experian.

news release

Full-year financial report

7am, 20 May 2020 – Experian plc, the global information services company, today issues its financial report for the year ended 31 March 2020.

Brian Cassin, Chief Executive Officer, commented:
"The past year was a strong one for Experian. We delivered organic revenue growth at the top end of our revenue guidance range and finished the year strongly in Q4. The COVID-19 crisis began to escalate late into our financial year with limited financial impact in FY20. We took swift action across our business in response to the unfolding crisis. We have operations in 45 countries and numerous industry segments, including in many of the societies hardest hit by the pandemic. Our priorities have been to protect our people, to secure our business financially and operationally, to focus on how we can help the millions of consumers who are financially affected, as well as to assist governments and our clients as they respond to the crisis.

"The vast majority of our employees are working from home and our operations continue to function smoothly. Our business is strongly cash generative and we have a robust balance sheet and funding liquidity. While we continue to assess the impact of the crisis on our markets, and we expect near-term revenue to be affected, the nature of our business means we have a degree of resilience. We are taking mitigating cost actions in the short term, but we are also positioning ourselves to emerge strongly by continuing to invest in our people and growth initiatives.

"The COVID-19 pandemic has highlighted the fundamental importance of data as we tackle this unprecedented challenge. We are proud of the way our people and business have stepped up to provide broader help in this time of crisis. We have a role to play in helping societies recover, and we are leading the way in providing education, advice and free tools to consumers as well as significant and valuable help to governments across the world. We are confident that, once the crisis abates, we will be well placed to continue to deliver on our growth agenda. Accordingly, we have held our second interim dividend level at 32.5 cents per share."

Benchmark and Statutory financial highlights

	2020 US$m	2019 US$m	Actual rates growth %	Constant rates growth %	Organic growth %[2]
Benchmark[1]					
Revenue – ongoing activities	5,179	4,855	7	9	8
Revenue	5,179	4,861	7	9	n/a
Benchmark EBIT – ongoing activities[3]	1,387	1,306	6	9	n/a
Total Benchmark EBIT	1,387	1,311	6	9	n/a
Benchmark EPS	USc 103.0	USc 98.0	5	8	n/a
Statutory					
Revenue	5,179	4,861	7	9	n/a
Operating profit	1,185	1,162	2	5	n/a
Profit before tax	942	957	(2)	5	n/a
Basic EPS	USc 74.8	USc 76.9	(3)	6	n/a
Total dividend	USc 47.0	USc 46.5	1	n/a	n/a

1 See Appendix 1 (page 13) and note 5 to the financial statements (pages 23-25) for definitions of non-GAAP measures.
2 Organic revenue growth at constant currency.
3 See page 14 for reconciliation of Benchmark EBIT from ongoing activities to Profit before tax.

- **Strong FY20 financial performance.**
  - Full year organic revenue growth of 8%, with Q4 organic revenue growth of 10%.
  - Full year organic revenue growth in B2B and Consumer Services of 7% and 10% respectively.
  - Full year regional organic growth rates of 11% in North America, 13% in Latin America, (2%) in UK and Ireland and (3%) in EMEA/Asia Pacific.
  - Q4 regional organic growth rates of 13% in North America, 12% in Latin America, (5%) in UK and Ireland and 7% in EMEA/Asia Pacific.
  - Q4 organic revenue growth in Business-to-Business (B2B) and Consumer Services of 9% and 11% respectively.

- Benchmark EBIT (ongoing activities) growth at constant exchange rates of 9%.
  - Benchmark EBIT margin of 26.8%.
  - Benchmark EPS growth of 8% at constant rates and basic EPS growth of (3%) at actual exchange rates.

- **Strategic highlights.**
  - A strong year for new product innovation with a focus on scaling new B2B platforms: Ascend, Experian One, Open Data and CrossCore all progressed in the year.
  - Brazil grew strongly. Positive data now launched.
  - Consumer Services' diversification and expansion gathered momentum with millions of new free memberships taking the total to 82m. Significant progress in Experian Boost – unique account connections of 3m US consumers. Latin America Consumer Services revenue now material with momentum.
  - Further strategic progress with US$700m investment in acquisitions, including Compuscan. After the year end we agreed to acquire a majority stake in Germany's second largest credit bureau.

- **Continuing commitment to shareholder returns and disciplined capital allocation.**
  - Second interim dividend of 32.5 US cents per ordinary share, unchanged year-on-year, to bring the total for FY20 to 47.0 US cents per share.
  - Completed US$189m of the net share repurchase programme. Programme suspended since March 2020.

Contacts

Experian

Nadia Ridout-Jamieson	Investor queries	+44 (0)20 3042 4278
Gerry Tschopp	Media queries	

Finsbury

Rollo Head	+44 (0)77 6899 4987
Jenny Davey	+44 (0)79 0151 3610

There will be a presentation today at 9.30am (UK time) to analysts and investors via conference call. To view the slides and listen in online please go to www.experianplc.com for the link.

Experian will update on first quarter trading for FY21 on 16 July 2020.

Roundings
Certain financial data has 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 pages 42-46 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 17,800 people operating across 45 countries and every day we're investing in new technologies, talented people and innovation to help all our clients maximise 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.

Part 1 - Chief Executive Officer's review

Our results today are shared in the shadow of the tragic COVID-19 pandemic, which is an event like none other in our history. Our thoughts are with the individuals and families whose lives have been affected by the spread of the virus. We also wish to express our support and appreciation to the tireless efforts of healthcare professionals everywhere who are dealing with this crisis, as well as to everyone helping the vulnerable.

COVID-19 – our operating principles

At Experian, we have adopted some key principles to help us navigate this crisis, first among which is to protect the wellbeing of our people. We are placing a very high priority on this, helping our people to meet the challenges of remote working. As a business, we also have an important role to play to help not only clients and consumers, but also governments, communities and society more broadly. Many people and businesses are struggling financially, and many may become susceptible to fraudsters and criminal organisations. Governments and other organisations need help to tackle the effects of this crisis and to target assistance to the most vulnerable in our society.

We have rallied our organisation to support wherever we can. The many examples from across Experian include how:

- We are helping local authorities and charities to direct donations to the most vulnerable;
- We are supporting people with financial education recovery programmes, as well as working with governments and society on many fronts;
- We have worked to limit the effect of the pandemic on consumer credit scores;
- We are helping small businesses in the USA and the UK with free Experian credit reports;
- We are helping to facilitate the qualification of COVID-19 symptoms online in our Health business;
- We have been working with the Nottingham University Hospitals NHS Trust, providing analytics and data to create models that help the efficient allocation of key staff and resources, in preparation for patient influx;
- We have also been providing sector and market-level data to help ministers assess the effectiveness of the Government's lending schemes to support UK businesses throughout the pandemic; and
- In Brazil, we are leading a consortium of private and public partners to help health authorities and university researchers better understand the spread of the virus and how it can be managed.

We are also placing a high priority on ensuring our business remains strong throughout this period and we intend to emerge from the crisis strongly. In the early phases of the crisis we quickly activated our business continuity plans and are pleased with how well our systems have performed. The vast majority of our people are working remotely, and we continue to serve clients and consumers across the world. We are fortunate that our operations are supported by a resilient core infrastructure, and we are confident that our data centres and network are operating securely.

In recognition of the extraordinary times, I and my fellow Executive Directors, have decided to waive 25% of our annual salary for six months. The Company intends to allocate the savings it makes to the Experian employee support fund and other charities.

Year ended 31 March 2020

The year ended 31 March 2020 was a strong one for Experian. We delivered organic revenue growth of 8%, which was at the top end of our guidance range, with Q4 organic revenue growth of 10%. We made considerable progress strategically and financially and ended the year with a robust balance sheet and liquidity position.

Full year financial highlights include:

- Revenue growth of 9% at constant currency and organic revenue growth of 8%. At actual exchange rates revenue growth was 7%.
- Double-digit organic revenue growth in North America. Double-digit growth in Latin America with strength across all segments in Brazil. EMEA/Asia Pacific faced some headwinds and declined overall, as did the UK and Ireland which had a challenging year and where we have taken action to improve performance.
- Continued momentum in B2B, with organic revenue growth of 7% as we invest in new sources of data and scale our innovative new platforms.

- Strong growth in Consumer Services, with organic revenue up 10% as we build relationships with millions of consumers and empower consumers to take control of their data.
- Growth in Benchmark EBIT of 9% at constant exchange rates, and 6% at actual exchange rates after significant currency translation headwinds.
- Our Benchmark EBIT margin was 26.8%; flat at constant currency or down 10bps at actual exchange rates.
- We delivered growth in Benchmark earnings per share of 8% at constant exchange rates and 5% at actual exchange rates.
- We continued to convert EBIT strongly into cash, with a conversion rate of Benchmark EBIT into Benchmark operating cash flow of 88%.
- We ended the year in the lower half of our leverage range at 2.2x, compared to our target of 2.0-2.5x Net debt to Benchmark EBITDA.

We delivered further progress in B2B:

- Data delivered organic revenue growth of 10%, with all regions contributing positively. This reflected investment in a wide range of unique sources of data, strength in consumer information across all territories, a strong performance in Brazil and a growing contribution from our bureaux in EMEA/Asia Pacific. We were also delighted after the year end to enter the bureau market in the 4th largest economy in the world, with an agreement to acquire a majority stake in Germany's second largest credit bureau.
- We continued to sign new Ascend clients around the world and are now seeing clients using our sandbox module in multiple countries. Ascend is currently live in six countries around the world with further launches targeted for FY21. The cumulative total contract value for Ascend has now reached US$313m.
- Decisioning delivered organic revenue growth of 1%. We secured 24 new contracts for PowerCurve and we have made excellent progress in fraud and identity, including with CrossCore. Experian One, our new cloud-based decisioning platform, has been introduced across nine countries. Performance in Decisioning was partially offset by strong prior year comparables in Asia Pacific and weakness in the UK and Ireland.
- Experian Health delivered further good progress as we expanded our revenue-cycle management product suite and secured new wins with healthcare providers.

We made significant progress in Consumer Services:

- We have secured direct relationships with 82m consumers for free Experian offers (up from over 55m in FY19). We now have 29.5m free members in the USA, 45m in Brazil and 7.5m in the UK.
- We delivered strong growth in credit marketplace (lead generation) revenues in both the USA and the UK.
- Our consumer activities in Latin America made significant progress, generating revenue of US$40m in the year, an increase of 129% organically. With our success in developing a material Latin America Consumer Services business we will be disclosing this separately going forward.
- We increased Experian Boost membership in the US, with unique account connections of 3m US consumers since launch.

Capital allocation

- We continued to invest in technology and innovation through capital expenditure. Capital expenditure was US$487m, which represented 9% of total revenue.
- During the year we completed a number of acquisitions, including of a number of credit bureaux; Compuscan in South Africa, a controlling interest in RAMCI in Malaysia and Sentinel in Peru. We also added capabilities in key verticals including Auto I.D., Inc., as well as MyHealthDirect, plus the remaining 45% of our subsidiary Experian MicroAnalytics. Total acquisition expenditure was US$700m.
- After the year end, Experian agreed to acquire a majority stake in the Risk Management division of Arvato Financial Solutions (AFS). The AFS Risk Management division is being carved out of the Bertelsmann Group and is one of the leading credit bureaux in Germany, operating also in Austria. On completion, the

consideration will be satisfied by the issue of 7.2m Experian plc shares. The acquisition is subject to regulatory approval.

- Recognising our strong financial position and our diversified and cash generative business model, we are announcing a second interim dividend of 32.5 US cents per share, unchanged year-on-year to bring the total for FY20 to 47.0 US cents per ordinary share. This will be paid on 24 July 2020 to shareholders on the register at the close of business on 26 June 2020.
- In May 2019 we announced a US$400m share repurchase programme for FY20, of which we had completed US$189m by 31 March 2020. Recognising our capital priorities at this time, we have suspended this programme.

