news release

Preliminary results for the year ended 31 March 2017

7am, 18 May 2017 – Experian plc, the global information services company, today issues its financial results for the year ended 31 March 2017.

General highlights – Ongoing operations (excluding CCM discontinued operations)

- 6% total revenue growth, 5% organic revenue growth at constant currency, consistent with our target range.
- On an ongoing activities basis Benchmark EBIT margin was up 60 basis points to 27.7%[1], up 30 basis points at constant currency and Benchmark EBIT growth was 7% at constant currency.
- Strategy translating into results; significant growth opportunities emerging over the medium term.
- Strong growth across the B2B areas of Credit Services, Decision Analytics and Marketing Services.
- Growth across all regions, with particular strength in Latin America and EMEA/Asia Pacific.
- Considerable progress made towards repositioning Consumer Services, now securing millions of free members to engage with new offers.
- Portfolio focus further sharpened, following agreement to sell the email/cross channel marketing business.
- Continuing strong commitment to shareholder returns:
  - Over US$700m returned to shareholders in the year via dividend and share repurchases.
  - Second interim dividend up 4% to 28.5 US cents per ordinary share; total dividend for FY17 up 4% to 41.5 US cents per share.
  - Share repurchase programme of US$600m to be executed during FY18.

Statutory financial highlights

	2017 US$m	2016 US$m	Total Growth %
Revenue	4,335	4,237	2
Operating profit	1,075	1,057	2
Profit before tax	1,071	966	11
Basic EPS	US92.1c	US78.6c	17

Benchmark financial highlights[1,2]

	2017 US$m	2016 US$m	Constant rates growth %	2017 incl. CCM US$m
Revenue[2]	4,335	4,164	6	4,643
Benchmark EBIT[3]	1,199	1,145	6	1,253
Benchmark PBT	1,124	1,071	6	1,178
Benchmark EPS	US88.4c	US84.4c	5	US92.4c

1 Benchmark metrics exclude the discontinued operations of email/cross-channel marketing and prior year comparatives have been restated to reflect the transaction. Reconciliation of Benchmark financial metrics including and excluding email/cross channel marketing can be found on page 2.
2 Revenue from ongoing activities. See Appendix 1 on page 14 and note 5 to the Group financial statements on pages 25-6 for definitions of non-GAAP measures.
3 See page 7 for reconciliation of Benchmark EBIT from ongoing activities to Benchmark EBIT.

Brian Cassin, Chief Executive Officer, commented:

"It has been a good year for Experian. We have made considerable progress strategically, operationally and financially. Our portfolio is sharper and we are continuing to invest to drive growth through innovative products and new services. We have also returned significant capital to our shareholders.

"As we look ahead, our sector is vibrant. Clients are seeking new ways to combine and analyse vast quantities of data to drive better business outcomes and consumers want to better understand and protect their financial status. This plays to our core strengths and is opening up many new opportunities for Experian. Over the next 12-18 months we will continue to innovate and are introducing a wave of new products to bring fresh thinking and new services to meet this demand.

"As we look ahead, we expect to sustain good momentum in our financial performance and we anticipate another year of good growth, within our target mid single-digit organic revenue growth range, with stable margins and further progress in Benchmark earnings per share."

Impact of Email/Cross-Channel Marketing Divestment
On 3 April 2017, we announced the agreed divestment of 75% of email/cross channel marketing ('CCM') which have been reclassified as discontinued activities for FY17. In the table below we show Benchmark financial metrics including and excluding CCM.

US$m	FY17 as reported	CCM	FY17 including CCM
Revenue	4,335	308	4,643
Organic revenue growth	5%		4%
Benchmark EBIT from ongoing activities	1,199	54	1,253
Benchmark EBIT Margin	27.7%		27.0%
Benchmark PBT	1,124	54	1,178
Benchmark EPS	US88.4c	4.0	US92.4c

Contacts

Experian

Brian Cassin	Chief Executive Officer	+44 (0)20 3042 4215
Lloyd Pitchford	Chief Financial Officer	
Andrew Simms	Head of Investor Relations	
Gerry Tschopp	Senior VP, Group Communications	

Finsbury

Rollo Head		+44 (0)20 7251 3801
Jenny Davey		

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 telephone dial-in facility: +44 844 800 3850 (UK and International) or +44 208 996 3900 (all others), using access code 20337137. The supporting slides and an indexed replay will be available on the website later in the day.

Experian will update on first quarter trading for FY18 on 18 July 2017.

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 note 27 to the financial statements for further 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
Experian is the world's leading global information services company. During life's big moments – from buying a home or a car, to sending a child to college, to growing a business by connecting with new customers – we empower consumers and our clients to manage their data with confidence. We help individuals to take financial control and access financial services, businesses to make smarter decisions and thrive, lenders to lend more responsibly, and organisations to prevent identity fraud and crime.

We have 16,000 people operating across 37 countries and every day we're investing in new technologies, talented people and innovation to help all our clients maximize every opportunity. We are listed on the London Stock Exchange (EXPN) and are a constituent of the FTSE 100 Index.

Learn more at www.experianplc.com or visit our global content hub at our global news blog for the latest news and insights from the Group.

Chief Executive Officer's review

We have made considerable progress over the past year executing against our strategy and this is translating into good financial and operating results. We delivered total revenue growth of 6% at constant currency, organic revenue growth of 5%, consistent with our mid single-digit target range, and we are well placed to capture further opportunities to sustain momentum.

Highlights this year include:

- We made strong progress against our five strategic priorities:
    - Our portfolio is sharper and more focused following the agreed sale of email/cross-channel marketing (CCM) and we are driving growth from the strong synergies that exist across our portfolio.
    - Our Business-to-Business (B2B) activities performed well, with strong organic revenue growth across Credit Services, Decision Analytics and Marketing Services.
    - Transformation of Consumer Services is gathering pace. We now have millions of consumers signed up for free membership offers. This gives us a large and fast growing audience of consumers to engage with our new credit and identity offers.
    - We have increased investment in new sources of data, advanced analytics and decisioning products and in innovative new solutions in order to address significant market opportunities and we enter FY18 with a range of new products to sustain momentum.
    - We returned US$734m in total to shareholders through dividends and net share repurchases, and today announce a US$600m repurchase programme to be executed during FY18.
- Our actions have resulted in a strong performance for the year, with organic revenue growth of 5%, total growth of 6% and growth at actual foreign exchange rates of 4%. We have expanded margins, which have increased to 27.7%, up by 60 basis points at actual rates and up 30 basis points at constant exchange rates, to deliver Benchmark EBIT growth of 7% at constant exchange rates (all on an ongoing activities basis);
- Before the restatement for CCM, Group organic revenue growth was 4% for the year and the EBIT margin was flat at constant currency, in line with our previous guidance.

Regional highlights

North America

We delivered a solid performance in North America, with total revenue growth of 7% and organic revenue growth of 5%, reflecting strength in B2B partially offset by the transition we are undertaking in Consumer Services.

We saw good progress across our B2B activities reflecting generally stable conditions for consumer and business lending as well as a good reception by clients for some of our newly introduced services. These include new propositions which help lenders to target and acquire customers more efficiently in the digital sphere, new decisioning services which greatly accelerate the speed at which risk and fraud prevention analysis can be conducted, and as we introduce additional functionality to help our clients address the credit needs of a broader spectrum of consumers and businesses. Our strategy to expand in newer market segments continues to produce results, with strong growth in health fuelled by new deals with healthcare providers and as we secure further growth from existing clients through cross-selling. For the year as a whole we delivered further growth in automotive, with some tightening of credit standards evident towards the latter part of the year.

In Consumer Services, we are growing a substantial audience of consumers by offering free access to credit monitoring and scores. Free memberships reached 9 million at the end of the year, out of a total of approximately 11 million members, and up from 3 million free members in the previous year. We have recently launched a major marketing campaign to introduce a new premium identity protection service called IdentityWorks, which is based on the CSIdentity ('CSID') platform we acquired earlier in the year. We are also starting to scale LendingWorks, by adding more lenders, more loan and card offers and new features to help consumers easily compare prices for credit offers. While organic revenue declined modestly as a whole, referral fees have started to grow rapidly from a small base.

Latin America

We delivered another year of strong progress in Latin America, with organic revenue growth of 9%. The performance of our business in Brazil has been outstanding, delivering good growth despite a very difficult market. At the same time we have undertaken a significant programme of investment in Brazil to position ourselves for economic recovery to build on our leadership position in B2B while establishing new services for consumers. Growth in the year was driven by a number of factors, including counter-cyclical products such as delinquency notifications, expansion of our position with a number of the largest Brazilian banks and the introduction of additional services for small and medium enterprises. We also launched free services to help consumers better manage their credit, including the Serasa Score which helps to educate consumers about the benefits of positive data and improve consumer access to credit.

Regulatory changes are being discussed in Brazil which could accelerate the adoption of positive data by dropping the requirement for consumers to opt-in and instead allowing consumers to opt-out of the positive data collection process. We believe this would benefit Brazilian consumers and would provide new opportunities for better credit risk assessment through more widespread use of data. In anticipation of this regulatory change, we are accelerating development of products which incorporate positive data.

UK and Ireland

In the UK and Ireland, organic revenue increased 1%, reflecting a robust performance in B2B which offset a decline in direct-to-consumer.

The breadth of our offer in B2B is a major advantage, expanding our position within our traditional client base in financial services and opening up new opportunities for growth in areas such as energy, price comparison, wealth and pensions and financial technology services (fintech). During the year we introduced services which help lenders to pre-qualify consumers for credit, credit software which assists with account opening and customer management and new fraud prevention products. We also secured our first client wins for CrossCore, our new fraud detection and prevention platform. We benefited from strong take up of new digital marketing tools which use data and analytics to help clients advertise more effectively across social media and other digital platforms.

We took a number of important steps during the year to reposition Consumer Services. We are using the power of the Experian brand to drive consumer interest and engagement in our free score offer. We have attracted 1.7 million free customers since launch which is helping to drive awareness and usage of CreditMatcher, our price comparison service. Having initially launched CreditMatcher, which helps consumers to compare credit card offers, we have recently introduced an energy switching service as an extension to our offer. Early signs are encouraging, although the scale of our new offers is not yet sufficient to offset declines in our traditional credit monitoring subscription services and we expect this part of our business to decline during the coming year, with the rate of decline expected to moderate somewhat in the second half.

EMEA/Asia Pacific

EMEA/Asia Pacific performed strongly, delivering organic growth of 9%.

Strategically we have placed considerable emphasis on tightening the focus of our activities in EMEA/Asia Pacific. Having divested a number of businesses over the past two years we are now concentrated on fewer scalable markets. This more focused approach is yielding good results and we secured many significant wins during the year, ending the year with good momentum across both EMEA and Asia Pacific. This has given rise to strong revenue growth and significant progress towards profitability, even as we continue to invest to secure longer term opportunities in markets such as India and South East Asia.

Strategy update

Having successfully executed on many aspects of our strategy our portfolio is stronger and is growing faster with improved profitability. As we look ahead we are evolving our focus in order to capture new opportunities. We are aligning our strategy ever more closely to emerging client needs to deliver better digital customer experiences, to manage risks as effectively as possible and to protect against fraud, while also helping consumers to protect and manage their financial lives. These needs mean our customers seek new ways to combine, integrate and analyse data, which plays to Experian's strengths.

As part of our strategy we are:

- broadening and deepening our data assets through a range of data investments and partnerships;
- investing to extend our lead in enhanced analytics and advanced decisioning technologies to greatly enhance client experiences by providing quicker, more frictionless decision-making;
- transforming our relationships with consumers by enhancing the user experience and introducing new offers with greater choice of products which fit their individual needs;
- accelerating the rate and the pace at which we innovate, and will introduce a wide range of new and enhanced products over the coming 12-18 months;
- continuing to add scale in selected verticals and targeted geographies;
- continuing to invest in the foundations of our business including agile technology, client service excellence, our brand, talent and our One Experian approach.

