second half. It is a very fine point.

Tom Sykes, Deutsche Bank

You mentioned the free option as capturing people that churned off Experian.com. I was just wondering if you could just remind us how long people are staying on the Experian.com for and particularly how quickly they may churn off once they make a major purchase like an auto or take out a mortgage. Regarding the Affinity client, are we right in thinking there is zero contribution to the Q4 organic in Consumer Services in the US from the Affinity clients that you on-boarded in the previous quarter? Is there a pipeline at all that you can see of potential new Affinity clients that may provide that degree of one-off gain? Finally, you mentioned your wallet share gain. Is there anywhere you feel you may have been a little exceptional in terms of the wallet share gain in the last year that may not be able to be replicated at all?

Brian Cassin

Do you want to deal with the growth questions?

Lloyd Pitchford

Regarding the one-off element, that was a contract where there was an on-boarding fee and then an ongoing fee, so the piece that we have called out was just the on-boarding fee. That contract earns income and that is included in the 1% that we discussed for Q4. As to the question on how long people are staying, I think our goal ultimately is to have people for the long-term and sometimes they will be on Experian.com and then they will go down to a free product or transact in between. Our end position is that actually we have people for a lifetime. The people who just transact and who come in around a particular transaction might be on the Experian.com platform for two, three or four months. Our goal is to extend that with the introduction of the free platform and the ability of people to move up and down between.

Tom Sykes

What is the average for how long people are staying on that at the moment? Is there

any change in that?

Lloyd Pitchford

There has been no change. It has been somewhere in that three-to-five month range.

Tom Sykes

Just on the wallet share, do you think anything is exceptional at all?

Brian Cassin

I will let Kerry address that. In my presentation, I referenced the fact that we made great progress in Credit Services in North America and the UK this year. A lot of that reflects that fact that we are doing extremely well with new business wins but also client retentions. What is interesting is that some of the client retentions that we have had have been some really big renewals this year and not only have we maintained our position in those key and prime clients but we have managed to extend the terms and increase the contract value. That is additional capabilities and it backs the One Experian aspect that we have talked about. It is real-life examples in practice today where when we can bring these capabilities together we can actually do a lot better. Kerry, do you want to comment on that?

Kerry Williams

Yes, that is right. In terms of what is in that wallet share and those growth rates it is fairly steady so there is nothing lumpy in those numbers that would appear down the road.

Brian Cassin

Was your final question on Affinity?

Tom Sykes

It was just to do with whether there were any other prospective on-boardings that may take place or if you can see a pipeline of potential ones.

Lloyd Pitchford

We have always got a pipeline in that Affinity programme. We have talked a little bit about it the last year. For the ones that actually land, it is always quite difficult to forecast. It is a decent pipeline but the core financial institutions is still quite a challenging area. That is one of the opportunities that we see with CSID, some of the broader membership affinity channels.

Joel Spungin, Bank of America Merrill Lynch

I have three quick ones, first of all on the US business and in particular with regards to the healthcare vertical, which obviously grew very well in the past year. I was just wondering if you could give us a sense on this. There has been some speculation that this market is maturing. Over the medium term, do you think you can maintain the

double-digit growth rate that you have been doing there or is that likely to come back? That is my first question.

The second one is with regards to the UK credit business which had a very strong end to the year. I was just wondering if you could elaborate on whether there were any one-off factors in the final quarter of the year or whether that is a rate that you expect to maintain over the next few quarters? Finally, just again on the consumer business, for my understanding, when you talk about the 3 million of totally free members in the US, is the service that they are getting and the data that they are getting the same as a subscriber would get on Credit Karma? Is it an identical, like for like product? Is it likely that the UK market will move the same way, i.e. it will effectively give people access to their credit score for free and try and sell them subscription products around that?

Brian Cassin

We might deal with them in reverse order. The UK has actually had a free proposition in the marketplace for quite some time, called Noddle. They have quite a large membership base, which has extended back over four or five years. That has not impacted our growth in our business at all over that period. There is the first piece of evidence that there is clearly a distinct possibility that the market can serve both free and paid for. What we have seen are new entrants in that. We have seen a lot more activity and we do expect that the market will develop along that way. There will be some consumers who are only interested in a free proposition and some consumers who are prepared to pay. What they are prepared to pay for is a better value proposition. If you look at some of where our brand positioning is going, what consumers really need is information that is relevant to them. What is relevant to them is information that is actually used in credit decisions. A lot of the feedback that you get even in Credit Karma in the US would be: 'It is interesting to see what the score is that I get on Credit Karma but it does not mean anything to me in real life.' Hence the interest in understanding what the FICO score does for them in particular product propositions.

Your equivalent of your FICO score in the UK is the Experian score because our scores are used in more credit decisions than all of the rest put together. That is the real point of contact and education for the consumers, which enables us to build products and services around that in different situations. Therefore, yes, we believe it is going to go in a similar way but we do believe that the longer-term opportunity in both markets is actually substantially bigger than our subscription base. Some of that will be around the lead generation products that we will be introducing, and they will be slightly different to the lead generation products that are in the marketplace today. They will be more targeted, accurate and relevant for consumers and that is going to make a significant difference.

As to what we have talked about regarding leveraging the portfolio of Experian and the power of our products and services in these areas, these are exactly the sort of things that we are doing. You are going to see that roll out and of course the identity piece is very important. CSID will be an important addition to that. We see a whole range of information services for consumers that we will use to build our propositions in these markets and actually also in Brazil. We see opportunities elsewhere. Do you

have anything to add on that Kerry? Do we want to go back to the growth points?

Lloyd Pitchford

I think you are right that UK Credit Services has had a great year and a particularly strong finish to the year so, like all of these things, it will hit those comps as we go through this year. There is clearly a fairly solid credit environment in the UK and some of the bundling innovations that we have, but, with tougher comps, you might expect it to be a little lower in the year ahead. For health, we have lots of opportunities outside of the businesses that we are in; Brian touched on one of those in his remarks, but we have lots of others. We think innovation and some of the investments that we are putting into health will continue to drive that double-digit growth rate.

Brain Cassin

We are going to bring it to a close. Thank you for attending and I look forward to seeing you again soon.