Funding and liquidity

- Our balance sheet is robust. We have a policy of spacing out debt maturities and our next bond maturity is in October 2021. Also, in April 2020 we issued £400 million of 3.25% bonds due in 2032, which have further extended the maturity of our debt portfolio.
- As at 31 March 2020 Net debt to Benchmark EBITDA was 2.2x (on a pre IFRS 16 basis), which compares to our target leverage range of 2-2.5x. Following our April Bond issue, at 30 April 2020 we held US$2.4bn of undrawn bank facilities which have an average remaining tenor of four years. These include our core US$1.95bn club facility which is undrawn and committed until December 2024. Our bonds and drawn bank loans, totalling US$4.0bn, have an average remaining tenor of six years and no maturities until July 2021, with no bond maturities before October 2021. The covenant on our bank facilities is that Benchmark EBIT should cover net interest expense (excluding financing fair value remeasurements) by 3x. As at 31 March 2020 this coverage ratio was 11x.

Other financial developments

Benchmark PBT was US$1,255m, up 8% at constant currency and 5% at actual rates, after higher Benchmark net interest expense of US$132m (2019: US$113m). This reflected higher average net debt largely due to the acquisitions made in the second half and a US$10m IFRS16 related interest charge (see note 3 to the financial statements for further information).

The Benchmark tax rate was 25.8% compared to 25.5% in 2019. The increase reflected the change of profit mix in the year.

Our Benchmark EPS was 103.0 US cents, an increase of 8% at constant currency and 5% at actual exchange rates, as the weighted average number of ordinary shares (WANOS) reduced to 902m (2019: 904m) as a result of our share repurchase programme.

Benchmark operating cash flow decreased 4% at actual rates and our Benchmark operating cash flow conversion was 88% (2019: 97%). The reduction is due to the changing mix of our business, greater infrastructure investment and working capital movements. Trade and unbilled receivables have increased by US$57m during the year, partly due to the impact of COVID-19 on collections.

Foreign exchange translation was a 3% headwind to Benchmark EPS in the year. This was predominantly due to the Brazilian real, which weakened by 9% relative to the US dollar versus the prior year.

Current trends and outlook

The COVID-19 crisis has led to significant shutdowns in economic activity across all our main markets and has impacted revenue performance across many of our industry segments. The situation is currently volatile, with key revenue drivers varying significantly from week-to-week. There are three main factors to consider which will have a bearing on our FY21 performance, namely the extent of the impact of stay-at-home policies on economic activity, the positive effects of government stimulus measures on consumer spending, and our own efforts to serve the shifting needs and demands of clients and consumers at this time. Experian's portfolio and geographic diversity also means that not all products and industry segments react in the same way, with some more affected than others.

It is not currently possible to predict how long government lockdown policies will be in place for. We therefore do not intend to provide guidance for the year ending 31 March 2021. For the month of April, the Group experienced a decline in organic revenue of (5)%. Should current trading trends continue throughout the first quarter, we estimate that Q1 organic revenue will decline in a range of (5)% to (10)%. We have also seen significant volatility in foreign exchange rates during the current crisis and in particular a weakening of the Brazilian real. Based on recent average exchange rates persisting, the headwind to Q1 FY21 revenue and Benchmark EBIT would be around 5%.

We are managing costs thoughtfully. We have instigated a range of short-term cost mitigation actions, while remaining committed to maintaining organisational capacity and positioning ourselves to emerge strongly when conditions improve. Accordingly, we have not furloughed any employees and our focus remains on active cost measures on all discretionary costs. We will continue to review all costs as the situation demands.

In order to provide additional transparency, we provide below regional and segmental organic revenue performance over the period 1 to 30 April 2020.

		Year-on-year % change in organic revenue – for the month ended 30 April 2020				
	% of Group revenue[1]	*Data*	*Decisioning*	**B2B[2]**	**Consumer Services**	**Total**
North America	63	*(5)*	*0*	(3)	7	0
Latin America	14	*(8)*	*(10)*	(9)	112	(5)
UK and Ireland	15	*(18)*	*(9)*	(15)	(17)	(15)
EMEA/Asia Pacific	8	*(7)*	*(38)*	(22)	n/a	(22)
Total Global	100	*(7)*	*(8)*	(8)	6	(5)

1 For the year ended 31 March 2020.
2 B2B = Business-to-Business segment consists of Data and Decisioning business sub-divisions.
See note 5 to the financial statements on pages 23-25 for definition of organic revenue growth.

Part 2 - Regional highlights for the year ended 31 March 2020

We delivered strong organic revenue growth in North America and Latin America, while UK and Ireland and EMEA/Asia Pacific made small declines.

Year-on-year % change in organic revenue – for the year ended 31 March 2020						**EBIT margin**
	Data	*Decisioning*	**B2B[1]**	**Consumer Services**	**Total**	**Total**
North America	*11*	*8*	10	11	11	33.7%
Latin America	*13*	*10*	13	n/a	13	30.1%
UK and Ireland	*1*	*(10)*	(3)	2	(2)	22.2%
EMEA/Asia Pacific	*7*	*(10)*	(3)	n/a	(3)	3.5%
Total Global	*10*	*1*	7	10	8	26.8%

1 B2B = Business-to-Business segment consists of Data and Decisioning business sub-divisions.
See note 5 of the extracts from the financial statements on pages 23-25 for definition of organic revenue growth.

North America

Revenue in North America was US$3,247m, with both total revenue and organic revenue growth of 11%.

North America B2B delivered organic revenue growth of 10%. Data grew 11%, with positive contributions across all core areas of activity, reflecting strength in credit data volumes, mortgage and contributions from new products and data assets such as additional Ascend modules and trended data assets. With the launch of Ascend Data Services, we have now introduced six Ascend modules in total and we secured significant synergies from non-traditional credit data assets (Clarity Services).

Decisioning performed well, revenue was up 8% organically, including a very strong performance in fraud and identity management services, including new client wins and new deployments for CrossCore, as well as strong progress in analytics. FY20 closed strongly with new PowerCurve wins, many of which will migrate to our modern cloud platform in the coming financial year. Experian Health performed well as we added new client logos. Growth was also driven by the expansion of our suite of revenue cycle offers, including the integration of MyHealthDirect which helps automate appointments, scheduling and payment processes.

In Consumer Services, we have seen a phenomenal consumer response to Experian Boost since it was first introduced in March 2019. Experian Boost gives consumers the ability to make positive choices about using their data to build out their credit files using non-traditional sources such as utility or mobile phone bills. In the USA, 3m unique consumers have now connected their accounts, and this has contributed to the growth in our free membership base to 29.5m, up from 19m free members at the end of FY19. Increased consumer engagement contributed to growth in organic revenue of 11% as consumers take up a variety of services across the Experian.com ecosystem. Lead generation revenue through CreditMatch more than trebled in size as more consumers were matched to suitable credit offers, there was further very strong growth in identity management paid memberships, and while down for the year as a whole paid-for credit monitoring services crossed into positive territory in H2.

North America Benchmark EBIT increased by 16% to US$1,093m. The Benchmark EBIT margin increased by 140 basis points year-on-year to 33.7%. This reflected strong operating leverage in B2B, even as we invested in customer acquisition in support of the Experian Boost roll out.

Latin America

Revenue in Latin America was US$732m, with both total and organic revenue growth of 13% at constant exchange rates.

In Brazil, our business grew strongly, with strength across consumer information, business information and Decisioning. In B2B, we introduced new products, such as Ascend, and we also made progress entering new industry segments, with particular strength in automotive in the year. We also benefitted from a significant revenue contribution from our consumer-facing activities, with strong demand for Limpa Nome Online, a consumer debt-resolution service, and eCred, which is a credit-matching marketplace, and as we engage with millions of new consumer members. Our consumer membership base continues to grow quickly, and we now have 45m free members, giving us material scale. Revenue across Latin America consumer services was US$40m for the year ended 31 March 2020, an increase of 129% organically over FY19. Given this strong progress and our outlook for creating a significant consumer services business in Latin America, currently live in Brazil, Colombia and Peru, we will be reporting Consumer Services revenue separately from Data going forward in Latin America.

We made significant investments in Brazil during the year, as we prepared for the introduction of positive data. Towards the end of the financial year we launched the first of our B2B positive data propositions, including scores which encompass both positive and negative data, and over the coming year we plan to introduce a wide range of advanced analytical and cloud-based decisioning tools which will incorporate and utilise positive data. We continue to believe that positive data is an important step towards making credit products in Brazil more affordable, and when coupled with advanced analytical solutions like Ascend, will lead to a step-change in digital banking experiences for consumers in Brazil.

We made further progress in Spanish Latin America and were pleased to extend our position in Peru with the acquisition of Sentinel Peru. Sentinel’s strong presence in the small and medium enterprise segment and its relationships with more than one million consumers will help further develop our presence in the Spanish Latin America area.

Benchmark EBIT in Latin America was US$220m, up 6% at constant exchange rates. Benchmark EBIT margin was 30.1% (2019: 32.7%) reflecting revenue mix effects and investments in consumer, positive data preparation and in our technology platforms.

UK and Ireland

The UK and Ireland had a challenging year and underperformed our expectations, with weakness in both revenue performance in B2B and in profitability overall. We have launched a transformation programme to enhance the performance of the business.

Revenue in the UK and Ireland was US$769m. Total and organic revenue growth was (2)%. B2B declined (3)% while Consumer Services delivered organic revenue growth of 2%.

Within B2B, Data delivered organic revenue growth of 1%, including a good contribution from the consumer credit bureau, led by growth in new digital capabilities such as eligibility services for B2B marketplaces, trended data and mortgage digitisation services. Other parts of our Data operations were weaker, while Decisioning contracted, with organic revenue down (10)%. In part, this was as we lapped strong prior-year comparatives but there was also weakness in software sales and installations.

Consumer Services made good progress driven by significant expansion of the credit comparison marketplace and helped by a moderation in the rate of decline in paid memberships. Our free membership base reached 7.5m consumers.

Benchmark EBIT performance was weak in the UK and Ireland, down (22)% at constant exchange rates to US$171m. This reflected the reduction in Decisioning revenue, increased depreciation and amortisation, and further investment related to technology infrastructure to support the rollout of our global platforms. The Benchmark EBIT margin was 22.2% (2019: 28.3%).

EMEA/Asia Pacific

In EMEA/Asia Pacific, revenue was US$431m, with total revenue growth at constant rates of 7% and organic decline of (3)%. The difference relates to the contribution from the Compuscan acquisition and other smaller acquisitions.

We delivered good growth in Data, where organic revenue was up 7%. This reflected good progress in our bureaux in the Nordics, South Africa, India and Australia. We also benefitted from first time revenue contributions for Ascend, as we secure new client engagements, and for our open data platform. Compuscan, our recently acquired credit bureau in South Africa, has performed well and we are excited about the opportunities for the combined business.

Decisioning organic revenue declined by (10)%, reflecting solid progress in EMEA offset by weakness in Asia Pacific as we lapped a small number of large Decisioning contracts in the prior year.

In April we agreed to acquire a majority stake in the Risk Management division of Arvato Financial Solutions (AFS), the second-largest credit bureau in Germany, operating also in Austria. Combining this bureau with our existing decision and analytics business in Germany will allow us to build a strong, scale presence in this key European market.

Benchmark EBIT was US$15m (2019: US$3m). At actual exchange rates Benchmark EBIT growth was 394% and at constant exchange rates it was 336%. Benchmark EBIT margin from ongoing activities at actual rates increased 280 basis points to 3.5% as our operations grow in scale.