The combination of our strategic priorities and the strength of our business foundations will help us to realise our ambition to deliver premium earnings growth and to deliver further value to all our stakeholders.

Benchmark EBIT margin
We continue to deliver growth in profitability alongside organic investment and our Benchmark EBIT margin from ongoing activities was 27.7%, up 60 basis points for the year, of which 30 basis points was accounted by a positive foreign exchange translation.

Cash generation and uses of cash
We have delivered another strong year of cash generation, with Benchmark EBIT conversion into Benchmark operating cash flow of 96%. Consistent with our capital allocation strategy, use of cash was balanced between organic investment, acquisitions and returns to shareholders. Benchmark operating cash flow was US$1,149m, with US$393m allocated to net organic capital investment. Acquisitions and investments represented US$432m, net share repurchases amounted to US$353m and equity dividends were US$381m.

We ended the year with net debt of US$3,173m, up US$150m, representing 2.1 times Benchmark EBITDA. This is at the lower end of our target leverage range of 2 to 2.5 times net debt to Benchmark EBITDA.

Return on capital employed
Return on capital employed for the year was 15.5% (2016: 15.4%). This represented organic improvement of 80 basis points, offset by a 50 basis point headwind from acquisitions and a 20 basis point headwind due to foreign exchange and other factors.

Dividend and share repurchases
We are announcing a second interim dividend of 28.5 US cents per share, up 4% on the prior year to bring the total for FY17 to 41.5 US cents per share, also up 4% on the prior year. This dividend will be paid on 21 July 2017 to shareholders on the register at the close of business on 23 June 2017. We also expect to execute share repurchases of US$600m in the forthcoming year.

Group financial results

Revenue by geography

Year ended 31 March	2017 US$m	2016[1] US$m	Growth % Total at actual rates	Total at constant rates	Organic at constant rates
North America					
Credit Services	1,341	1,237		8	8
Decision Analytics	162	161		-	-
Marketing Services	215	200		8	8
Consumer Services	739	696		6	(2)
Total ongoing activities	**2,457**	**2,294**	**7**	**7**	**5**
Exited business activities	-	43			
Total North America	**2,457**	**2,337**			
Latin America					
Credit Services	658	579		6	6
Decision Analytics	48	36		34	34
Marketing Services	24	16		39	39
Total ongoing activities	**730**	**631**	**16**	**9**	**9**
Exited business activities	-	-			
Total Latin America	**730**	**631**			
UK and Ireland					
Credit Services	246	275		3	3
Decision Analytics	214	234		5	5
Marketing Services	145	160		5	5
Consumer Services	202	255		(9)	(9)
Total ongoing activities	**807**	**924**	**(13)**	**1**	**1**
Exited business activities	-	15			
Total UK and Ireland	**807**	**939**			
EMEA/Asia Pacific					
Credit Services	144	149		(3)	(3)
Decision Analytics	160	135		21	21
Marketing Services	37	31		16	16
Total ongoing activities	**341**	**315**	**8**	**9**	**9**
Exited business activities	-	15			
Total EMEA/Asia Pacific	**341**	**330**			
Total revenue - ongoing activities	**4,335**	**4,164**	**4**	**6**	**5**
Total revenue - exited business activities	-	73			
Revenue	**4,335**	**4,237**	**2**	**4**	

1. 2016 restated for the divestment of the email/cross-channel marketing business.
See Appendix 2 (page 14) for analyses of revenue, Benchmark EBIT and Benchmark EBIT margin from ongoing activities by business segment.

Income statement, earnings and EBIT margin analysis

Year ended 31 March	2017 US$m	2016[1] US$m	Growth % Total at actual rates	Growth % Total at constant rates
Benchmark EBIT by geography				
North America	781	704		11
Latin America	251	226		3
UK and Ireland	246	297		(4)
EMEA/Asia Pacific	(3)	(15)		47
Benchmark EBIT before Central Activities	**1,275**	**1,212**		**7**
Central Activities – central corporate costs	(76)	(82)		
Benchmark EBIT from ongoing activities	**1,199**	**1,130**	**6**	**7**
EBIT – exited business activities	-	15		
Benchmark EBIT	**1,199**	**1,145**	**5**	**6**
Net interest	(75)	(74)		
Benchmark PBT	**1,124**	**1,071**	**5**	**6**
Exceptional items	-	37		
Amortisation of acquisition intangibles	(104)	(115)		
Acquisition expenses and adjustment to contingent consideration	(16)	(6)		
Financing fair value remeasurements	67	(21)		
Profit before tax	**1,071**	**966**		
Group tax charge	(259)	(244)		
Profit after tax	**812**	**722**		
Benchmark earnings				
Benchmark PBT	**1,124**	**1,071**	**5**	**6**
Benchmark tax charge	(294)	(263)		
Total Benchmark earnings	**830**	**808**		
For owners of Experian plc	**831**	**809**	**3**	**3**
For non-controlling interests	(1)	(1)		
Benchmark EPS	**US88.4c**	**US84.4c**	**5**	**5**
Basic EPS from continuing operations	US86.5c	US75.5c		
Weighted average number of ordinary shares	940m	958m		
Benchmark EBIT margin – ongoing activities				
North America	31.8%	30.7%		
Latin America	34.4%	35.8%		
UK and Ireland	30.5%	32.1%		
EMEA/Asia Pacific	(0.9%)	(4.8%)		
Benchmark EBIT margin	**27.7%**	**27.1%**		

1. 2016 restated for the divestment of the email/cross-channel marketing business.
See Appendix 1 (page 14) and note 5 to the financial statements for definitions of non-GAAP measures.
See Appendix 2 (page 14) for analyses of revenue, Benchmark EBIT and Benchmark EBIT margin from ongoing activities by business segment.

Business review

North America

Total revenue from ongoing activities in North America was US$2,457m, with total revenue growth of 7% and organic revenue growth of 5%.

Credit Services
Total and organic revenue growth was 8% with growth across all business lines. In consumer information, we saw good growth in volumes in credit prospecting, origination, account management and mortgage. Business information also delivered good growth as we introduce new products. In health, we saw strong growth in new client bookings and good levels of cross selling of additional services to our existing client base including consumer authentication and collection services. Automotive delivered growth, although at more moderate rates, reflecting some tightening of lending standards across automotive lenders and less buoyant automotive sales.

Decision Analytics
Total and organic revenue was flat with significant new business wins in financial services and strength in analytics, offset by the non-renewal of a customer contract.

Marketing Services
Total and organic revenue increased 8% during the year with strong growth in targeting data driven by demand from digital advertisers and good growth in data quality services.

Consumer Services
Total revenue growth was 6%, reflecting the acquisition of CSID, with organic revenue down 2%. We saw growth in affinity partnerships and data breach services. Referral fees from price comparison services are also growing, from a small base. This was offset by churn in the legacy membership base.

Benchmark EBIT and EBIT margin
North America Benchmark EBIT from ongoing activities was US$781m, up 11%. The Benchmark EBIT margin from ongoing activities was 31.8%, up 110 basis points year-on-year reflecting positive operating leverage and the timing of product launches in Consumer Services.

Latin America

Total revenue from ongoing activities in Latin America was US$730m, with total and organic revenue growth of 9% at constant exchange rates.

Credit Services
At constant exchange rates, total and organic revenue growth was 6%. In Brazil, growth reflected strategic new business wins, growth across countercyclical products, including delinquency notifications services, and good growth in the SME channel. Spanish Latin America delivered another outstanding performance.

Decision Analytics
Total and organic revenue growth was 34% at constant exchange rates as we expand across the region and secured new contract wins and strong performances across software, analytics and fraud prevention services.

Marketing Services
Total and organic revenue at constant exchange rates increased 39%. We made good progress in Marketing Services with particular strength in targeting driven by our digital advertising initiatives and good demand for data quality services.

Benchmark EBIT and EBIT margin
Latin America Benchmark EBIT from ongoing activities was US$251m, up 3% at constant exchange rates. Benchmark EBIT margin from ongoing activities was 34.4% (2016: 35.8%) reflecting investment in new consumer offers in Brazil and dual running costs as we transferred some operations to our new facility in Sao Carlos. There was also a mix impact relating to growth in lower margin countercyclical products.

UK and Ireland

In the UK and Ireland, total revenue from ongoing activities was US$807m, with total and organic revenue growth of 1% at constant exchange rates.

Credit Services
Total and organic revenue at constant exchange rates increased 3%, driven by growth in credit reference volumes, credit pre-qualification services and background checking which drove growth across the banking, telecoms and utilities and other verticals, as well as further expansion in business information within the SME channel.

Decision Analytics
At constant exchange rates, both total and organic revenue increased 5%. Growth reflected strong demand for origination software as banks invest in infrastructure to enhance on-boarding of customers through digital channels.

Marketing Services
Total and organic revenue at constant exchange rates increased 5%. We saw good growth from new wins in targeting data across both traditional and newer digital marketing activities.

Consumer Services
At constant exchange rates, total and organic revenue declined by 9% as we continue to execute on our strategy to diversify our sources of revenue. There was strong progress in the affinity channel, reflecting good take up of scores-on-statements and strong growth in referral fees from newly introduced price comparison services. This was offset by attrition in the legacy subscription membership base.

Benchmark EBIT and EBIT margin
Benchmark EBIT from ongoing activities was US$246m, down 4% at constant exchange rates. Benchmark EBIT margin from ongoing activities was 30.5% (2016: 32.1%), reflecting organic growth investments, the transition of the Consumer Services business and increased legal and regulatory costs.

EMEA/Asia Pacific

Total revenue from ongoing activities in EMEA/Asia Pacific was US$341m, with total and organic revenue growth of 9% at constant exchange rates.

Credit Services
Total and organic revenue at constant exchange rates was 3% lower. Good growth in Spain, Italy and Southeast Asia was offset by weakness in bureaux in South Africa and Denmark. Our bureaux in India and Australia continue to deliver strong growth from a small base, benefiting from the strategic investments we have made.

Decision Analytics
At constant exchange rates total and organic revenue growth was 21%, with significant new wins for credit decisioning software, fraud prevention and analytics during the year.

Marketing Services
Total and organic revenue growth at constant exchange rates was 16%, with strong growth across data quality and targeting services.

Benchmark EBIT and EBIT margin
Benchmark EBIT from ongoing activities moderated to a loss of US$(3)m (2016: US$(15)m). Benchmark EBIT margin from ongoing activities improved 390 basis points to (0.9)%. This primarily reflects improving profitability trends in Asia Pacific and currency translation movements.

Group financial review

Key financials

Year ended 31 March	2017	2016[1]
Profitability performance measures:		
Benchmark EBIT	**US$1,199m**	US$1,145m
Benchmark EBIT growth at constant currency	**6%**	3%
Benchmark EBIT margin from ongoing activities	**27.7%**	27.1%
Benchmark PBT	**US$1,124m**	US$1,071m
Benchmark PBT growth at constant currency	**6%**	3%
Benchmark EPS	**88.4 USc**	84.4 USc
Benchmark EPS growth at constant currency	**5%**	5%
Benchmark tax rate	**26.2%**	24.6%
Key statutory measures:		
Revenue	**US$4,335m**	US$4,237m
Operating profit	**US$1,075m**	US$1,057m
Profit before tax	**US$1,071m**	US$966m
Effective rate of tax based on profit before tax	**24.2%**	25.3%
Basic EPS	**92.1USc**	78.6USc
Other performance measures:		
Benchmark operating cash flow	**US$1,149m**	US$1,210m
Cash flow conversion	**96%**	106%
Total investment (see Appendix 6)	**US$825m**	US$325m
Net share repurchases	**US$353m**	US$592m
Net debt	**US$3,173m**	US$3,023m

(1) 2016 results have been represented to exclude discontinued operations except for growth rates, which are as previously reported.

The Group has identified and defined certain non-GAAP measures, as they are the key measures used within the business to assess performance. These measures are used within this Group financial review and, unless otherwise indicated, all discussion of Revenue, Benchmark EBIT and Benchmark EBIT margin relates to ongoing activities only.

