



news release

Full-year financial report Strong performance demonstrating the power of data for consumers and our clients

7am, 19 May 2021 — Experian plc, the global information services company, today issues its financial report for the year ended 31 March 2021.

Brian Cassin, Chief Executive Officer, commented:

“Experian delivered a strong performance this year, even as the world faced the testing times posed by the COVID-19 pandemic. Total revenue growth for the year was 7% and organic revenue growth was 4%, while Q4 organic revenue growth of 5% was at the top end of our guidance range.

“We have again shown Experian’s resilience in the face of external shocks, which is due to the diversity of our portfolio and our successful innovation-led investments in new opportunities. We are off to a strong start to FY22 and expect Q1 organic revenue growth in the range of 15-20% which gives us every confidence of another successful year ahead. For the year, we expect organic revenue growth in the range of 7-9%, total revenue growth of 11-13% and strong EBIT margin accretion, all at constant currency.

“I want to pay tribute to my Experian colleagues whose incredible hard work and commitment this year has steered our business successfully through challenging times. FY21 was a year when we unlocked the power of data for consumers, clients and communities across the world, using our skills and capabilities to help governments and societies to respond to the crisis, hospitals to marshal resources, governments to support businesses, and charities to care for the most vulnerable. Data will also be a key driver of economic growth as the recovery gathers pace and we will be a leading champion in using data to create a better tomorrow.”

Benchmark and Statutory financial highlights

	2021 US\$m	2020 US\$m	Actual rates growth %	Constant rates growth %	Organic growth % ²
Benchmark¹					
Revenue – ongoing activities ³	5,357	5,161	4	7	4
Benchmark EBIT – ongoing activities ^{3,4}	1,385	1,386	-	3	n/a
Total Benchmark EBIT	1,386	1,387	-	3	n/a
Benchmark EPS	USc 103.1	USc 103.0	-	4	n/a
Statutory					
Revenue	5,372	5,179	4	6	n/a
Operating profit	1,183	1,185	-	4	n/a
Profit before tax	1,077	942	14	6	n/a
Basic EPS	USc 88.2	USc 74.8	18	5	n/a
Total dividend	USc 47.0	USc 47.0	-	n/a	n/a

¹ See Appendix 1 (page 14) and note 4 to the financial statements (pages 23-25) for definitions of non-GAAP measures.

² Organic revenue growth at constant currency.

³ Revenue and Benchmark EBIT for the year ended 31 March 2020 have been re-presented for the reclassification to exited business activities of certain B2B businesses.

⁴ See page 14 for reconciliation of Benchmark EBIT from ongoing activities to Profit before tax.

Highlights

- Full year revenue growth at constant currency was +7%. Full year organic revenue +4%, with Q4 +5%.
- Full year organic revenue growth in North America and Latin America +7% and +9% respectively. Organic revenue in UK and Ireland and EMEA/Asia Pacific declined (6)% and (14)% respectively.
- Full year organic growth in Consumer Services revenue was +17%, while Business-to-Business (B2B) was flat.
- Benchmark EBIT growth at constant exchange rates of +3%. Benchmark EBIT margin of 25.9% at actual exchange rates (2020: 26.9%³).
- Benchmark EPS growth of +4% at constant currency and flat at actual exchange rates.
- Conversion rate of Benchmark EBIT into Benchmark operating cash flow of 106%.

- Second interim dividend of 32.5 US cents per ordinary share, unchanged year-on-year, to bring the total for FY21 to 47.0 US cents per share.

Experian

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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 FY22 on 15 July 2021.

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 note 26 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 44 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

Experian delivered another successful year of growth even as the COVID-19 pandemic posed significant challenges to people, clients, and the world economy. I am proud of the accomplishments of our 17,800 people around the world who have shown incredible resilience and passion, and who have worked tirelessly to serve our various communities over this year. In recognition, we intend to make a special one-off share-based award to recognise the outstanding commitment of our people this year.

The COVID-19 pandemic has demonstrated how properly managed data can be used as a significant force for good and has been used by decision-makers to navigate the immediate crisis and to direct resources to where they were most needed. Our people were instrumental in using innovative data science to predict hot zones for the spread of the virus. We stepped up to launch financial education projects aimed at supporting communities impacted by COVID-19. We supported governments, charities and foodbanks to help the most vulnerable during the pandemic, and we provided health and data modelling tools to assist with coordination of national efforts.

These are just some examples of how we have placed the power of our data and innovation in service of society. As we look out to the economic recovery in the months ahead, data will be a critical driver of growth, helping businesses and consumers make better-informed decisions about their futures.

Our financial performance was robust. Total revenue growth was 7% at constant currency, while organically we grew 4%. Consumer Services deserves special mention, delivering 17% underlying growth in the year and reaching 110m members globally. We benefitted from growth in B2B platforms across many territories. Combined with continued expansion in key verticals like health, and growth in counter-cyclical revenue streams such as US mortgage, this enabled us to offset declines in some parts of our business caused by the COVID-19 economic downturn. We benefitted both from our portfolio diversity and from the strategic investments we have made over many years, and we continued to invest in our business in FY21.

Full year financial highlights

- Revenue growth was 7% at constant currency and organic revenue growth was 4%. At actual exchange rates revenue growth was 4%.
- Organic revenue growth in North America was 7% and 9% in Latin America, including very strong contributions from Consumer Services. The UK and Ireland and EMEA/Asia Pacific regions were impacted negatively, down (6)% and (14)% respectively.
- B2B organic revenue growth was flat. Growth in North America Data and Decisioning was offset by declines elsewhere.
- Growth in Consumer Services was very strong, with organic revenue up 17%, driven by North America and Brazil.
- Growth in Benchmark EBIT was 3% at constant exchange rates and flat at actual exchange rates after currency translation headwinds.
- Our Benchmark EBIT margin was 25.9%, down 80 basis points at constant currency and down 100 basis points at actual exchange rates. This was after deliberate action to support our people through the crisis, increased marketing investment and investment to support new product innovation and technology transformation.
- We delivered growth in Benchmark earnings per share of 4% at constant exchange rates and flat at actual exchange rates.
- Cash flow was very strong, with a conversion rate of Benchmark EBIT into Benchmark operating cash flow of 106%.
- We ended the year in the lower half of our leverage range at 2.2x (on a pre IFRS 16 basis), compared to our target of 2.0-2.5x for Net debt to Benchmark EBITDA.

B2B organic revenue was flat overall, recovering as the year progressed, with H1 (2)% and H2 +2%:

- Growth in North America and Latin America offset declines in other regions. Strength in US mortgage volumes, Experian Ascend, health and fraud and identity services helped to offset weaker conditions for unsecured credit origination, decisioning software and marketing expenditure by clients.

- We made further headway with the roll out and scaling of our core B2B platforms. The cumulative total contract value for Ascend is US\$374m and we continue to make progress with Experian One, CrossCore and our Open Data platforms.
- Health delivered another year of growth, automotive was stable and we have expanded our position in employment and verification services.
- In Brazil, we had significant success extending our relationships with some of our largest financial services clients as we signed expanded new multi-year agreements, and we saw good growth in positive data propositions.

We had an outstanding year in Consumer Services, which delivered 17% organic revenue growth, with H1 +13% and H2 +22%:

- We now have 110m free consumer memberships, up by 28m year-on-year. We have 41m free members in the USA, 59m in Brazil and 9.5m in the UK.
- North America delivered organic revenue growth of 16%. We are investing behind the success of Experian Boost, which now has 6.7m unique account connections. Our membership continued to grow and we launched a new vertical, automotive insurance, which performed strongly, and which offers significant further growth opportunities in FY22 and beyond.
- Our Latin America revenues more than doubled in the year at local currency, with revenue up 144% organically.
- Consumer Services in the UK recovered as the year progressed, returning to growth in H2. We launched Experian Boost in the UK in early November and now have 370,000 active Boost members.

Operating efficiency

- One of our key operating principles to manage throughout the COVID-19 crisis has been to retain capacity to recover strongly and to help our people to cope with the crisis. We did not use any government furlough schemes.
- We deliberately balanced our approach to cost management. We cut back on discretionary spend, froze headcount, and delayed non-critical investment. We also supported our people and sustained critical growth investments. We took concerted action to increase investment in marketing expenditure in support of Consumer Services. We have also invested in and materially progressed our technology transformation as we migrate from mainframes into a distributed framework utilising the cloud, and we continued to invest in new product innovation.
- We previously announced that we have embarked on a transformation programme in the UK and Ireland to simplify our technology estate, enhance customer experience and to return to profitable growth. The programme is progressing well and to plan. As previously announced, these actions have given rise to an exceptional restructuring charge of US\$50m in FY21. We are on course to deliver year-on-year run-rate savings of US\$40m in the year ending 31 March 2022.
- The net effect was that EBIT margin for the year reduced to 25.9%. For FY22, we expect strong accretion in the EBIT margin.

Funding and liquidity

- We further strengthened our funding position while also supporting investment activities.
- We continued to invest in data, technology and innovation through capital expenditure. Capital expenditure reduced by (13)% to US\$422m, which represented 8% of total revenue. For FY22, we expect capital expenditure to represent circa 9% of total revenue.
- We took steps to expand the reach of our portfolio through a number of inorganic investments. These included:
 - The expansion of our bureau estate with the acquisition of a majority stake in a German credit bureau (the Risk Management division of Arvato Financial Solutions) and of the Spanish credit bureau, Axesor.

- We also accelerated our entry into the verification services vertical with the acquisition of employer solutions provider Corporate Cost Control. After the year end, we acquired Tax Credit Co (TCC) and Emptech, which also add to our income verification business in North America.
- Consistent with our ambitions to extend our position in fraud and identity management, we acquired Tapad, a leader in resolution of digital online identities and BrScan, a leading player in Brazil.
- Total acquisition outflow in the year was cash of US\$583m and 7.2m Experian plc shares.
- We have announced a second interim dividend of 32.5 US cents per share, unchanged year-on-year. This will be paid on 23 July 2021 to shareholders on the register at the close of business on 25 June 2021.
- We have also announced that we will commence a US\$150m share repurchase programme, which will mainly offset deliveries under employee share plans.
- During the year we undertook two bond issues totalling US\$1.1bn. Including these, our bonds total US\$4.0bn and have an average remaining tenor of 6 years.
- At 31 March 2021, we had no drawn bank debt and held US\$2.65bn of undrawn committed bank borrowing 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 2025.
- As at 31 March 2021, Net debt to Benchmark EBITDA was 2.2x (on a pre IFRS 16 basis), compared to our target leverage range of 2.0-2.5x.

Other financial developments

Benchmark PBT was US\$1,265m, up 5% at constant currency and 1% at actual rates, after lower net interest expense of US\$121m (2020: US\$132m). The reduction reflects lower average global interest rates. For FY22, we expect net interest expense to be around US\$115-120m.

The Benchmark tax rate was 25.9% (2020: 25.8%). For FY22, we expect a rate in the range of 26% to 27%, taking into account expected profit mix for the year.

