



news release

Trading update, third quarter

19 January 2021 — Experian, the global information services company, today issues an update on trading for the three months ended 31 December 2020.

Commenting on the performance, Brian Cassin, Chief Executive Officer, said:

“Our performance in Q3 was better than we expected. We delivered organic revenue growth of 7% and total revenue growth of 10% at constant exchange rates.

“Experian is performing very well, even in the exceptional circumstances created by the pandemic, and we expect to deliver a strong performance for this financial year. This again illustrates the resilience of our business. We remain highly focused on investing to sustain this performance and to take full advantage of the recovery when it comes.

“I am hugely grateful to my colleagues for their hard work and commitment. Their efforts have demonstrated the positive role our business plays in our communities and that data can be a significant force for good in helping to navigate the crisis, ensuring financial support reaches those most in need.”

% change in revenue from ongoing activities year-on-year for the three months ended 31 December 2020

Ongoing activities only	Total revenue growth % At actual exchange rates ¹	Total revenue growth % At constant exchange rates	Organic revenue growth % At constant exchange rates
North America	11	11	9
Latin America	(11)	13	13
UK and Ireland	1	(2)	(2)
EMEA/Asia Pacific	21	16	(11)
Total global	7	10	7

¹ Experian reports in US dollars.

% change in organic revenue year-on-year for the three months ended 31 December 2020

Organic revenue growth % ²	Data	Decisioning	B2B ³	Consumer Services	Total
North America	7	2	6	18	9
Latin America	1	5	2	178	13
UK and Ireland	(1)	(5)	(2)	1	(2)
EMEA/Asia Pacific	(8)	(15)	(11)	n/a	(11)
Total global	4	(1)	2	22	7

² Ongoing activities only, at constant exchange rates.

³ B2B = Business-to-Business segment consists of Data and Decisioning business sub-divisions.

Business mix including % change in organic revenue year-on-year for the three months ended 31 December 2020

Segment	Business unit	Q1 organic revenue growth % ⁴	Q2 organic revenue growth % ⁴	Q3 organic revenue growth % ⁴
North America		4	9	9
Data	CI / BI Bureaux	4	14	12
	Automotive	(3)	1	(3)
	Targeting	(15)	(16)	(7)
Decisioning	Health	1	4	5
	DA / Other	(1)	0	(2)
Consumer	Consumer Services	10	16	18
Latin America		(1)	10	13
Data	CI / BI Bureaux	(5)	1	1
	Other	12	7	0
Decisioning	DA / Other	(9)	3	5
Consumer	Consumer Services	104	197	178
UK and Ireland		(15)	(8)	(2)
Data	CI / BI Bureaux	(14)	(8)	3
	Targeting / Other	(21)	(3)	(13)
Decisioning	DA / Other	(13)	(8)	(5)
Consumer	Consumer Services	(18)	(11)	1
EMEA/Asia Pacific		(20)	(17)	(11)
EMEA		(25)	(16)	(9)
Asia Pacific		(13)	(18)	(14)
Total global		(2)	5	7

⁴ Ongoing activities only, at constant exchange rates.

CI = Consumer Information, BI = Business Information, DA = Decision Analytics.

North America – 63% of Group revenue⁵

North America delivered a strong performance. Organic revenue growth was 9%, with B2B up 6% and Consumer Services up 18%. Total revenue growth at constant exchange rates was 11%, mainly reflecting the contribution from Tapad, acquired in November.

B2B growth was driven by a combination of factors, including ongoing strength in both mortgage volumes and Experian Ascend, with volume recovering for Clarity Services. These factors offset ongoing COVID-19 related weakness in credit reference volumes in support of unsecured lending, as well as in targeting (marketing data). In Decisioning, strong performances in health and fraud management offset softness in decisioning software.

Strength in Consumer Services was supported by ongoing expansion of the membership base. Free memberships reached 38m, with 5.7m US consumers having connected their accounts to Experian Boost. There was good demand for credit education and identity monitoring subscription services which benefited from heightened consumer interest during this period. Lead generation revenues performed well, notwithstanding tighter lending conditions for credit card and personal loan offers and helped by the expansion into automotive insurance earlier this year.

Latin America – 14% of Group revenue⁵

In Latin America, both total and organic revenue increased by 13%.

B2B revenue was up 2% with strength in new initiatives offsetting weakness in credit bureau volumes. Brazil benefited from increased contributions from positive data propositions, Experian Ascend and from our automotive vertical. Spanish Latin America had a strong quarter, helped by recovering bureau volumes in Colombia.

We delivered considerable growth in Consumer Services in Latin America, with revenue up 178%. In Brazil, free consumer memberships increased to 56m. Limpa Nome, our debt resolution service, delivered strong growth following a highly successful annual credit fair. We also benefited from transaction growth on our eCred credit matching marketplace, as well as a growing contribution from identity theft protection services.

UK and Ireland – 15% of Group revenue⁵

In UK and Ireland both total and organic revenue, at constant exchange rates, were down (2)%.

While still down overall, the trajectory in B2B has improved and organic revenue declined (2)%. Recovery has been driven by increased new business and strengthening transactions reflecting improved credit supply. Business credit and consumer information delivered growth, largely offsetting ongoing weakness in Decisioning.

Consumer Services returned to growth with organic revenue up 1%. We continue to add free memberships, now at 8.9m, and we are encouraged by the initial consumer reaction to Experian Boost. Since the launch in November 230,000 consumers have connected their accounts. Credit monitoring subscription revenue delivered growth and, while lead generation revenues are still down overall, the trajectory has improved considerably.

EMEA/Asia Pacific – 8% of Group revenue⁵

At constant exchange rates, total revenue across EMEA/Asia Pacific increased by 16%, while organic revenue declined by (11)%. The difference principally related to the contribution from the acquisition of the Risk Management division of Arvato Financial Solutions.

There was some gradual sequential improvement in bureau volumes in EMEA, although these remain lower overall year-on-year. Our bureaux in Asia Pacific continue to be heavily impacted by the effects of the pandemic crisis, particularly in India. Decisioning also remains weak due to slower client decision-making in relation to software acquisition.

Near-term guidance

We expect that organic revenue growth for Q4 FY21 will be in the range of 3-5%, against a strong prior year comparative as we lap last year's mortgage uplift. For the full year ending 31 March 2021 we expect Benchmark EBIT in the range of US\$1,360 – 1,380m.

Future events

Experian will release results for the full year ending 31 March 2021 on Wednesday 19 May 2021.

5 Percentage of Group revenue based on FY20 revenue at actual rates.

Contact:

Experian

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

Tulchan

Graeme Wilson, Louise Male and Guy Bates	+44 (0)20 7353 4200
------------------------------------------	---------------------

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

All financial information in this trading update is based on unaudited management accounts. Certain statements made in this trading update are forward-looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results referred to in these forward-looking statements.

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

About Experian

Experian is the 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.