Group financial results

Revenue by region

Year ended 31 March	2020 US$m	2019 US$m	Growth % Total at actual rates	Growth % Total at constant rates	Growth % Organic at constant rates
North America					
Data	1,642	1,468		12	11
Decisioning	679	623		9	8
B2B	2,321	2,091		11	10
Consumer Services	926	822		13	11
Total ongoing activities	**3,247**	**2,913**	**11**	**11**	**11**
Exited business activities	-	-			
Total North America	**3,247**	**2,913**			
Latin America					
Data	618	594		14	13
Decisioning	114	113		10	10
Total ongoing activities	**732**	**707**	**3**	**13**	**13**
Exited business activities	**-**	**-**			
Total Latin America	**732**	**707**			
UK and Ireland					
Data	381	388		1	1
Decisioning	227	262		(10)	(10)
B2B	608	650		(3)	(3)
Consumer Services	161	163		2	2
Total ongoing activities	**769**	**813**	**(5)**	**(2)**	**(2)**
Exited business activities	-	6			
Total UK and Ireland	**769**	**819**			
EMEA/Asia Pacific					
Data	213	175		28	7
Decisioning	218	247		(8)	(10)
Total ongoing activities	**431**	**422**	**2**	**7**	**(3)**
Exited business activities	-	-			
Total EMEA/Asia Pacific	**431**	**422**			
Total revenue - ongoing activities	**5,179**	**4,855**	**7**	**9**	**8**
Total revenue - exited business activities	-	6			
Revenue	**5,179**	**4,861**	**7**	**9**	

See Appendix 1 (page 13) and note 5 to the financial statements (pages 23-25) for definitions of non-GAAP measures.
See Appendix 2 (page 13) for analyses of revenue, Benchmark EBIT and Benchmark EBIT margin from ongoing activities by business segment.

Income statement, earnings and Benchmark EBIT margin analysis

Year ended 31 March	2020 US$m	2019 US$m	Growth % Total at actual rates	Growth % Total at constant rates
Benchmark EBIT by geography				
North America	1,093	940		16
Latin America	220	231		6
UK and Ireland	171	230		(22)
EMEA/Asia Pacific	15	3		336
Benchmark EBIT before Central Activities	**1,499**	**1,404**		**9**
Central Activities – central corporate costs	(112)	(98)		
Benchmark EBIT from ongoing activities	**1,387**	**1,306**	**6**	**9**
Exited business activities	-	5		
Benchmark EBIT	**1,387**	**1,311**	**6**	**9**
Net interest	(132)	(113)		
Benchmark PBT	**1,255**	**1,198**	**5**	**8**
Exceptional items	(35)	5		
Amortisation of acquisition intangibles	(124)	(111)		
Acquisition and disposal expenses	(39)	(24)		
Adjustment to the fair value of contingent consideration	4	(16)		
Non-benchmark share of post-tax profit of associates	6	-		
Interest on uncertain tax provisions	(14)	(14)		
Financing fair value remeasurements	(111)	(81)		
Profit before tax	**942**	**957**	**(2)**	**5**
Group tax charge	(263)	(256)		
Profit after tax	**679**	**701**		
Benchmark earnings				
Benchmark PBT	**1,255**	**1,198**	**5**	**8**
Benchmark tax charge	(324)	(306)		
Total Benchmark earnings	**931**	**892**		
Owners of Experian plc	**929**	**886**	**5**	**8**
Non-controlling interests	2	6		
Benchmark EPS	**USc 103.0**	**USc 98.0**	**5**	**8**
Basic EPS	**USc 74.8**	**USc 76.9**	**(3)**	**6**
Weighted average number of ordinary shares	902m	904m		
Benchmark EBIT margin – ongoing activities				
North America	33.7%	32.3%		
Latin America	30.1%	32.7%		
UK and Ireland	22.2%	28.3%		
EMEA/Asia Pacific	3.5%	0.7%		
Benchmark EBIT margin	**26.8%**	**26.9%**		

See Appendix 1 (page 13) and note 5 to the financial statements (pages 23-25) for definitions of non-GAAP measures.
See Appendix 2 (page 13) for analyses of revenue, Benchmark EBIT and Benchmark EBIT margin from ongoing activities by business segment

Group financial review

Key statutory measures

We continued to make good financial progress during the year and revenue increased by 7% to US$5,179m (2019: US$4,861m) reflecting the improved underlying performance of ongoing activities.

Operating profit for the year ended 31 March 2020 increased to US$1,185m (2019: US$1,162m). Profit before tax decreased to US$942m (2019: US$957m) due to an increase in net finance costs of US$49m.

The increase in net finance costs of US$49m reflects unrealised foreign exchange losses on Brazilian real intra-Group funding and other fair value remeasurements, and increases in debt and leverage levels as a result of acquisition activity. In addition, interest of US$10m was recognised on leases following the adoption of IFRS 16.

Cash inflow from operating activities from continuing operations was US$1,262m (2019: US$1,283m) reflecting improved operating performance and movements in working capital. Undrawn committed borrowing facilities were US$2,175m at 31 March 2020 (2019: US$2,625m).

Basic EPS was 74.8 US cents (2019: 76.9 US cents). The decrease in this statutory measure reflects a mix of factors with a higher tax charge, higher finance costs but 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 increased from 26.8% in the year ended 31 March 2019 to 27.9% in the current financial year.

At 31 March 2020, net assets amounted to US$2,281m (2019: US$2,494m). Capital employed, as defined in note 5(r) to the financial statements, was US$6,465m (2019: US$6,026m). Following the implementation of IFRS 16, right-of-use assets and lease liabilities have been recognised on the Group balance sheet. Further detail on the transition to IFRS 16 is included in note 3.

Return on capital employed for the year ended 31 March 2020 increased to 16.1% (2019: 15.9%) reflecting our continued focus on operational efficiency.

There was a decrease in equity of US$213m from US$2,494m at 31 March 2019 with movements detailed in the Group statement of changes in total equity on page 19.

Key movements in equity during the year included:

- Profit for the financial year of US$677m.

- Currency translation losses of US$313m.

- Remeasurement gains of US$26m in respect of defined benefit pension plans.

- Ordinary dividends of US$424m (2019:US$410m) of which US$402m (2019:US$391m) was paid by a UK subsidiary undertaking which has distributable reserves of US$13,552m (2019: US$7,536m).

- A movement of US$189m in connection with net share purchases.

Foreign exchange rates
Foreign exchange – average rates

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

	2020	2019	Movement against the US dollar
US dollar : Brazilian real	4.12	3.79	(9)%
Pound sterling : US dollar	1.27	1.31	(3)%
Euro : US dollar	1.11	1.16	(4)%
US dollar : Colombian peso	3,382	3,025	(12)%
US dollar : South African rand	14.79	13.76	(7)%

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 in the table below.

	2020	2019
US dollar : Brazilian real	5.20	3.89
Pound sterling : US dollar	1.24	1.31
Euro : US dollar	1.09	1.12
US dollar : Colombian peso	4,052	3,163
US dollar : South African rand	17.81	14.47

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

Appendices

1. Non-GAAP financial information

We have identified and defined certain measures that we believe 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. These non-GAAP measures are not intended to be a substitute for any IFRS measures of performance but management have included them as these are considered to be key measures used within the business for assessing the underlying performance of our ongoing business.

We have updated our definition of Benchmark PBT to include the Group's share of continuing associates' Benchmark post-tax results to provide a more consistent measure, removing the effects of Exceptional items, acquisition and disposal expenses etc. from associates' post-tax results and aligning to our assessment of subsidiary performance. Previously our measure of Benchmark PBT included the Group's share of continuing associates' total post-tax results. Following the adoption of IFRS 16 we have updated our definition of Net debt and Net funding to exclude lease liabilities. The definitions of Benchmark operating and Benchmark free cash flow have also been updated to adjust for principal lease payments and the Benchmark profit or loss retained in continuing associates.

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

			Growth %	
Year ended 31 March	**2020 US$m**	**2019 US$m**	**Total at constant rates**	**Organic at constant rates**
Revenue				
Data	2,854	2,625	12	10
Decisioning	1,238	1,245	2	1
Business-to-Business	4,092	3,870	9	7
Consumer Services	1,087	985	11	10
Total - Ongoing activities	**5,179**	**4,855**	**9**	**8**
Exited business activities	-	6	n/a	
Total revenue	**5,179**	**4,861**	**9**	
Benchmark EBIT				
Business-to-Business	1,242	1,186	8	
Consumer Services	257	218	19	
Total - Business segments	**1,499**	**1,404**	**9**	
Central Activities – central corporate costs	(112)	(98)	n/a	
Total - Ongoing activities	**1,387**	**1,306**	**9**	
Exited business activities	-	5	n/a	
Total Benchmark EBIT	**1,387**	**1,311**	**9**	
Benchmark EBIT margin – ongoing activities				
Business-to-Business	30.4%	30.6%		
Consumer Services	23.6%	22.1%		
Total Benchmark EBIT margin	**26.8%**	**26.9%**		

3. Reconciliation of Benchmark EBIT to statutory profit before tax

Year ended 31 March	2020 US$m	2019 US$m
Benchmark EBIT from ongoing activities	**1,387**	**1,306**
Exited business activities	-	5
Benchmark EBIT	**1,387**	**1,311**
Net interest expense	(132)	(113)
Benchmark PBT	**1,255**	**1,198**
Exceptional items (Appendix 4)	(35)	5
Other adjustments made to derive Benchmark PBT (Appendix 4)	(278)	(246)
Profit before tax	**942**	**957**

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

Year ended 31 March	2020 US$m	2019 US$m
Exceptional items:		
Profit on disposal of businesses	-	(5)
Legal provisions movements	35	-
Charge/(credit) for Exceptional items	**35**	**(5)**
Other adjustments made to derive Benchmark PBT:		
Amortisation of acquisition intangibles	124	111
Interest on uncertain tax provisions	14	14
Acquisition and disposal expenses	39	24
Adjustment to the fair value of contingent consideration	(4)	16
Non-benchmark share of post-tax profit of associates	(6)	-
Financing fair value remeasurements	111	81
Charge for other adjustments made to derive Benchmark PBT	**278**	**246**
Net charge for Exceptional items and other adjustments made to derive Benchmark PBT	**313**	**241**

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

5. Cash flow and Net debt summary

Year ended 31 March	2020 US$m	2019 US$m
Benchmark EBIT	1,387	1,311
Amortisation and depreciation charged to Benchmark EBIT	413	326
Benchmark EBITDA	**1,800**	**1,637**
Net capital expenditure (Appendix 6)	(483)	(431)
Increase in working capital	(112)	(26)
Principal lease payments	(55)	-
(Profit)/loss retained in associates	(2)	3
Fair value gain on revaluation of step acquisition	(17)	-
Charge for share incentive plans	83	87
Benchmark operating cash flow	**1,214**	**1,270**
Net interest paid	(152)	(129)
Tax paid	(286)	(233)
Dividends paid to non-controlling interests	(2)	(1)
Benchmark free cash flow	**774**	**907**
Acquisitions	(700)	(95)
Purchase of investments	(95)	(30)
Disposal of businesses and investments – continuing operations	-	12
Movement in Exceptional and other non-benchmark items	(18)	(25)
Ordinary dividends paid	(424)	(410)
Net cash (outflow)/inflow – continuing operations	**(463)**	**359**
Net debt previously reported at 31 March	(3,275)	(3,408)
Finance leases previously reported under IAS 17[1]	13	-
Net debt at 1 April	**(3,262)**	**(3,408)**
Net share purchases	(188)	(215)
Discontinued operations	(6)	(42)
Foreign exchange and other movements	21	31
Net debt at 31 March	**(3,898)**	**(3,275)**

1. Following the implementation of IFRS 16, leases are excluded from our definition of Net debt, given in note 5(q) to the financial statements. The FY20 opening position has been restated to exclude finance lease liabilities previously reported at 31 March 2019.

