Experian

news release

Half-yearly financial report

6 November 2013 — Experian, the global information services company, today issues its half-yearly financial report for the six months ended 30 September 2013.

Strategic highlights

- Good first half progress with organic revenue growth across all regions and business lines.
- Encouraging reception for new products across Credit Services, Decision Analytics and Marketing Services and significant progress in UK Consumer Services.
- Proposed acquisition of Passport Health Communications, Inc. for US$850m will enable us to offer a one-stop-shop payments capability in the US healthcare market.

Financial highlights

- Total and organic revenue from continuing activities up 6% at constant exchange rates. Total revenue from continuing activities up 3% at actual exchange rates. Total revenue of US$2.3bn (2012: US$2.3bn).
- EBIT margin from continuing activities maintained at 26.0%, in line with guidance. Total EBIT from continuing activities up 7%, at constant exchange rates. Total EBIT from continuing operations of US$608m up 3% at actual exchange rates.
- Benchmark profit before tax of US$573m, up 2%. Profit before tax from continuing operations of US$480m (2012: US$73m).
- Benchmark EPS of 42.5 US cents, up 10% at actual rates. Basic EPS from continuing operations of 34.2 US cents (2012: (7.6) US cents).
- Strong cash conversion in the traditionally weaker half year for cash flow. 84% conversion of EBIT into operating cash flow (2012: 74%), and growth in operating cash flow of 18%. Net debt of US$3,156m at 30 September 2013.

Shareholder returns

- First interim dividend of 11.5 US cents per ordinary share, up 7%.
- Net share repurchases of US$322m as at 30 September 2013.

Don Robert, Chief Executive Officer, commented:

“We have delivered another successive half year of good organic revenue growth, with all regions and business lines contributing. Despite subdued trading conditions in some emerging markets, we also produced double-digit growth in benchmark EPS. With the positive structural industry drivers and the targeted investments that we are making in our growth programme including the acquisition of Passport Health Communications, we are confident that we are well positioned to sustain premium growth into the future.

“For the second half, we expect organic revenue growth to be in a similar range as in the first half, and for the full year, we continue to expect modest margin improvement (at constant currency) and to convert at least 90% of EBIT into operating cash.”

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There will be a presentation today at 9.30am (UK time) to analysts and investors at the Bank of America Merrill Lynch Financial Centre, 2 King Edward Street, London, EC1A 1HQ. The presentation can be viewed live on the Experian website at www.experianplc.com and can also be accessed live via a dial-in facility on +44 (0)20 3037 9164. The supporting slides and an indexed replay will be available on the website later in the day.

Experian will update on third quarter trading on 16 January 2014, when it will issue an Interim Management Statement.

See Appendix 7 for definitions of non-GAAP measures used throughout this announcement.

Roundings

Certain financial data have been rounded within this announcement. As a result of this rounding, the totals of data presented may vary slightly from the actual arithmetic totals of such data.

Forward looking statements

Certain statements made in this announcement are forward looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results referred to in these forward looking statements. Please see page 13 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 leading global information services company, providing data and analytical tools to clients around the world. The Group helps businesses to manage credit risk, prevent fraud, target marketing offers and automate decision making. Experian also helps individuals to check their credit report and credit score, and protect against identity theft.

Experian plc is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. Total revenue for the year ended 31 March 2013 was US$4.7 billion. Experian employs approximately 17,000 people in 40 countries and has its corporate headquarters in Dublin, Ireland, with operational headquarters in Nottingham, UK; California, US; and São Paulo, Brazil.

For more information, visit http://www.experianplc.com.

Chief Executive Officer's review

We delivered good growth in the first half, notwithstanding more challenging conditions in some markets. Revenue growth from continuing activities was 6% at constant currency and organic revenue growth was 6% (Q1 7%, Q2 5%) at constant currency. We delivered an increase in EBIT from continuing activities of 7% at constant currency. Actual revenue and total EBIT growth were both 3%, with the difference mainly relating to the depreciation of the Brazilian real relative to the US dollar. At actual exchange rates, Benchmark EPS increased to 42.5 US cents per share, up 10%, and we have raised the first interim dividend by 7% to 11.5 US cents per share.

- We delivered organic revenue growth across all regions, of 7% in Latin America, 7% in the UK and Ireland, 5% in North America and 4% in EMEA/Asia Pacific.
- We also delivered organic revenue growth across our four global business lines, of 8% in Consumer Services, 7% in Decision Analytics, 6% in Credit Services and 1% in Marketing Services.
- The EBIT margin was unchanged at 26.0%, consistent with our previous guidance. There was significant margin progression across all regions bar EMEA/Asia Pacific, which reported a loss in the half.

Financial and strategic highlights by region

We delivered solid growth in our North America business, while laying strong foundations for future growth. There was good growth in Credit Services, where a sharp decline in mortgage volumes was more than offset by strong growth in other categories, and we continue to make significant progress in diversifying and expanding across new customer segments, specifically across healthcare payments, automotive and the public sector. After the half-year end, we completed the acquisition of The 41st Parameter, adding device identification to our range of global products aimed at the rapidly growing market for fraud prevention and identity management. We see significant opportunity to drive further adoption of The 41st Parameter's products, both in North America and across our other geographies. In Marketing Services, we are continuing the transition to cross-channel digital marketing and are at the early stages of converting a strong pipeline of prospects which will support future growth. In Consumer Services, there has been some moderation in activity levels on existing affinity contracts as clients focus on compliance with new regulatory requirements. We continue to see strong interest from prospective affinity partners however, and were pleased to sign an additional win after the half-year end.

We have separately announced today that we have signed a definitive agreement to acquire Passport Health Communications, Inc. (Passport Health), a leading provider of data, analytics and software in the US healthcare payments market, subject to Hart-Scott-Rodino regulatory approval in the US and other customary closing conditions. The purchase price is US$850m, payable in full at closing, which will be funded from Experian's existing committed bank facilities. We entered the US healthcare payments market five years ago and have steadily expanded our position through both organic investment and acquisition, and today our business is thriving. We are now taking the next step, and with the acquisition of Passport Health will become a clear leader in this high growth and attractive market. With our newly combined product range, we will offer our clients in the US healthcare industry a competitive one-stop-shop to manage risk and to satisfy their payments requirements.

In Latin America, we delivered good growth overall. While the economy in Brazil is growing, consumer confidence is weak and credit is growing more slowly. Our business has performed well however, as we have introduced new sources of data, as we expand our fraud prevention activities and as we introduce new software applications and analytical tools. We are also making significant progress in markets outside Brazil. Our three other Latin American credit bureaus performed strongly, and we see a growing revenue contribution from new introductions of Experian products within these markets, particularly in Colombia.