Our Benchmark EPS was 103.1 US cents, an increase of 4% at constant currency and flat at actual exchange rates. The weighted average number of ordinary shares (WANOS) increased to 910m (2020: 902m), inclusive of the shares delivered in connection with the purchase of our stake in the Risk Management division of Arvato Financial Solutions. For FY22, we expect WANOS of circa 915m.

Benchmark operating cash flow increased 22% at actual rates and our cash flow conversion was 106% (2020: 88%). The increase is due to the mix of growth, strong control of working capital, reduced infrastructure investment, and some phasing.

Foreign exchange translation was a 4% headwind to Benchmark EPS in the year. This was predominantly due to the Brazilian Real, which weakened by 31% relative to the US dollar versus the prior year. For FY22, we expect a neutral impact to Benchmark EBIT, assuming recent foreign exchange rates prevail.

Environmental, Social, and Governance (ESG)

- A key priority for Experian is to improve the financial health of the communities we serve. This is how we can use our data and expertise to make the biggest difference to society, helping us to contribute to three United Nations Sustainable Development Goals, namely targets 1.4, 8.10 and 9.3, which relate to improving access to financial services and credit.
- This year we have reached 28 million people with our social innovation products specifically developed to deliver societal benefits and improve financial health. Examples include Social Determinants of Healthcare, which helps people in the USA to avoid major medical bills in future, and a financial online training module in Brazil to help people manage their finances. This brings the total number of people reached since 2013 to 61 million, putting us on track to meet our target of 100 million people by 2024.
- A year ago, we launched United for Financial Health, a financial recovery programme partnering with NGOs to help communities significantly affected by COVID-19. For example, we partnered with Operation HOPE to reach ethnic minority groups in the USA with support to raise credit scores, and the National Literacy Trust in the UK. We have reached 35 million people and small businesses across the USA, Brazil and the UK and Ireland this year. We are also expanding into EMEA and Asia Pacific.

- As part of our 'People First' agenda we will be making a special one-off share-based recognition award to our people for their commitment to Experian during the COVID-19 pandemic.
- We have undertaken an extensive review of our Diversity, Equity and Inclusion strategy, and aim to increase the number of women among our senior leaders from 32% to 40% by 2024, supporting the commitment we made this year to the UN Women's Empowerment Principles.
- Following a recent appointment, our Board is now comprised of 36% women and 73% independent members (including the Chairman). We continue to meet the recommendations of the Hampton-Alexander Review on gender diversity and the Parker Review on ethnic diversity.
- Experian featured in the S&P Global Sustainability Yearbook 2021 as a leader on ESG, scoring in the top 15% of the professional services industry.
- Our commitment to help tackle climate change and reduce our impact on the environment is reflected in our CDP rating of 'A-'. This places us in the leadership category and among the top 14% of professional services companies for our disclosure on climate risks and opportunities.
- This year we have cut our absolute carbon emissions by a further 58% and reduced our carbon intensity by 60% (Scope 1, Scope 2 market-based and Scope 3 emissions). This reduction was mainly due to the decrease in air travel as a result of COVID-19 restrictions. As business activities resume, we're expecting to see an increase in air travel trends and we will continue looking into carbon reduction initiatives to help decrease our footprint sustainably and in the long-term.
- Building on last year's commitment to be carbon neutral in our own operations by 2030, we are today announcing a Science Based Target to cut our Scope 1 and 2 emissions by 50% by 2030, and our Scope 3 emissions by 15% by 2030. Having committed last year to gradually carbon offset our Scope 1 and 2 emissions over the five years to 2025, we are offsetting 20% of our FY21 emissions.

Part 2 - Regional highlights for the year ended 31 March 2021

We delivered good organic revenue growth in North America and Latin America, while the UK and Ireland and EMEA/Asia Pacific regions declined.

	Year-on-year % change in organic revenue – for the year ended 31 March 2021						EBIT margin
	% of Group revenue ¹	<i>Data</i>	<i>Decisioning</i>	B2B²	Consumer Services	Total	Total
North America	65	5	2	4	16	7	34.0%
Latin America³	12	1	2	1	144	9	27.5%
UK and Ireland	14	(5)	(7)	(6)	(6)	(6)	16.6%
EMEA/Asia Pacific	9	(8)	(20)	(14)	n/a	(14)	(4.3)%
Total Global	100	2	(4)	-	17	4	25.9%

¹ For the year ended 31 March 2021.

² B2B = Business-to-Business segment consists of Data and Decisioning business sub-divisions.

See note 4 to the financial statements on pages 23-25 for definition of organic revenue growth.

³ Organic revenue growth is calculated after the results for the year ended 31 March 2020 have been re-presented following the reclassification of our Consumer Services business in Latin America to the Consumer Services business segment, and the reclassification to exited business activities of certain B2B businesses.

North America

Revenue in North America was US\$3,530m, with total revenue growth of 9% and organic revenue growth of 7%. The difference related to the acquisitions of Tapad and Corporate Cost Control and other smaller acquisitions.

North America was very resilient in the face of the marketplace challenges. While we were able to rely on some support from counter-cyclical revenue streams, we benefitted equally, if not more, from our investments in innovation, our brand and from the progress we have made in developing new business opportunities.

The B2B segment delivered organic revenue growth of 4%. Mortgage volumes were robust as historically low interest rates led to higher consumer refinancing activity. We secured new and expanded client relationships for Experian Ascend, with strong demand for our data services, marketing and account management modules as well as first-time contributions from newer modules like Ascend Intelligence Services. In keeping with our ambition to make credit and lending simpler, we also made good progress towards developing our suite of verification services offers, and after the year-end secured important new client wins. Growth in these areas offset significantly reduced volumes in relation to unsecured lending, and lower software revenue, as well as lower revenues from retail clients as they reduced marketing expenditure.

We made further progress in our strategy to grow in specialised verticals. Health delivered a very solid performance. We have expanded the range of services we offer to our hospital clients to help them manage their revenue cycle and we are steadily increasing our presence in new customer segments such as the payer sector and pharmacies. Our recent investments, designed to enhance the consumer experience through digital channels, have proved well timed. We saw strong traction for these services as our hospital clients sought to provide healthcare in virtual settings. This also benefitted authentication volumes as clients sought to verify patient identities. At the other end of the customer lifecycle, we saw good demand for solutions which provide revenue certainty for healthcare clients. Our automotive vertical, while volatile through the year, was also relatively resilient.

Empowering financial lives is an important aspect of what we do at Experian and we delivered one of our strongest years ever for Consumer Services with organic revenue growth of 16%. This was fuelled by new memberships and product innovation. Experian Boost has proved to be an innovative new product to help consumers to manage their finances, with 6.7m connected accounts. Brand investment through our 'purple cow' advertising campaign has yielded considerable growth in free memberships which totalled 41m at the year-end, up from 30m free members at the end of FY20. We continue to diversify our business model. We have successfully entered into automotive insurance matching, which supplemented growth from subscription-based credit education services and credit matching referral fees. Our credit matching lending panel added more lending partners who are attracted to our platform because we are able to deliver a large audience and because of our ability to match consumers with suitable credit offers. We enhanced Experian Boost and now consumers can contribute payment history data from streaming services (including Netflix) to their credit scores as an eligible tradeline, and we continue to invest in a new breed of smart services to help consumers manage their financial health.

The strength in our revenue performance contributed to strong EBIT progression, up 10% to US\$1,201m. The Benchmark EBIT margin increased by 30 basis points year-on-year to 34.0%, even as we invested in customer acquisition in support of Consumer Services.

Latin America

Revenue in Latin America was US\$625m, with both total and organic revenue growth of 9% at constant exchange rates. Organic revenue growth in Brazil was 11%.

B2B organic revenue grew 1%. Strength in Serasa Automotive and Decisioning in Brazil offset weakness in traditional credit bureau volumes across Brazil and other markets in Latin America.

In Brazil, we made good progress despite the challenging backdrop, signing new multi-year, multi-solution agreements with our largest clients, with increased share of wallet. We are also driving widespread adoption of positive data propositions which is leading to volume growth in enquiries. We expect to sustain this trajectory with the introduction of a range of enhanced propositions in FY22, and we intend to make all new scores and attributes available through our Ascend technology platform. Across the region, we signed 12 new clients in the year for Experian Ascend and plan to introduce new modules in the coming months. We had good growth in fraud and identity management, which included new wins for our CrossCore platform, all of which contributed to a solid year for Decisioning.

Nowhere perhaps better illustrates our commitment to empower consumers than the progress we have made in Brazil. Consumer Services delivered another year of outstanding performance, with organic revenue growth of 144%. We have established a model, unique in Brazil, where we can provide consumers with financial information, help people to better understand their credit scores, compare pricing and apply for credit offers, as well as offering identity monitoring subscription services. Consumers can also use our collections marketplace to pay their bills and even to see the impact of these bill payments in improved credit scores through our free Score Turbo offer. As a result, we have grown our free membership base to 59m, compared to 45m in FY20. Audiences of this size and scale have attracted new lenders to our platform, including a growing proportion of the emerging FinTech community in Brazil. Our team in Brazil is committed to innovation-led growth and we are excited by the opportunities that lie ahead.

In January, we were subject to media speculation claiming that Serasa marketing data was part of data from multiple organisations illegally offered for sale on the dark web. We take our responsibilities to protect consumer data extremely seriously and we initiated an extensive and detailed review which was conducted over several months and supported by multiple third-party experts. This investigation has found no evidence that any of our systems have been compromised. We have provided our conclusions and the detailed results of our investigation to the relevant authorities, including the Federal authorities who continue to pursue a criminal investigation against the individuals involved.

Performance in Spanish Latin America was weaker as parts of the region have been especially hard hit by the COVID-19 pandemic. We have placed a strong focus on operating efficiency, while sustaining new product investment and undertaking technology transformation. More recently, we have seen evidence of recovery which will help us to resume our strategic ambitions to diversify our traditional bureau offerings and focus on developing new opportunities such as services to consumers.

Benchmark EBIT in Latin America was US\$172m, up 4% at constant exchange rates. The Benchmark EBIT margin from ongoing activities at actual exchange rates was 27.5% (2020: 30.1%) mainly reflecting revenue mix effects.

UK and Ireland

Revenue from ongoing activities in the UK and Ireland was US\$737m. Total and organic revenue declined (6)% at constant exchange rates. Both B2B and Consumer Services organic revenue declined (6)%.

This was a year of transformation in the UK and Ireland and we made a lot of progress. While we have more to accomplish, it was encouraging to see the region return to growth in Q4 and deliver much improved margin performance in H2 compared to H1. Our ambition in the region is to simplify and modernise our technology estate and resume profitable growth, as well as to take advantage of the many opportunities which lie ahead. We already see tangible evidence of progress in the form of much improved client net promoter scores, higher employee engagement levels, greater network stability, and a robust new business performance.

B2B revenue from ongoing activities declined (6)% at constant exchange rates. Revenues were down for much of the year due to reductions in UK bank consumer lending and reduced demand for software investment. Our marketing services segment was also affected by reduced marketing expenditure. We successfully pivoted towards COVID-19 support propositions, including government loan schemes, and as a result business credit volumes remained robust. Negative trends reversed to some extent towards the end of our financial year with strengthening transaction volumes as lenders reactivate programmes. The new business pipeline has also been encouragingly strong, setting us up well for FY22. In particular, there is good demand for our open data solutions such as affordability and categorisation, and for our identity and fraud management propositions, including CrossCore, and there have been new wins for Experian Ascend. We also added many new logos in the mid-market.