Summary

The Group continued to make progress during the year, with organic revenue growth at an average of 5% for the year as a whole. Benchmark EBIT margin from ongoing activities was 27.7%, up 60 basis points for the year, reflecting the phasing of investment in our strategic growth initiatives and exchange rate changes.

The Group reports its financial results in US dollars and therefore the weakness of the Group's other trading currencies (primarily sterling) against the US dollar during the year decreased our total revenue by US$82m and Benchmark EBIT by US$10m, but improved our Benchmark EBIT margin from ongoing activities by 30 basis points. If recent rates prevail, we expect foreign exchange to be broadly neutral to revenue and Benchmark EBIT for the year ending 31 March 2018. Details of the principal exchange rates used are given on page 13.

The Group reported Benchmark PBT of US$1,124m (2016: US$1,071m). Benchmark EPS of 88.4 US cents (2016: 84.4 US cents) represents an increase of 5% at constant currency and also at actual exchange rates. The net interest expense included in Benchmark PBT was US$75m (2016: US$74m). The Benchmark tax rate was 26.2% (2016: 24.6%).

The Group continued to generate strong cash flows, with a 96% conversion of Benchmark EBIT to benchmark operating cash flow (2016: 106%). Investment activity in the year has been undertaken within the capital allocation framework previously outlined and includes the acquisition of CSIdentity ('CSID') for US$380m (including US$22m of cash acquired). The Group has continued to focus its portfolio, and we have agreed to divest a 75% stake in our email/cross-channel marketing business ('CCM').

Shareholder returns
At 31 March 2017, net share repurchases amounted to US$353m (2016: US$592m).

The second interim dividend is 28.5 (2016: 27.5) US cents per share giving a total dividend for the year of 41.5 (2016: 40.0) US cents per share, an increase of 4% on the prior year. This reflects the underlying strength of the business, notwithstanding the foreign exchange headwinds.

Taking the total dividend and share purchases together, during the year the Group returned a total of US$734m to shareholders.

Growing the business
The Group continued to deliver good growth during the year, with organic revenue growth in the mid single-digit target range.

Total revenue growth from ongoing activities was 6% at constant exchange rates in the year ended 31 March 2017, and 4% at actual rates. The divestment of CCM increased organic revenue growth by 0.4%.

This year, Benchmark EBIT from ongoing activities was US$1,199m, growing at 6% at actual exchange rates and 7% at constant currency. Expenditure through the income statement in support of growth included investment in new product growth and innovation. We also invested in restructuring and productivity initiatives and incurred additional regulatory and compliance expenditure.

Benchmark EBIT margin from ongoing activities improved by 60 basis points, and was stable at constant currency before the CCM divestment. The impact of foreign exchange movements improved Benchmark EBIT margin from ongoing activities by 30 basis points overall for the year.

Generating value
The table at Appendix 3 on page 15 provides a reconciliation of our underlying profitability, as measured by Benchmark EBIT, to our statutory profit before tax.

Our net interest expense and the related cash flows have benefited from the strong cash generation and from low interest rates globally. At 31 March 2017, the interest on 63% of our net funding was at fixed rates (2016: 91%).

Our effective tax rate on Benchmark PBT was 26.2%, reflecting the mix of profits and prevailing tax rates by territory. The equivalent cash tax rate remains below our Benchmark tax rate and a reconciliation is provided in the table at Appendix 7. It is currently anticipated that our cash tax rate will increase and move closer to our Benchmark tax rate over the course of the next five years, as tax amortisation of goodwill on earlier acquisitions and prior tax losses are utilised.

Basic EPS was 92.1 US cents (2016: 78.6 US cents). Basic EPS for the year ended 31 March 2017 included earnings of 3.7 (2016: loss of 5.8) US cents per share in respect of discontinued operations and other adjustments made to derive Benchmark EPS. Benchmark EPS was 88.4 US cents (2016: 84.4 US cents), an increase of 5% at actual exchange rates and also at constant currency. Further information is given in note 12 to the financial statements.

At 31 March 2017, Experian had 1,006 million shares in issue of which some 75 million were held by employee trusts and as treasury shares. Accordingly, the number of shares to be used for the purposes of calculating basic EPS from 31 March 2017 is 930 million. Issues and purchases of shares after 31 March 2017 will result in amendments to this figure.

The total dividend per share for the year is covered 2.1 times by Benchmark EPS (2016: 2.1 times) in accordance with our previously declared policy. Ordinary dividends paid in the year amounted to US$381m (2016: US$380m).

Cash and liquidity management
As shown in the Cash flow and net debt summary table at Appendix 5 on page 16, we generated good Benchmark operating and free cash flows in the year. The continued strength of our operating cash flow performance reflects the nature of our business and financial model and our focus on working capital management.

Net debt at 31 March 2017 was US$3,173m (2016: US$3,023m), with undrawn committed borrowing facilities of US$2,375m (2016: US$2,175m). Our net debt at 31 March 2017 was 2.1 times Benchmark EBITDA (2016: 2.0 times), compared to our target range of 2.0 to 2.5 times.

Total investment has been higher during the year ended 31 March 2017 with the acquisition of CSIdentity representing a net cash outflow of US$358m, and capital expenditure in continuing operations of US$399m (2016: US$315m) representing 9% (2015: 7%) of total revenue.

Key statutory measures

Revenue for the year ended 31 March 2017 was US$4,335m (2016: US$4,237m) reflecting the Total growth in ongoing activities offset by the impact of exited businesses completed in the prior year. Operating profit for the year ended 31 March 2017 was US$1,075m (2016: US$1057m).

Basic EPS was 92.1 US cents (2016: 78.6 US cents). Earnings have benefited from a non-cash financing fair value remeasurements gain within net finance costs of US$67m (2016: loss of US$21m). The increase in Basic EPS also reflects a lower statutory tax rate and a lower number of shares in issue as a consequence of our share repurchase programme.

The effective rate of tax based on profit before tax has improved from 25.3% in the year ended 31 March 2016 to 24.2% in the current financial year, driven by a reduction in expenses not deductible for tax purposes and tax on exceptional items incurred in the year ended 31 March 2016.

Foreign exchange rates

Foreign exchange – average rates

The principal exchange rates used to translate total revenue and Benchmark EBIT into the US dollar are shown in the table below.

	2017	2016	Movement against the US dollar
US dollar : Brazilian real	3.30	3.59	8%
Sterling : US dollar	1.30	1.51	(14%)
Euro : US dollar	1.10	1.10	-
US dollar : Colombian peso	2,969	2,942	(1%)

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.

	2017	2016
US dollar : Brazilian real	3.17	3.56
Sterling : US dollar	1.25	1.44
Euro : US dollar	1.07	1.14
US dollar : Colombian peso	2,894	2,997

Risks and uncertainties

The ten principal risks and uncertainties faced by the Group are summarised in note 27 to the financial statements.

Appendices

1. Non-GAAP financial information

Experian has identified and defined certain measures that it believes assist in understanding 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 5 to the financial statements.

2. Revenue, Benchmark EBIT and Benchmark EBIT margin by business segment

Year ended 31 March			Growth %	
	2017 US$m	2016[1] US$m	Total at constant rates	Organic at constant rates
Revenue				
Credit Services	2,389	2,240	6	6
Decision Analytics	584	566	9	9
Marketing Services	421	407	8	8
Consumer Services	941	951	2	(4)
Total - Ongoing activities	**4,335**	**4,164**	**6**	**5**
Exited business activities[2]	-	73		
Total	**4,335**	**4,237**	**4**	
Benchmark EBIT				
Credit Services	817	791	2	
Decision Analytics	120	104	27	
Marketing Services	95	76	32	
Consumer Services	243	241	4	
Total business segments	**1,275**	**1,212**	**7**	
Central Activities – central corporate costs	(76)	(82)	(2)	
Total - Ongoing activities	**1,199**	**1,130**	**7**	
Exited business activities[2]	-	15		
Total	**1,199**	**1,145**	**6**	
Benchmark EBIT margin – ongoing activities[3]				
Credit Services	34.2%	35.3%		
Decision Analytics	20.5%	18.4%		
Marketing Services	22.6%	18.7%		
Consumer Services	25.8%	25.3%		
EBIT margin	**27.7%**	**27.1%**		

1. The results for the year ended 31 March 2016 have been re-presented in respect of the email/cross-channel marketing business which has been treated as a discontinued operation.
2. Exited business activities comprise discontinuing Credit Services, Decision Analytics and Marketing Services businesses.

3. Reconciliation of Benchmark EBIT to statutory profit before tax

Year ended 31 March	2017 US$m	2016[1] US$m
Benchmark EBIT from ongoing activities	**1,199**	**1,130**
Exited business activities	-	15
Benchmark EBIT	**1,199**	**1,145**
Net interest expense	(75)	(74)
Benchmark PBT	**1,124**	**1,071**
Exceptional items (Appendix 4)	-	37
Other adjustments made to derive Benchmark PBT (Appendix 4)	(53)	(142)
Profit before tax	**1,071**	**966**

1. The results for the year ended 31 March 2016 have been re-presented in respect of the email/cross-channel marketing business which has been treated as a discontinued operation.

4. Exceptional items and Other adjustments made to derive Benchmark PBT

Year ended 31 March	2017 US$m	2016 US$m
Exceptional items:		
Profit on disposal of businesses	-	(57)
North America security incident related costs	-	20
Exceptional items	**-**	**(37)**
Other adjustments made to derive Benchmark PBT:		
Amortisation of acquisition intangibles	104	115
Acquisition expenses	16	4
Adjustment to the fair value of contingent consideration	-	2
Financing fair value remeasurements	(67)	21
Other adjustments made to derive Benchmark PBT	**53**	**142**
Net charge for Exceptional items and Other adjustments made to derive Benchmark PBT	**53**	**105**

An explanation of the reasons for the exclusion of such items from our definition of Benchmark PBT is given in note 5 to the financial statements.

5. Cash flow and net debt summary

Year ended 31 March	2017 US$m	2016 US$m
Benchmark EBIT	1,199	1,145
Amortisation and depreciation charged to Benchmark PBT	322	334
Net capital expenditure (Appendix 6)	(393)	(301)
Increase in working capital	(39)	(21)
Profit retained in associates	(1)	(1)
Charge for share incentive plans	61	54
Benchmark operating cash flow	**1,149**	**1,210**
Net interest paid	(70)	(66)
Tax paid – continuing operations	(144)	(122)
Dividends paid to non-controlling interests	(2)	(3)
Benchmark free cash flow	**933**	**1,019**
Acquisitions	(385)	(22)
Purchase of investments	(47)	(2)
Disposal of businesses and investments	(4)	150
Exceptional items other than disposal of businesses	8	(20)
Ordinary dividends paid	(381)	(380)
Net cash inflow – continuing operations	**124**	**745**
Net cash inflow – discontinued operations	20	59
Net debt at 1 April	(3,023)	(3,217)
Net share repurchases	(353)	(592)
Exchange, discontinued operations and other movements	59	(18)
Net debt at 31 March	**(3,173)**	**(3,023)**

6. Reconciliation of Total investment

Year ended 31 March	2017 US$m	2016 US$m
Capital expenditure as reported in the Group cash flow statement	399	315
Disposal of property, plant and equipment	(6)	(14)
Net capital expenditure as reported in the Cash flow and net debt summary	**393**	**301**
Acquisitions	385	22
Purchase of investments	47	2
Total investment	**825**	**325**

7. Cash tax reconciliation

Year ended 31 March	2017 %	2016 %
Tax charge on Benchmark PBT	26.2	24.6
Tax relief on intangible assets	(6.6)	(7.0)
Benefit of brought forward tax losses	(3.9)	(4.9)
Other	(2.9)	(1.3)
Tax paid as a percentage of Benchmark PBT	**12.8**	**11.4**