We continue to see general improvement across our UK and Ireland business. Several of our recent investments are beginning to bear fruit, and we are introducing a range of new products and new sources of data. This places us in a strong position to address a range of emerging themes, as the focus turns to heightened standards in the financial services sector, more rigorous assessment of consumers' ability to handle additional credit, helping companies and public bodies to tackle fraud, assisting businesses to become more efficient in their digital marketing campaigns and assisting consumers to manage their credit profile and to protect their personal identity. These core drivers have been instrumental to our performance, with all business lines having returned to growth during the half, and including another outstanding performance from Consumer Services.

Across EMEA/Asia Pacific, we made significant strategic and operational progress in EMEA following the actions taken last year to realign and refocus the business. We are currently undertaking a similar course of action in Asia Pacific, under a new leadership team. We are focusing our operations to pursue those opportunities with the highest growth potential and we are driving operational efficiencies. Weakness in some Asia Pacific operations, and the ramp-up of our start-up bureau in Australia contributed to the losses incurred in EMEA/Asia Pacific in the half.

Cash flow and net debt

Cash flow generation in the first half of the year was strong, in the traditionally weaker half of the year for cash flow. EBIT conversion into operating cash flow was 84% (2012: 74%). Net debt increased by US$218m to US$3,156m. The increase is after funding exceptional cash costs of US$41m, capital expenditure of US$182m, acquisition expenditure net of divestments of US$62m, equity dividend payments of US$236m and net share purchases of US$322m. At 30 September 2013, net debt was 1.95 times EBITDA for the last twelve months. Since the half-year end we have completed the acquisition of The 41st Parameter (refer to Note 31(b)), and net debt, adjusted pro forma for the initial consideration paid of $310m, is 2.14 times last twelve months EBITDA.

Dividend

We have announced a first interim dividend of 11.5 US cents per share, up 7%. This is consistent with our policy to have dividend cover based on Benchmark EPS of around 2.5 times on an annual basis. The first interim dividend will be paid on 31 January 2014 to shareholders on the register at the close of business on 3 January 2014.

Group financial results

Revenue by geography

Six months ended 30 September	2013 US$m	2012[1] US$m	Growth % Total at actual rates	Total at constant rates	Organic at constant rates
North America					
Credit Services	447	418		7	7
Decision Analytics	77	70		9	4
Marketing Services	203	198		3	2
Consumer Services	423	410		3	3
Total continuing activities	**1,150**	**1,096**	**5**	**5**	**5**
Discontinuing activities	-	-			
Total North America	**1,150**	**1,096**			
Latin America					
Credit Services	432	438		7	7
Decision Analytics	26	19		52	52
Marketing Services	35	42		(11)	(11)
Total continuing activities	**493**	**499**	**(1)**	**7**	**7**
Discontinuing activities	-	-			
Total Latin America	**493**	**499**			
UK and Ireland					
Credit Services	119	118		3	3
Decision Analytics	97	98		1	1
Marketing Services	106	109		-	-
Consumer Services	113	90		28	28
Total continuing activities	**435**	**415**	**5**	**7**	**7**
Discontinuing activities	-	-			
Total UK and Ireland	**435**	**415**			
EMEA/Asia Pacific					
Credit Services	92	91		1	1
Decision Analytics	52	50		7	7
Marketing Services	115	109		8	4
Total continuing activities	**259**	**250**	**3**	**5**	**4**
Discontinuing activities	6	29			
Total EMEA/Asia Pacific	**265**	**279**			
Total revenue - continuing activities	**2,337**	**2,260**	**3**	**6**	**6**
Total revenue - discontinuing activities	6	29			
Total revenue – continuing operations	**2,343**	**2,289**			

1. 2012 restated for the divestment of Sinotrust Market Research Services and other small discontinuing activities in EMEA/Asia Pacific.

See Appendix 2 (page 15) for analyses of revenue, EBIT and EBIT margin by business segment.

Income statement, earnings and EBIT margin analysis

Six months ended 30 September	2013 US$m	2012[1] US$m	Growth % Total at constant rates	Growth % Total at actual rates
EBIT by geography				
North America	351	327	7	
Latin America	176	172	11	
UK and Ireland	129	118	12	
EMEA/Asia Pacific	(10)	5	(281)	
EBIT before Central Activities	**646**	**622**	**7**	
Central Activities – central corporate costs	(38)	(34)		
Total EBIT from continuing activities	**608**	**588**	**7**	
EBIT - discontinuing activities[2]	-	1		
Total EBIT from continuing operations	**608**	**589**	**6**	**3**
Net interest	(35)	(29)		
Benchmark PBT	**573**	**560**		**2**
Exceptional items	(29)	(12)		
Amortisation and impairment of acquisition intangibles	(64)	(64)		
Goodwill impairment	(15)	-		
Acquisition expenses	(2)	(3)		
Adjustment to the fair value of contingent consideration	-	(1)		
Financing fair value remeasurements	17	(407)		
Profit before tax	**480**	**73**		
Group tax charge	(144)	(115)		
Profit/(loss) after tax from continuing operations	**336**	**(42)**		
Benchmark earnings				
Benchmark PBT	**573**	**560**		**2**
Benchmark tax charge	(154)	(140)		
Overall benchmark earnings	**419**	**420**		
For owners of Experian plc	**418**	**383**		**9**
For non-controlling interests	1	37		
Benchmark EPS	**US42.5c**	**US38.8c**		**10**
Basic EPS from continuing operations	US34.2c	US(7.6)c		
Weighted average number of ordinary shares	983m	988m		
EBIT margin – continuing activities				
North America	30.5%	29.8%		
Latin America	35.7%	34.5%		
UK and Ireland	29.7%	28.4%		
EMEA/Asia Pacific	(3.9)%	2.0%		
Total EBIT margin	**26.0%**	**26.0%**		

1. 2012 restated for the divestment of Sinotrust Market Research Services and other small discontinuing activities in EMEA/Asia Pacific, and for further costs within Central Activities and a higher interest charge as a result of the adoption of IAS 19 (revised).
2. EBIT from discontinuing activities arises in EMEA/Asia Pacific only.
See Appendix 2 (page 15) for analyses of revenue, EBIT and EBIT margin by business segment.
See Appendix 7 (page 18) for definitions of non-GAAP measures.