While Consumer Services also had a difficult year, with organic revenue down (6)%, we took the important step to launch Experian Boost in the UK and this has made a promising start. The constraints on credit supply in the early part of the year also impacted revenues in our credit comparison marketplace. However, there was an improvement in the trajectory as the year progressed and we exited the year with growth in Q4. Our free membership base grew to 9.5m consumers, compared to 7.5m last year, with 370,000 active Experian Boost memberships.

Revenue reductions and the impact of our transformation programme affected our EBIT performance. Benchmark EBIT from ongoing activities was US\$122m, down from US\$173m the year before. The Benchmark EBIT margin from ongoing activities was 16.6% (2020: 22.9)%. With the transformation programme now well progressed, we expect a strong improvement in the UK margin in the year ahead.

EMEA/Asia Pacific

In EMEA/Asia Pacific, revenue from ongoing activities was US\$465m, with total revenue growth at constant exchange rates of 7% and an organic decline of (14)%. The difference principally relates to the contribution from our bureau acquisitions: Compuscan, the Risk Management division of Arvato Financial Solutions, and Axesor.

Our ambition in EMEA/Asia Pacific is to concentrate our efforts where we can establish a strong market presence and can operate at scale. The COVID-19 pandemic has opened up some specific opportunities as many of our clients are accelerating their adoption of cloud-based technologies. We are rapidly introducing our

global advanced B2B propositions, including Ascend, SaaS decisioning through PowerCurve, our open data solutions, and fraud and identity services.

Revenue performance last year was significantly impacted by reduced bureau volumes, particularly during the initial phases of lockdown. The trajectory gradually improved as lockdowns eased in most markets but remained challenged in countries hardest hit by the pandemic, such as India. Clients were also hesitant to spend on software implementations, delaying or cancelling decisions, which particularly affected Asia Pacific. Client activity has picked up in recent months, particularly in EMEA.

We have got off to a strong start in our two new bureau acquisitions in Germany and Spain, both of which have performed well in the period since acquisition. All our global platforms have already been introduced and made available in Germany. In Spain, we now have two highly complementary bureau businesses, the integration of which is proceeding well, and we are exploring ways to fully address the new opportunity we have in the small and medium enterprise (SME) market.

The reduction in revenue affected our EBIT performance. Benchmark EBIT from ongoing activities was US\$(20)m (2020: US\$12m) and the Benchmark EBIT margin from ongoing activities was (4.3)% (2020: 2.8%).

Group financial results

Business mix including % change in organic revenue year-on-year for the year ended 31 March 2021

Segment	Business unit	% of Group revenue ¹	Organic revenue growth % ²
North America		65%	7%
Data	CI / BI bureaux	25%	9%
	Automotive	5%	0%
	Targeting	2%	(13)%
Decisioning	Health	8%	5%
	DA / Other	5%	(3)%
Consumer	Consumer Services	20%	16%
Latin America		12%	9%
Data	CI / BI bureaux	8%	0%
	Other	1%	9%
Decisioning	DA / Other	2%	2%
Consumer	Consumer Services	1%	144%
UK and Ireland		14%	(6)%
Data	CI / BI bureaux	5%	(4)%
	Targeting / Auto	2%	(9)%
Decisioning	DA / Other	4%	(7)%
Consumer	Consumer Services	3%	(6)%
EMEA/Asia Pacific		9%	(14)%
EMEA		6%	(13)%
Asia Pacific		3%	(15)%
Total global		100%	4%

¹ Percentage of group revenue from ongoing activities calculated based on FY21 revenue at actual exchange rates.

² Ongoing activities only, at constant exchange rates.

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

Revenue by region

Year ended 31 March			Growth %		
			Total at actual exchange rates	Total at constant exchange rates	Organic at constant exchange rates
North America					
Data	1,761	1,642		7	5
Decisioning	694	679		2	2
Business-to-Business	2,455	2,321		6	4
Consumer Services	1,075	926		16	16
Total ongoing activities	3,530	3,247	9	9	7
Exited business activities	-	-			
Total North America	3,530	3,247			
Latin America					
Data	457	578		1	1
Decisioning	92	114		2	2
Business-to-Business	549	692		1	1
Consumer Services ¹	76	40		144	144
Total ongoing activities	625	732	(15)	9	9
Exited business activities	-	-			
Total Latin America	625	732			
UK and Ireland					
Data	361	367		(5)	(5)
Decisioning	220	227		(7)	(7)
Business-to-Business	581	594		(6)	(6)
Consumer Services	156	161		(6)	(6)
Total ongoing activities	737	755	(2)	(6)	(6)
Exited business activities	12	14			
Total UK and Ireland	749	769			
EMEA/Asia Pacific					
Data	287	213		32	(8)
Decisioning	178	214		(18)	(20)
Total ongoing activities	465	427	9	7	(14)
Exited business activities	3	4			
Total EMEA/Asia Pacific	468	431			
Total revenue - ongoing activities	5,357	5,161	4	7	4
Total revenue - exited business activities	15	18			
Revenue	5,372	5,179	4	6	

¹ The results for the year ended 31 March 2020 have been re-presented following the reclassification of our Consumer Services business in Latin America to the Consumer Services business segment; previously our Consumer Services business in this region was not sufficiently material to be disclosed separately. In addition, revenue has been re-presented for the reclassification to exited business activities of certain B2B businesses.

See Appendix 1 (page 14) and note 4 to the financial statements (pages 23-25) for definitions of non-GAAP measures.
See Appendix 2 (page 14) for analyses of revenue, Benchmark EBIT and Benchmark EBIT margin from ongoing activities by business segment.

Income statement, earnings and Benchmark EBIT margin analysis

Year ended 31 March			Growth %	
			Total at actual exchange rates	Total at constant exchange rates
	2021 US\$m	2020 ¹ US\$m		
Benchmark EBIT by geography				
North America	1,201	1,093		10
Latin America	172	220		4
UK and Ireland	122	173		(34)
EMEA/Asia Pacific	(20)	12		(232)
Benchmark EBIT before Central Activities	1,475	1,498		2
Central Activities – central corporate costs	(90)	112		
Benchmark EBIT from ongoing activities	1,385	1,386	-	3
Exited business activities	1	1		
Benchmark EBIT	1,386	1,387	-	3
Net interest	(121)	(132)		
Benchmark PBT	1,265	1,255	1	5
Exceptional items	35	(35)		
Amortisation of acquisition intangibles	(138)	(124)		
Impairment of goodwill	(53)	-		
Acquisition and disposal expenses	(41)	(39)		
Adjustment to the fair value of contingent consideration	(1)	4		
Non-benchmark share of post-tax profit of associates	16	6		
Interest on uncertain tax provisions	(11)	(14)		
Financing fair value remeasurements	5	(111)		
Profit before tax	1,077	942	14	6
Tax charge	(275)	(263)		
Profit after tax	802	679		
Benchmark earnings				
Benchmark PBT	1,265	1,255	1	5
Benchmark tax charge	(328)	(324)		
Total Benchmark earnings	937	931		
Owners of Experian plc	938	929	1	5
Non-controlling interests	(1)	2		
Benchmark EPS	USc 103.1	USc 103.0	-	4
Basic EPS	USc 88.2	USc 74.8	18	5
Weighted average number of ordinary shares	910m	902m		
Benchmark EBIT margin – ongoing activities				
North America	34.0%	33.7%		
Latin America	27.5%	30.1%		
UK and Ireland	16.6%	22.9%		
EMEA/Asia Pacific	(4.3)%	2.8%		
Benchmark EBIT margin	25.9%	26.9%		

¹ Benchmark EBIT for the year ended 31 March 2020 has been re-presented for the reclassification to exited business activities of certain B2B businesses.

See Appendix 1 (page 14) and note 4 to the financial statements (pages 23-25) for definitions of non-GAAP measures.

See Appendix 2 (page 14) for analyses of revenue, Benchmark EBIT and Benchmark EBIT margin from ongoing activities by business segment

Group financial review

Key statutory measures

We continued to make good financial progress during the year against the backdrop of the global COVID-19 pandemic and revenue increased by 4% to US\$5,372m (2020: US\$5,179m) reflecting the resilience of our business, technology infrastructure and processes.

Operating profit for the year ended 31 March 2021 was US\$1,183m (2020: US\$1,185m) and included a profit on the disposal of an associate of US\$120m. This was offset by impairment charges, net of reversals of US\$67m and exceptional restructuring costs of US\$50m. Profit before tax increased to US\$1,077m (2020: US\$942m) aided by a reduction in net finance costs of US\$130m.

The decrease in net finance costs reflects a reduction in market interest rates and average borrowing levels as well as reduced foreign exchange losses on Brazilian real intra-Group funding and other fair value remeasurements.

Cash inflow from operating activities from continuing operations was US\$1,488m (2020: US\$1,262m) reflecting improved performance and movements in working capital. We have successfully improved collections, recovering receivables that had increased towards the end of FY20 due to the impact of COVID-19. Undrawn committed bank borrowing facilities were US\$2,650m at 31 March 2021 (2020: US\$2,175m).

Basic EPS was 88.2 US cents (2020: 74.8 US cents). The increase in this statutory measure reflects a mix of factors with a higher tax charge, lower finance costs and a higher number of shares in issue as a consequence of 7.2 million shares delivered as acquisition consideration.

The effective rate of tax based on profit before tax reduced from 27.9% in the year ended 31 March 2020 to 25.5% in the current financial year.

At 31 March 2021, net assets amounted to US\$3,119m (2020: US\$2,281m). Capital employed, as defined in note 4(r) to the financial statements, was US\$7,324m (2020: US\$6,465m).

Return on capital employed for the year ended 31 March 2021 reduced to 15.0% (2020: 16.1%), largely due to the effect of acquisitions completed part way through the year.

There was an increase in equity of US\$838m from US\$2,281m at 31 March 2020 with movements detailed in the Group statement of changes in equity on page 20.

Key movements in equity during the year included:

- Profit for the financial year of US\$802m.
- Currency translation gains of US\$70m.
- Employee share awards and options cost of US\$106m.
- Ordinary dividends of US\$427m (2020: US\$424m) of which US\$405m (2020: US\$402m) was paid by a UK subsidiary undertaking which had distributable reserves of US\$12.0bn (2020: US\$13.6bn) at 31 March 2021.
- Shares issued on vesting of share awards of US\$19m, together with shares delivered as acquisition consideration of US\$253m.

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.

	2021	2020	Movement against the US dollar
US dollar : Brazilian real	5.41	4.12	(31)%
Pound sterling : US dollar	1.31	1.27	3%
Euro : US dollar	1.17	1.11	5%
US dollar : Colombian peso	3,699	3,382	(9)%
US dollar : South African rand	16.36	14.79	(11)%

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.