6. Reconciliation of total investment

Year ended 31 March	2020 US$m	2019 US$m
Capital expenditure as reported in the Group cash flow statement	487	439
Disposal of property, plant and equipment	(5)	(13)
Profit on disposal of fixed assets	1	5
Net capital expenditure	**483**	**431**
Acquisitions	700	95
Purchase of investments	95	30
Total investment	**1,278**	**556**

7. Cash tax reconciliation

Year ended 31 March	2020 %	2019 %
Tax charge on Benchmark PBT	25.8	25.5
Tax relief on intangible assets	(3.1)	(4.1)
Benefit of brought forward tax losses	(1.3)	(1.3)
Other differences[1]	1.4	(0.7)
Tax paid as a percentage of Benchmark PBT	**22.8**	**19.4**

1. Other differences include items for which the tax charge and payment fall in different financial years.

Group income statement

for the year ended 31 March 2020

	2020			2019		
	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))	5,179	-	**5,179**	4,861	-	**4,861**
Labour costs	(1,864)	(8)	**(1,872)**	(1,795)	(3)	**(1,798)**
Data and information technology costs	(753)	-	**(753)**	(645)	-	**(645)**
Amortisation and depreciation charges	(413)	(124)	**(537)**	(326)	(111)	**(437)**
Marketing and customer acquisition costs	(378)	-	**(378)**	(342)	-	**(342)**
Other operating charges	(392)	(62)	**(454)**	(445)	(37)	**(482)**
Total operating expenses	(3,800)	(194)	**(3,994)**	(3,553)	(151)	**(3,704)**
Profit on disposal of businesses	-	-	**-**	-	5	5
Operating profit/(loss)	1,379	(194)	**1,185**	1,308	(146)	**1,162**
Interest income	13	-	**13**	12	-	**12**
Finance expense	(145)	(125)	**(270)**	(125)	(95)	**(220)**
Net finance costs (note 9(a))	(132)	(125)	**(257)**	(113)	(95)	**(208)**
Share of post-tax profit of associates	8	6	**14**	3	-	**3**
Profit/(loss) before tax (note 6(a))	1,255	(313)	**942**	1,198	(241)	**957**
Group tax (charge)/credit (note 10(a))	(324)	61	**(263)**	(306)	50	**(256)**
Profit/(loss) for the financial year from continuing operations	931	(252)	**679**	892	(191)	**701**
Loss for the financial year from discontinued operations (note 11)	-	(2)	**(2)**	-	-	**-**
Profit/(loss) for the financial year	931	(254)	**677**	892	(191)	**701**
Attributable to:						
Owners of Experian plc	929	(254)	**675**	886	(191)	**695**
Non-controlling interests	2	-	**2**	6	-	**6**
Profit/(loss) for the financial year	931	(254)	**677**	892	(191)	**701**
Total Benchmark EBIT[1]	1,387	-	**1,387**	1,311	-	**1,311**
	US cents	US cents	**US cents**	US cents	US cents	**US cents**
Earnings/(loss) per share (note 12(a))						
Basic	103.0	(28.2)	**74.8**	98.0	(21.1)	**76.9**
Diluted	102.1	(27.9)	**74.2**	96.9	(20.9)	**76.0**
Earnings/(loss) per share from continuing operations (note 12(a))						
Basic	103.0	(28.0)	**75.0**	98.0	(21.1)	**76.9**
Diluted	102.1	(27.7)	**74.4**	96.9	(20.9)	**76.0**
Benchmark PBT per share[1,3]	139.1			132.5		
Full-year dividend per share[1]			**47.0**			**46.5**

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

2. The loss before tax for non-benchmark items of US$313m (2019: US$241m) comprises a charge for Exceptional items of US$35m (2019: credit of US$5m) and charges for other adjustments made to derive Benchmark PBT of US$278m (2019: US$246m). Further information is given in note 8 to the financial statements.

3. Benchmark PBT per share is calculated by dividing Benchmark PBT of US$1,255m (2019: US$1,198m) by the weighted average number of ordinary shares of 902 million (2019: 904 million). The amount is stated in US cents per share.

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 2020

	2020 US$m	2019 US$m
Profit for the financial year	**677**	701
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurement of post-employment benefit assets and obligations (note 15(b))	**26**	16
Changes in the fair value of financial assets revalued through OCI	**(6)**	(2)
Deferred tax charge	**(5)**	(1)
Items that will not be reclassified to profit or loss	**15**	13
Items that may be reclassified subsequently to profit or loss:		
Currency translation losses	**(313)**	(179)
Items that may be reclassified subsequently to profit or loss	**(313)**	(179)
Items reclassified to profit or loss:		
Cumulative currency translation gain in respect of divestments	**-**	3
Other comprehensive income for the financial year[1]	**(298)**	(163)
Total comprehensive income for the financial year	**379**	538
Attributable to:		
Owners of Experian plc	**378**	533
Non-controlling interests	**1**	5
Total comprehensive income for the financial year	**379**	538

1. Amounts reported within Other comprehensive income (OCI) 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, not reclassified to profit or loss, 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 2020

	Notes	2020 US$m	2019 US$m
Non-current assets			
Goodwill		**4,543**	4,324
Other intangible assets	14	**1,583**	1,474
Property, plant and equipment	14	**502**	333
Investments in associates		**123**	122
Deferred tax assets		**107**	147
Post-employment benefit assets	15(a)	**83**	61
Trade and other receivables		**164**	129
Financial assets revalued through OCI		**171**	103
Other financial assets		**223**	154
		7,499	6,847
Current assets			
Trade and other receivables		**1,078**	1,055
Current tax assets		**28**	27
Other financial assets		**17**	9
Cash and cash equivalents	16(f)	**277**	149
		1,400	1,240
Current liabilities			
Trade and other payables		**(1,430)**	(1,464)
Borrowings		**(498)**	(869)
Current tax liabilities		**(225)**	(313)
Provisions		**(48)**	(41)
Other financial liabilities		**(23)**	(152)
		(2,224)	(2,839)
Net current liabilities		**(824)**	(1,599)
Total assets less current liabilities		**6,675**	5,248
Non-current liabilities			
Trade and other payables		**(121)**	(99)
Borrowings		**(3,916)**	(2,455)
Deferred tax liabilities		**(202)**	(132)
Post-employment benefit obligations	15(a)	**(48)**	(55)
Other financial liabilities		**(107)**	(13)
		(4,394)	(2,754)
Net assets		**2,281**	2,494
Equity			
Called-up share capital	19	**96**	96
Share premium account	19	**1,574**	1,559
Retained earnings		**18,826**	18,718
Other reserves		**(18,221)**	(17,893)
Attributable to owners of Experian plc		**2,275**	2,480
Non-controlling interests		**6**	14
Total equity		**2,281**	2,494

Group statement of changes in total equity

for the year ended 31 March 2020

	Called-up share capital (Note 19) US$m	Share premium account (Note 19) US$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 2019	**96**	**1,559**	**18,718**	**(17,893)**	**2,480**	**14**	**2,494**
Comprehensive income:							
Profit for the financial year	**-**	**-**	**675**	**-**	**675**	**2**	**677**
Other comprehensive income for the financial year	**-**	**-**	**15**	**(312)**	**(297)**	**(1)**	**(298)**
Total comprehensive income for the financial year	**-**	**-**	**690**	**(312)**	**378**	**1**	**379**
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	**-**	**-**	**83**	**-**	**83**	**-**	**83**
- shares issued on vesting	**-**	**15**	**-**	**-**	**15**	**-**	**15**
- purchase of shares by employee trusts	**-**	**-**	**-**	**(92)**	**(92)**	**-**	**(92)**
- other vesting of awards and exercises of share options	**-**	**-**	**(64)**	**76**	**12**	**-**	**12**
- related tax credit	**-**	**-**	**5**	**-**	**5**	**-**	**5**
- other payments	**-**	**-**	**(5)**	**-**	**(5)**	**-**	**(5)**
Purchase and cancellation of own shares	**-**	**-**	**(112)**	**-**	**(112)**	**-**	**(112)**
Transactions in respect of non-controlling interests	**-**	**-**	**(65)**	**-**	**(65)**	**(7)**	**(72)**
Dividends paid	**-**	**-**	**(424)**	**-**	**(424)**	**(2)**	**(426)**
Transactions with owners	**-**	**15**	**(582)**	**(16)**	**(583)**	**(9)**	**(592)**
At 31 March 2020	**96**	**1,574**	**18,826**	**(18,221)**	**2,275**	**6**	**2,281**

	Called-up share capital (Note 19) US$m	Share premium account (Note 19) US$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 2018	97	1,546	18,609	(17,775)	2,477	7	2,484
Comprehensive income:							
Profit for the financial year	-	-	695	-	695	6	701
Other comprehensive income for the financial year	-	-	16	(178)	(162)	(1)	(163)
Total comprehensive income for the financial year	-	-	711	(178)	533	5	538
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	-	-	87	-	87	-	87
- shares issued on vesting	-	13	-	-	13	-	13
- other vesting of awards and exercises of share options	-	-	(53)	60	7	-	7
- related tax credits	-	-	8	-	8	-	8
- other payments	-	-	(4)	-	(4)	-	(4)
Purchase and cancellation of own shares	(1)	-	(230)	-	(231)	-	(231)
Transactions in respect of non-controlling interests	-	-	-	-	-	3	3
Dividends paid	-	-	(410)	-	(410)	(1)	(411)
Transactions with owners	(1)	13	(602)	60	(530)	2	(528)
At 31 March 2019	96	1,559	18,718	(17,893)	2,480	14	2,494

Group cash flow statement
for the year ended 31 March 2020

	Notes	2020 US$m	2019 US$m
Cash flows from operating activities			
Cash generated from operations	16(a)	**1,694**	1,639
Interest paid		**(157)**	(134)
Interest received		**5**	5
Dividends received from associates		**6**	6
Tax paid		**(286)**	(233)
Net cash inflow from operating activities – continuing operations		**1,262**	1,283
Net cash outflow from operating activities – discontinued operations	11	**(6)**	(42)
Net cash inflow from operating activities		**1,256**	1,241
Cash flows from investing activities			
Purchase of other intangible assets	16(d)	**(403)**	(348)
Purchase of property, plant and equipment		**(84)**	(91)
Sale of property, plant and equipment		**5**	13
Purchase of other financial assets		**(95)**	(25)
Acquisition of subsidiaries, net of cash acquired	16(c)	**(600)**	(72)
Purchase of investments in associates		**-**	(5)
Disposal of subsidiaries – continuing operations		**-**	12
Net cash flows used in investing activities		**(1,177)**	(516)
Cash flows from financing activities			
Cash inflow in respect of shares issued	16(e)	**15**	13
Cash outflow in respect of share purchases	16(e)	**(203)**	(228)
Other payments on vesting of share awards		**(5)**	(4)
Transactions in respect of non-controlling interests	16(c)	**(67)**	3
New borrowings		**1,519**	1,035
Repayment of borrowings		**(553)**	(1,118)
Payment of lease liabilities		**(55)**	-
Net (payments)/receipts for cross-currency swaps and foreign exchange contracts		**(169)**	5
Net receipts from equity swaps		**5**	3
Dividends paid		**(426)**	(411)
Net cash flows from/(used in) financing activities		**61**	(702)
Net increase in cash and cash equivalents		**140**	23
Cash and cash equivalents at 1 April		**146**	137
Exchange movements on cash and cash equivalents		**(14)**	(14)
Cash and cash equivalents at 31 March	16(f)	**272**	146

Notes to the financial statements

for the year ended 31 March 2020

1. Corporate information

Experian plc (the Company) is the ultimate parent company of the Experian group of companies (Experian or the Group). Experian is a leading global information services group. The Company is incorporated and registered in Jersey as a public company limited by shares and is resident in Ireland. The Company's registered office is at 22 Grenville Street, St Helier, Jersey JE4 8PX, Channel Islands. 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 2020 and 31 March 2019 but is derived from the statutory financial statements for the year ended 31 March 2020. The Group's statutory financial statements for the year ended 31 March 2020 will be made available to shareholders in June 2020 and delivered to the Jersey Registrar of Companies in due course. The auditor has reported on those financial statements and has 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 2019 have been delivered to the Jersey Registrar of Companies. The auditor 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 2020 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). The financial statements also comply with IFRS as issued by the International Accounting Standards Board (IASB). EU-IFRS differs in certain respects from IFRS as issued by the IASB, however, the differences have no material impact for the periods presented;
- prepared on the going concern basis and under the historical cost convention, as modified for the revaluation of certain 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 12; 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 2020 and 19 May 2020 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 2020. Those policies were published in full in the Group's statutory financial statements for the year ended 31 March 2019 and are available on the corporate website, at www.experianplc.com.