Business review

North America

Total revenue from continuing activities in North America was US$1,150m, up 5% at constant exchange rates, with organic revenue growth also 5%.

Credit Services
Total and organic revenue growth was 7%. Within consumer information there was a sharp decline in mortgage related volumes during the half, as anticipated, offset by good growth in prospecting, portfolio management and other credit profile product lines. There was further progress in business information, helped by increased adoption of BusinessIQ, our information portal for small and medium enterprises. There was significant progress across the two key verticals of automotive and healthcare payments, as we add new clients and expand our position with existing clients.

Decision Analytics
Total revenue growth was 9% and organic revenue growth was 4%. The difference relates primarily to the acquisition of Decisioning Solutions (acquired April 2013). Growth slowed as the half progressed, largely attributable to phasing, particularly in fraud and identity management. We saw good growth in software deployments for credit decision management, as well as in analytics and consulting.

Marketing Services
Total revenue growth was 3% and organic revenue growth was 2%. The difference relates primarily to the acquisition of Conversen (acquired May 2012). While growth in digital (email) marketing was relatively slow during the half, we have met with a strong reception for our new cross-channel marketing platform, with several new client wins in the period and a growing pipeline of prospects. We also delivered growth in contact data management, as well as in digital advertising, where we provide data, matching and linkage services for the purposes of targeted digital advertising. Growth in these segments offset declines in our more traditional data services operations.

Consumer Services
Total and organic revenue growth was 3%. Growth in the half was largely driven by affinity partnerships, although there was some moderation in volumes across the existing base as clients focused on compliance with new regulatory requirements regarding consumer marketing offers. We were also pleased to sign a new affinity partnership during the half, which we will begin to recognise in the financial year ending 31 March 2015.

EBIT and EBIT margin
For continuing activities, North America EBIT was US$351m, up 7%. EBIT margin was 30.5%, an increase of 70 basis points year-on-year, which reflected positive operating leverage, net of reinvestment in growth initiatives.

Latin America

Total revenue in Latin America was US$493m, up 7% at constant exchange rates, with organic revenue growth also of 7%.

Credit Services
At constant exchange rates, total and organic revenue growth in Credit Services was 7%. Growth in Brazil reflected strength in business information, with a good reception by clients for new features arising from the CNDL data partnership. Growth in consumer information was more moderate, in part reflecting slower growth in the financial services segment, including reductions in client delinquency notifications, as portfolio quality among financial institutions improves and delinquencies decline. We delivered strong growth in our other bureau markets, reflecting underlying demand for credit and a growing contribution from key investment initiatives, such as the development of the small and medium enterprise channel in Colombia.

Decision Analytics
We delivered strong growth across the region, with total and organic revenue growth of 52% at constant exchange rates. We have benefited from growing demand for fraud prevention products in Brazil and we are seeing further adoption of our credit-risk management suite, including PowerCurve originations and PowerCurve on-demand software. We also continue to build our presence across the Latin America region, with several new business wins in the half for analytical tools and credit-risk management software.

Marketing Services
Total and organic revenue at constant exchange rates declined 11%. The decline in revenue reflected some postponements by clients in Brazil and further weakness in the document process outsourcing business in Colombia, which was divested after the period end.

EBIT and EBIT margin
For Latin America, EBIT grew 11% at constant exchange rates to US$176m. The EBIT margin increased by 120 basis points to 35.7%, reflecting positive operating leverage and cost actions, net of reinvestment for growth.

UK and Ireland

In the UK and Ireland, revenue was US$435m, with total and organic revenue growth of 7% at constant exchange rates.

Credit Services
Total and organic revenue growth at constant exchange rates was 3%. We saw growth across both consumer and business information activities, as we introduce new products and new sources of data, including a new collections network, a new national property database and the business information product BusinessIQ. There was good progress across non-financial customer segments, including automotive, telecommunications, public sector and utilities, as well as in the small and medium enterprise channel as we have rolled out credit risk management products specifically tailored to that market.

Decision Analytics
Total and organic revenue growth at constant exchange rates was 1%. We have continued to see some lumpiness in Decision Analytics, reflecting some client delays. The new business pipeline continues to look healthy however, for both fraud prevention and credit risk management tools. We are also making further inroads across new customer segments, with a major win for identity management services in the public sector during the half.

Marketing Services
Total and organic revenue was flat at constant exchange rates. Performance improved as the half progressed driven by growth in email marketing and data services, as we have expanded and diversified our operations into new customer segments. This helped to offset a small decline in our data quality business.

Consumer Services
Consumer Services performed strongly, with total and organic revenue growth of 28% at constant exchange rates. Growth reflects increased memberships, coupled with further reductions in churn rates as we add further features and enhancements in the services we provide to consumers.

EBIT and EBIT margin
For the UK and Ireland, EBIT from continuing activities was US$129m, up 12% at constant exchange rates. EBIT margin increased by 130 basis points to 29.7%, reflecting positive operating leverage, as well as restructuring benefits, net of reinvestments.

EMEA/Asia Pacific
Total revenue from continuing activities in EMEA/Asia Pacific was US$259m, up 5% at constant exchange rates, with organic revenue growth of 4%. The difference relates primarily to a small acquisition in Australia.

Credit Services
Total and organic revenue growth at constant exchange rates was 1%. While market conditions in the Eurozone area remain mixed, we have seen further stabilisation across our credit bureau activities in EMEA, and our business information bureaux in China and Singapore performed well.

Decision Analytics
Total and organic revenue growth at constant exchange rates was 7%. We saw good recovery in our EMEA operations, following the action taken last year to realign the business, and this offset weaker conditions in Asia Pacific. The turnaround in EMEA was helped by strong demand for PowerCurve software, fraud prevention products, analytics and collections software.

Marketing Services
Total revenue growth at constant exchange rates was 8%, with organic revenue growth of 4%. After growth in Q1, revenue slowed in Q2. This principally reflected the wind down of a large email contract in EMEA, as previously disclosed.

EBIT and EBIT margin
In EMEA/Asia Pacific there was a loss before interest and tax from continuing activities of US$10m (2012: profit of US$5m). The loss reflects a ramp-up in investment in the Australian bureau development, negative operating leverage within Marketing Services and the impact of exiting certain non-core businesses.

Group financial review

Key financials

Six months ended 30 September	2013	2012
Total revenue – continuing operations	US$2,343m	US$2,289m
Benchmark PBT	US$573m	US$560m
Benchmark tax rate	26.9%	25.0%
Benchmark EPS	US 42.5c	US 38.8c
Operating cash flow	US$511m	US$433m
Net debt	US$3,156m	US$1,920m

Experian adopted IAS 19 (revised) 'Employee Benefits' with effect from 1 April 2013 and the comparative information in this report has been re-presented as appropriate. Further details are given in note 3 to the unaudited condensed Group half-yearly financial statements.