	2021	2020
US dollar : Brazilian real	5.74	5.20
Pound sterling : US dollar	1.38	1.24
Euro : US dollar	1.17	1.09
US dollar : Colombian peso	3,720	4,052
US dollar : South African rand	14.76	17.81

Risks and uncertainties

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

Appendices

1. Non-GAAP financial information

We have identified and defined certain measures that we believe assist understanding of our performance. These 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 we have included them as these are considered to be key measures used within the business for assessing the underlying performance of our ongoing businesses. Information on certain of our non-GAAP measures is set out below in the further appendices. Definitions of all our non-GAAP measures are given in note 4 to the financial statements.

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

Year ended 31 March	2021 US\$m	2020 ¹ US\$m	Growth %	
			Total at constant exchange rates	Organic at constant exchange rates
Revenue				
Data	2,866	2,800	6	2
Decisioning	1,184	1,234	(3)	(4)
Business-to-Business	4,050	4,034	3	-
Consumer Services	1,307	1,127	17	17
Ongoing activities	5,357	5,161	7	4
Exited business activities	15	18	n/a	
Total	5,372	5,179	6	
Benchmark EBIT				
Business-to-Business	1,192	1,251	(1)	
Consumer Services	283	247	14	
Business segments	1,475	1,498	2	
Central Activities – central corporate costs	(90)	(112)	n/a	
Ongoing activities	1,385	1,386	3	
Exited business activities	1	1	n/a	
Total Benchmark EBIT	1,386	1,387	3	
Benchmark EBIT margin – ongoing activities				
Business-to-Business	29.4%	31.0%		
Consumer Services	21.7%	21.9%		
Total Benchmark EBIT margin	25.9%	26.9%		

1. Revenue and Benchmark EBIT for FY20 are re-presented for the reclassification to exited business activities of certain B2B businesses and the reclassification of our Consumer Services business in Latin America to the Consumer Services business segment.

3. Reconciliation of Benchmark EBIT to statutory profit before tax

Year ended 31 March	2021 US\$m	2020 ¹ US\$m
Benchmark EBIT from ongoing activities	1,385	1,386
Exited business activities	1	1
Benchmark EBIT	1,386	1,387
Net interest expense	(121)	(132)
Benchmark PBT	1,265	1,255
Exceptional items (Appendix 4)	35	(35)
Other adjustments made to derive Benchmark PBT (Appendix 4)	(223)	(278)
Profit before tax	1,077	942

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

Year ended 31 March	2021 US\$m	2020 US\$m
Exceptional items:		
Profit on disposal of associate	(120)	-
Restructuring costs	50	-
Impairment of intangible asset	27	-
Legal provisions movements	8	35
Net (credit)/charge for Exceptional items	(35)	35
Other adjustments made to derive Benchmark PBT:		
Amortisation of acquisition intangibles	138	124
Impairment of goodwill	53	-
Acquisition and disposal expenses	41	39
Adjustment to the fair value of contingent consideration	1	(4)
Non-benchmark share of post-tax profit of associates	(16)	(6)
Interest on uncertain tax provisions	11	14
Financing fair value remeasurements	(5)	111
Net charge for other adjustments made to derive Benchmark PBT	223	278
Net charge for Exceptional items and other adjustments made to derive Benchmark PBT	188	313

An explanation of the reasons for the exclusion of such items from our definition of Benchmark PBT is given in note 4(a) to the financial statements.

5. Cash flow and Net debt summary

Year ended 31 March	2021 US\$m	2020 US\$m
Benchmark EBIT	1,386	1,387
Amortisation and depreciation charged to Benchmark EBIT	453	413
Benchmark EBITDA	1,839	1,800
Impairment of non-current assets charged to Benchmark EBIT	6	-
Net capital expenditure (Appendix 6)	(418)	(483)
Increase in working capital	(13)	(112)
Principal lease payments	(56)	(55)
Benchmark loss/(profit) retained in associates	12	(2)
Fair value gain on revaluation of step acquisition	-	(17)
Charge for share incentive plans	106	83
Benchmark operating cash flow	1,476	1,214
Net interest paid	(115)	(152)
Tax paid – continuing operations	(236)	(286)
Dividends paid to non-controlling interests	(1)	(2)
Benchmark free cash flow	1,124	774
Acquisitions	(583)	(700)
Purchase of investments	(31)	(95)
Disposal of investments	151	-
Movement in Exceptional and other non-benchmark items	(67)	(18)
Ordinary dividends paid	(427)	(424)
Net cash inflow/(outflow) – continuing operations	167	(463)
Net debt at 1 April	(3,898)	(3,262)
Net share purchases	19	(188)
Discontinued operations	-	(6)
Foreign exchange and other movements	(114)	21
Net debt at 31 March	(3,826)	(3,898)

6. Reconciliation of net investment

Year ended 31 March	2021 US\$m	2020 US\$m
Capital expenditure as reported in the Group cash flow statement	422	487
Disposal of property, plant and equipment	(1)	(5)
(Loss)/profit on disposals of fixed assets	(3)	1
Net capital expenditure	418	483
Acquisitions	583	700
Purchase of investments	31	95
Disposal of investments	(151)	-
Net investment	881	1,278

7. Cash tax reconciliation

Year ended 31 March	2021 %	2020 %
Tax charge on Benchmark PBT	25.9	25.8
Tax relief on goodwill amortisation	(2.6)	(3.1)
Benefit of brought forward tax losses	(2.0)	(1.3)
Other differences ¹	(2.6)	1.4
Tax paid as a percentage of Benchmark PBT	18.7	22.8

1. Other differences include an acceleration of tax deductions as a result of US legislative changes in the year and in FY20 items for which the tax charge and payment fell in different financial years.

Group income statement

for the year ended 31 March 2021

	2021			2020		
	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 5(a))	5,372	-	5,372	5,179	-	5,179
Labour costs	(1,965)	(30)	(1,995)	(1,864)	(8)	(1,872)
Data and information technology costs	(861)	-	(861)	(753)	-	(753)
Amortisation and depreciation charges	(453)	(138)	(591)	(413)	(124)	(537)
Marketing and customer acquisition costs	(417)	-	(417)	(378)	-	(378)
Other operating charges	(295)	(150)	(445)	(392)	(62)	(454)
Total operating expenses	(3,991)	(318)	(4,309)	(3,800)	(194)	(3,994)
Profit on disposal of associate	-	120	120	-	-	-
Operating profit/(loss)	1,381	(198)	1,183	1,379	(194)	1,185
Interest income	12	-	12	13	-	13
Finance expense	(133)	(6)	(139)	(145)	(125)	(270)
Net finance costs (note 8(a))	(121)	(6)	(127)	(132)	(125)	(257)
Share of post-tax profit of associates	5	16	21	8	6	14
Profit/(loss) before tax (note 5(a))	1,265	(188)	1,077	1,255	(313)	942
Tax (charge)/credit (note 9(a))	(328)	53	(275)	(324)	61	(263)
Profit/(loss) for the financial year from continuing operations	937	(135)	802	931	(252)	679
Loss for the financial year from discontinued operations (note 10)	-	-	-	-	(2)	(2)
Profit/(loss) for the financial year	937	(135)	802	931	(254)	677
Attributable to:						
Owners of Experian plc	938	(135)	803	929	(254)	675
Non-controlling interests	(1)	-	(1)	2	-	2
Profit/(loss) for the financial year	937	(135)	802	931	(254)	677
Total Benchmark EBIT¹	1,386			1,387		
	US cents	US cents	US cents	US cents	US cents	US cents
Earnings/(loss) per share (note 11(a))						
Basic	103.1	(14.9)	88.2	103.0	(28.2)	74.8
Diluted	102.3	(14.7)	87.6	102.1	(27.9)	74.2
Earnings/(loss) per share from continuing operations (note 11(a))						
Basic	103.1	(14.9)	88.2	103.0	(28.0)	75.0
Diluted	102.3	(14.7)	87.6	102.1	(27.7)	74.4
Benchmark PBT per share ^{1,3}	139.0			139.1		
Full-year dividend per share¹			47.0			47.0

- Total Benchmark EBIT, Benchmark PBT per share and Full-year dividend per share are non-GAAP measures, defined in note 4 to the financial statements.
- The loss before tax for non-benchmark items of US\$188m (2020: US\$313m) comprises a net credit for Exceptional items of US\$35m (2020: charge of US\$35m) and net charges for other adjustments made to derive Benchmark PBT of US\$223m (2020: US\$278m). Further information is given in note 7 to the financial statements.
- Benchmark PBT per share is calculated by dividing Benchmark PBT of US\$1,265m (2020: US\$1,255m) by the weighted average number of ordinary shares of 910 million (2020: 902 million). The amount is stated in US cents per share.

Group statement of comprehensive income

for the year ended 31 March 2021

	2021 US\$m	2020 US\$m
Profit for the financial year	802	677
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurement of post-employment benefit assets and obligations (note 14(b))	2	26
Changes in the fair value of investments revalued through OCI	11	(6)
Deferred tax charge	(1)	(5)
Items that will not be reclassified to profit or loss	12	15
Items that are or may be reclassified subsequently to profit or loss:		
Currency translation gains/(losses)	70	(313)
Fair value gain on cash flow hedge	35	-
Hedging gain reclassified to profit or loss	(33)	-
Items that are or may be reclassified subsequently to profit or loss	72	(313)
Other comprehensive income for the financial year¹	84	(298)
Total comprehensive income for the financial year	886	379
Attributable to:		
Owners of Experian plc	881	378
Non-controlling interests	5	1
Total comprehensive income for the financial year	886	379

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 and in non-controlling interests. Other items within Other comprehensive income are recognised in retained earnings.

Group balance sheet

at 31 March 2021

	Notes	2021 US\$m	2020 US\$m
Non-current assets			
Goodwill		5,261	4,543
Other intangible assets	13	1,966	1,583
Property, plant and equipment	13	469	502
Investments in associates		128	123
Deferred tax assets		86	107
Post-employment benefit assets	14(a)	102	83
Trade and other receivables		160	164
Financial assets revalued through OCI		245	171
Other financial assets		223	223
		8,640	7,499
Current assets			
Trade and other receivables		1,197	1,078
Current tax assets		34	28
Other financial assets		20	17
Cash and cash equivalents - excluding bank overdrafts	15(f)	180	277
		1,431	1,400
Current liabilities			
Trade and other payables		(1,543)	(1,430)
Borrowings		(655)	(498)
Current tax liabilities		(176)	(225)
Provisions		(27)	(48)
Other financial liabilities		(15)	(23)
		(2,416)	(2,224)
Net current liabilities		(985)	(824)
Total assets less current liabilities		7,655	6,675
Non-current liabilities			
Trade and other payables		(159)	(121)
Borrowings		(3,682)	(3,916)
Deferred tax liabilities		(361)	(202)
Post-employment benefit obligations	14(a)	(55)	(48)
Other financial liabilities		(279)	(107)
		(4,536)	(4,394)
Net assets		3,119	2,281
Equity			
Called-up share capital	18	96	96
Share premium account	18	1,756	1,574
Retained earnings		19,207	18,826
Other reserves		(17,978)	(18,221)
Attributable to owners of Experian plc		3,081	2,275
Non-controlling interests		38	6
Total equity		3,119	2,281