Group income statement

for the year ended 31 March 2017

	2017			2016 (Re-presented) (Note 3)		
	Benchmark[1]	Non-benchmark[2]	**Statutory Total**	Benchmark[1]	Non-benchmark[2]	**Statutory Total**
	US$m	US$m	**US$m**	US$m	US$m	**US$m**
Revenue (note 6(a))	4,335	-	**4,335**	4,237	-	**4,237**
Labour costs	(1,609)	(6)	**(1,615)**	(1,559)	-	**(1,559)**
Data and information technology costs	(521)	-	**(521)**	(480)	-	**(480)**
Amortisation and depreciation charges	(322)	(104)	**(426)**	(334)	(115)	**(449)**
Marketing and customer acquisition costs	(322)	-	**(322)**	(345)	-	**(345)**
Other operating charges	(366)	(10)	**(376)**	(378)	(26)	**(404)**
Total operating expenses	(3,140)	(120)	**(3,260)**	(3,096)	(141)	**(3,237)**
Profit on disposal of businesses (note 8(b))	-	-	**-**	-	57	**57**
Operating profit	1,195	(120)	**1,075**	1,141	(84)	**1,057**
Interest income	14	-	**14**	20	-	**20**
Finance expense	(89)	67	**(22)**	(94)	(21)	**(115)**
Net finance costs (note 9(a))	(75)	67	**(8)**	(74)	(21)	**(95)**
Share of post-tax profit of associates	4	-	**4**	4	-	**4**
Profit before tax (note 6(a))	1,124	(53)	**1,071**	1,071	(105)	**966**
Group tax charge (note 10(a))	(294)	35	**(259)**	(263)	19	**(244)**
Profit for the financial year from continuing operations	830	(18)	**812**	808	(86)	**722**
Profit for the financial year from discontinued operations (note 11(a))	-	53	**53**	-	30	**30**
Profit for the financial year	830	35	**865**	808	(56)	**752**
Attributable to:						
Owners of Experian plc	831	35	**866**	809	(56)	**753**
Non-controlling interests	(1)	-	**(1)**	(1)	-	**(1)**
Profit for the financial year	830	35	**865**	808	(56)	**752**
Total Benchmark EBIT[1]	1,199	-	**1,199**	1,145	-	**1,145**
	US cents	US cents	**US cents**	US cents	US cents	**US cents**
Earnings per share (note 12(a))						
Basic	88.4	3.7	**92.1**	84.4	(5.8)	**78.6**
Diluted	87.7	3.7	**91.4**	83.9	(5.8)	**78.1**
Earnings per share from continuing operations (note 12(a))						
Basic	88.4	(1.9)	**86.5**	84.4	(8.9)	**75.5**
Diluted	87.7	(1.9)	**85.8**	83.9	(8.9)	**75.0**
Benchmark PBT per share[1]	119.6			111.8		
Full year dividend per share[1]			**41.5**			**40.0**

1. Total Benchmark EBIT, Benchmark PBT per share and Full year dividend per share are non-GAAP measures, defined where appropriate in note 5 to the financial statements.

2. The loss before tax for non-benchmark items of US$53m (2016: US$105m) comprises a credit for exceptional items of US$nil (2016: US$37m) and charges for Other adjustments made to derive Benchmark PBT of US$53m (2016: US$142m). Further information is given in note 8 to the financial statements.

The segmental disclosures in notes 6 and 7 indicate the impact of business disposals on the comparative revenue and Total Benchmark EBIT figures.

Group statement of comprehensive income

for the year ended 31 March 2017

	2017	2016 (Re-presented) (Note 3)
	US$m	US$m
Profit for the financial year	**865**	752
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurement of post-employment benefit assets and obligations (note 15(b))	**(13)**	(30)
Deferred tax credit	**2**	6
Items that will not be reclassified to profit or loss	**(11)**	(24)
Items that may be reclassified subsequently to profit or loss:		
Fair value gains recognised on available-for-sale financial assets	**3**	1
Currency translation gains/(losses)	**18**	(151)
Items that may be reclassified subsequently to profit or loss	**21**	(150)
Items reclassified to profit or loss:		
Cumulative currency translation gain in respect of divestments	**-**	2
Other comprehensive income for the financial year[1]	**10**	(172)
Total comprehensive income for the financial year	**875**	580
Attributable to:		
Continuing operations	**823**	551
Discontinued operations	**53**	30
Owners of Experian plc	**876**	581
Non-controlling interests	**(1)**	(1)
Total comprehensive income for the financial year	**875**	580

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 recognised in the translation reserve within other reserves. Other items within Other comprehensive income are recognised in retained earnings.

Group balance sheet

at 31 March 2017

	Notes	2017 US$m	2016 US$m
Non-current assets			
Goodwill		**4,245**	4,198
Other intangible assets	14	**1,461**	1,431
Property, plant and equipment	14	**329**	352
Investments in associates		**42**	8
Deferred tax assets		**83**	159
Post-employment benefit assets	15(a)	**14**	26
Trade and other receivables		**6**	8
Available-for-sale financial assets		**57**	43
Other financial assets		**57**	53
		6,294	6,278
Current assets			
Inventories		**-**	1
Trade and other receivables		**910**	902
Current tax assets		**26**	24
Other financial assets		**20**	46
Cash and cash equivalents	16(e)	**83**	156
		1,039	1,129
Assets classified as held for sale		**358**	-
		1,397	1,129
Current liabilities			
Trade and other payables		**(1,109)**	(1,124)
Borrowings	18(b)	**(759)**	(52)
Current tax liabilities		**(150)**	(128)
Provisions		**(50)**	(27)
Other financial liabilities		**(15)**	(12)
		(2,083)	(1,343)
Liabilities classified as held for sale		**(58)**	-
		(2,141)	(1,343)
Net current liabilities		**(744)**	(214)
Total assets less current liabilities		**5,550**	6,064
Non-current liabilities			
Trade and other payables		**(15)**	(24)
Borrowings	18(b)	**(2,285)**	(3,068)
Deferred tax liabilities		**(296)**	(352)
Post-employment benefit obligations	15(a)	**(54)**	(55)
Other financial liabilities		**(249)**	(127)
		(2,899)	(3,626)
Net assets		**2,651**	2,438
Equity			
Called up share capital	20	**100**	102
Share premium account	20	**1,530**	1,519
Retained earnings		**18,813**	18,633
Other reserves		**(17,804)**	(17,830)
Attributable to owners of Experian plc		**2,639**	2,424
Non-controlling interests		**12**	14
Total equity		**2,651**	2,438

Group statement of changes in total equity

for the year ended 31 March 2017

	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 2016	102	1,519	18,633	(17,830)	**2,424**	14	**2,438**
Profit for the financial year	-	-	866	-	**866**	(1)	**865**
Other comprehensive income for the financial year	-	-	(8)	18	**10**	-	**10**
Total comprehensive income for the financial year	-	-	858	18	**876**	(1)	**875**
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	-	-	61	-	**61**	-	**61**
- shares issued on vesting	-	11	-	-	**11**	-	**11**
- other exercises of share awards and options	-	-	(28)	36	**8**	-	**8**
- related tax credit	-	-	7	-	**7**	-	**7**
- purchase of shares by employee trusts	-	-	-	(28)	**(28)**	-	**(28)**
- other payments	-	-	(3)	-	**(3)**	-	**(3)**
Purchase and cancellation of own shares	(2)	-	(334)	-	**(336)**	-	**(336)**
Transactions in respect of non-controlling interests	-	-	-	-	**-**	1	**1**
Dividends paid	-	-	(381)	-	**(381)**	(2)	**(383)**
Transactions with owners	(2)	11	(678)	8	**(661)**	(1)	**(662)**
At 31 March 2017	100	1,530	18,813	(17,804)	**2,639**	12	**2,651**

for the year ended 31 March 2016

	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 2015	103	1,506	18,523	(17,346)	2,786	15	2,801
Profit for the financial year	-	-	753	-	753	(1)	752
Other comprehensive income for the financial year	-	-	(23)	(149)	(172)	-	(172)
Total comprehensive income for the financial year	-	-	730	(149)	581	(1)	580
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	-	-	54	-	54	-	54
- shares issued on vesting	-	13	-	-	13	-	13
- other exercises of share awards and options	-	-	(76)	80	4	-	4
- related tax charge	-	-	(12)	-	(12)	-	(12)
- purchase of shares by employee trusts	-	-	-	(71)	(71)	-	(71)
- other payments	-	-	(5)	-	(5)	-	(5)
Purchase of shares held as treasury shares	-	-	-	(344)	(344)	-	(344)
Purchase and cancellation of own shares	(1)	-	(189)	-	(190)	-	(190)
Transactions in respect of non-controlling interests	-	-	(10)	-	(10)	3	(7)
Fair value gain on commitments to purchase own shares	-	-	(2)	-	(2)	-	(2)
Dividends paid	-	-	(380)	-	(380)	(3)	(383)
Transactions with owners	(1)	13	(620)	(335)	(943)	-	(943)
At 31 March 2016	102	1,519	18,633	(17,830)	2,424	14	2,438

Group cash flow statement

for the year ended 31 March 2017

	Notes	2017	2016 (Re-presented) (Note 3)
		US$m	US$m
Cash flows from operating activities			
Cash generated from operations	16(a)	**1,525**	1,486
Interest paid		**(85)**	(86)
Interest received		**15**	20
Dividends received from associates		**3**	3
Tax paid		**(144)**	(122)
Net cash inflow from operating activities – continuing operations		**1,314**	1,301
Net cash inflow from operating activities – discontinued operations	11(a)	**41**	70
Net cash inflow from operating activities		**1,355**	1,371
Cash flows from investing activities			
Purchase of other intangible assets		**(319)**	(255)
Purchase of property, plant and equipment		**(80)**	(60)
Sale of property, plant and equipment		**15**	13
Purchase of other financial assets		**(14)**	(2)
Acquisition of subsidiaries, net of cash acquired	16(c)	**(363)**	(13)
Purchase of investments in associates		**(33)**	-
Disposal of subsidiaries – continuing operations		**(4)**	150
Net cash flows used in investing activities – continuing operations		**(798)**	(167)
Net cash flows used in investing activities – discontinued operations		**(21)**	(11)
Net cash flows used in investing activities		**(819)**	(178)
Cash flows from financing activities			
Cash inflow in respect of shares issued	16(d)	**11**	13
Cash outflow in respect of share purchases	16(d)	**(364)**	(605)
Other payments on vesting of share awards		**(3)**	(5)
Payments to acquire non-controlling interests	16(c)	**(9)**	(6)
New borrowings		**159**	204
Repayment of borrowings		**(3)**	(361)
Net payments for cross currency swaps and foreign exchange contracts		**(23)**	(29)
Receipts from equity swaps		**2**	1
Dividends paid		**(383)**	(383)
Net cash flows used in financing activities		**(613)**	(1,171)
Net (decrease)/increase in cash and cash equivalents		**(77)**	22
Cash and cash equivalents at 1 April		**151**	145
Exchange movements on cash and cash equivalents		**7**	(16)
Cash and cash equivalents at 31 March	16(e)	**81**	151

Notes to the financial statements

for the year ended 31 March 2017

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 and have a 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 2017 or 31 March 2016 but is derived from the statutory financial statements for the year ended 31 March 2017. The Group's statutory financial statements for the year ended 31 March 2017 will be made available to shareholders in June 2017 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 2016 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 2017 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 (the 'EU') and IFRS Interpretations Committee interpretations (together 'EU-IFRS');
- 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;
- prepared using the principal exchange rates set out on page 13; and
- designed to voluntarily include disclosures in line with those parts of the UK Companies Act 2006 applicable to companies reporting under IFRS.

Other than those disclosed in this preliminary announcement, no significant events impacting the Group have occurred between 31 March 2017 and 18 May 2017 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 2017. Those policies were published in full in the Group's statutory financial statements for the year ended 31 March 2016 and are available on a corporate website, at www.experianplc.com/annualreport.

3. Comparative information

On 31 March 2017 the Group signed a definitive agreement to sell a 75% interest in CCM, subject to customary closing conditions. It is anticipated that this transaction will be completed in the financial year ending 31 March 2018. In accordance with IFRS 5, the assets and liabilities of that business at 31 March 2017 are classified as held for sale and the results and cash flows of the business for the year ended 31 March 2016 have been reclassified as discontinued. The results of the Group's operating segments (shown within note 6(a)) and the information on business segments (shown within note 7) have been re-presented accordingly.