Income statement commentary

Revenue and profit performance – continuing operations

An analysis of, and commentary on, Group profit performance in the period by geography is given within pages 3 to 9. A summary of performance by business segment is given in Appendix 2 on page 15 with an additional analysis of the income statement in Appendix 3 on page 16.

Profit before tax from continuing operations increased by US$407m from US$73m to US$480m. In the six months ended 30 September 2012, there was a charge of US$403m arising from the increase in the fair value of the Serasa put option liability. Following the lapse of that option on the acquisition of the further 29.6% interest in Serasa in November 2012, there was no such charge in the six months ended 30 September 2013.

Exceptional items – continuing operations

Six months ended 30 September	2013 US$m	2012 US$m
Restructuring costs	37	9
(Profit)/loss on disposal of businesses	(8)	3
Total exceptional charge	**29**	**12**

Restructuring costs of US$37m (2012: US$9m) comprise costs incurred following the Group's strategic review of its cost base during the year ended 31 March 2013. Further details are given in note 10 to the unaudited condensed Group half-yearly financial statements. The charge for the year ended 31 March 2013 was US$54m.

The net profit on disposal of businesses in the six months ended 30 September 2013 related to a number of small disposals.

Other adjustments made to derive Benchmark PBT – continuing operations

Six months ended 30 September	**2013 US$m**	**2012 US$m**
Amortisation and impairment of acquisition intangibles	64	64
Goodwill impairment	15	-
Acquisition expenses	2	3
Adjustment to the fair value of contingent consideration	-	1
Increase in fair value of Serasa put option	-	403
Other financing fair value remeasurements	(17)	4
Other adjustments made to derive Benchmark PBT	**64**	**475**

Further information in respect of these items is given in note 11 to the unaudited condensed Group half-yearly financial statements.

Tax

The Benchmark tax rate was 26.9% (2012: 25.0%). The increase reflects increased profits in the US and Brazil where corporate tax rates are higher than the main UK rate.

The tax charge for the six months ended 30 September 2013 was US$144m and the effective rate of tax for the period was 30.0%. This is higher than the Benchmark tax rate reflecting the enacted reduction in the main rate of UK corporation tax from 23% to 20% and the associated reduction in deferred tax assets recognised in respect of tax losses. The blended tax rate on exceptional items and other adjustments made to derive Benchmark PBT was 22.6%.

The tax charge for the six months ended 30 September 2012 was US$115m and the effective rate of tax for the year was 157.5%. That rate was not meaningful largely due to the fact that there was no tax applicable to the charge of US$403m on the movement in the fair value of the Serasa put option.

Earnings/(loss) per share

As indicated in note 15 to the unaudited condensed Group half-yearly financial statements, basic earnings per share were 34.2 US cents (2012: loss per share of 7.6 US cents). The basic loss per share for the six months ended 30 September 2012 included earnings per share of 0.3 US cents in respect of discontinued operations. Benchmark earnings per share were 42.5 US cents (2012: 38.8 US cents), an increase of 10%.

At 30 September 2013, Experian had 1,031 million ordinary shares in issue, of which 52 million shares were held by employee trusts and in treasury. Accordingly, the number of shares to be used for the purposes of calculating basic earnings per share from 30 September 2013 is 979 million. Issues and purchases of shares after 30 September 2013 will result in an amendment to this figure.

Foreign exchange – average rates

The principal exchange rates used to translate revenue and EBIT in the period were:

	2013	**2012**	**Weakened/ (strengthened) against the US$**
US$: Brazilian real	2.18	1.99	9.5%
Sterling : US$	1.54	1.58	2.5%
Euro : US$	1.32	1.27	(3.9%)

The effect of exchange rate changes on the results for the period is to decrease reported revenue by US$60m and EBIT by US$20m.

Balance sheet commentary

Net assets
At 30 September 2013, net assets amounted to US$2,790m (2012: US$2,417m), equivalent to US$2.85 per share (2012: US$2.45). Capital employed was US$5,708m (2012: US$5,879m) (see Appendix 7).

Within net assets, there was a net retirement benefit obligation at 30 September 2013 of US$9m (2012: asset of US$44m) with a surplus in funded plans of US$52m (2012: US$98m) and other retirement benefit obligations of US$61m (2012: US$54m). At 31 March 2013, there was a net retirement benefit asset of US$24m with a surplus in funded plans of US$80m and other retirement benefit obligations of US$56m. Details of the movements in the balance sheet position during the period and the actuarial assumptions used are included in note 18 to the unaudited condensed Group half-yearly financial statements.

Total equity
There was a decrease in total equity of US$434m from US$3,224m at 31 March 2013 with movements detailed in the Group statement of changes in total equity on page 22.

Profit for the period of US$336m is offset by currency translation losses of US$147m, mainly attributable to further weakening in the Brazilian real against the US dollar, and remeasurement losses of US$33m in respect of defined benefit pension plans. These items are shown net of related tax in the Group statement of comprehensive income.

There is a reduction of US$597m from transactions with owners, including dividends of US$238m and the purchase of own shares, either by employee trusts or held as treasury shares, of US$273m.

Foreign exchange – closing rates
The principal exchange rates used to translate assets and liabilities at the period end were:

	2013	**2012**
US$: Brazilian real	2.23	2.03
Sterling : US$	1.62	1.62
Euro : US$	1.35	1.29

Cash flow and net debt
Experian generated strong cash flow in the half with operating cash flow of US$511m (2012: US$433m) and cash flow conversion of 84% (2012: 74%). A reconciliation of cash generated from operations as reported in the Group cash flow statement on page 23 to operating cash flow as reported in the cash flow summary table at Appendix 4 on page 17 is given in note 20 to the unaudited condensed Group half-yearly financial statements.

As indicated in the cash flow summary table, free cash flow in the half was US$400m (2012: US$315m). The net cash inflow in the half of US$61m (2012: US$57m) is after acquisition spend of US$87m (2012: US$41m) and equity dividends of US$236m (2012: US$215m).

At 30 September 2013, net debt was US$3,156m (31 March 2013: US$2,938m) and a reconciliation of movements from the position at the year end is given in Appendix 5 on page 17. Net debt at 30 September 2012 was US$1,920m. The increase in net debt of US$1,018m in the second half of the year ended 31 March 2013 included an outflow of US$1,500m in connection with the acquisition of the further 29.6% interest in Serasa in November 2012.