Group statement of changes in equity

for the year ended 31 March 2021

	Called-up share capital (Note 18) US\$m	Share premium account (Note 18) 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 2020	96	1,574	18,826	(18,221)	2,275	6	2,281
Comprehensive income:							
Profit for the financial year	-	-	803	-	803	(1)	802
Other comprehensive income for the financial year	-	-	12	66	78	6	84
Total comprehensive income for the financial year	-	-	815	66	881	5	886
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	-	-	106	-	106	-	106
- shares issued on vesting	-	19	-	-	19	-	19
- other vesting of awards and exercises of share options	-	-	(75)	87	12	-	12
- related tax credit	-	-	2	-	2	-	2
- other payments	-	-	(6)	-	(6)	-	(6)
Shares delivered as consideration for acquisition	-	163	-	90	253	-	253
Non-controlling interests arising on business combinations	-	-	(34)	-	(34)	24	(10)
Recognition of non-controlling interests on acquisition	-	-	-	-	-	4	4
Dividends paid	-	-	(427)	-	(427)	(1)	(428)
Transactions with owners	-	182	(434)	177	(75)	27	(48)
At 31 March 2021	96	1,756	19,207	(17,978)	3,081	38	3,119

	Called-up share capital (Note 18) US\$m	Share premium account (Note 18) 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

Group cash flow statement

for the year ended 31 March 2021

	Notes	2021 US\$m	2020 US\$m
Cash flows from operating activities			
Cash generated from operations	15(a)	1,822	1,694
Interest paid		(119)	(157)
Interest received		4	5
Dividends received from associates		17	6
Tax paid		(236)	(286)
Net cash inflow from operating activities – continuing operations		1,488	1,262
Net cash outflow from operating activities – discontinued operations	10	-	(6)
Net cash inflow from operating activities		1,488	1,256
Cash flows from investing activities			
Purchase of other intangible assets	15(c)	(374)	(403)
Purchase of property, plant and equipment		(48)	(84)
Sale of property, plant and equipment		1	5
Purchase of other financial assets		(31)	(95)
Sale of other financial assets		24	-
Acquisition of subsidiaries, net of cash acquired	15(d)	(526)	(600)
Disposal of investment in associate	7(b)	127	-
Net cash flows used in investing activities		(827)	(1,177)
Cash flows from financing activities			
Cash inflow in respect of shares issued	15(e)	19	15
Cash outflow in respect of share purchases	15(e)	-	(203)
Other payments on vesting of share awards		(6)	(5)
Transactions in respect of non-controlling interests	15(d)	(10)	(67)
New borrowings		1,011	1,519
Repayment of borrowings		(1,337)	(553)
Payment of lease liabilities		(56)	(55)
Net receipts/(payments) for cross-currency swaps and foreign exchange contracts		54	(169)
Net receipts from equity swaps		6	5
Dividends paid		(428)	(426)
Net cash flows (used in)/from financing activities		(747)	61
Net (decrease)/increase in cash and cash equivalents		(86)	140
Cash and cash equivalents at 1 April		272	146
Exchange movements on cash and cash equivalents		(16)	(14)
Cash and cash equivalents at 31 March	15(f)	170	272

Notes to the financial statements

for the year ended 31 March 2021

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 2021 and 31 March 2020 but is derived from the statutory financial statements for the year ended 31 March 2021. The Group's statutory financial statements for the year ended 31 March 2021 will be made available to shareholders in June 2021 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 2020 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 2021 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 13; and
- designed to voluntarily include disclosures in line with those parts of the UK Companies Act 2006 applicable to companies reporting under IFRS.

Other than those disclosed in this preliminary announcement, no significant events impacting the Group have occurred between 31 March 2021 and 18 May 2021 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 2021. Those policies were published in full in the Group's statutory financial statements for the year ended 31 March 2020 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. At 31 March 2021, the Group had undrawn committed bank borrowing facilities of US\$2.7bn which have an average remaining tenor of four years.

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 for at least 12 months from the date of signing these financial statements. The directors therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. In reaching this conclusion, the directors noted the Group's strong cash performance in the year.

Notes to the financial statements (continued)

for the year ended 31 March 2021

3. Recent accounting developments

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

Interest Rate Benchmark Reform - Phase 1, Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' provide relief from the discontinuation of hedge accounting as a result of interbank offered rate (IBOR) reform.

Interest Rate Benchmark Reform - Phase 2, Amendments to IFRS 9, IAS 39 and IFRS 7 is effective for Experian from FY22. By applying the practical expedient in IFRS 9, the Group does not expect to be required to discontinue its hedging relationships as a result of changes in reference rates due to IBOR reform.

There are no other new standards, amendments to existing standards, or interpretations that are not yet effective, that are expected to have a material impact on the Group's financial results. Accounting developments are routinely reviewed by the Group and its financial reporting systems are adapted as appropriate.

4. 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.

(a) Benchmark profit before tax (Benchmark PBT) (note 5(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 5(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.

Notes to the financial statements (continued)

for the year ended 31 March 2021

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

(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 2021, 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 5(e))

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.

(h) Organic revenue growth (note 5(e))

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 11)

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 11(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 9(b))

The Benchmark tax charge is the tax charge applicable to Benchmark PBT. It differs from the 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 9(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 7(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 12(a))

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

Notes to the financial statements (continued)

for the year ended 31 March 2021

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

(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 16)

Net debt is borrowings (and the fair value of derivatives hedging borrowings) excluding lease obligations 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 obligations 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 2021

5. Segment information

IFRS 8 disclosures

(a) Income statement

Year ended 31 March 2021	North America	Latin America	UK and Ireland	EMEA/ Asia Pacific ¹	Total operating segments	Central Activities	Total continuing operations
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Revenue from external customers							
Ongoing activities	3,530	625	737	465	5,357	-	5,357
Exited business activities	-	-	12	3	15	-	15
Total	3,530	625	749	468	5,372	-	5,372
Reconciliation from Benchmark EBIT to profit/(loss) before tax							
Benchmark EBIT							
Ongoing activities	1,201	172	122	(20)	1,475	(90)	1,385
Exited business activities	-	-	(1)	2	1	-	1
Total	1,201	172	121	(18)	1,476	(90)	1,386
Net interest expense included in Benchmark PBT (note 8(b))	(5)	(2)	(1)	(2)	(10)	(111)	(121)
Benchmark PBT	1,196	170	120	(20)	1,466	(201)	1,265
Exceptional items (note 7(a))	112	(1)	(63)	(13)	35	-	35
Impairment of goodwill (note 7(a))	-	-	-	(53)	(53)	-	(53)
Amortisation of acquisition intangibles	(90)	(14)	(7)	(27)	(138)	-	(138)
Acquisition and disposal expenses	(16)	(4)	(1)	(20)	(41)	-	(41)
Adjustment to the fair value of contingent consideration	-	-	-	(1)	(1)	-	(1)
Non-benchmark share of post-tax (loss)/profit of associates	-	-	(3)	-	(3)	19	16
Interest on uncertain tax provisions	-	-	-	-	-	(11)	(11)
Financing fair value remeasurements	-	-	-	-	-	5	5
Profit/(loss) before tax	1,202	151	46	(134)	1,265	(188)	1,077
Year ended 31 March 2020²	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Revenue from external customers							
Ongoing activities	3,247	732	755	427	5,161	-	5,161
Exited business activities	-	-	14	4	18	-	18
Total	3,247	732	769	431	5,179	-	5,179
Reconciliation from Benchmark EBIT to profit/(loss) before tax							
Benchmark EBIT							
Ongoing activities	1,093	220	173	12	1,498	(112)	1,386
Exited business activities	-	-	(2)	3	1	-	1
Total	1,093	220	171	15	1,499	(112)	1,387
Net interest expense included in Benchmark PBT (note 8(b))	(5)	(2)	(1)	(2)	(10)	(122)	(132)
Benchmark PBT	1,088	218	170	13	1,489	(234)	1,255
Exceptional items (note 7(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

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

2. Revenue and Benchmark EBIT for the year ended 31 March 2020 have been re-presented for the reclassification to exited business activities of certain B2B businesses.

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

Notes to the financial statements (continued)

for the year ended 31 March 2021

5. Segment information (continued)

(b) Revenue by country - continuing operations

	2021 US\$m	2020 (Re-presented) US\$m
USA	3,529	3,245
UK	744	762
Brazil	546	647
Germany	81	8
Colombia	60	66
South Africa	55	62
Other	357	389
	5,372	5,179

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% (2020: 90%) of Group revenue.

Revenue attributable to Germany was previously reported within Other; following the acquisition in the year of the Risk Management division of Arvato Financial Solutions (AFS) (see note 20) this is now analysed separately, and consequently comparative information has been re-presented.

(c) Disaggregation of revenue from contracts with customers

	North America US\$m	Latin America US\$m	UK and Ireland US\$m	EMEA/ Asia Pacific US\$m	Total operating segments US\$m
Year ended 31 March 2021					
Revenue from external customers					
Data	1,761	457	361	287	2,866
Decisioning	694	92	220	178	1,184
Business-to-Business	2,455	549	581	465	4,050
Consumer Services	1,075	76	156	-	1,307
Total ongoing activities	3,530	625	737	465	5,357
Year ended 31 March 2020¹					
Revenue from external customers					
Data	1,642	578	367	213	2,800
Decisioning	679	114	227	214	1,234
Business-to-Business	2,321	692	594	427	4,034
Consumer Services	926	40	161	-	1,127
Total ongoing activities	3,247	732	755	427	5,161

1. Revenue for the year ended 31 March 2020 has been re-presented for the reclassification to exited business activities of certain B2B businesses and the reclassification of our Consumer Services business in Latin America to the Consumer Services business segment; previously our Consumer Services business in this region was not sufficiently material to be disclosed separately.

Total revenue comprises revenue from ongoing activities as well as revenue from exited business activities. Revenue in respect of exited business activities of US\$15m (2020: US\$18m) comprised UK and Ireland Data revenue of US\$12m (2020: US\$14m) and EMEA/Asia Pacific Decisioning revenue of US\$3m (2020: US\$4m).

Data is predominantly transactional revenue with a portion from licence fees.

Decisioning revenue is derived from:

- software and system sales, and includes recurring licence fees, consultancy and implementation fees, and transactional charges;
- credit score fees which are primarily transactional; and
- analytics income comprising a mix of consultancy and professional fees as well as transactional revenue.

Consumer Services revenue primarily comprises monthly subscription and one-off fees, and referral fees for credit products and white-label partnerships.

Notes to the financial statements (continued)

for the year ended 31 March 2021

5. Segment information (continued)

(d) 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 6. 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.

(e) Reconciliation of revenue from ongoing activities

	North America	Latin America	UK and Ireland	EMEA/ Asia Pacific	Total ongoing activities
	US\$m	US\$m	US\$m	US\$m	US\$m
Revenue for the year ended 31 March 2020¹	3,247	732	755	427	5,161
Adjustment to constant exchange rates	-	1	(2)	1	-
Revenue at constant exchange rates for the year ended 31 March 2020	3,247	733	753	428	5,161
Organic revenue growth	241	65	(43)	(60)	203
Revenue from acquisitions	42	4	-	89	135
Revenue at constant exchange rates for the year ended 31 March 2021	3,530	802	710	457	5,499
Adjustment to actual exchange rates	-	(177)	27	8	(142)
Revenue for the year ended 31 March 2021	3,530	625	737	465	5,357
Organic revenue growth at constant exchange rates	7%	9%	(6)%	(14)%	4%
Revenue growth at constant exchange rates	9%	9%	(6)%	7%	7%

1. Revenue for the year ended 31 March 2020 has been re-presented for the reclassification to exited business activities of certain B2B businesses.