Going concern

In adopting the going concern basis for preparing these financial statements, the directors have considered the business activities, the principal risks and uncertainties and the other matters that could threaten the long-term financial stability of the Group. This includes the modelling of our most significant 'plausible but severe' test of a significant data breach, in addition to a cautious scenario for the impact of COVID-19. At 31 March 2020 the Group had undrawn committed bank borrowing facilities of US$2.2bn and under the modelled scenarios we would comfortably maintain sufficient undrawn capacity and satisfy all borrowing facility covenants.

The directors believe that the Group is well placed to manage its financing and other business risks satisfactorily, and have a reasonable expectation that the Group will have adequate resources to continue in operational existence. The directors therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Notes to the financial statements (continued)

for the year ended 31 March 2020

3. Changes in accounting standards

IFRS 16 'Leases'

With effect from 1 April 2019, the Group has adopted IFRS 16 'Leases' which replaces IAS 17 ‘Leases’.

IFRS 16 removes the distinction between finance and operating leases, bringing the majority of leases onto the balance sheet for the first time. As a lessee, we have recognised both right-of-use assets and lease liabilities on our balance sheet, increasing both assets and financial liabilities.

In accordance with the IFRS 16 transition guidance, we have adopted the new rules using the modified retrospective approach which allows the matching of the opening right-of-use assets with the opening lease liabilities on 1 April 2019. Under this approach, no restatement of comparative information is required.

We have used the following practical expedients when adopting IFRS 16:

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Relied on our previous assessment as to whether leases are onerous under IAS 37 ‘Provisions, Contingent Liabilities and Contingent Assets’, at 31 March 2019, rather than performing impairment tests on transition.
- Excluded initial direct costs from the measurement of the right-of-use assets at 1 April 2019.

The weighted average incremental borrowing rate applied to lease liabilities on initial recognition at 1 April 2019 was 4.5%.

There was no material difference between the operating lease commitments disclosed at 31 March 2019 under IAS 17, discounted using the incremental borrowing rate on initial recognition, and the lease liabilities recognised in the Group balance sheet at 1 April 2019.

The impact of adoption on the Group’s financial results is set out below.

	Year ended 31 March 2020		
	Proforma IAS 17	IFRS 16 adjustment	**As reported**
Group income statement (extract)	US$m	US$m	**US$m**
Total Benchmark EBIT[1]	1,377	10	**1,387**
Benchmark net finance costs	(122)	(10)	**(132)**
Group tax charge	(263)	-	**(263)**
Exceptional items and other adjustments made to derive Benchmark PBT	(313)	-	**(313)**
Loss for the financial year from discontinued operations	(2)	-	**(2)**
Profit for the financial year	677	-	**677**

1. Total Benchmark EBIT is a non-GAAP measure, defined in note 5(b).

The operating lease expense previously reported under IAS 17 on a straight-line basis has been replaced by depreciation of right-of-use assets and interest on lease liabilities with no material impact on our operating results.

We also made lease payments of US$9m, in the year ended 31 March 2020, in respect of low-value assets which continue to be recognised as an expense, on a straight-line basis, in the Group income statement. This treatment utilises the exemption available in IFRS 16 for such assets. We have chosen not to apply the exemption for short-term leases and have no material sub-lease income. In addition, we have updated our definition of Net debt and Net funding to exclude lease liabilities (see note 5(q)).

Notes to the financial statements (continued)

for the year ended 31 March 2020

3. Changes in accounting standards (continued)

IFRS 16 'Leases' (continued)

Group balance sheet (extract)	At 31 March 2019 US$m	IFRS 16 adjustment US$m	**At 1 April 2019 US$m**
Non-current assets			
Property, plant and equipment	333	192	**525**
Current assets			
Trade and other receivables	1,055	(1)	**1,054**
Current liabilities			
Trade and other payables	(1,464)	5	**(1,459)**
Borrowings	(869)	(41)	**(910)**
Non-current liabilities			
Trade and other payables	(99)	8	**(91)**
Borrowings	(2,455)	(163)	**(2,618)**
Other	5,993	-	**5,993**
Net assets	2,494	-	**2,494**
Total equity	**2,494**	**-**	**2,494**

The Group's lease portfolio consists of 33 significant property leases across the countries in which we operate. In addition, we lease approximately 190 smaller properties, 800 motor vehicles, and a small number of hardware assets. At 31 March 2020 we held right-of-use assets with a net book value of US$189m (2019: US$12m) comprising property assets of US$161m (2019: US$nil) and motor vehicles, plant and equipment of US$28m (2019: US$12m). The corresponding lease obligations at 31 March 2020 were valued at US$201m (2019: US$13m) split between current US$46m (2019: US$5m) and non-current US$155m (2019: US$8m) borrowings in the Group balance sheet.

In the year ended 31 March 2019, the Group only recognised leased assets and liabilities in respect of agreements that were classified as 'finance leases' under IAS 17. There is no material difference between the valuation of these assets and liabilities under IAS 17 and the right-of-use assets and lease obligations recognised in accordance with IFRS 16.

The Group's future commitments for leases committed to but not yet commenced total US$7m and do not form part of the lease liabilities or right-of-use assets.

Maturity of lease liabilities - contractual undiscounted cash flows

	2020 US$m	2019 US$m
Less than one year	**54**	4
One to two years	**49**	4
Two to three years	**39**	3
Three to four years	**28**	1
Four to five years	**17**	1
Over five years	**46**	-
Total undiscounted lease liabilities at 31 March	**233**	13

In the Group cash flow statement, principal lease payments are now presented within cash flows used in financing with the associated interest recorded as a cash outflow from operating activities. Previously lease payments were recognised as cash outflows from operating activities.

4. Recent accounting developments

There are no new standards, amendments to existing standards or interpretations that are not yet effective that are 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 uses to understand and manage its performance. The measures are not defined under IFRS and they may not be directly comparable with other companies' adjusted performance measures. These non-GAAP measures are not intended to be a substitute for 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.

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

(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 interest thereon) and discontinued operations. It includes the Group's share of continuing associates' Benchmark post-tax results.

An explanation of the basis on which we report 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 calculation 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 from the calculation of Benchmark PBT.
- Acquisition and disposal expenses (representing the incidental costs of acquisitions and disposals, one-time integration costs and other corporate transaction expenses) relating to successful, active or aborted acquisitions and disposals are excluded from the definition of Benchmark PBT as they bear no relation to the Group's underlying ongoing performance or to the performance of any acquired businesses. Adjustments to contingent consideration are similarly excluded from the definition of Benchmark PBT.
- Charges and credits for financing fair value remeasurements within finance expense in the Group income statement are excluded from the definition of Benchmark PBT. These include retranslation of intra-Group funding, and 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 2020, which are not disclosed as exited business activities, are reported as ongoing activities.

(f) Constant exchange rates

To highlight our organic performance, we discuss our 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 our activities at actual exchange rates. Total growth at constant exchange rates removes the translational foreign exchange effects arising on the consolidation of our activities and comprises one of our measures 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 comprises 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 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, principal lease payments and the Group's share of the Benchmark 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 17)

Net debt is borrowings (and the fair value of derivatives hedging borrowings) excluding lease liabilities and accrued interest, less cash and cash equivalents 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 lease liabilities and 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, in continuing operations, 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 to add Net debt.

Notes to the financial statements (continued)

for the year ended 31 March 2020

6. Segment information

IFRS 8 disclosures

(a) Income statement

Year ended 31 March 2020	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	**3,247**	**732**	**769**	**431**	**5,179**	**-**	**5,179**
Reconciliation from Benchmark EBIT to profit/(loss) before tax							
Benchmark EBIT	**1,093**	**220**	**171**	**15**	**1,499**	**(112)**	**1,387**
Net interest expense included in Benchmark PBT (note 9(b))	**(5)**	**(2)**	**(1)**	**(2)**	**(10)**	**(122)**	**(132)**
Benchmark PBT	**1,088**	**218**	**170**	**13**	**1,489**	**(234)**	**1,255**
Exceptional items (note 8(a))	**(35)**	**-**	**-**	**-**	**(35)**	**-**	**(35)**
Amortisation of acquisition intangibles	**(85)**	**(17)**	**(8)**	**(14)**	**(124)**	**-**	**(124)**
Acquisition and disposal expenses	**(9)**	**(2)**	**(8)**	**(20)**	**(39)**	**-**	**(39)**
Adjustment to the fair value of contingent consideration	**(1)**	**-**	**5**	**-**	**4**	**-**	**4**
Non-benchmark share of post-tax profit of associates	**-**	**-**	**-**	**-**	**-**	**6**	**6**
Interest on uncertain tax provisions	**-**	**-**	**-**	**-**	**-**	**(14)**	**(14)**
Financing fair value remeasurements	**-**	**-**	**-**	**-**	**-**	**(111)**	**(111)**
Profit/(loss) before tax	**958**	**199**	**159**	**(21)**	**1,295**	**(353)**	**942**

Year ended 31 March 2019	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	2,913	707	813	422	4,855	-	4,855
Exited business activities	-	-	6	-	6	-	6
Total	2,913	707	819	422	4,861	-	4,861
Reconciliation from Benchmark EBIT to profit/(loss) before tax							
Benchmark EBIT							
Ongoing activities	940	231	230	3	1,404	(98)	1,306
Exited business activities	-	-	5	-	5	-	5
Total	940	231	235	3	1,409	(98)	1,311
Net interest expense included in Benchmark PBT (note 9(b))	-	-	-	-	-	(113)	(113)
Benchmark PBT	940	231	235	3	1,409	(211)	1,198
Exceptional items (note 8(a))	-	(4)	9	-	5	-	5
Amortisation of acquisition intangibles	(80)	(18)	(9)	(4)	(111)	-	(111)
Acquisition and disposal expenses	(8)	-	(9)	(7)	(24)	-	(24)
Adjustment to the fair value of contingent consideration	(14)	-	(2)	-	(16)	-	(16)
Interest on uncertain tax provisions	-	-	-	-	-	(14)	(14)
Financing fair value remeasurements	-	-	-	-	-	(81)	(81)
Profit/(loss) before tax	838	209	224	(8)	1,263	(306)	957

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

Additional information by operating segment, including that on total and organic growth at constant exchange rates, is provided within pages 3 to 10.

Notes to the financial statements (continued)

for the year ended 31 March 2020

6. Segment information (continued)

(b) Revenue by country- continuing operations

	2020 US$m	2019 (Re-presented) US$m
USA	**3,245**	2,910
UK	**762**	810
Brazil	**647**	618
South Africa	**62**	38
Colombia	**66**	71
Other	**397**	414
	5,179	4,861

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% (2019: 89%) of Group revenue.

Revenue attributable to South Africa was previously reported within Other, following the acquisition of Compuscan in the year (see note 21) this is now analysed separately, and consequently comparative information has been re-presented.

(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, we continue to use the term 'business segments' when discussing the results of groups of service lines.