Except as indicated above, the financial statements have been prepared on a basis consistent with that reported for the year ended 31 March 2016.

Notes to the financial statements (continued)

for the year ended 31 March 2017

4. 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.

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

- IFRS 9 'Financial instruments';
- IFRS 15 'Revenue from contracts with customers'; and
- IFRS 16 'Leases'.

IFRS 9 and IFRS 15 are now expected to be effective for Experian for the year ending 31 March 2019 with IFRS 16 (subject to EU endorsement) expected to be effective for the year ending 31 March 2020 It is not currently practicable to quantify their effect.

IFRS 15 is based on the principle that revenue is recognised when control of goods or services is transferred to the customer and provides a single, principles-based five-step revenue recognition model to be applied to all sales contracts. In implementing IFRS 15, the anticipated principal effect will be in relation to certain contracts representing less than 15% of revenue, which require further review. These contracts are predominantly related to the Decision Analytics business segment.

There will be a revised assessment of performance obligations compared to the current accounting standards, resulting in the recognition of some revenue streams being deferred and other streams being accelerated. Certain services which are accounted for separately today will need to be considered as a bundled good or service under IFRS 15, such as set-up fees and the licensing and delivery of configured software solutions. We will also revisit the apportionment of revenue in certain batch data arrangements where ongoing updates are included.

Our assessment of the impact of the standard on the Group financial statements remains ongoing. At this stage, it is estimated that the total revenue recognised in any financial year would not materially change under IFRS 15, compared to current accounting standards.

Experian intends to adopt IFRS 15 on a partial retrospective basis and restate its results for the year ending 31 March 2018 as a prior year comparative. We are still evaluating which of the detailed practical expedients we will adopt for transition, as well as the additional disclosure requirements.

IFRS 9 is not expected to have a significant impact on the 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. Such developments are routinely reviewed by the Group and its financial reporting systems are adapted as appropriate.

5. 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 for assessing the underlying performance of the Group’s ongoing businesses.

(a) Benchmark profit before tax (‘Benchmark PBT’) (note 6(a))

Benchmark PBT is disclosed to indicate the Group’s underlying profitability. 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’ post-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 these charges are based on judgments about their value and economic life and bear no relation to the Group’s underlying ongoing performance. Impairment of goodwill is similarly excluded.
- Acquisition expenses relating to successful, active or aborted acquisitions are excluded from the definition of Benchmark PBT as they bear no relation to the Group’s underlying performance or to the performance of any acquired businesses. Adjustments to contingent consideration are similarly excluded from the calculation 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 include 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 earnings before interest and tax (‘Benchmark EBIT’) and margin (‘Benchmark EBIT margin’) (note 6(a))

Benchmark EBIT is defined as Benchmark PBT before the net interest expense charged therein and accordingly excludes exceptional items as defined below. Benchmark EBIT margin is Benchmark EBIT from ongoing activities expressed as a percentage of revenue from ongoing activities.

(c) Benchmark earnings before interest, tax, depreciation and amortisation (‘Benchmark EBITDA’)

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

(d) Exited business activities

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

(e) Ongoing activities

The results of businesses trading at 31 March 2017, which are not disclosed as exited business activities, are reported as ongoing activities.

(f) 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.

(g) Total growth (note 6(d))

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

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

(h) Organic revenue growth (note 6(d))

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

(i) Benchmark earnings and Total Benchmark earnings (note 12)

Benchmark earnings comprise Benchmark PBT less attributable tax and non-controlling interests. 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 other adjustments made to derive Benchmark PBT. Benchmark PBT less attributable tax is designated as Total Benchmark earnings.

(j) Benchmark earnings per share ('Benchmark EPS') (note 12(a))

Benchmark EPS comprises Benchmark earnings divided by the weighted average number of issued ordinary shares, as adjusted for own shares held.

(k) Benchmark PBT per share

Benchmark PBT per share comprises Benchmark PBT divided by the weighted average number of issued ordinary shares, as adjusted for own shares held.

(l) Benchmark tax charge and rate (note 10(b))

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 these financial statements. The Benchmark effective rate of tax is calculated by dividing the Benchmark tax charge by Benchmark PBT.

(m) Exceptional items (note 8(a))

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

(n) Full year dividend per share (note 13)

Full year dividend per share comprises the total of dividends per share announced in respect of the financial year.

(o) Benchmark operating and Benchmark free cash flow

Benchmark operating cash flow is Benchmark EBIT 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. Benchmark free cash flow is derived from Benchmark operating cash flow by excluding net interest, tax paid in respect of continuing operations and dividends paid to non-controlling interests.

(p) Cash flow conversion

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

(q) Net debt and Net funding (note 18)

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. Net funding is borrowings (and the fair value of the effective portion of derivatives hedging borrowings) excluding accrued interest, less cash held in Group Treasury.

(r) Return on capital employed ('ROCE')

ROCE is defined as Benchmark EBIT less tax at the Benchmark rate divided by a three-point average of capital employed over the year. Capital employed is net assets less non-controlling interests, further adjusted to add or deduct the net tax liability or asset and the average capital employed in discontinued operations, and to add Net debt.

Notes to the financial statements (continued)

for the year ended 31 March 2017

6. Segment information

IFRS 8 disclosures

(a) Income statement

Year ended 31 March 2017	North America US$m	Latin America US$m	UK and 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	**2,457**	**730**	**807**	**341**	**4,335**	**-**	**4,335**
Reconciliation from Benchmark EBIT to profit/(loss) before tax							
Benchmark EBIT	**781**	**251**	**246**	**(3)**	**1,275**	**(76)**	**1,199**
Net interest (note 9(b))	**-**	**-**	**-**	**-**	**-**	**(75)**	**(75)**
Benchmark PBT	**781**	**251**	**246**	**(3)**	**1,275**	**(151)**	**1,124**
Amortisation of acquisition intangibles	**(70)**	**(22)**	**(8)**	**(4)**	**(104)**	**-**	**(104)**
Acquisition expenses	**(12)**	**(1)**	**(1)**	**(2)**	**(16)**	**-**	**(16)**
Financing fair value remeasurements	**-**	**-**	**-**	**-**	**-**	**67**	**67**
Profit/(loss) before tax	**699**	**228**	**237**	**(9)**	**1,155**	**(84)**	**1,071**

Year ended 31 March 2016	North America US$m	Latin America US$m	UK and 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							
Ongoing activities	2,294	631	924	315	4,164	-	4,164
Exited business activities	43	-	15	15	73	-	73
Total	2,337	631	939	330	4,237	-	4,237
Reconciliation from Benchmark EBIT to profit/(loss) before tax							
Benchmark EBIT							
Ongoing activities	704	226	297	(15)	1,212	(82)	1,130
Exited business activities	11	-	3	1	15	-	15
Total	715	226	300	(14)	1,227	(82)	1,145
Net interest (note 9(b))	-	-	-	-	-	(74)	(74)
Benchmark PBT	715	226	300	(14)	1,227	(156)	1,071
Exceptional items (note 8(a))	53	-	2	(18)	37	-	37
Amortisation of acquisition intangibles	(76)	(22)	(12)	(5)	(115)	-	(115)
Acquisition expenses	(4)	-	-	-	(4)	-	(4)
Adjustment to the fair value of contingent consideration	-	-	(2)	-	(2)	-	(2)
Financing fair value remeasurements	-	-	-	-	-	(21)	(21)
Profit/(loss) before tax	688	204	288	(37)	1,143	(177)	966

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

The results for the year ended 31 March 2016 have been re-presented in respect of the email/cross-channel marketing business.

A profit before tax of US$8m (2016: US$41m) arose in the year in respect of discontinued operations. Further information on such operations which comprise the Group's email/cross-channel marketing business in the current year and the Group's comparison shopping and lead generation businesses in the prior year is given in note 11.

Additional information by operating segment, including that on total and organic growth at constant exchange rates, is provided within pages 3 to 9.

Revenue and Benchmark EBIT by operating segment for the year ended 31 March 2016 have been re-analysed between ongoing and exited business activities, following the disposal of a number of businesses during the year ended 31 March 2017.

Notes to the financial statements (continued)

for the year ended 31 March 2017

6. Segment information (continued)

(b) Revenue by country- continuing operations

	2017	2016 (Re-presented) (Note 3)
	US$m	US$m
USA	**2,449**	2,326
UK	**800**	933
Brazil	**649**	556
Colombia	**62**	57
Other	**375**	365
	4,335	4,237

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. Revenue from the USA, the UK and Brazil in aggregate comprises 90% (2016: 88%) of Group revenue.

(c) Revenue by business segment

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 7. 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.

(d) Reconciliation of revenue from ongoing activities

	North America	**Latin America**	**UK and Ireland**	**EMEA/ Asia Pacific**	**Total ongoing activities**
	US$m	**US$m**	**US$m**	**US$m**	**US$m**
Revenue for the year ended 31 March 2016	2,294	631	924	315	**4,164**
Adjustment to constant exchange rates	-	(6)	7	-	**1**
Revenue at constant exchange rates for the year ended 31 March 2016	2,294	625	931	315	**4,165**
Organic revenue growth	104	55	6	29	**194**
Revenue from acquisitions	59	-	-	-	**59**
Revenue at constant exchange rates for the year ended 31 March 2017	2,457	680	937	344	**4,418**
Adjustments to actual exchange rates	-	50	(130)	(3)	**(83)**
Revenue for the year ended 31 March 2017	**2,457**	**730**	**807**	**341**	**4,335**
Organic revenue growth at constant rates	5%	9%	1%	9%	**5%**
Revenue growth at constant rates	7%	9%	1%	9%	**6%**

Total revenue from continuing operations as reported in the Group income statement for the year ended 31 March 2017 of US$4,335m (2016: US$4,237) includes US$nil (2016: US$73m) of revenue from exited business activities. The above table demonstrates the application of the methodology set out in note 5 in determining organic and total revenue growth at constant exchange rates.

Notes to the financial statements (continued)

for the year ended 31 March 2017

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

Year ended 31 March 2017	**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[1] US$m**
Revenue from external customers	2,389	584	421	941	**4,335**	-	**4,335**
Reconciliation from Benchmark EBIT to profit/(loss) before tax							
Benchmark EBIT	817	120	95	243	**1,275**	(76)	**1,199**
Net interest (note 9(b))	-	-	-	-	**-**	(75)	**(75)**
Benchmark PBT	817	120	95	243	**1,275**	(151)	**1,124**
Amortisation of acquisition intangibles	(76)	(9)	(4)	(15)	**(104)**	-	**(104)**
Acquisition expenses	(7)	-	-	(9)	**(16)**	-	**(16)**
Financing fair value remeasurements	-	-	-	-	**-**	67	**67**
Profit/(loss) before tax	734	111	91	219	**1,155**	(84)	**1,071**

Year ended 31 March 2016	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							
Ongoing activities	2,240	566	407	951	4,164	-	4,164
Exited business activities	3	13	57	-	73	-	73
Total	2,243	579	464	951	4,237	-	4,237
Reconciliation from Benchmark EBIT to profit/(loss) before tax							
Benchmark EBIT							
Ongoing activities	791	104	76	241	1,212	(82)	1,130
Exited business activities	1	6	8	-	15	-	15
Total	792	110	84	241	1,227	(82)	1,145
Net interest (note 8(b))	-	-	-	-	-	(74)	(74)
Benchmark PBT	792	110	84	241	1,227	(156)	1,071
Exceptional items (note 7(a))	(5)	48	(6)	-	37	-	37
Amortisation of acquisition intangibles	(77)	(24)	(8)	(6)	(115)	-	(115)
Acquisition expenses	(1)	-	-	(3)	(4)	-	(4)
Adjustment to the fair value of contingent consideration	(2)	-	-	-	(2)	-	(2)
Financing fair value remeasurements	-	-	-	-	-	(21)	(21)
Profit/(loss) before tax	707	134	70	232	1,143	(177)	966

1. A profit before tax of US$8m (2016: US$41m) arose in the year in respect of discontinued operations. Further information is given in note 11.
2. Revenue and Benchmark EBIT by business segment for the year ended 31 March 2016 have been re-analysed in the above table between ongoing and exited business activities, following the disposal of a number of businesses during the year ended 31 March 2017.
3. Additional information by business segment, including that on total and organic growth at constant exchange rates, is provided within pages 3 to 9 and within Appendix 2 on page 14.