The table above demonstrates the application of the methodology set out in note 4 in determining organic and total revenue growth at constant exchange rates. Revenue at constant exchange rates is reported for both years using the average exchange rates applicable for the year ended 31 March 2020.

Notes to the financial statements (continued)

for the year ended 31 March 2021

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

Year ended 31 March 2021	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	4,050	1,307	5,357	-	5,357
Exited business activities	15	-	15	-	15
Total	4,065	1,307	5,372	-	5,372
Reconciliation from Benchmark EBIT to profit/(loss) before tax					
Benchmark EBIT					
Ongoing activities	1,192	283	1,475	(90)	1,385
Exited business activities	1	-	1	-	1
Total	1,193	283	1,476	(90)	1,386
Net interest expense included in Benchmark PBT (note 8(b))	(8)	(2)	(10)	(111)	(121)
Benchmark PBT	1,185	281	1,466	(201)	1,265
Exceptional items (note 7(a))	35	-	35	-	35
Impairment of goodwill (note 7(a))	(53)	-	(53)	-	(53)
Amortisation of acquisition intangibles	(118)	(20)	(138)	-	(138)
Acquisition and disposal expenses	(40)	(1)	(41)	-	(41)
Adjustment to the fair value of contingent consideration	(1)	-	(1)	-	(1)
Non-benchmark share of post-tax (loss)/profit of associates	-	(3)	(3)	19	16
Interest on uncertain tax provisions	-	-	-	(11)	(11)
Financing fair value remeasurements	-	-	-	5	5
Profit/(loss) before tax	1,008	257	1,265	(188)	1,077

Year ended 31 March 2020 ¹	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	4,034	1,127	5,161	-	5,161
Exited business activities	18	-	18	-	18
Total	4,052	1,127	5,179	-	5,179
Reconciliation from Benchmark EBIT to profit/(loss) before tax					
Benchmark EBIT					
Ongoing activities	1,251	247	1,498	(112)	1,386
Exited business activities	1	-	1	-	1
Total	1,252	247	1,499	(112)	1,387
Net interest expense included in Benchmark PBT (note 8(b))	(8)	(2)	(10)	(122)	(132)
Benchmark PBT	1,244	245	1,489	(234)	1,255
Exceptional items (note 7(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	1,073	222	1,295	(353)	942

- Revenue of US\$40m and Benchmark EBIT of US\$(10)m for the year ended 31 March 2020 have been re-presented for the reclassification of our Consumer Services business in Latin America to the Consumer Services business segment; previously our Consumer Services business in this region was not sufficiently material to be disclosed separately. In addition, revenue and Benchmark EBIT have been re-presented for the reclassification to exited business activities of certain B2B businesses.

Additional information by business segment, including that on total and organic growth at constant exchange rates, is provided within pages 3 to 11 and within Appendix 2 on page 14.

Notes to the financial statements (continued)

for the year ended 31 March 2021

7. 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

	2021 US\$m	2020 US\$m
Exceptional items:		
Profit on disposal of associate (note 7(b))	(120)	-
Restructuring costs (note 7(c))	50	-
Impairment of intangible asset ¹	27	-
Legal provisions movements ¹ (note 7(e))	8	35
Net (credit)/charge for Exceptional items	(35)	35
Other adjustments made to derive Benchmark PBT:		
Amortisation of acquisition intangibles	138	124
Impairment of goodwill ¹ (note 7(f))	53	-
Acquisition and disposal expenses	41	39
Adjustment to the fair value of contingent consideration ¹	1	(4)
Non-benchmark share of post-tax profit of associates	(16)	(6)
Interest on uncertain tax provisions	11	14
Financing fair value remeasurements	(5)	111
Net charge for other adjustments made to derive Benchmark PBT	223	278
Net charge for Exceptional items and other adjustments made to derive Benchmark PBT	188	313
By income statement caption:		
Labour costs	30	8
Amortisation and depreciation charges	138	124
Other operating charges	150	62
Profit on disposal of associate	(120)	-
Within operating profit	198	194
Within share of post-tax profit of associates	(16)	(6)
Within finance expense	6	125
Net charge for Exceptional items and other adjustments made to derive Benchmark PBT	188	313

1. Included in other operating charges.

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. Of the total, US\$2m (2020: US\$8m) is recorded within labour costs in the Group income statement, and US\$39m (2020: US\$31m) is included within other operating charges.

(b) Profit on disposal of investment in associate

On 18 November 2020, the Group disposed of its 18.6% interest in Finicity Corporation for US\$127m, recognising a gain on disposal of US\$120m.

(c) Restructuring costs

During the year the Group commenced a transformation programme in the UK and Ireland. The objectives of this programme are to simplify our technology estate, enhance customer experience and to return to profitable growth. In addition, we have launched a programme of restructuring initiatives in other regions. Costs of US\$50m have been recognised, principally in the UK and Ireland, in connection with these actions with a related cash outflow of US\$39m. Of this charge, US\$28m related to redundancy costs, and US\$22m related to other restructuring and consultancy costs included within other operating charges in the Group income statement. No further costs are expected to be incurred in relation to these initiatives.

(d) Impairment of intangible asset

During the year an internally generated software asset in the UK and Ireland with a net book value of US\$27m was identified as requiring impairment due to planned upgrade of our technology estate.

(e) Legal provisions movements

During the current and prior year there has been a movement in provisions and related receivables in respect of a number of historic legal claims.

Notes to the financial statements (continued)

for the year ended 31 March 2021

7. Exceptional items and other adjustments made to derive Benchmark PBT – continuing operations (continued)

(f) Impairment of goodwill

The carrying value of the Asia Pacific Cash-generating unit has been reduced to its recoverable amount through recognition of an impairment charge of US\$53m.

8. Net finance costs

(a) Net finance costs included in profit before tax

	2021 US\$m	2020 US\$m
Interest income:		
Bank deposits, short-term investments and loan notes	(11)	(13)
Interest on pension plan assets	(1)	-
Interest income	(12)	(13)
Finance expense:		
Interest expense	133	145
(Credit)/charge in respect of financing fair value remeasurements	(5)	111
Interest on uncertain tax provisions	11	14
Finance expense	139	270
Net finance costs included in profit before tax	127	257

(b) Net interest expense included in Benchmark PBT

	2021 US\$m	2020 US\$m
Interest income	(12)	(13)
Interest expense	133	145
Net interest expense included in Benchmark PBT	121	132

9. Tax – ongoing activities

(a) Tax charge and effective rate of tax

	2021 US\$m	2020 US\$m
Tax charge	275	263
Profit before tax	1,077	942
Effective rate of tax based on profit before tax	25.5%	27.9%

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 2021 the Group held current provisions of US\$350m (2020: US\$327m) 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 tax charge to the Benchmark tax charge

	2021 US\$m	2020 US\$m
Tax charge	275	263
Tax relief on Exceptional items and other adjustments made to derive Benchmark PBT	53	61
Benchmark tax charge	328	324
Benchmark PBT	1,265	1,255
Benchmark tax rate	25.9%	25.8%

Notes to the financial statements (continued)

for the year ended 31 March 2021

9. Tax – ongoing activities (continued)

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

In the year ended 31 March 2021, the gain of US\$84m (2020 loss of: US\$298m) in respect of other comprehensive income is after a deferred tax charge of US\$1m (2020: US\$5m), relating to remeasurement gains on post-employment benefit assets and obligations.

A tax credit relating to employee share incentive plans of US\$2m (2020: US\$5m) is recognised in equity and reported as appropriate within transactions with owners. This amount comprises a current tax credit of US\$5m (2020: US\$9m) and a deferred tax charge of US\$3m (2020: US\$4m).

10. Discontinued operations

There have been no material divestments of subsidiaries during the year ended 31 March 2021. 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 were incurred during the year ended 31 March 2020, and cash outflows from operating activities were US\$6m in that year.

11. Earnings per share disclosures

(a) Earnings per share (EPS)

	Basic		Diluted	
	2021	2020	2021	2020
	US cents	US cents	US cents	US cents
Continuing and discontinued operations	88.2	74.8	87.6	74.2
Add: loss from discontinued operations	-	0.2	-	0.2
Continuing operations	88.2	75.0	87.6	74.4
Add: Exceptional items and other adjustments made to derive Benchmark PBT, net of related tax	14.9	28.0	14.7	27.7
Benchmark EPS (non-GAAP measure)	103.1	103.0	102.3	102.1

(b) Analysis of earnings

(i) Attributable to owners of Experian plc

	2021	2020
	US\$m	US\$m
Continuing and discontinued operations	803	675
Add: loss from discontinued operations	-	2
Continuing operations	803	677
Add: Exceptional items and other adjustments made to derive Benchmark PBT, net of related tax	135	252
Benchmark earnings attributable to owners of Experian plc (non-GAAP measure)	938	929

(ii) Attributable to non-controlling interests

	2021	2020
	US\$m	US\$m
(Loss)/profit for the financial year attributable to non-controlling interests	(1)	2
Add: amortisation of acquisition intangibles attributable to non-controlling interests, net of related tax	-	-
Benchmark earnings attributable to non-controlling interests (non-GAAP measure)	(1)	2

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

	2021	2020
	US\$m	US\$m
Total Benchmark earnings (non-GAAP measure)	937	931
Loss from discontinued operations	-	(2)
Loss from Exceptional items and other adjustments made to derive Benchmark PBT, net of related tax	(135)	(252)
Profit for the financial year	802	677

(d) Weighted average number of ordinary shares

	2021	2020
	million	million
Weighted average number of ordinary shares	910	902
Add: dilutive effect of share incentive awards, options and share purchases	7	8
Diluted weighted average number of ordinary shares	917	910

Notes to the financial statements (continued)

for the year ended 31 March 2021

12. Dividends paid on ordinary shares

(a) Dividend information

	2021		2020	
	US cents per share	US\$m	US cents per share	US\$m
Amounts recognised and paid during the financial year:				
First interim – paid in February 2021 (2020: January 2020)	14.5	133	14.5	130
Second interim – paid in July 2020 (2020: July 2019)	32.5	294	32.5	294
Dividends paid on ordinary shares	47.0	427	47.0	424
Full-year dividend for the financial year¹	47.0	430	47.0	423

1. The cost of the second interim dividend for the year ended 31 March 2020 paid in July 2020, increased by US\$1m due to foreign exchange rate movements.

A second interim dividend in respect of the year ended 31 March 2021 of 32.5 US cents per ordinary share will be paid on 23 July 2021, to shareholders on the register at the close of business on 25 June 2021. This dividend is not included as a liability in these financial statements. This second interim dividend and the first interim dividend paid in February 2021 comprise the full-year dividend for the financial year of 47.0 US cents per ordinary share. Dividend amounts are quoted gross, and shareholders will be paid dividends in pounds sterling unless they have elected otherwise by 25 June 2021.