Borrowings of US$589m classified as current liabilities in the Group balance sheet at 30 September 2013 include the £334m 5.625% Euronotes 2013 due for redemption in December 2013.

At 30 September 2013, there were undrawn committed borrowing facilities of US$2,085m (31 March 2013: US$1,624m) and additional information is given in note 22 to the unaudited condensed Group half-yearly financial statements.

Other items

The Group has recently received a significant number of claims primarily in two Brazilian states relating to the disclosure and use of credit scores in Brazil. The cases are mainly small claims and a class action and there is no certainty as to the likely timing or outcome of these claims. The Group does not believe the claims have merit under Brazilian law and will continue to vigorously defend them. Accordingly, no provision has been made for the ultimate outcome.

Seasonality

In recent years, Experian's margin progression has tended to be weighted towards the second half of the year reflecting revenue seasonality and the phasing of investment expenditure. This pattern is expected to continue during the year ending 31 March 2014 due to the usual seasonality and also to the phasing of the cost efficiency and reinvestment programme.

Revenue seasonality is exhibited principally in Marketing Services activities in North America and in the UK and Ireland, which are seasonally weighted towards the second half of the financial year, reflecting some exposure to the retail sector.

Risks and uncertainties

The risks and uncertainties affecting Experian in the period are unchanged from those for the year ended 31 March 2013 and it is anticipated that these will continue to be unchanged for the remainder of the current financial year. These risks and uncertainties were explained in detail on pages 26 to 31 of the annual report and financial statements for the year ended 31 March 2013. Such risks are either specific to Experian's business model, such as information security, or more general, such as the impact of competition.

The explanations given in the 2013 annual report and financial statements addressed the following principal risk factors for Experian:

- Loss or inappropriate usage of data;
- Dependence upon third parties to provide data and certain operational services;
- Exposure to legislative or regulatory reforms;
- Regulatory compliance;
- Product/service or technology obsolescence;
- Interruptions in business processes or systems; and
- Dependence on recruitment and retention of highly skilled personnel.

Other risks explained in the 2013 annual report and financial statements were as follows:

- Exposure to materially adverse litigation including claims of intellectual property infringement or violation of privacy laws;
- Exposure to country and regional (political, financial, economic, social) risks particularly in the US, Latin America and the UK;
- The acquisition, integration or divestiture of businesses may not produce the desired financial or operating results;
- Exposure to the unpredictability of financial markets (foreign exchange, interest rate and other financial risks);
- Results of operations may be affected by adverse market conditions caused by the global financial crisis and euro zone debt crisis; and
- Exposure to increasing competition.

The mitigation of Experian's exposure to the unpredictability of financial markets includes the application of currency hedging strategies to minimise the impact of currency volatility. However Experian does not currently intend to undertake borrowings in Brazilian real. Further information on financial risk management is now given in note 29 to the unaudited condensed Group half-yearly financial statements.

Going concern

The directors of Experian plc formed a judgment at the time of approving the unaudited condensed Group half-yearly financial statements that there was a reasonable expectation that the Group had adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion, the directors took account of:

- Current and anticipated trading performance which is the subject of detailed comment in the Chief Executive Officer's review and the business review;
- Current and anticipated levels of borrowings and the availability of the committed borrowing facilities described earlier; and
- Exposures to and the management of financial risks.

For this reason, the going concern basis continues to be adopted in the preparation of the unaudited condensed Group half-yearly financial statements.

Appendices

1. Non-GAAP financial information

Experian has identified and defined certain measures that it believes assist understanding of the performance of the Group. The measures are not defined under IFRS and they may not be directly comparable with other companies' adjusted measures. The non-GAAP measures are not intended to be a substitute for, or superior to, any IFRS measures of performance but management has included them as they consider them to be important comparables and key measures used within the business for assessing performance.

Information on non-GAAP measures and definitions of those measures are set out in the further appendices.

2. Revenue, EBIT and EBIT margin by business segment

Six months ended 30 September			Growth%	
	2013 US$m	2012[1] US$m	Total at constant rates %	Organic at constant rates %
Revenue				
Credit Services	1,090	1,065	6	6
Decision Analytics	252	237	9	7
Marketing Services	459	458	2	1
Consumer Services	536	500	8	8
Total – continuing activities	**2,337**	**2,260**	**6**	**6**
Discontinuing activities[2]	6	29	n/a	
Total	**2,343**	**2,289**	**5**	
EBIT				
Credit Services	382	368	8	
Decision Analytics	44	44	7	
Marketing Services	52	57	(9)	
Consumer Services	168	153	10	
Total business segments	**646**	**622**	**7**	
Central Activities – central corporate costs	(38)	(34)	(11)	
Total – continuing activities	**608**	**588**	**7**	
Discontinuing activities[2]	-	1	n/a	
Total	**608**	**589**	**6**	
EBIT margin – continuing activities				
Credit Services	35.0%	34.6%		
Decision Analytics	17.5%	18.6%		
Marketing Services	11.3%	12.4%		
Consumer Services	31.3%	30.6%		
Total EBIT margin	**26.0%**	**26.0%**		

1. 2012 restated for the movement of some small Credit Services and Marketing Services businesses to discontinuing activities and for further costs of US$1m within Central Activities as a result of the adoption of IAS 19 (revised).
2. Discontinuing activities comprise small discontinuing Credit Services and Marketing Services businesses.

Appendices (continued)

3. Income statement analysis – continuing operations

Six months ended 30 September	2013			2012		
	Benchmark	Non-benchmark[1]	Total	Benchmark[2]	Non-benchmark[1]	Total[2]
	US$m	US$m	US$m	US$m	US$m	US$m
Revenue	**2,343**	**-**	**2,343**	**2,289**	**-**	**2,289**
Total operating expenses	(1,736)	(110)	(1,846)	(1,700)	(80)	(1,780)
Operating profit/(loss)	**607**	**(110)**	**497**	**589**	**(80)**	**509**
Share of profit of associates	1	-	1	-	-	-
EBIT from continuing operations	**608**			**589**		
Non-benchmark items		**(110)**			**(80)**	
Profit/(loss) before net finance costs and tax	**608**	**(110)**	**498**	**589**	**(80)**	**509**
Net finance (costs)/income	(35)	17	(18)	(29)	(407)	(436)
Profit/(loss) before tax	**573**	**(93)**	**480**	**560**	**(487)**	**73**
Tax (charge)/credit	(154)	10	(144)	(140)	25	(115)
Profit/(loss) after tax for the period from continuing operations	**419**	**(83)**	**336**	**420**	**(462)**	**(42)**
Attributable to:						
Owners of Experian plc	418	(82)	336	383	(458)	(75)
Non-controlling interests	1	(1)	-	37	(4)	33
Profit/(loss) after tax for the period from continuing operations	**419**	**(83)**	**336**	**420**	**(462)**	**(42)**
	US cents	**US cents**	**US cents**	**US cents**	**US cents**	**US cents**
Earnings/(loss) per share – basic	**42.5**	**(8.3)**	**34.2**	**38.8**	**(46.4)**	**(7.6)**
	%	**%**	**%**	**%**	**%**	**%**
Effective rate of tax	**26.9**	**10.8**	**30.0**	**25.0**	**5.1**	**157.5**