Notes to the financial statements (continued)

for the year ended 31 March 2017

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

(a) Net charge for Exceptional items and Other adjustments made to derive Benchmark PBT

	2017 **US$m**	2016 (Re-presented) (Note 3) US$m
Exceptional items:		
Profit on disposal of businesses (note 8(b))	**-**	(57)
North America security incident related costs (note 8(c))	**-**	20
Credit for exceptional items	**-**	(37)
Other adjustments made to derive Benchmark PBT		
Amortisation of acquisition intangibles	**104**	115
Acquisition expenses	**16**	4
Adjustment to the fair value of contingent consideration	**-**	2
Financing fair value remeasurements	**(67)**	21
Charge for Other adjustments made to derive Benchmark PBT	**53**	142
Net charge for Exceptional items and Other adjustments made to derive Benchmark PBT	**53**	105
By income statement caption:		
Labour costs	**6**	-
Amortisation and depreciation charges	**104**	115
Other operating charges	**10**	26
Profit on disposal of businesses (note 8(b))	**-**	(57)
Within operating profit	**120**	84
Finance expense (note 9(a))	**(67)**	21
Net charge for Exceptional items and Other adjustments made to derive Benchmark PBT	**53**	105

Acquisition expenses comprise professional fees and expenses associated with completed, ongoing and terminated acquisition processes, as well as the integration costs associated with completed deals.

(b) Profit on disposal of businesses

The net profit on disposal of businesses in the prior year and the related cash inflows are analysed in the table below.

	2016 US$m
Goodwill	85
Other intangible assets	40
Property, plant and equipment	3
Deferred tax assets	5
Inventories	2
Trade and other receivables	31
Cash and cash equivalents	4
Trade and other payables	(40)
Net assets disposed of	130
Disposal proceeds and costs:	
Proceeds	213
Transaction costs	(24)
Recycled cumulative currency translation loss	(2)
Disposal proceeds, net of costs	187
Profit before tax on disposal	57
Cash inflow from disposal:	
Proceeds received in cash	214
Cash and cash equivalents sold with businesses	(4)
Tax paid on disposal	(42)
Other transaction costs paid	(18)
Net cash inflow	150

The profit before tax on the disposal of businesses primarily related to the disposals of the FootFall and Baker Hill businesses and the consumer insights businesses, Hitwise and Simmons.

8. Exceptional items and Other adjustments made to derive Benchmark PBT (continued)

(c) North America security incident related costs
In September 2015, Experian North America suffered an unauthorised intrusion to its Decision Analytics computing environment, which allowed unauthorised acquisition of certain data belonging to a client, T-Mobile USA, Inc. Experian notified the individuals who may have been affected and offered free credit monitoring and identity theft resolution services. In addition, government agencies were notified as required by law.

During the year the Group received insurance recoveries of US$22m, which offset US$18m of additional legal and remediation expenses incurred in the year and a US$4m provision for future costs. In the year ended 31 March 2016, the costs to Experian of directly responding to this incident were reflected in a charge of US$20m.

9. Net finance costs

(a) Net finance costs included in profit before tax

	2017 US$m	2016 US$m
Interest income:		
Bank deposits, short-term investments and loan notes	**(14)**	(20)
Interest income	**(14)**	(20)
Finance expense:		
Interest expense	**89**	94
(Credit)/charge in respect of financing fair value remeasurements	**(67)**	21
Finance expense	**22**	115
Net finance costs included in profit before tax	**8**	95

(b) Net interest expense included in Benchmark PBT

	2017 US$m	2016 US$m
Interest income	**(14)**	(20)
Interest expense	**89**	94
Net interest expense included in Benchmark PBT	**75**	74

Notes to the financial statements (continued)

for the year ended 31 March 2017

10. Tax – continuing operations

(a) Group tax charge and effective rate of tax

	2017	2016 (Re-presented) (Note 3)
	US$m	US$m
Group tax charge	**259**	244
Profit before tax	**1,071**	966
Effective rate of tax based on profit before tax	**24.2%**	25.3%

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

	2017	2016 (Re-presented) (Note 3)
	US$m	US$m
Group tax charge	**259**	244
Tax charge on disposal of businesses	**-**	(34)
Tax relief on other exceptional items	**-**	8
Tax relief on other adjustments made to derive Benchmark PBT	**35**	45
Benchmark tax charge	**294**	263
Benchmark PBT	**1,124**	1,071
Benchmark tax rate	**26.2%**	24.6%

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

In the year ended 31 March 2017, the credit of US$10m (2016: charge of US$172m) in respect of other comprehensive income is after a deferred tax credit of US$2m (2016: US$6m), relating to remeasurement losses on post-employment benefit assets and obligations.

In the year ended 31 March 2017, a tax credit relating to employee share incentive plans of US$7m (2016: charge of US$12m) has been recognised in equity and reported as appropriate within transactions with owners. This amount comprises a current tax credit of US$2m (2016: charge of US$9m) and a deferred tax credit of US$5m (2016: charge of US$3m).

11. Discontinued operations

Experian has agreed to divest the Group's email/cross-channel marketing business, and the results and cash flows of this business are accordingly classified as discontinued with comparative figures re-presented. Experian completed a transaction to divest its comparison shopping and lead generation businesses in October 2012, and their results and cash flows are classified as discontinued.

(a) Results for discontinued operations

The profit for the financial year from discontinued operations of US$53m (2016: US$30m) comprises a profit of US$66m (2016: US$42m) in respect of the email/cross-channel marketing business and a loss of US$13m (2016: US$12m) in respect of the comparison shopping and lead generation businesses.

The results of the email/cross-channel marketing business were:

	2017 US$m	2016 US$m
Revenue	**308**	313
Labour costs	**(153)**	(153)
Data and information technology costs	**(27)**	(22)
Depreciation and amortisation charges	**(27)**	(23)
Marketing and customer acquisition costs	**(3)**	(4)
Other operating charges	**(50)**	(50)
Total operating expenses	**(260)**	(252)
Separation and transaction related charges	**(18)**	-
Profit before tax	**30**	61
Tax credit/(charge)	**36**	(19)
Profit for the financial year from discontinued operations	**66**	42

Depreciation and amortisation include amortisation of acquisition intangibles of US$7m (2016: US$4m). The tax credit from discontinued operations includes a US$45m deferred tax credit as the Group now expects to realise certain temporary timing differences relating to its investment in a subsidiary undertaking as a result of the disposal of CCM.

The results of the comparison shopping and lead generation businesses were:

	2017 US$m	2016 US$m
Loss on disposal of discontinued operations	**(22)**	(20)
Tax credit in respect of disposal	**9**	8
Loss for the financial year from discontinued operations	**(13)**	(12)

The loss on disposal in both years arose from the reduction in the carrying value of the loan note receivable issued as part of the disposal.

(b) Cash flows for discontinued operations

	2017 US$m	2016 US$m
Cash inflow from operating activities	**41**	70
Cash flow used in investing activities	**(21)**	(11)
Net cash inflow from discontinued operations	**20**	59

The cash inflow from operating activities of US$41m (2016: US$70m) all relates to the email/cross-channel marketing business and is stated after tax paid on the income of that business of US$9m (2016: US$14m).

Cash flow used in investing activities of US$21m (2016: $US11m) comprises an outflow of US$24m (2016: US$24m) relating to the email/cross-channel marketing business, and a cash inflow of US$3m (2016: $13m) on the partial redemption of the loan note which arose on the disposal of the comparison shopping and lead generation businesses.

Notes to the financial statements (continued)
for the year ended 31 March 2017

12. Earnings per share disclosures

(a) Earnings per share

	Basic		Diluted	
	2017	2016 (Re-presented) (Note 3)	**2017**	2016 (Re-presented) (Note 3)
	US cents	US cents	**US cents**	US cents
Continuing and discontinued operations	**92.1**	78.6	**91.4**	78.1
Deduct: discontinued operations	**(5.6)**	(3.1)	**(5.6)**	(3.1)
Continuing operations	**86.5**	75.5	**85.8**	75.0
Deduct: exceptional items, net of related tax	**-**	(1.2)	**-**	(1.2)
Add: other adjustments made to derive Benchmark PBT, net of related tax	**1.9**	10.1	**1.9**	10.1
Benchmark EPS (non-GAAP measure)	**88.4**	84.4	**87.7**	83.9

(b) Analysis of earnings

(i) Attributable to owners of Experian plc

	2017	2016 (Re-presented) (Note 3)
	US$m	US$m
Continuing and discontinued operations	**866**	753
Deduct: discontinued operations	**(53)**	(30)
Continuing operations	**813**	723
Deduct: exceptional items, net of related tax	**-**	(11)
Add: other adjustments made to derive Benchmark PBT, net of related tax	**18**	97
Benchmark earnings attributable to owners of Experian plc (non-GAAP measure)	**831**	809

(ii) Attributable to non-controlling interests

	2017	2016
	US$m	US$m
Continuing and discontinued operations	**(1)**	(1)
Add: amortisation of acquisition intangibles attributable to non-controlling interests, net of related tax	**-**	-
Benchmark earnings attributable to non-controlling interests (non-GAAP measure)	**(1)**	(1)

(c) Reconciliation of Total Benchmark earnings to profit for the financial year

	2017	2016 (Re-presented) (Note 3)
	US$m	US$m
Total Benchmark earnings (non-GAAP measure)	**830**	808
Profit from discontinued operations	**53**	30
Profit from exceptional items, net of related tax	**-**	11
Loss from other adjustments made to derive Benchmark PBT, net of related tax	**(18)**	(97)
Profit for the financial year	**865**	752

(d) Weighted average number of ordinary shares

	2017	2016
	million	million
Weighted average number of ordinary shares	**940**	958
Add: dilutive effect of share incentive awards, options and share purchases	**8**	6
Diluted weighted average number of ordinary shares	**948**	964

13. Dividends

(a) Dividend information

	2017		2016	
	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 2017 (2016: January 2016)	**13.0**	**121**	12.5	120
Second interim – paid in July 2016 (2016: July 2015)	**27.5**	**260**	27.0	260
Dividends paid on ordinary shares	**40.5**	**381**	39.5	380
Full year dividend for the financial year	**41.5**	**386**	40.0	380

A second interim dividend in respect of the year ended 31 March 2017 of 28.5 US cents per ordinary share will be paid on 21 July 2017, to shareholders on the register at the close of business on 23 June 2017. This dividend is not included as a liability in these financial statements. This second interim dividend and the first interim dividend paid in January 2017 comprise the full year dividend for the financial year of 41.5 US cents per ordinary share. Further administrative information on dividends is given in the Shareholder and corporate information section.

In the year ended 31 March 2017, the employee trusts waived their entitlements to dividends of US$5m (2016: US$5m). There is no entitlement to dividend in respect of own shares held as treasury shares.

(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 Income Access Share arrangements have been put in place. The purpose of the Income Access Share 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 Income Access Share 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 Income Access Share 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 Income Access Share arrangements. All elections remain in force indefinitely unless revoked.

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

14. Capital expenditure, disposals and capital commitments

During year ended 31 March 2017, the Group incurred capital expenditure of US$399m (2016: US$315m) 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 2017 was US$6m (2016: US$14m) and the amount realised was US$15m (2016: US$13m).

At 31 March 2017, the Group had capital commitments in respect of property, plant and equipment and intangible assets and for which contracts had been placed of US$33m (2016: US$24m). These include commitments of US$13m not expected to be incurred before 31 March 2018. Commitments as at 31 March 2016 included commitments of US$13m not then expected to be incurred before 31 March 2017.