In the year ended 31 March 2021, the employee trusts waived their entitlements to dividends of US\$2m (2020: 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. The final date for submission of elections to receive UK sourced dividends via the IAS arrangements is 25 June 2021. The Company offers a Dividend Reinvestment Plan (DRIP) to shareholders who receive their dividends under the IAS arrangements, and the final date for submission of DRIP elections is also 25 June 2021.

Notes to the financial statements (continued)

for the year ended 31 March 2021

13. Capital expenditure, disposals and capital commitments

(a) Additions

	2021 US\$m	2020 US\$m
Capital expenditure	422	487
Right-of-use-assets	57	50
	479	537

b) Disposal of other intangible assets and property, plant and equipment

The book value of other intangible fixed assets and purchased property, plant and equipment disposed of in the year ended 31 March 2021 was US\$4m (2020: US\$4m) and the amount realised was US\$1m (2020: US\$5m).

(c) Capital commitments

	2021 US\$m	2020 US\$m
Capital expenditure for which contracts have been placed:		
Other intangible assets	6	2
Property, plant and equipment	10	23
	16	25

Capital commitments at 31 March 2021 included US\$1m (2020: US\$7m) in respect of right-of-use assets. All commitments at 31 March 2021 and 31 March 2020 were expected to be incurred before 31 March 2022 and 31 March 2021 respectively. There were no material leases committed to that had not yet started at 31 March 2021 or 31 March 2020.

14. Post-employment benefits – IAS 19 information

(a) Balance sheet assets/(obligations)

	2021 US\$m	2020 US\$m
Retirement benefit assets/(obligations) - funded defined benefit plans:		
Fair value of funded plans' assets	1,274	1,023
Present value of funded plans' obligations	(1,172)	(940)
Assets in the Group balance sheet for funded defined benefit pensions	102	83
Obligations for unfunded post-employment benefits:		
Present value of defined benefit pensions - unfunded plans	(51)	(44)
Present value of post-employment medical benefits	(4)	(4)
Liabilities in the Group balance sheet	(55)	(48)
Net post-employment benefit assets	47	35

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

	2021 US\$m	2020 US\$m
At 1 April	35	6
Differences on exchange	5	(1)
Charge to the Group income statement	(5)	(8)
Remeasurement gains recognised within Other comprehensive income	2	26
Contributions paid by the Group and employees	10	12
At 31 March	47	35

There was a small funding deficit at the date of the 2016 full actuarial valuation of the Experian Pension Scheme. To correct the shortfall the employer agreed to pay additional contributions of US\$4m per annum over five years from 1 April 2017. The employer has agreed to continue to pay these contributions notwithstanding the small surplus recognised following the 2019 full actuarial valuation. Contributions, including additional contributions, currently expected to be paid to this plan during the year ending 31 March 2022 are US\$8m by the Group and US\$1m by employees.

Notes to the financial statements (continued)

for the year ended 31 March 2021

14. Post-employment benefits – IAS 19 information (continued)

(c) Income statement charge

	2021 US\$m	2020 US\$m
By nature of expense:		
Current service cost	4	6
Administration expenses	2	2
Charge within labour costs and operating profit	6	8
Interest income	(1)	-
Total net charge to the Group income statement	5	8

The income statement charge and the remeasurement recognised in the Statement of comprehensive income relate to defined benefit plans.

In the year ended 31 March 2019, we recognised a past service cost in respect of Guaranteed Minimum Pension equalisation of US\$4m. The amount of any additional liability resulting from the UK High Court ruling on 20 November 2020 on historic transfers, is not anticipated to be material to the Group.

(d) Financial actuarial assumptions

	2021 %	2020 %
Discount rate	2.0	2.2
Inflation rate – based on the UK Retail Prices Index (the RPI)	3.3	2.6
Inflation rate – based on the UK Consumer Prices Index (the CPI)	2.8	1.8
Increase in salaries	2.8	2.1
Increase for pensions in payment – element based on the RPI (where cap is 5%)	3.0	2.5
Increase for pensions in payment – element based on the CPI (where cap is 2.5%)	1.9	1.5
Increase for pensions in payment – element based on the CPI (where cap is 3%)	2.2	1.7
Increase for pensions in deferment	2.8	1.8
Inflation in medical costs	6.3	5.6

The mortality and other demographic assumptions used at 31 March 2021 remain broadly unchanged from those utilised at 31 March 2020 and disclosed in the Group's statutory financial statements for the year then ended.

While the methodology used to determine the discount rate is unchanged from that used at 31 March 2020, the data source used by our external actuary to construct the corporate bond yield curve has been updated due to changes in the classifications of relevant high-quality corporate bonds. In constructing the yield curve, judgment is required on the selection of appropriate bonds to be included and the approach then used to derive the yield curve. The change to the bond universe has reduced retirement benefit obligations at 31 March 2021 by approximately US\$28m or 2.4%.

In the year ended 31 March 2020 the CPI assumption was derived by assuming a margin of 80 basis points below RPI. Following the announcement by the UK Chancellor of the Exchequer on 25 November 2020, of the outcome of a consultation on the reform to RPI methodology, it is now expected that from 2030 RPI will be aligned with CPIH (the Consumer Price Index including owner occupiers' housing costs). For the year ended 31 March 2021, a 100 basis point margin between RPI and CPI has been assumed to 2030, with a ten basis point margin assumed thereafter. This results in a single equivalent differential of 50 basis points and an increase in retirement benefit obligations at 31 March 2021 of approximately US\$14m or 1.2%.

Notes to the financial statements (continued)

for the year ended 31 March 2021

15. Notes to the Group cash flow statement

(a) Cash generated from operations

	2021 US\$m	2020 US\$m
Profit before tax	1,077	942
Share of post-tax profit of associates	(21)	(14)
Net finance costs	127	257
Operating profit	1,183	1,185
Loss/(profit) on disposal of fixed assets	3	(1)
Profit on disposal of investment in associate	(120)	-
Impairment of goodwill	53	-
Impairment of other intangible assets	33	-
Impairment of property, plant and equipment	4	-
Amortisation and depreciation ¹	591	537
Charge in respect of share incentive plans	106	83
Increase in working capital (note 15(b))	(13)	(112)
Acquisition expenses – difference between income statement charge and amount paid	(9)	6
Fair value gain on revaluation of step acquisition	-	(17)
Adjustment to the fair value of contingent consideration	1	(4)
Movement in Exceptional and other non-benchmark items included in working capital	(10)	17
Cash generated from operations	1,822	1,694

1. Amortisation and depreciation includes amortisation of acquisition intangibles of US\$138m (2020: US\$124m) which is excluded from Benchmark PBT.

(b) Increase in working capital

	2021 US\$m	2020 US\$m
Trade and other receivables	(31)	(145)
Trade and other payables	18	33
Increase in working capital	(13)	(112)

(c) Purchase of other intangible assets

	2021 US\$m	2020 US\$m
Databases	147	175
Internally generated software	197	189
Internal use software	30	39
Purchase of other intangible assets	374	403

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

	2021 US\$m	2020 US\$m
Purchase of subsidiaries (note 20(a))	568	601
Less: net cash acquired with subsidiaries	(47)	(26)
Settlement of deferred and contingent consideration	5	25
As reported in the Group cash flow statement	526	600
Acquisition expenses paid	47	33
Transactions in respect of non-controlling interests	10	67
Cash outflow for acquisitions (non-GAAP measure)	583	700

Notes to the financial statements (continued)
for the year ended 31 March 2021

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

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

	2021 US\$m	2020 US\$m
Issue of ordinary shares	(19)	(15)
Purchase of shares by employee trusts	-	92
Purchase and cancellation of own shares	-	111
Cash (inflow)/outflow in respect of net share purchases (non-GAAP measure)	(19)	188
As reported in the Group cash flow statement:		
Cash inflow in respect of shares issued	(19)	(15)
Cash outflow in respect of share purchases	-	203
Cash (inflow)/outflow in respect of net share purchases (non-GAAP measure)	(19)	188

(f) Analysis of cash and cash equivalents

	2021 US\$m	2020 US\$m
Cash and cash equivalents in the Group balance sheet	180	277
Bank overdrafts	(10)	(5)
Cash and cash equivalents in the Group cash flow statement	170	272

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

	2021 US\$m	2020 US\$m
Cash generated from operations (note 15(a))	1,822	1,694
Purchase of other intangible assets (note 15(c))	(374)	(403)
Purchase of property, plant and equipment	(48)	(84)
Sale of property, plant and equipment	1	5
Payment of lease liabilities	(56)	(55)
Acquisition expenses paid	47	33
Dividends received from associates	17	6
Cash flows in respect of Exceptional and other non-benchmark items	67	18
Benchmark operating cash flow (non-GAAP measure)	1,476	1,214

Benchmark free cash flow for the year ended 31 March 2021 was US\$1,124m (2020: US\$774m). Cash flow conversion for the year ended 31 March 2021 was 106% (2020: 88%).

Notes to the financial statements (continued)

for the year ended 31 March 2021

16. Net debt (non-GAAP measure)

(a) Analysis by nature

	2021 US\$m	2020 US\$m
Cash and cash equivalents (net of overdrafts)	170	272
Debt due within one year – commercial paper	(25)	(447)
Debt due within one year – bonds and notes	(554)	-
Debt due after more than one year – bonds and notes	(3,526)	(2,858)
Debt due after more than one year – bank loans	(2)	(900)
Derivatives hedging loans and borrowings	111	35
	(3,826)	(3,898)

(b) Analysis by balance sheet caption

	2021 US\$m	2020 US\$m
Cash and cash equivalents	180	277
Current borrowings	(655)	(498)
Non-current borrowings	(3,682)	(3,916)
Borrowings	(4,337)	(4,414)
Total of Group balance sheet line items	(4,157)	(4,137)
Lease obligations reported within borrowings excluded from Net debt	202	201
Accrued interest reported within borrowings excluded from Net debt	18	3
Derivatives reported within Other financial assets	117	52
Derivatives reported within Other financial liabilities	(6)	(17)
	(3,826)	(3,898)

At 31 March 2021 the fair value of borrowings was US\$4,476m (2020: US\$4,408m) and includes lease obligations of US\$202m (2020: US\$201m) recognised in respect of right-of-use assets.