1. The loss before tax for non-benchmark items of US$93m (2012: US$487m) comprises charges for exceptional items of US$29m (2012: US$12m) and other adjustments made to derive Benchmark PBT of US$64m (2012: US$475m). Further information is given in notes 10 and 11 to the unaudited condensed Group half-yearly financial statements.

2. 2012 restated as a result of the adoption of IAS 19 (revised).

Appendices (continued)

4. Cash flow summary

Six months ended 30 September	2013 US$m	2012[1] US$m
EBIT from continuing operations	608	589
Depreciation and amortisation (see below)	177	160
Loss on sale of fixed assets	1	-
Capital expenditure	(182)	(218)
Sale of property, plant and equipment	1	-
Increase in working capital	(127)	(131)
(Profit)/loss retained in associates	(1)	1
Charge for share incentive plans	34	32
Operating cash flow	**511**	**433**
Net interest paid	(32)	(35)
Tax paid – continuing operations	(77)	(48)
Dividends paid to non-controlling interests	(2)	(35)
Free cash flow	**400**	**315**
Cash outflow for exceptional restructuring costs	(41)	(1)
Acquisitions	(87)	(41)
Disposal of businesses – continuing operations	23	(1)
Disposal of businesses – discontinued operations	2	-
Equity dividends paid	(236)	(215)
Net cash inflow	**61**	**57**
Net share purchases	(322)	(157)
New borrowings and other financing related cash flows	443	415
Net increase in cash and cash equivalents – continuing operations	**182**	**315**
Net increase in cash and cash equivalents - discontinued operations	90	4
Net increase in cash and cash equivalents	**272**	**319**
Cash and cash equivalents at 1 April	226	254
Exchange and other movements on cash and cash equivalents	20	5
Cash and cash equivalents at 30 September	**518**	**578**

1. 2012 restated as a result of the adoption of IAS 19 (revised).

5. Reconciliation of net debt

Six months ended 30 September	2013 US$m	2012 US$m
At 1 April	2,938	1,818
Net cash inflow – as reported in the cash flow summary above	(61)	(57)
Net share purchases	322	157
Exchange, discontinued operations and other movements in net debt	(43)	2
At 30 September	**3,156**	**1,920**

6. Reconciliation of depreciation and amortisation

Six months ended 30 September	2013 US$m	2012 US$m
As reported in the notes to the Group cash flow statement	238	227
Less: amortisation of acquisition intangibles	(55)	(64)
Less: exceptional asset write-off	(6)	(3)
As reported in the cash flow summary above	**177**	**160**

Appendices (continued)

7. Definitions of non-GAAP measures

Discontinuing activities:
Experian defines discontinuing activities as businesses sold, closed or identified for closure during a financial year. These are treated as discontinuing activities for both revenue and EBIT purposes. The results of discontinuing activities are disclosed separately with the results of the prior period restated as appropriate. This financial measure differs from the definition of discontinued operations set out in IFRS 5, which defines a discontinued operation as a component of an entity that has either been disposed of, or is classified as held for sale, and is: (i) a separate major line of business or geographical area of operations; (ii) part of a single plan to dispose of a major line of business or geographical area of operations; or (iii) a subsidiary acquired exclusively with a view to resale.

Continuing activities:
Businesses trading at 30 September 2013 that have not been disclosed as discontinuing activities are treated as continuing activities.

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

Organic growth:
This is the year-on-year change in the revenue of continuing activities, at constant transactional and translation exchange rates, excluding acquisitions (other than affiliate credit bureaux) until the first anniversary date of consolidation.

Constant exchange rates:
In order to illustrate its organic performance, Experian discusses its results in terms of constant exchange rate growth, unless otherwise stated. This represents growth calculated as if the exchange rates used to determine the results had remained unchanged from those used in the previous year.

Capital employed:
Capital employed is defined as net assets adjusted for the deduction of the net tax asset and the addition of net debt and, at 30 September 2012, the addition of the net present value of the Serasa put option.

Other:
Further non-GAAP measures that are included within the unaudited condensed Group half-yearly financial statements are defined in note 6 to those financial statements.

Unaudited condensed Group half-yearly financial statements

Group income statement
for the six months ended 30 September 2013

	Notes	Six months ended 30 September 2013	2012 (Re-presented) (Note 3)
		US$m	US$m
Revenue	7	**2,343**	2,289
Total operating expenses		**(1,846)**	(1,780)
Operating profit		**497**	509
Interest income		**11**	10
Finance expense		**(29)**	(446)
Net finance costs	12	**(18)**	(436)
Share of post-tax profit of associates		**1**	-
Profit before tax	7	**480**	73
Group tax charge	13(a)	**(144)**	(115)
Profit/(loss) after tax for the period from continuing operations		**336**	(42)
Profit for the period from discontinued operations	14	**-**	3
Profit/(loss) for the period		**336**	(39)
Attributable to:			
Owners of Experian plc		**336**	(72)
Non-controlling interests		**-**	33
Profit/(loss) for the period		**336**	(39)

		US cents	US cents
Earnings/(loss) per share			
Basic	15	**34.2**	(7.3)
Diluted	15	**33.8**	(7.2)
Earnings/(loss) per share from continuing operations			
Basic	15	**34.2**	(7.6)
Diluted	15	**33.8**	(7.5)
First interim dividend per share	16	**11.50**	10.75

Unaudited condensed Group half-yearly financial statements

Group statement of comprehensive income
for the six months ended 30 September 2013