Notes to the financial statements (continued)

for the year ended 31 March 2017

15. Post-employment benefits – IAS19 Information

(a) Balance sheet assets/(obligations)

	2017 US$m	2016 US$m
Retirement benefit assets/(obligations) - funded plans:		
Fair value of funded plans' assets	**1,041**	1,023
Present value of funded plans' obligations	**(1,027)**	(997)
Assets in the Group balance sheet for funded defined benefit pensions	**14**	26
Obligations for unfunded post-employment benefits:		
Present value of defined benefit pensions - unfunded plans	**(49)**	(49)
Present value of post-employment medical benefits	**(5)**	(6)
Liabilities in the Group balance sheet	**(54)**	(55)
Net post-employment benefit obligations	**(40)**	(29)

Pension assets are deemed to be recoverable and there are no adjustments in respect of minimum funding requirements as, under the Experian Pension Scheme rules, future economic benefits are available to the Group in the form of reductions in future contributions.

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

	2017 US$m	2016 US$m
At 1 April	**(29)**	(2)
Differences on exchange	**2**	-
Charge to Group income statement	**(8)**	(8)
Remeasurement losses recognised within other comprehensive income	**(13)**	(30)
Contributions paid by the Group and employees	**8**	11
At 31 March	**(40)**	(29)

(c) Income statement charge

	2017 US$m	2016 US$m
By nature of expense:		
Current service cost	**5**	7
Administration expenses	**2**	2
Charge within labour costs	**7**	9
Curtailment gain on disposal of business	**-**	(1)
Charge within operating profit	**7**	8
Interest expense	**1**	-
Total charge to income statement	**8**	8

(d) Financial actuarial assumptions

	2017 %	2016 %
Discount rate	**2.5**	3.4
Inflation rate – based on the UK Retail Prices Index (the 'RPI')	**3.2**	2.9
Inflation rate – based on the UK Consumer Prices Index (the 'CPI')	**2.2**	1.9
Increase in salaries	**3.7**	3.4
Increase for pensions in payment – element based on the RPI (where cap is 5%)	**3.0**	2.7
Increase for pensions in payment – element based on the CPI (where cap is 2.5%)	**1.7**	1.5
Increase for pensions in payment – element based on the CPI (where cap is 3%)	**1.9**	1.7
Increase for pensions in deferment	**2.2**	1.9
Inflation in medical costs	**6.2**	5.9

The mortality and other demographic assumptions used at 31 March 2017 remain broadly unchanged from those used at 31 March 2016 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 2017

16. Notes to the Group cash flow statement

(a) Cash generated from operations

	Notes	2017	2016 (Re-presented) (Note 3)
		US$m	US$m
Profit before tax		**1,071**	966
Share of post-tax profit of associates		**(4)**	(4)
Net finance costs		**8**	95
Operating profit		**1,075**	1,057
(Profit)/loss on disposals of fixed assets		**(9)**	1
Profit on disposal of businesses	8(b)	**-**	(57)
Depreciation and amortisation[1]		**426**	449
Charge in respect of share incentive plans		**61**	54
Increase in working capital	16(b)	**(39)**	(21)
Acquisition expenses – difference between income statement charge and amount paid		**3**	1
Adjustment to the fair value of contingent consideration		**-**	2
Movement in exceptional items included in working capital		**8**	-
Cash generated from operations		**1,525**	1,486

1. Depreciation and amortisation includes amortisation of acquisition intangibles of US$104m (2016: US$115m) which is excluded from Benchmark PBT.

(b) Increase in working capital

	2017	2016 (Re-presented) (Note 3)
	US$m	US$m
Inventories	**1**	-
Trade and other receivables	**(59)**	(57)
Trade and other payables	**19**	36
Increase in working capital	**(39)**	(21)

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

	Note	2017	2016
		US$m	US$m
Purchase of subsidiaries	22(a)	**380**	-
Net cash acquired with subsidiaries	22(a)	**(22)**	-
Deferred consideration settled		**5**	13
As reported in the Group cash flow statement		**363**	13
Acquisition expenses paid		**13**	3
Payments to acquire non-controlling interests		**9**	6
Cash outflow for acquisitions (non-GAAP measure)		**385**	22

Notes to the financial statements (continued)

for the year ended 31 March 2017

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

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

	Note	2017 US$m	2016 US$m
Issue of ordinary shares	20	**(11)**	(13)
Purchase of shares held as treasury shares		**-**	344
Purchase of shares by employee trusts		**28**	71
Purchase and cancellation of own shares		**336**	190
Cash outflow in respect of net share purchases (non-GAAP measure)		**353**	592
As reported in the Group cash flow statement:			
Cash inflow in respect of net share purchases		**(11)**	(13)
Cash outflow in respect of net share purchases		**364**	605
		353	592

(e) Analysis of cash and cash equivalents

	2017 US$m	2016 US$m
Cash and cash equivalents in the Group balance sheet	**83**	156
Bank overdrafts	**(2)**	(5)
Cash and cash equivalents in the Group cash flow statement	**81**	151

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

	Note	2017 US$m	2016 (Re-presented) (Note 3) US$m
Cash generated from operations	16(a)	**1,525**	1,486
Purchase of other intangible assets		**(319)**	(255)
Purchase of property, plant and equipment		**(80)**	(60)
Sale of property, plant and equipment		**15**	13
Acquisition expenses paid		**13**	3
Dividends received from associates		**3**	3
Cash outflow in respect of security incident		**(8)**	20
Benchmark operating cash flow (non-GAAP measure)		**1,149**	1,210

Benchmark free cash flow for the year ended 31 March 2017 was US$933m (2016: US$1,019m). Cash flow conversion for the year ended 31 March 2017 was 96% (2016: 106%).

Notes to the financial statements (continued)

for the year ended 31 March 2017

18. Net debt (non-GAAP measure)

(a) Analysis by nature

	2017 US$m	2016 US$m
Cash and cash equivalents (net of overdrafts)	**81**	151
Debt due within one year – commercial paper	**(152)**	(44)
Debt due within one year – bonds and notes	**(600)**	-
Debt due within one year – finance lease obligations	**(1)**	(3)
Debt due after more than one year – bonds and notes	**(1,618)**	(2,447)
Debt due after more than one year – bank loans and finance lease obligations	**(651)**	(601)
Derivatives hedging loans and borrowings	**(232)**	(79)
	(3,173)	(3,023)

(b) Analysis by balance sheet caption

	2017 US$m	2016 US$m
Cash and cash equivalents	**83**	156
Current borrowings	**(759)**	(52)
Non-current borrowings	**(2,285)**	(3,068)
Total reported in the Group balance sheet	**(2,961)**	(2,964)
Accrued interest reported within borrowings above but excluded from Net debt	**20**	20
Derivatives reported within financial assets	**15**	20
Derivatives reported within financial liabilities	**(247)**	(99)
	(3,173)	(3,023)

(c) Analysis of movements in Net debt

	Net debt at 1 April 2016	Movements in the year ended 31 March 2017				**Net debt at 31 March 2017**
		Net cash inflow	Net share purchases	Fair value gains/(losses)	Exchange and other movements	
	US$m	US$m	US$m	US$m	US$m	**US$m**
Cash and cash equivalents	156	273	(353)	-	7	**83**
Borrowings	(3,120)	(153)	-	29	200	**(3,044)**
Total reported in the balance sheet	(2,964)	120	(353)	29	207	**(2,961)**
Accrued interest	20	-	-	-	-	**20**
Derivatives hedging loans and borrowings	(79)	23	-	(48)	(128)	**(232)**
	(3,023)	**143**	**(353)**	**(19)**	**79**	**(3,173)**

19. Undrawn committed bank borrowing facilities

	2017 US$m	2016 US$m
Facilities expiring in:		
One to two years	**200**	-
Two to three years	**150**	150
Three to four years	**225**	-
Four to five years	**1,800**	2,025
	2,375	2,175

These facilities are at variable interest rates and are in place for general corporate purposes, including the financing of acquisitions and the refinancing of other borrowings.

Notes to the financial statements (continued)

for the year ended 31 March 2017

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 2015	1,032.8	103	1,506
Shares issued under employee share incentive plans	1.0	-	13
Purchase and cancellation of own shares	(10.8)	(1)	-
At 31 March 2016	1,023.0	102	1,519
Shares issued under employee share incentive plans	0.8	-	11
Purchase and cancellation of own shares	(18.2)	(2)	-
At 31 March 2017	**1,005.6**	**100**	**1,530**

21. Own shares held

	Number of shares million	Cost of shares US$m
At 1 April 2015	59	905
Purchase of shares held as treasury shares	19	344
Purchase of shares by employee trusts	4	71
Exercise of share options and awards	(5)	(80)
At 31 March 2016	77	1,240
Purchase of shares by employee trusts	1	28
Exercise of share options and awards	(3)	(36)
At 31 March 2017	**75**	**1,232**

Own shares held at 31 March 2017 include 62 million shares held as treasury shares and 13 million shares held by employee trusts. Own shares held at 31 March 2016 include 63 million shares held as treasury shares and 13 million shares held by employee trusts. The total cost of own shares held at 31 March 2017 of US$1,201m (2016: US$1,209m) is deducted from other reserves in the Group balance sheet.

Notes to the financial statements (continued)

for the year ended 31 March 2017

22. Acquisitions

(a) Acquisitions in the year

The Group made one acquisition during the year ended 31 March 2017, in connection with which provisional goodwill of US$292m was recognised based on the fair value of the net assets acquired of US$88m.

This related to the acquisition on 12 August 2016 of the whole of the issued share capital of CSIdentity, a leading provider of consumer identity management and fraud detection services based in the USA, for a net purchase consideration of US$358m. This acquisition accelerates execution of Experian's Consumer Services strategy and enables Experian to address a broader spectrum of the consumer market.

Net assets acquired, goodwill and acquisition consideration are analysed below.

	CSIdentity US$m
Intangible assets:	
Customer and other relationships	**21**
Software development	**87**
Other non-acquisition intangibles	**5**
Intangible assets	**113**
Property, plant and equipment	**1**
Trade and other receivables	**20**
Deferred tax assets	**26**
Current tax assets	**6**
Cash and cash equivalents	**22**
Trade and other payables	**(32)**
Provisions	**(25)**
Deferred tax liabilities	**(43)**
Total identifiable net assets	**88**
Goodwill	**292**
Total satisfied by cash	**380**

These provisional fair values contain amounts which will be finalised no later than one year after the date of acquisition. Provisional amounts have been included at 31 March 2017 as a consequence of the timing and complexity of the acquisition. Goodwill represents the synergies, assembled workforce and future growth potential of the business. None of the goodwill arising in the year of US$292m is currently deductible for tax purposes.

There have been no other material gains, losses, error corrections or other adjustments recognised in the year ended 31 March 2017 that relate to acquisitions in the current or prior years.

(b) Additional information

(i) Current year acquisitions

	CSIdentity US$m
Increase in book value from fair value adjustments:	
Intangible assets	**108**
Provisions	**(25)**
Net deferred tax liabilities	**(33)**
Increase in book value from fair value adjustments	**50**
Gross contractual amounts receivable in respect of trade and other receivables	**14**
Pro forma revenue from 1 April 2016 to date of acquisition	**39**
Revenue from date of acquisition to 31 March 2017	**59**
Loss before tax from date of acquisition to 31 March 2017	**(1)**

At the date of acquisition, the gross contractual amounts receivable in respect of trade and other receivables of US$14m were expected to be collected in full.

If the transaction had occurred on the first day of the financial period, the estimated loss before tax would have been US$2m.

Notes to the financial statements (continued)

for the year ended 31 March 2017

22. Acquisitions (continued)

(ii) Prior year acquisitions

The Group completed no acquisitions during the year ended 31 March 2016 and the cash outflow of US$13m reported in the Group cash flow statement for that year arose in connection with acquisitions prior to 31 March 2015.

There have been no material gains, losses, error corrections or other adjustments recognised in the year ended 31 March 2017 that relate to acquisitions prior to 31 March 2015.