(d) Reconciliation of revenue from ongoing activities

	North America US$m	Latin America US$m	UK and Ireland US$m	EMEA/ Asia Pacific US$m	Total ongoing activities US$m
Revenue for the year ended 31 March 2019	**2,913**	**707**	**813**	**422**	**4,855**
Adjustment to constant exchange rates	**-**	**(1)**	**3**	**1**	**3**
Revenue at constant exchange rates for the year ended 31 March 2019	**2,913**	**706**	**816**	**423**	**4,858**
Organic revenue growth	**309**	**89**	**(20)**	**(12)**	**366**
Revenue from acquisitions	**25**	**3**	**1**	**42**	**71**
Revenue at constant exchange rates for the year ended 31 March 2020	**3,247**	**798**	**797**	**453**	**5,295**
Adjustment to actual exchange rates	**-**	**(66)**	**(28)**	**(22)**	**(116)**
Revenue for the year ended 31 March 2020	**3,247**	**732**	**769**	**431**	**5,179**
Organic revenue growth at constant exchange rates	**11%**	**13%**	**(2)%**	**(3)%**	**8%**
Total revenue growth at constant exchange rates	**11%**	**13%**	**(2)%**	**7%**	**9%**

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. Revenue at constant exchange rates for both years is reported using the average exchange rates applicable for the year ended 31 March 2019.

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

Year ended 31 March 2020	Business-to-Business US$m	Consumer Services US$m	Total business segments US$m	Central Activities US$m	Total continuing operations US$m
Revenue from external customers	**4,092**	**1,087**	**5,179**	**-**	**5,179**
Reconciliation from Benchmark EBIT to profit/(loss) before tax					
Benchmark EBIT	**1,242**	**257**	**1,499**	**(112)**	**1,387**
Net interest expense included in Benchmark PBT (note 9(b))	**(8)**	**(2)**	**(10)**	**(122)**	**(132)**
Benchmark PBT	**1,234**	**255**	**1,489**	**(234)**	**1,255**
Exceptional items (note 8(a))	**(35)**	**-**	**(35)**	**-**	**(35)**
Amortisation of acquisition intangibles	**(103)**	**(21)**	**(124)**	**-**	**(124)**
Acquisition and disposal expenses	**(37)**	**(2)**	**(39)**	**-**	**(39)**
Adjustment to the fair value of contingent consideration	**4**	**-**	**4**	**-**	**4**
Non-benchmark share of post-tax profit of associates	**-**	**-**	**-**	**6**	**6**
Interest on uncertain tax provisions	**-**	**-**	**-**	**(14)**	**(14)**
Financing fair value remeasurements	**-**	**-**	**-**	**(111)**	**(111)**
Profit/(loss) before tax	**1,063**	**232**	**1,295**	**(353)**	**942**

Year ended 31 March 2019	Business-to-Business 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	3,870	985	4,855	-	4,855
Exited business activities	6	-	6	-	6
Total	3,876	985	4,861	-	4,861
Reconciliation from Benchmark EBIT to profit/(loss) before tax					
Benchmark EBIT					
Ongoing activities	1,186	218	1,404	(98)	1,306
Exited business activities	5	-	5	-	5
Total	1,191	218	1,409	(98)	1,311
Net interest expense included in Benchmark PBT (note 9(b))	-	-	-	(113)	(113)
Benchmark PBT	1,191	218	1,409	(211)	1,198
Exceptional items (note 8(a))	5	-	5	-	5
Amortisation of acquisition intangibles	(92)	(19)	(111)	-	(111)
Acquisition and disposal expenses	(13)	(11)	(24)	-	(24)
Adjustment to the fair value of contingent consideration	(16)	-	(16)	-	(16)
Interest on uncertain tax provisions	-	-	-	(14)	(14)
Financing fair value remeasurements	-	-	-	(81)	(81)
Profit/(loss) before tax	1,075	188	1,263	(306)	957

1. Additional information by business segment, including that on total and organic growth at constant exchange rates, is provided within pages 3 to 10 and within Appendix 2 on page 13.

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

	2020 US$m	2019 US$m
Exceptional items:		
Profit on disposal of businesses (note 8(b))	-	(5)
Legal provisions movements (note 8(c))	35	-
Charge/(credit) for Exceptional items	**35**	(5)
Other adjustments made to derive Benchmark PBT:		
Amortisation of acquisition intangibles	124	111
Acquisition and disposal expenses	39	24
Adjustment to the fair value of contingent consideration	(4)	16
Non-benchmark share of post-tax profit of associates	(6)	-
Interest on uncertain tax provisions	14	14
Financing fair value remeasurements	111	81
Charge for other adjustments made to derive Benchmark PBT	**278**	246
Net charge for Exceptional items and other adjustments made to derive Benchmark PBT	**313**	241
By income statement caption:		
Labour costs	8	3
Amortisation and depreciation charges	124	111
Other operating charges	62	37
Profit on disposal of businesses	-	(5)
Within operating profit	194	146
Within share of post-tax profit of associates	(6)	-
Finance expense	125	95
Net charge for Exceptional items and other adjustments made to derive Benchmark PBT	**313**	241

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

(b) Profit on disposal of businesses

The profit before tax on the disposal of businesses in the year ended 31 March 2019 related to the disposal of two small businesses, one based in the UK and Ireland region and one in Latin America.

(c) Legal provisions movements

During the year ended 31 March 2020, there has been a movement in provisions and related receivables in respect of a number of historic legal claims.

9. Net finance costs

(a) Net finance costs included in profit before tax

	2020 US$m	2019 US$m
Interest income:		
Bank deposits, short-term investments and loan notes	(13)	(12)
Interest income	(13)	(12)
Finance expense:		
Interest expense	145	125
Charge in respect of financing fair value remeasurements	111	81
Interest on uncertain tax provisions	14	14
Finance expense	270	220
Net finance costs included in profit before tax	**257**	208

Notes to the financial statements (continued)

for the year ended 31 March 2020

9. Net finance costs (continued)

(b) Net interest expense included in Benchmark PBT

	2020 US$m	2019 US$m
Interest income	**(13)**	(12)
Interest expense	**145**	125
Net interest expense included in Benchmark PBT	**132**	113

10. Tax – ongoing activities

(a) Group tax charge and effective rate of tax

	2020 US$m	2019 US$m
Group tax charge	**263**	256
Profit before tax	**942**	957
Effective rate of tax based on profit before tax	**27.9%**	**26.8%**

In the normal course of business, the Group has a number of open tax returns with various tax authorities with whom it is in active dialogue. At 31 March 2020 the Group held current provisions of US$327m (2019: US$336m) in respect of uncertain tax positions. Liabilities relating to these open and judgmental matters are based on an assessment as to whether additional taxes will be due, after taking into account external advice where appropriate. The resolution of these tax matters may take many years. While the timing of developments in resolving these matters is inherently uncertain, the Group does not expect to materially increase its uncertain tax provisions in the next 12 months, however if an opportunity arose to resolve the matters for less than the amounts provided, a settlement may be made with a corresponding reduction in the provision.

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

	2020 US$m	2019 US$m
Group tax charge	**263**	256
Tax relief on Exceptional items and other adjustments made to derive Benchmark PBT	**61**	46
Exceptional tax items	**-**	4
Benchmark tax charge	**324**	306
Benchmark PBT	**1,255**	1,198
Benchmark tax rate	**25.8%**	25.5%

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

In the year ended 31 March 2020, the loss of US$298m (2019: US$163m) in respect of other comprehensive income is after a deferred tax charge of US$5m (2019: US$1m), relating to remeasurement gains on post-employment benefit assets and obligations.

A tax credit relating to employee share incentive plans of US$5m (2019: US$8m) is recognised in equity and reported as appropriate within transactions with owners. This amount comprises a current tax credit of US$9m (2019: US$3m) and a deferred tax charge of US$4m (2019: credit of US$5m).

11. Discontinued operations

There have been no material divestments during the year ended 31 March 2020. On 31 May 2017, the Group completed the divestment of the Group's email/cross-channel marketing business (CCM), and the results and cash flows of that business were accordingly classified as discontinued. Residual disposal costs of US$2m (2019: US$nil) were incurred during the year.

The cash outflow from operating activities of US$6m (2019: US$42m) relates to CCM and is stated after tax paid on the disposal of the business of US$nil (2019: US$18m).

12. Earnings per share disclosures

(a) Earnings per share (EPS)

	Basic		Diluted	
	2020 US cents	2019 US cents	**2020 US cents**	2019 US cents
Continuing and discontinued operations	**74.8**	76.9	**74.2**	76.0
Add: loss from discontinued operations	**0.2**	-	**0.2**	-
Continuing operations	**75.0**	76.9	**74.4**	76.0
Add: Exceptional items and other adjustments made to derive Benchmark PBT, net of related tax	**28.0**	21.1	**27.7**	20.9
Benchmark EPS (non-GAAP measure)	**103.0**	98.0	**102.1**	96.9

(b) Analysis of earnings
(i) Attributable to owners of Experian plc

	2020 US$m	2019 US$m
Continuing and discontinued operations	**675**	695
Add: loss from discontinued operations	**2**	-
Continuing operations	**677**	695
Add: Exceptional items and other adjustments made to derive Benchmark PBT, net of related tax	**252**	191
Benchmark earnings attributable to owners of Experian plc (non-GAAP measure)	**929**	886

(ii) Attributable to non-controlling interests

	2020 US$m	2019 US$m
Profit for the financial year attributable to non-controlling interests	**2**	6
Add: amortisation of acquisition intangibles attributable to non-controlling interests, net of related tax	**-**	-
Benchmark earnings attributable to non-controlling interests (non-GAAP measure)	**2**	6

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

	2020 US$m	2019 US$m
Total Benchmark earnings (non-GAAP measure)	**931**	892
Loss from discontinued operations	**(2)**	-
Loss from Exceptional items and other adjustments made to derive Benchmark PBT, net of related tax	**(252)**	(191)
Profit for the financial year	**677**	701

(d) Weighted average number of ordinary shares

	2020 million	2019 million
Weighted average number of ordinary shares	**902**	904
Add: dilutive effect of share incentive awards, options and share purchases	**8**	10
Diluted weighted average number of ordinary shares	**910**	914

13. Dividends

(a) Dividend information

	2020		2019	
	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 2020 (2019: February 2019)	**14.50**	**130**	14.00	126
Second interim – paid in July 2019 (2019: July 2018)	**32.50**	**294**	31.25	284
Dividends paid on ordinary shares	**47.00**	**424**	45.25	410
Full-year dividend for the financial year	**47.00**	**423**	46.50	419

A second interim dividend in respect of the year ended 31 March 2020 of 32.5 US cents per ordinary share will be paid on 24 July 2020, to shareholders on the register at the close of business on 26 June 2020. This dividend is not included as a liability in these financial statements. This second interim dividend and the first interim dividend paid in January 2020 comprise the full-year dividend for the financial year of 47.0 US cents per ordinary share. Further administrative information on dividends is given in the Shareholder and corporate information section. Dividend amounts are quoted gross.

In the year ended 31 March 2020, the employee trusts waived their entitlements to dividends of US$4m (2019: US$4m). 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 IAS arrangements have been put in place. The purpose of the IAS arrangements is to preserve the tax treatment of dividends paid to Experian shareholders in the UK, in respect of dividends paid by the Company. Shareholders who elect, or are deemed to elect, to receive their dividends via the IAS arrangements will receive their dividends from a UK source (rather than directly from the Company) for UK tax purposes.

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

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

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

14. Capital expenditure, disposals and capital commitments

During year ended 31 March 2020, the Group recognised capital additions of US$537m (2019: US$439m) comprising capital expenditure of US$487m (2019: US$439m) and right-of-use asset additions of US$50m (2019: US$nil).

The book value of other intangible fixed assets and purchased property, plant and equipment disposed of in the year ended 31 March 2020 was US$4m (2019: US$8m) and the amount realised was US$5m (2019: US$13m).