	Six months ended 30 September	
	2013	2012 (Re-presented) (Note 3)
	US$m	US$m
Profit/(loss) for the period	**336**	(39)
Other comprehensive income:		
Item that will not be reclassified to profit or loss		
Remeasurements of retirement benefit assets and obligations	**(25)**	(28)
Item that may be reclassified subsequently to profit or loss		
Currency translation losses	**(147)**	(40)
Reclassification of cumulative currency translation gain in respect of divestments	**(1)**	-
Total other comprehensive income for the period, net of tax	**(173)**	(68)
Total comprehensive income for the period	**163**	(107)
Attributable to:		
Owners of Experian plc:		
Continuing operations	**164**	(128)
Discontinued operations	**-**	3
Owners of Experian plc	**164**	(125)
Non-controlling interests	**(1)**	18
Total comprehensive income for the period	**163**	(107)

Non-GAAP measures
Reconciliation of profit before tax to Benchmark PBT
for the six months ended 30 September 2013

	Notes	Six months ended 30 September	
		2013	2012 (Re-presented) (Note 3)
		US$m	US$m
Profit before tax	7	**480**	73
Exceptional items	10	**29**	12
Amortisation and impairment of acquisition intangibles	11	**64**	64
Goodwill impairment	11	**15**	-
Acquisition expenses	11	**2**	3
Adjustment to the fair value of contingent consideration	11	**-**	1
Financing fair value remeasurements	11	**(17)**	407
Benchmark PBT	7	**573**	560
		US cents	US cents
Benchmark earnings per share			
Basic	15	**42.5**	38.8
Diluted	15	**42.0**	38.1

Unaudited condensed Group half-yearly financial statements

Group balance sheet
at 30 September 2013

	Notes	30 September 2013 US$m	30 September 2012 US$m	31 March 2013 US$m
Non-current assets				
Goodwill	4(c)	**4,019**	4,078	4,057
Other intangible assets		**1,391**	1,526	1,474
Property, plant and equipment		**464**	458	478
Investments in associates		**12**	14	21
Deferred tax assets	13(e)	**544**	313	643
Retirement benefit assets	18(a)	**52**	98	80
Trade and other receivables		**9**	13	10
Available-for-sale financial assets		**43**	38	41
Other financial assets		**221**	210	156
		6,755	6,748	6,960
Current assets				
Inventories		**4**	9	7
Trade and other receivables		**821**	861	923
Current tax assets		**25**	12	49
Other financial assets		**44**	6	27
Cash and cash equivalents	21(b)	**507**	621	229
		1,401	1,509	1,235
Assets classified as held for sale	28	**59**	117	-
		1,460	1,626	1,235
Current liabilities				
Trade and other payables		**(971)**	(1,035)	(1,197)
Borrowings	21(b)	**(589)**	(44)	(635)
Current tax liabilities		**(91)**	(120)	(41)
Provisions		**(49)**	(33)	(52)
Other financial liabilities	23	**(44)**	(1,385)	(20)
		(1,744)	(2,617)	(1,945)
Liabilities classified as held for sale	28	**(28)**	(80)	-
		(1,772)	(2,697)	(1,945)
Net current liabilities		**(312)**	(1,071)	(710)
Total assets less current liabilities		**6,443**	5,677	6,250
Non-current liabilities				
Trade and other payables		**(33)**	(37)	(41)
Borrowings	21(b)	**(3,248)**	(2,696)	(2,626)
Deferred tax liabilities		**(240)**	(367)	(222)
Retirement benefit obligations	18(a)	**(61)**	(54)	(56)
Provisions		**(1)**	(10)	(1)
Other financial liabilities		**(70)**	(96)	(80)
		(3,653)	(3,260)	(3,026)
Net assets		**2,790**	2,417	3,224
Equity				
Called up share capital	24	**102**	102	102
Share premium account	24	**1,491**	1,479	1,480
Retained earnings		**17,766**	16,942	17,849
Other reserves	25	**(16,597)**	(16,245)	(16,247)
Attributable to owners of Experian plc		**2,762**	2,278	3,184
Non-controlling interests	26	**28**	139	40
Total equity		**2,790**	2,417	3,224

Unaudited condensed Group half-yearly financial statements

Group statement of changes in total equity for the six months ended 30 September 2013

	Called up share capital US$m	Share premium account US$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 2013	102	1,480	17,849	(16,247)	**3,184**	40	**3,224**
Comprehensive income:							
Profit for the period	-	-	336	-	**336**	-	**336**
Total other comprehensive income	-	-	(25)	(147)	**(172)**	(1)	**(173)**
Total comprehensive income	-	-	311	(147)	**164**	(1)	**163**
Transactions with owners:							
Employee share incentive plans:							
– value of employee services	-	-	34	-	**34**	-	**34**
– shares issued on vesting	-	11	-	-	**11**	-	**11**
– other exercises of share awards and options	-	-	(121)	70	**(51)**	-	**(51)**
– related tax charge	-	-	(10)	-	**(10)**	-	**(10)**
– purchase of own shares by employee trusts – for employee share incentive plans	-	-	-	(120)	**(120)**	-	**(120)**
– commitment for future purchase of own shares	-	-	(38)	-	**(38)**	-	**(38)**
– other payments	-	-	(7)	-	**(7)**	-	**(7)**
Purchase of own shares held as treasury shares	-	-	-	(153)	**(153)**	-	**(153)**
Transactions with non-controlling interests	-	-	(16)	-	**(16)**	(9)	**(25)**
Dividends paid	-	-	(236)	-	**(236)**	(2)	**(238)**
Transactions with owners	-	11	(394)	(203)	**(586)**	(11)	**(597)**
At 30 September 2013	**102**	**1,491**	**17,766**	**(16,597)**	**2,762**	**28**	**2,790**

Group statement of changes in total equity for the six months ended 30 September 2012

	Called up share capital US$m	Share premium account US$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 2012	102	1,471	17,350	(16,151)	**2,772**	159	**2,931**
Comprehensive income:							
Loss for the period	-	-	(72)	-	**(72)**	33	**(39)**
Total other comprehensive income	-	-	(28)	(25)	**(53)**	(15)	**(68)**
Total comprehensive income	-	-	(100)	(25)	**(125)**	18	**(107)**
Transactions with owners:							
Employee share incentive plans:							
– value of employee services	-	-	32	-	**32**	-	**32**
– shares issued on vesting	-	8	-	-	**8**	-	**8**
– other exercises of share awards and options	-	-	(84)	112	**28**	-	**28**
– related tax charge	-	-	(10)	-	**(10)**	-	**(10)**
– purchase of own shares by employee trusts – for employee share incentive plans	-	-	-	(181)	**(181)**	-	**(181)**
– other payments	-	-	(3)	-	**(3)**	-	**(3)**
New liabilities relating to non-controlling interests	-	-	(24)	-	**(24)**	-	**(24)**
Non-controlling interests arising on corporate transactions	-	-	-	-	**-**	1	**1**
Transactions with non-controlling interests	-	-	(4)	-	**(4)**	(4)	**(8)**
Dividends paid	-	-	(215)	-	**(215)**	(35)	**(250)**
Transactions with owners	-	8	(308)	(69)	**(369)**	(38)	**(407)**
At 30 September 2012	**102**	**1,479**	**16,942**	**(16,245)**	**2,278**	**139**	**2,417**