(c) Analysis of movements in Net debt

	1 April 2020	Movements in the year ended 31 March 2021						31 March 2021
	US\$m	Cash flow US\$	Non-cash lease obligation additions US\$m	Net share purchases US\$m	Additions through business combinations US\$m	Fair value gains US\$m	Exchange and other movements US\$m	US\$m
Derivatives hedging loans and borrowings	35	(54)	-	-	-	10	120	111
Borrowings ^{1,2}	(4,414)	377	(57)	-	(19)	34	(258)	(4,337)
Liabilities from financing activities	(4,379)	323	(57)	-	(19)	44	(138)	(4,226)
Lease obligations	201	(66)	57	-	4	-	6	202
Accrued interest	3	15	-	-	-	-	-	18
Cash and cash equivalents	277	(105)	-	19	-	-	(11)	180
Net debt	(3,898)	167	-	19	(15)	44	(143)	(3,826)

1. Lease obligation cash flows include principal and interest payments of US\$56m and US\$10m respectively.

2. Exchange and other movements include US\$8m in respect of lease obligation disposals.

Notes to the financial statements (continued)

for the year ended 31 March 2021

17. Undrawn committed bank borrowing facilities

	2021 US\$m	2020 US\$m
Facilities expiring in:		
Less than one year	-	75
One to two years	400	-
Two to three years	300	150
Three to four years	-	-
Four to five years	1,950	1,950
	2,650	2,175

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

18. 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 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
Shares issued under employee share incentive plans	0.9	-	19
Premium on treasury shares delivered as consideration	-	-	163
At 31 March 2021	969.6	96	1,756

19. Own shares held	Number of shares million	Cost of shares US\$m
At 1 April 2019	70.1	1,167
Purchase of shares by employee trusts	3.0	92
Other vesting of awards and exercises of share options	(5.3)	(76)
At 31 March 2020	67.8	1,183
Purchase of shares by employee trusts	-	-
Shares delivered as consideration for acquisition	(7.2)	(90)
Other vesting of awards and exercises of share options	(4.6)	(87)
At 31 March 2021	56.0	1,006

Own shares held at 31 March 2021 include 52.3 million shares held as treasury shares and 3.7 million shares held by employee trusts. Own shares held at 31 March 2020 included 60.4 million shares held as treasury shares and 7.4 million shares held by employee trusts. The total cost of own shares held at 31 March 2021 of US\$1,006m (2020: US\$1,183m) is deducted from Other reserves in the Group balance sheet.

Notes to the financial statements (continued)

for the year ended 31 March 2021

20. Acquisitions

(a) Acquisitions in the year

The Group made seven acquisitions during the year ended 31 March 2021, including the acquisition of a 60% stake in the Risk Management division of Arvato Financial Solutions (AFS) which completed on 30 June 2020. This investment enables us to expand our range of risk, anti-fraud and identity management services across Germany, Austria and Switzerland. The consideration was satisfied by the delivery of 7.2m Experian plc treasury shares at market value.

There are put and call options associated with the shares held by the remaining shareholders of the Risk Management division of Arvato Financial Solutions, and these first become exercisable in January 2026. Accordingly, a provisional amount in respect of the present value of the put options of US\$201m has been recognised as a non-current financial liability.

On 19 November 2020 we acquired the whole of the issued share capital of Tapad, Inc. (Tapad), a leader in resolution of digital online identities, and on 23 March 2021, we acquired the whole of the issued share capital of BrScan Processamento de Dados e Tecnologia Ltda, (BrScan), a market leader in Fraud and Identity solutions in Brazil.

In total provisional goodwill of US\$657m was recognised based on the fair value of the net assets acquired of US\$416m.

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

	Arvato Risk Management US\$m	Tapad US\$m	BrScan US\$m	Other US\$m	Total US\$m
Intangible assets:					
Customer and other relationships	149	156	31	50	386
Software development	14	16	12	15	57
Marketing-related acquisition intangibles	5	3	1	2	11
Other non-acquisition intangibles	11	7	-	9	27
Intangible assets	179	182	44	76	481
Property, plant and equipment	3	1	1	-	5
Trade and other receivables	15	16	4	16	51
Current tax assets	10	-	-	-	10
Cash and cash equivalents (note 15(d))	1	18	-	28	47
Trade and other payables	(22)	(24)	(5)	(12)	(63)
Borrowings	-	-	-	(15)	(15)
Deferred tax liabilities	(55)	(13)	(15)	(17)	(100)
Total identifiable net assets	131	180	29	76	416
Goodwill	323	110	103	121	657
Total	454	290	132	197	1,073
Satisfied by:					
Cash and cash equivalents (note 15(d))	-	290	106	172	568
Experian plc shares	253	-	-	-	253
Put options	201	-	-	7	208
Recognition of non-controlling interest	-	-	-	4	4
Deferred consideration	-	-	-	7	7
Contingent consideration	-	-	26	7	33
Total	454	290	132	197	1,073

These provisional fair values are determined by using established estimation techniques such as discounted cash flow and option valuation models; the most significant assumption being the retention rates for customers. Provisional fair values contain amounts which will be finalised no later than one year after the date of acquisition. Provisional amounts, predominantly for intangible assets and associated tax balances, have been included at 31 March 2021, as a consequence of the timing and complexity of the acquisitions. Goodwill represents the synergies, assembled workforces and future growth potential of the acquired businesses. None of the goodwill arising in the period of US\$657m is currently deductible for tax purposes. However, in the near future we expect to undertake a merger of BrScan into Serasa S.A. which we anticipate will create a separate tax deductible goodwill balance within that company.

Goodwill for Arvato Risk Management has increased by US\$141m, since we reported the provisional amount at 30 September 2020, as a result of adopting the assumed acquisition method of accounting for this non-controlling interest.

Notes to the financial statements (continued)

for the year ended 31 March 2021

20. Acquisitions (continued)

(a) Acquisitions in the year (continued)

Other includes adjustments to prior year acquisition provisional amounts, including a US\$9m adjustment to the fair value of customer and other relationships of Auto I.D., Inc. acquired in the year ended 31 March 2020.

There have been no other material gains, losses, error corrections or other adjustments recognised in the year ended 31 March 2021 that relate to acquisitions in the current or earlier years.

(b) Additional information

(i) Current year acquisitions

	Arvato Risk Management US\$m	Tapad US\$m	BrScan US\$m	Other US\$m	Total US\$m
Increase/(decrease) in book value from fair value adjustments:					
Intangible assets	172	175	44	67	458
Trade and other payables	(2)	(7)	(3)	(1)	(13)
Deferred tax liabilities	(50)	(13)	(15)	(17)	(95)
Increase in book value from fair value adjustments	120	155	26	49	350
Gross contractual amounts receivable in respect of trade and other receivables	10	16	3	11	40
Pro forma revenue from 1 April 2020 to date of acquisition	36	35	23	35	129
Revenue from date of acquisition to 31 March 2021	78	22	-	17	117
Profit before tax from date of acquisition to 31 March 2021	15	7	-	2	24

At the dates of acquisition, the gross contractual amounts receivable in respect of trade and other receivables of US\$40m 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 profit before tax would have been US\$28m.

(ii) Prior year acquisitions

Deferred consideration of US\$5m (2020: US\$25m) was settled in the year in respect of acquisitions made in earlier years. These cash flows principally relate to the acquisitions of Runpath Group Limited and Clarity Services, Inc. acquired in the year ended 31 March 2018.

The Group made eight acquisitions in the year ended 31 March 2020 which included the acquisition of the whole of the issued share capital of Compuscan (CSH Group (Pty) Limited) and Auto I.D., Inc. A cash outflow of US\$575m was reported in the Group cash flow statement for that year, after deduction of US\$26m in respect of net cash acquired.

(iii) Post balance sheet acquisition

On 9 April 2021 the Group completed the acquisition of the entire share capital of Employment Tax Servicing, LLC for US\$52m including deferred consideration of US\$4m, and on 13 April 2021 we completed the acquisition of the entire share capital of Tax Credit Co., LLC for a cash consideration of US\$250m and contingent consideration of up to US\$110m. Both acquisitions will bolster our income verification business in North America.

21. Disposals

On 18 November 2020, the Group disposed of its 18.6% interest in Finicity Corporation, an associate undertaking, for US\$127m recognising a gain on disposal of US\$120m.

Notes to the financial statements (continued)

for the year ended 31 March 2021

22. Related party transactions

The Group's related parties were disclosed in the Group's statutory financial statements for the year ended 31 March 2020. Following the divestment of CCM in the year ended 31 March 2018 the Group owns 23.1% of the issued share capital of Vector CM Holdings (Cayman), L.P. (Vector).

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

	Transaction amount		Balance owed to Experian	
	Year ended 31 March		At 31 March	
	2021	2020	2021	2020
	US\$m	US\$m	US\$m	US\$m
Promissory note and accrued interest	8	7	102	94
Net amounts collected/(settled) and receivable	-	-	1	2

The promissory note is due and payable to Experian on 31 May 2024 with interest also payable on this date. During the year ended 31 March 2021, we ceased processing transactions on behalf of Vector and no amounts were received or paid. In the year ended 31 March 2020 cash of US\$2m was received and US\$2m was paid on behalf of Vector. We did not receive any margin on individual transactions.

Transactions with associates are made on normal market terms and in the year ended 31 March 2021 comprised the provision and receipt of services to other associates of US\$3m (2020: US\$1m) and US\$12m (2020: US\$9m) respectively. At 31 March 2021, amounts owed by associates, other than Vector, were US\$nil (2020: US\$nil) and amounts due to associates, other than Vector, were US\$nil (2020: US\$1m).

23. Contingencies

(a) 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 2016 tax years, in which approximately US\$135m 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\$4m was claimed, and similar claims in respect of other years may be raised. We are contesting these on the basis of external legal advice.

(b) UK marketing services regulation

We have received a final enforcement notice from 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 disagree with the ICO's decision and have appealed, during which time all requirements will be stayed. At this stage we do not know what the final outcome will be, but it may require significant changes to business processes in our UK marketing services business. This business represents approximately 1% of our global revenues and we do not expect this to result in a materially adverse financial outcome for the Group.

(c) Other litigation and claims

There continue to be an increasing number of pending and threatened litigation, regulatory 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.

Notes to the financial statements (continued)

for the year ended 31 March 2021

24. Events occurring after the end of the reporting period

Details of the second interim dividend announced since the end of the reporting period are given in note 12(a).

We completed the acquisitions of Employment Tax Servicing, LLC and Tax Credit Co., LLC on 9 April 2021 and 13 April 2021 respectively. Further details are provided in note 20(b)(iii).

25. Company website

A full range of investor information is available at www.experianplc.com. Details of the 2021 Annual General Meeting (AGM), to be held in Dublin, Ireland on Wednesday, 21 July 2021, will be given on the website and in the notice of meeting. Information on the Company's share price is available on the website.

Notes to the financial statements (continued)

for the year ended 31 March 2021

26. 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. In addition to known principal risks and the recent COVID-19 pandemic, we continue to identify and analyse emerging ones, and discuss as appropriate in different forums.

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, or other unauthorised access to data, either directly through our online systems or indirectly through our partners or third-party contractors.

Potential impact

Unauthorised access to 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 complex 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 2021

26. 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 periodic employee 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.

Notes to the financial statements (continued)

for the year ended 31 March 2021

26. 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.

Notes to the financial statements (continued)

for the year ended 31 March 2021

26. 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, regulatory interpretation of complex, principles-based privacy regulations could affect how we collect and process information for marketing, risk management and fraud detection.

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.

Notes to the financial statements (continued)

for the year ended 31 March 2021

26. 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 26.

The names and functions of the directors in office as at 19 May 2020 were listed in the Experian Annual Report 2020. In the period from 19 May 2020 to the date of this report:

- Alison Brittain was appointed to the Board as a non-executive director on 1 September 2020.
- Jonathan Howell was appointed to the Board as a non-executive director on 1 May 2021.

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

By order of the Board

Charles Brown

Company Secretary

18 May 2021