23. Assets and liabilities classified as held for sale

Experian has agreed to divest the Group's email/cross-channel marketing business and it is anticipated that this transaction will be completed in the year ending 31 March 2018. The assets and liabilities of this business, shown below, have been reclassified at 31 March 2017 as held for sale. Any gain or loss on disposal will be recognised in the year ending 31 March 2018.

	US$m
Assets classified as held for sale:	
Goodwill	**214**
Other intangible assets	**50**
Property, plant and equipment	**18**
Trade receivables	**54**
Other prepayments and accrued income	**20**
Current tax asset	**2**
Assets classified as held for sale	**358**
Liabilities classified as held for sale:	
Trade payables	**(7)**
Accruals and deferred income	**(24)**
Other payables	**(7)**
Current tax liability	**(3)**
Deferred tax liability	**(17)**
Liabilities classified as held for sale	**(58)**

24. Contingencies

(a) North America security incident

In September 2015, Experian North America suffered an unauthorised intrusion to its Decision Analytics computing environment that allowed unauthorised acquisition of certain data belonging to a client, T-Mobile USA, Inc. Experian notified the individuals who may have been affected and offered free credit monitoring and identity theft resolution services. In addition, government agencies were notified as required by law. The one-off costs to Experian of directly responding to this incident were reflected in a US$20m income statement charge in the year ended 31 March 2016.

Experian has received a number of class actions and other related claims in respect of the incident and is working with regulators and government bodies as part of their investigations. It is currently not possible to predict the scope and effect on the Group of these various regulatory and government investigations and legal actions, including their timing and scale. In the event of unfavourable outcomes, the Group may benefit from applicable insurance recoveries.

(b) Brazilian credit scores

As indicated in our 2014 Annual Report, 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 Court 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 and additional related claims could be filed, 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.

Notes to the financial statements (continued)

for the year ended 31 March 2017

24. Contingencies (continued)

(c) Brazil tax
As previously indicated, Serasa S.A. 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 October 2016, the First Chamber of the Tax Administrative Counsel ruled in favour of Serasa S.A.'s appeal in the proceedings in respect of the tax assessment, before interest and penalties, of US$58m for the tax years from 2007 to 2010. The tax authority has appealed this ruling.

(d) North America contractual dispute
In March 2017 Experian received an adverse ruling on a 2010 contractual dispute in Canada in respect of a software product no longer offered by the Group and damages were awarded of approximately US$30m. Experian believes it has good grounds for a favourable ruling on appeal and is vigorously defending its position. However, as is inherent in legal proceedings, there remains a risk of an outcome that may be unfavourable to the Group.

(e) Other litigation and claims
There continue to be a number of other claims and pending and threatened litigation 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.

25. 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).

26. Company website

A full range of investor information is available at <<www.experianplc.com>>. Details of the 2017 Annual General Meeting ('AGM'), to be held at The Merrion Hotel, Upper Merrion Street, Dublin 2, D02 KF79, Ireland at 9.30am on Thursday, 20 July 2017, are given on the website and in the notice of meeting. Information on the Company's share price is available on the website.

Notes to the financial statements (continued)

for the year ended 31 March 2017

27. Risks and uncertainties

Risk management is an essential element of how we run Experian, to help us deliver long-term shareholder value and to protect our business, people, assets, capital and reputation.

Successfully managing existing and emerging risks is critical to our long-term success and to achieving our strategic objectives. To seize the opportunities in front of us, we must accept a reasonable degree of risk and manage that risk appropriately. Risk management is therefore integral to our corporate governance and how we run our business.

The Board is responsible for maintaining and reviewing the effectiveness of our risk management activities from a financial, operational and strategic perspective. These activities are designed to identify and manage, rather than eliminate, the risk of failure to achieve business objectives or to successfully deliver our business strategy. Our risk management framework supports the successful running of the business, by identifying and where possible managing risks to an acceptable level and delivering assurance on these.

We've built the risk management framework to identify, evaluate, analyse, mitigate and monitor those risks that threaten the successful achievement of our business strategy and objectives, within our risk appetite.

(a) Risk area - Loss or inappropriate use of data and systems

Description

We hold and manage sensitive consumer information that increases our exposure and susceptibility to cyber-attacks, either directly through our online systems or indirectly through our partners or third-party contractors.

Potential impact

Losing or misusing sensitive consumer data could cause problems for consumers and result in material loss of business, substantial legal liability, regulatory enforcement actions and/or significant harm to our reputation.

Examples of control mitigation

- We deploy physical and technological security measures, combined with monitoring and alerting for suspicious activities.
- We maintain an information security programme for identifying, protecting against, detecting, and responding to cyber security risks and recovering from cyber security incidents.
- We impose contractual security requirements on our partners and other third parties who use our data, complemented by periodic reviews of third-party controls.
- We maintain insurance coverage, where feasible and appropriate.

(b) Risk area - Failure to comply with laws and regulations

Description

We hold and manage sensitive consumer information and must therefore comply with a range of privacy and consumer protection laws, regulations and contractual obligations.

Potential impact

Non-compliance may result in material litigation, including class actions, as well as regulatory actions. These could result in civil or criminal liability or penalties, as well as damage to our reputation.

Examples of control mitigation

- We maintain a compliance management framework that includes defined policies, procedures and controls for Experian employees, business processes and third parties such as our data resellers.
- We assess the appropriateness of using data in new and/or changing products and services.
- We vigorously defend all pending and threatened claims, employing internal and external counsel to effectively manage and conclude such 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.

27. Risks and uncertainties (continued)

(c) Risk area - Business conduct risk

Description

Our business model is designed to create long-term value for people, businesses and society through our data assets and innovative analytics and software solutions. Inappropriate execution of our business strategies or activities could adversely affect our clients, consumers or counterparties.

Potential impact

Consumers or clients could receive inappropriate products or not have access to appropriate products, resulting in material loss of business, substantial legal liability, regulatory enforcement actions or significant harm to our reputation.

Examples of control mitigation

- We maintain appropriate governance and oversight that include policies, procedures and controls designed to safeguard personal data, avoid detriment to consumers, provide consumer-centric product design and delivery, and effectively respond to enquiries and complaints. These activities also support a robust conduct risk management framework.
- We enforce our Global Code of Conduct, Anti-Corruption Policy and Gifts and Hospitality Policy. If we believe employees or suppliers are not following our conduct standards, we will investigate thoroughly and take disciplinary action where appropriate.

(d) Risk area - Non-resilient IT/business environment

Description

Delivery of our products and services depends on a number of key IT systems and processes that expose our clients, consumers and businesses to serious disruptions from systems or operational failures.

Potential impact

A significant failure or interruption could have a materially adverse effect on our business, financial performance, financial condition and/or reputation.

Examples of control mitigation

- We maintain a significant level of resiliency in our operations, designed to avoid material and sustained disruptions to our businesses, clients and consumers.
- We design applications to be resilient and with a balance between longevity, sustainability and speed.
- We maintain a global integrated business continuity framework that includes industry-appropriate policies, procedures and controls for all our systems and related processes, as well as ongoing review, monitoring and escalation activities.
- We duplicate information in our databases and maintain backup data centres.

27. Risks and uncertainties

(e) Risk area - Undesirable investment outcomes

Description

We critically evaluate and may invest in acquisitions and other growth opportunities, including internal performance improvement programmes, any of which may not produce the desired financial or operating results.

Potential impact

- Failure to successfully implement our key business strategies could have a materially adverse effect on our ability to achieve our 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 and/or significant harm to our reputation.

Examples of control mitigation

- We design our incentive programmes to optimise shareholder value through delivery of balanced, sustainable returns and a sound risk profile over the long term.
- We carry out comprehensive business reviews.
- We perform due diligence and post-investment reviews on acquisitions and partnerships.
- We employ a rigorous capital allocation framework.
- We analyse competitive threats to our business model and markets.

(f) Risk area - Adverse and unpredictable financial markets or fiscal developments

Description

We operate globally and our results could be affected by global or regional changes in fiscal or monetary policies:

- A substantial change in credit markets in the USA, UK or Brazil could reduce our financial performance and growth potential in those countries.
- We present our financial statements in US dollars. However, we transact business in a number of currencies. Changes in other currencies relative to the US dollar could affect our financial results.
- A substantial rise in USA, EU or UK interest rates could increase our future cost of borrowings.
- We are subject to complex and evolving tax laws and interpretations, which may change significantly. These changes may increase our effective tax rates in the future. Uncertainty about the application of these laws may also result in different outcomes from the amounts we provide.

Potential impact

- The USA, UK and Brazil markets are significant contributors to revenue. A reduction in one or more of these consumer and business credit services markets could reduce our revenue and profit.
- We benefit from the strengthening of currencies relative to the US dollar and are adversely affected by currencies weakening relative to it.
- We have outstanding debt denominated principally in US dollars, sterling and euros. As this debt matures, we may need to replace it with borrowings at higher rates.
- Earnings could be reduced and tax payments increased as a result of settling historical tax positions or increases in our effective tax rates.

Examples of control mitigation

- We have a diverse portfolio by geography, product, sector and client.
- We provide counter-cyclical products and services.
- We convert cash balances 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.

27. Risks and uncertainties

(g) Risk area - New legislation or changes in regulatory enforcement

Description

We operate in an increasingly complex environment, in which many of our activities and services are subject to legal and regulatory influences. New laws, new interpretations of existing laws, changes to existing regulations and/or heightened regulatory scrutiny could affect how we operate. For example, future regulatory changes could impact how we collect and use consumer information for marketing, risk management and fraud detection. Regulatory changes could impact how we serve Consumer Services' clients or how we market services to clients or consumers.

Potential impact

We may suffer increased costs or reduced revenue resulting from modified business practices, adopting new procedures, self-regulation and/or litigation or regulatory actions resulting in liability or fines.

Examples of control mitigation

- We use internal and external resources to monitor planned and realised changes in legislation.
- 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.
- We execute our Compliance Management Programme, which directs the structure, documentation, tools and training requirements to support compliance on an ongoing basis.

(h) Risk area - Increasing competition

Description

Our competitive landscape continues to evolve, with traditional players reinventing themselves, emerging players investing heavily and new entrants making large commitments in new technologies or new approaches to our markets, including marketing, consumer services, and business and consumer credit information. There is a risk that we will not respond adequately to such business disruptions or that our products and services will fail to meet changing client and consumer preferences.

Potential impact

Price reductions may reduce our margins and financial results. Increased competition may reduce our market share, harm our ability to obtain new clients or retain existing ones, affect our ability to recruit talent and can influence our investment decisions. We might also be unable to support changes in the way our businesses and clients use and purchase information, affecting our operating results.

Examples of control mitigation

- We continue to research and invest 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 in 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.

27. Risks and uncertainties (continued)

(i) Risk area - Data ownership, access and integrity

Description

Our business model depends on our ability to collect, aggregate, analyse and use consumer and client information. There is a risk that we may not have access to data because of consumer privacy and data accuracy concerns, or data providers being unable or unwilling to provide their data to us or imposing a different fee structure for using their data.

Potential impact

Our ability to provide products and services to our clients could be affected, leading to a materially adverse impact on our business, reputation and/or operating results.

Examples of control mitigation

- 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.

(j) Risk area - Dependency on highly skilled personnel

Description

Our success depends on the ability to attract, motivate and retain key talent and build future leadership.

Potential impact

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

Examples of control mitigation

- In every region, we have ongoing recruitment, personal and career development, and talent identification and development programmes.
- We periodically carry out our Global People Survey 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.

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 Strategic 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, together with a description of the principal risks and uncertainties that they face, which is included in note 27.

The names and functions of the directors in office as at 10 May 2016 were listed in the Experian annual report 2016. In the period from 10 May 2016 to the date of this report:

- Judith Sprieser retired from the Board on 20 July 2016; and
- Caroline Donahue was appointed to the Board as a non-executive director on 1 January 2017.

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

By order of the Board

Charles Brown

Company Secretary

17 May 2017