At 31 March 2020, the Group had capital commitments in respect of property, plant and equipment and intangible assets and for which contracts had been placed of US$25m (2019: US$19m). Capital commitments at 31 March 2020 include US$7m in respect of right-of-use assets, and all amounts are all expected to be incurred before 31 March 2021. Commitments as at 31 March 2019 included US$3m not then expected to be incurred before 31 March 2020.

Notes to the financial statements (continued)

for the year ended 31 March 2020

15. Post-employment benefits – IAS 19 information

(a) Balance sheet assets/(obligations)

	2020 US$m	2019 US$m
Retirement benefit assets/(obligations) - funded defined benefit plans:		
Fair value of funded plans' assets	**1,023**	1,122
Present value of funded plans' obligations	**(940)**	(1,061)
Assets in the Group balance sheet for funded defined benefit pensions	**83**	61
Obligations for unfunded post-employment benefits:		
Present value of defined benefit pensions - unfunded plans	**(44)**	(50)
Present value of post-employment medical benefits	**(4)**	(5)
Liabilities in the Group balance sheet	**(48)**	(55)
Net post-employment benefit assets	**35**	6

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 or refunds of surplus.

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

	2020 US$m	2019 US$m
At 1 April	**6**	(11)
Differences on exchange	**(1)**	-
Charge to the Group income statement	**(8)**	(11)
Remeasurement gains recognised within Other comprehensive income	**26**	16
Contributions paid by the Group and employees	**12**	12
At 31 March	**35**	6

(c) Income statement charge

	2020 US$m	2019 US$m
By nature of expense:		
Current service cost	**6**	5
Past service cost	**-**	4
Administration expenses	**2**	2
Charge within labour costs and operating profit	**8**	11

The income statement charge and the remeasurement recognised in the Statement of comprehensive income relate to defined benefit plans. The past service cost incurred in the year ended 31 March 2019 was in respect of Guaranteed Minimum Pension equalisation.

(d) Financial actuarial assumptions

	2020 %	2019 %
Discount rate	**2.2**	2.3
Inflation rate – based on the UK Retail Prices Index (the RPI)	**2.6**	3.2
Inflation rate – based on the UK Consumer Prices Index (the CPI)	**1.8**	2.2
Increase in salaries	**2.1**	3.7
Increase for pensions in payment – element based on the RPI (where cap is 5%)	**2.5**	3.0
Increase for pensions in payment – element based on the CPI (where cap is 2.5%)	**1.5**	1.7
Increase for pensions in payment – element based on the CPI (where cap is 3%)	**1.7**	1.9
Increase for pensions in deferment	**1.8**	2.2
Inflation in medical costs	**5.6**	6.2

The mortality and other demographic assumptions used at 31 March 2020 have been updated from those used at 31 March 2019 following additional analysis carried out in connection with the triennial funding valuation of the principal defined benefit scheme as at 31 March 2019.

Notes to the financial statements (continued)

for the year ended 31 March 2020

16. Notes to the Group cash flow statement

(a) Cash generated from operations

	2020 **US$m**	2019 US$m
Profit before tax	**942**	957
Share of post-tax profit of associates	**(14)**	(3)
Net finance costs	**257**	208
Operating profit	**1,185**	1,162
Profit on disposal of fixed assets	**(1)**	(5)
Profit on disposal of businesses	**-**	(5)
Amortisation and depreciation[1]	**537**	437
Charge in respect of share incentive plans	**83**	87
Increase in working capital (note 16(b))	**(112)**	(26)
Acquisition expenses – difference between income statement charge and amount paid	**6**	(2)
Fair value gain on revaluation of step acquisition	**(17)**	-
Adjustment to the fair value of contingent consideration	**(4)**	16
Movement in Exceptional items included in working capital	**17**	(25)
Cash generated from operations	**1,694**	1,639

1. Depreciation and amortisation includes amortisation of acquisition intangibles of US$124m (2019: US$111m) which is excluded from Benchmark PBT.

(b) Increase in working capital

	2020 **US$m**	2019 US$m
Trade and other receivables	**(145)**	(65)
Trade and other payables	**33**	39
Increase in working capital	**(112)**	(26)

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

	2020 **US$m**	2019 US$m
Purchase of subsidiaries (note 21(a))	**601**	56
Less: net cash acquired with subsidiaries	**(26)**	-
Settlement of deferred and contingent consideration	**25**	16
As reported in the Group cash flow statement	**600**	72
Acquisition expenses paid	**33**	26
Transactions in respect of non-controlling interests	**67**	(3)
Cash outflow for acquisitions (non-GAAP measure)	**700**	95

(d) Purchase of other intangible assets

	2020 **US$m**	2019 US$m
Databases	**175**	171
Internally generated software	**189**	156
Internal use software	**39**	21
Purchase of other intangible assets	**403**	348

Notes to the financial statements (continued)

for the year ended 31 March 2020

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

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

	2020 US$m	2019 US$m
Issue of ordinary shares	**(15)**	(13)
Purchase of shares by employee trusts	**92**	-
Purchase and cancellation of own shares	**111**	228
Cash outflow in respect of net share purchases (non-GAAP measure)	**188**	215

As reported in the Group cash flow statement:		
Cash inflow in respect of shares issued	**(15)**	(13)
Cash outflow in respect of share purchases	**203**	228
Cash outflow in respect of net share purchases (non-GAAP measure)	**188**	215

(f) Analysis of cash and cash equivalents

	2020 US$m	2019 US$m
Cash and cash equivalents in the Group balance sheet	**277**	149
Bank overdrafts	**(5)**	(3)
Cash and cash equivalents in the Group cash flow statement	**272**	146

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

	2020 US$m	2019 US$m
Cash generated from operations (note 16(a))	**1,694**	1,639
Purchase of other intangible assets (note 16(d))	**(403)**	(348)
Purchase of property, plant and equipment	**(84)**	(91)
Sale of property, plant and equipment	**5**	13
Payment of lease liabilities	**(55)**	-
Acquisition expenses paid	**33**	26
Dividends received from associates	**6**	6
Cash flows in respect of Exceptional and other non-benchmark items	**18**	25
Benchmark operating cash flow (non-GAAP measure)	**1,214**	1,270

Benchmark free cash flow for the year ended 31 March 2020 was US$774m (2019: US$907m). Cash flow conversion for the year ended 31 March 2020 was 88% (2019: 97%).

17. Net debt (non-GAAP measure)

(a) Analysis by nature

	2020 **US$m**	2019 US$m
Cash and cash equivalents (net of overdrafts)	**272**	146
Debt due within one year – commercial paper	**(447)**	(179)
Debt due within one year – bonds and notes	**-**	(578)
Debt due within one year – bank loans[1]	**-**	(105)
Debt due after more than one year – bonds and notes	**(2,858)**	(2,132)
Debt due after more than one year – bank loans[1]	**(900)**	(308)
Derivatives hedging loans and borrowings	**35**	(119)
	(3,898)	(3,275)

1. Includes finance lease obligations in the year ended 31 March 2019.

(b) Analysis by balance sheet caption

	2020 **US$m**	2019 US$m
Cash and cash equivalents	**277**	149
Current borrowings	**(498)**	(869)
Non-current borrowings	**(3,916)**	(2,455)
Borrowings	**(4,414)**	(3,324)
Total of Group balance sheet line items	**(4,137)**	(3,175)
Lease obligations reported within borrowings excluded from Net debt from 1 April 2019	**201**	-
Accrued interest reported within borrowings excluded from Net debt	**3**	19
Derivatives reported within Other financial assets	**52**	14
Derivatives reported within Other financial liabilities	**(17)**	(133)
	(3,898)	(3,275)

At 31 March 2020 the fair value of borrowings was US$4,408m (2019: US$3,351m) and includes lease obligations of US$201m recognised in respect of right-of-use assets.

(c) Analysis of movements in Net debt

	31 March 2019	Movements in the year ended 31 March 2020						**31 March 2020**
		Lease obligations on transition to IFRS 16[1]	Non-cash lease obligation additions	Cash flow[2]	Net share purchases	Fair value gains/ (losses)	Exchange and other movements	
	US$m	US$m	US$m	US$m	US$m	US$m	US$m	**US$m**
Borrowings	(3,324)	(204)	(46)	(886)	-	(13)	59	**(4,414)**
Derivatives hedging loans and borrowings	(119)	-	-	169	-	14	(29)	**35**
Liabilities from financing activities	(3,443)	(204)	(46)	(717)	-	1	30	**(4,379)**
Lease obligations	-	217	46	(63)	-	-	1	**201**
Accrued interest	19	-	-	(17)	-	-	1	**3**
Cash and cash equivalents	149	-	-	328	(188)	-	(12)	**277**
Net debt	**(3,275)**	**13**	**-**	**(469)**	**(188)**	**1**	**20**	**(3,898)**

1. Following the implementation of IFRS 16, leases are excluded from our definition of Net debt, and therefore US$13m of finance lease liabilities previously reported in Net debt at 31 March 2019 have been excluded from 1 April 2019.
2. Lease obligation cash flows include principal and interest payments of US$55m and US$8m respectively.

Notes to the financial statements (continued)

for the year ended 31 March 2020

18. Undrawn committed bank borrowing facilities

	2020 US$m	2019 US$m
Facilities expiring in:		
Less than one year	**75**	-
One to two years	**-**	375
Two to three years	**150**	300
Three to four years	**-**	-
Four to five years	**1,950**	1,950
	2,175	2,625

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.

19. 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 2018	980.1	97	1,546
Shares issued under employee share incentive plans	0.9	-	13
Purchase and cancellation of own shares	(9.5)	(1)	-
At 31 March 2019	971.5	96	1,559
Shares issued under employee share incentive plans	0.8	-	15
Purchase and cancellation of own shares	(3.6)	-	-
At 31 March 2020	**968.7**	**96**	**1,574**

20. Own shares held

	Number of shares million	**Cost of shares US$m**
At 1 April 2018	74	1,227
Other vesting of awards and exercises of share options	(4)	(60)
At 31 March 2019	70	1,167
Purchase of shares by employee trusts	3	92
Other vesting of awards and exercises of share options	(5)	(76)
At 31 March 2020	**68**	**1,183**

Own shares held at 31 March 2020 include 60 million shares held as treasury shares and 8 million shares held by employee trusts. Own shares held at 31 March 2019 include 61 million shares held as treasury shares and 9 million shares held by employee trusts. The total cost of own shares held at 31 March 2020 of US$1,183m (2019: US$1,167m) is deducted from Other reserves in the Group balance sheet.

21. Acquisitions

(a) Acquisitions in the year

The Group made eight acquisitions during the year ended 31 March 2020, including the acquisition of the whole of the issued share capital of Compuscan (CSH Group (Pty) Limited) which completed on 30 April 2019. Compuscan is a leading provider of credit information and decision analytics in South Africa, with operations across seven key geographies in sub-Saharan Africa. In addition, on 8 November 2019 the Group acquired the whole of the issued share capital of Auto I.D., Inc. (Auto ID) a leading provider of solutions and services to automotive lenders in the USA. Provisional goodwill of US$471m was recognised based on the fair value of the net assets acquired of US$178m.

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

	Compuscan US$m	**Auto ID US$m**	**Other US$m**	**Total US$m**
Intangible assets:				
Customer and other relationships	53	49	42	**144**
Software development	22	14	26	**62**
Marketing-related acquisition intangibles	-	1	3	**4**
Other non-acquisition intangibles	-	-	5	**5**
Intangible assets	75	64	76	**215**
Property, plant and equipment	3	-	1	**4**
Trade and other receivables	8	-	5	**13**
Current tax assets	-	2	-	**2**
Deferred tax assets	-	-	3	**3**
Cash and cash equivalents (note 16(c))	7	13	6	**26**
Trade and other payables	(8)	(5)	(14)	**(27)**
Current tax liabilities	(3)	-	-	**(3)**
Deferred tax liabilities	(20)	(17)	(18)	**(55)**
Total identifiable net assets	62	57	59	**178**
Goodwill	206	131	134	**471**
Total	**268**	**188**	**193**	**649**
Satisfied by:				
Cash (note 16(c))	268	188	145	**601**
Fair value of existing interest in associate	-	-	19	**19**
Contingent consideration	-	-	29	**29**
Total	**268**	**188**	**193**	**649**

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 2020 as a consequence of the timing and complexity of the acquisitions. Goodwill represents the synergies, assembled workforces and future growth potential of the businesses. None of the goodwill arising in the year of US$471m 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 2020 that relate to acquisitions in the current or earlier years.

21. Acquisitions (continued)

(b) Additional information

(i) Current year acquisitions

	Compuscan US$m	Auto ID US$m	Other US$m	Total US$m
Increase in book value from fair value adjustments:				
Intangible assets	75	64	71	**210**
Trade and other payables	(3)	(1)	-	**(4)**
Deferred tax assets	-	-	3	**3**
Deferred tax liabilities	(20)	(17)	(18)	**(55)**
Increase in book value from fair value adjustments	**52**	**46**	**56**	**154**
Gross contractual amounts receivable in respect of trade and other receivables	7	-	3	**10**
Pro forma revenue from 1 April 2019 to date of acquisition	3	9	14	**26**
Revenue from date of acquisition to 31 March 2020	33	6	17	**56**
Profit before tax from date of acquisition to 31 March 2020	12	3	1	**16**

At the date of acquisition, the gross contractual amounts receivable in respect of trade and other receivables of US$10m were expected to be collected in full.

If the transactions had occurred on the first day of the financial year, the estimated additional contribution to Group revenues would have been US$26m and the profit before tax would have been US$7m.

(ii) Prior year acquisitions

Deferred consideration of US$25m (2019: US$16m) was settled in the year in respect of acquisitions made in earlier years. These cash flows principally relate to the acquisitions of Clarity Services, Inc. and Runpath Group Limited acquired in the year ended 31 March 2018.

The Group made one acquisition in the year ended 31 March 2019 and a cash outflow of US$72m was reported in the Group cash flow statement for that year.

(iii) Post balance sheet acquisition

On 8 April 2020, the Group agreed to acquire a majority stake in the Risk Management division of Arvato Financial Solutions (AFS). On completion, the consideration will be satisfied by the issue of 7.2m Experian plc shares, c. €185m (c.US$200m) at the date of signing. The AFS Risk Management division is being carved out of the Bertelsmann Group and is one of the leading credit bureaux in Germany, operating also in Austria.

The AFS Risk Management division’s business is closely allied with our activities in consumer information services. The transaction is expected to complete during the year ending 31 March 2021, subject to regulatory approval.

22. Disposals

There were no disposals during the year ended 31 March 2020.

In the year ended 31 March 2019 two small businesses were divested, one based in the UK and Ireland region and one in Latin America. In total, proceeds of US$12m were received in cash which resulted in a profit on disposal of US$5m recognised in that year.

Notes to the financial statements (continued)

for the year ended 31 March 2020

23. Related party transactions

The Group's related parties were disclosed in the Group's statutory financial statements for the year ended 31 March 2019. Following the divestment of CCM in the year ended 31 March 2018 the Group owns 24.47% of the issued share capital of Vector CM Holdings (Cayman), L.P. (Vector), a partnership incorporated in Cayman Islands.

The Group recorded the following transactions and balances with Vector and its subsidiaries:

	Transaction amount Year ended 31 March		Balance owed to Experian At 31 March	
	2020 **US$m**	2019 US$m	**2020** **US$m**	2019 US$m
Promissory note and accrued interest	**7**	7	**94**	87
Transaction processing fees	**-**	2	**-**	-
Net amounts collected/(settled) and receivable/(payable)	**-**	(6)	**2**	(1)

The promissory note is due and payable to Experian on 31 May 2024 with interest also payable on this date. During the years ended 31 March 2020 and 31 March 2019, we continued to process transactions on behalf of Vector. We do not receive any margin on individual transactions. Details of amounts arising in respect of these transactions are shown in the table below.

	Transaction amount Year ended 31 March		Balance owed to Vector At 31 March	
	2020 **US$m**	2019 US$m	**2020** **US$m**	2019 US$m
Cash received on behalf of Vector	**2**	28	**-**	1

	Transaction amount Year ended 31 March		Balance owed to Experian At 31 March	
	2020 **US$m**	2019 US$m	**2020** **US$m**	2019 US$m
Cash paid on behalf of Vector	**2**	22	**2**	-

Transactions with associates are made on normal market terms and in the year ended 31 March 2020 comprised the provision and receipt of services to other associates of US$1m (2019: US$6m) and US$9m (2019: US$8m) respectively. At 31 March 2020, amounts owed by associates, other than Vector, were US$nil (2019: US$nil) and amounts due to associates, other than Vector, totalled US$1m (2019: US$nil).

Notes to the financial statements (continued)

for the year ended 31 March 2020

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. We 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 costs of directly responding to this incident were reflected in a US$20m income statement charge in the year ended 31 March 2016.

We have received a number of class actions and other related claims in respect of the incident and are 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) Latin America 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 Brazilian courts have ultimately upheld Experian's position in respect of the tax years from 2007 to 2011 with no further right of appeal. The Brazilian tax authorities have raised similar assessments in respect of the 2012 to 2014 tax years, in which approximately US$77m was claimed, and may raise similar claims in respect of other years. The possibility of this resulting in a liability to the Group is considered to be remote, on the basis of the advice of external legal counsel, success in cases to date and other factors in respect of the claim.

We note that a similar challenge has been raised in Colombia in respect of the 2014 and 2016 tax years, in which approximately US$5m was claimed, and similar claims in respect of other years may be raised. We are contesting these on the basis of external legal advice.

(c) UK marketing services regulation

Experian is in a process with the UK Information Commissioner's Office (ICO) with respect to a 2018 audit of several companies on the use of data for marketing purposes under the EU General Data Protection Regulation (GDPR), which relates to our marketing services activities in the UK. We expect the outcome of this review to be released in early FY21. At this stage we do not know what the final outcome will be, but it may include an enforcement notice which, if unchallenged, could require significant changes to business processes in our UK marketing services business. Experian will have the right to appeal any such enforcement notice, during which time all requirements would be stayed.

The UK marketing services business represents approximately 1.4% of Experian's global revenues and we do not expect this to result in a materially adverse financial outcome for the Experian Group.

(d) Other litigation and claims

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

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). Details of the post balance sheet acquisition are provided in note 21(b)(iii).

On 7 April 2020, Experian Finance plc, a subsidiary undertaking, issued £400m 3.25% bonds due 2032, under the terms of its Euro Medium Term Note Programme, which is guaranteed by Experian plc. The bond issue extends the maturity of the Group's debt portfolio and diversifies its funding sources.

26. Company website

A full range of investor information is available at www.experianplc.com. Details of the 2020 Annual General Meeting (AGM), to be held in Dublin, Ireland on Wednesday, 22 July 2020, will be given on the website and in the notice of meeting. Information on the Company's share price is available on the website.

27. Risks and uncertainties

Identifying and managing risk is key to our business. Doing so helps us deliver long-term shareholder value and protect our business, people, assets, capital and reputation.

The Board is responsible for maintaining and reviewing the effectiveness of our risk management activities from a strategic, financial, and operational 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 landscape continues to change as both business and regulatory environments evolve. The emergence of COVID-19 has impacted several of our principal risks. We have implemented multiple senior management steering groups to understand, analyse and seek to mitigate the impact of COVID-19.

The risk management process is designed to identify, assess, respond to, report on and monitor the risks that threaten our ability to achieve 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. The impact of this risk, if it materialises, will typically be felt in the near term.

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 with strong governance 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 that 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 we must comply with many 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, damage to our reputation or significant changes to parts of our business. The impact of this risk, if it materialises, will typically be felt in the near term.

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 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.

Notes to the financial statements (continued)

for the year ended 31 March 2020

27. Risks and uncertainties (continued)

(c) 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 disruption in the event of 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 reputation. The impact of this risk, if it materialises, will typically be felt in the near term.

Examples of control mitigation

- We maintain a significant level of resilience in our operations, designed to avoid material and sustained disruption 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 back-up data centres.

(d) 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. The impact of this risk, if it materialises, will typically be felt in the short term.

Examples of control mitigation

- We maintain appropriate governance and oversight through 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.
- The above 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.

(e) Risk area - Dependence on highly skilled personnel

Description

Our success depends on our ability to attract, motivate and retain key talent while also building future leadership.

Potential impact

Not having the right people could materially affect our ability to service our clients and grow our business. The impact of this risk, if it materialises, will typically be felt in the long term.

Examples of control mitigation

- In every region, we have ongoing programmes for recruitment, personal and career development, and talent identification and development
- As part of our employee engagement strategy, we conduct an annual People Survey and periodic employee pulse surveys. We track progress against our action plans.
- 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.

27. Risks and uncertainties (continued)

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

Description

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

A substantial change in credit markets in the USA, Brazil or the UK could reduce our financial performance and growth potential in those countries.

We present our Group financial statements in US dollars. However, we transact business in a number of currencies. Changes in other currencies relative to the US dollar affect our financial results. A substantial rise in US, 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 for.

We have a number of outstanding tax matters and resolving them could have a substantial impact on our financial statements, cash and reputation.

Potential impact

The US, Brazilian and UK markets are significant contributors to our 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 euros, pound sterling and US dollars. As this debt matures, we may need to replace it with borrowings at higher interest rates.

Our earnings could be reduced and tax payments increased as a result of settling historical tax positions or increases in tax rates.

Adverse publicity around tax could damage our reputation.

The impact of this risk, if it materialises, will typically be felt in the short to long term.

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 fix the interest rates on a proportion of our borrowings.
- We retain internal and external tax professionals, who regularly monitor developments in international tax and assess the impact of changes and differing outcomes.
- We review contingency plans in our key markets as to specific potential responses to evolving financial conditions.

27. Risks and uncertainties (continued)

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

Description

We operate in an increasingly complex environment and 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 heightened regulatory scrutiny could affect how we operate. For example, future regulatory changes could affect 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 litigation or regulatory actions resulting in liability, fines and/or changes in our business practices. The impact of this risk, if it materialises, will typically be felt in the short term.

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

We operate in dynamic markets such as business and consumer credit information, decisioning software, fraud, marketing, and consumer services. Our competitive landscape is still evolving, with traditional players reinventing themselves, emerging players investing heavily and new entrants making commitments in new technologies or approaches to our markets. There is a risk that we will not respond adequately to such 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 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. The impact of this risk, if it materialises, will typically be felt in the long term.

Examples of control mitigation

- We continue to research and invest in new data sources, analytics, technology, capabilities and talent to deliver our strategic priorities.
- We continue to develop innovative new products that leverage our scale and expertise 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 efficiently and effectively introduce new products and solutions to the market.
- Where appropriate, and available, we make acquisitions, take minority investments and enter into strategic alliances to acquire new capabilities and enter into new markets.

27. Risks and uncertainties (continued)

(i) Risk area - Undesirable investment outcomes

Description

We critically evaluate, and may invest in, equity investments and other growth opportunities, including internal performance improvement programmes. To the extent invested, any of these 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 significant harm to our reputation.

The impact of this risk, if it materialises, will typically be felt in the long term.

Examples of control mitigation

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

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 of the Company and the Group taken as a whole; and the Strategic report contains 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 14 May 2019 were listed in the Experian Annual Report 2019. In the period from 14 May 2019 to the date of this report:

- Don Robert retired as Chairman and as a director of Experian plc on 24 July 2019;
- Mike Rogers took up the role of Chairman on 24 July 2019;
- Paul Walker retired as a non-executive director on 24 July 2019.

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

By order of the Board

Charles Brown

Company Secretary

19 May 2020