Unaudited condensed Group half-yearly financial statements

Group cash flow statement

for the six months ended 30 September 2013

	Notes	Six months ended 30 September 2013 US$m	Six months ended 30 September 2012 US$m
Cash flows from operating activities			
Cash generated from operations	19(a)	**649**	646
Interest paid		**(41)**	(41)
Interest received		**9**	6
Dividends received from associates		**-**	1
Tax paid	19(d)	**(77)**	(48)
Net cash inflow from operating activities – continuing operations		**540**	564
Net cash inflow from operating activities – discontinued operations	14(b)	**90**	4
Net cash inflow from operating activities		**630**	568
Cash flows from investing activities			
Purchase of property, plant and equipment		**(34)**	(43)
Purchase of other intangible assets	19(e)	**(148)**	(175)
Sale of property, plant and equipment		**1**	-
Acquisition of subsidiaries, net of cash acquired	19(f)	**(66)**	(31)
Disposal of subsidiaries – continuing operations	10	**23**	(1)
Disposal of subsidiaries – discontinued operations	14(b)	**2**	-
Net cash flows used in investing activities		**(222)**	(250)
Cash flows from financing activities			
Cash flows from employee share incentive plans:			
– proceeds from issue of ordinary shares	19(g)	**11**	8
– net (outflow)/inflow on vesting of share awards and exercise of share options	19(g)	**(60)**	16
– purchase of own shares by employee trusts	19(g)	**(120)**	(181)
– other payments		**(7)**	(3)
Purchase of own shares held as treasury shares	19(g)	**(153)**	-
Payments to acquire non-controlling interests		**(19)**	(7)
New borrowings		**742**	600
Repayment of borrowings		**(295)**	(182)
Capital element of finance lease rental payments		**(2)**	-
Net receipts from equity swaps		**5**	-
Dividends paid		**(238)**	(250)
Net cash flows used in financing activities		**(136)**	1
Net increase in cash and cash equivalents		**272**	319
Cash and cash equivalents at 1 April		**226**	254
Exchange and other movements on cash and cash equivalents		**20**	5
Cash and cash equivalents at 30 September	19(h)	**518**	578

Notes to the unaudited condensed Group half-yearly financial statements
for the six months ended 30 September 2013

1. Corporate information

Experian plc (the 'Company'), which is the ultimate parent company of the Experian group of companies ('Experian' or the 'Group'), is incorporated and registered in Jersey under Jersey company law 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. The Company's ordinary shares are traded on the London Stock Exchange's Regulated Market (Premium Listing). Experian is the leading global information services group.

2. Basis of preparation

The Group's financial statements are prepared in accordance with International Financial Reporting Standards ('IFRS' or 'IFRSs') as adopted for use in the European Union (the 'EU') and IFRS Interpretations Committee interpretations.

The unaudited condensed Group half-yearly financial statements (the 'Group half-yearly financial statements'):

- comprise the consolidated results of the Group for the six months ended 30 September 2013 and 30 September 2012;
- were approved for issue on 5 November 2013 and no significant events impacting the Group, other than those disclosed in this document, have occurred between 30 September 2013 and that date;
- have not been audited but have been reviewed by the Company's auditors with their report set out on page 47;
- do not constitute the Group's statutory financial statements but should be read in conjunction with the Group's statutory financial statements for the year ended 31 March 2013; and
- have been prepared in accordance with the Disclosure and Transparency Rules of the UK Financial Conduct Authority and with International Accounting Standard ('IAS') 34 'Interim financial reporting' ('IAS 34').

The Group's statutory financial statements comprise the annual report and audited financial statements. The most recent such financial statements, for the year ended 31 March 2013, were approved by the directors on 8 May 2013 and subsequently delivered to the Jersey Registrar of Companies. The audit report was unqualified and did not contain a statement under Article 111(2) or Article 111(5) of the Companies (Jersey) Law 1991. Copies of these financial statements are available on the Company's website, at www.experianplc.com/annualreport, and from the Company Secretary at Newenham House, Northern Cross, Malahide Road, Dublin 17, Ireland.

The financial information for the year ended 31 March 2013 included in the Group half-yearly financial statements has been extracted from the Group's statutory financial statements for that year. Except as indicated in note 3, the financial information has been prepared on a basis consistent with that reported for the six months ended 30 September 2012 and the year ended 31 March 2013.

3. Changes in accounting standards

There have been three accounting standards effective for the first time in the Group half-yearly financial statements for the six months ended 30 September 2013 with impacts on these financial statements which are detailed below.

(a) Amendment to IAS 1 'Financial statements presentation'
In accordance with the requirements of an amendment to IAS 1 'Financial statements presentation', amounts reported within the Group statement of comprehensive income are now grouped to separately report items that will not be reclassified to profit or loss and items that may be reclassified subsequently to profit or loss. Comparative figures have been re-presented into the appropriate grouping.

(b) IAS 19 (revised) 'Employee benefits'
As indicated in the Group's statutory financial statements for the year ended 31 March 2013, Experian adopted IAS 19 (revised) 'Employee benefits' with effect from 1 April 2013.

This revision requires the use of the discount rate to determine both the interest income on pension assets and the interest expense on retirement benefit obligations. The resulting net interest is reported within interest income or expense as appropriate. Additionally pension plan administration costs are now required to be reported within operating profit rather than as a deduction from the return on pension assets.

3. Changes in accounting standards (continued)

(b) IAS 19 (revised) 'Employee benefits' (continued)

Comparative figures have been re-presented accordingly and the effect is to reduce Profit before tax and Benchmark profit before tax for the six months ended 30 September 2012 by US$3m. Operating profit is reduced by pension plan administration costs of US$1m, recognised in the Central Activities segment, and net finance costs are increased by US$2m. Remeasurement losses on defined benefit pension plans recognised in the statement of comprehensive income have been reduced by US$2m, including a tax effect of US$1m. There is no effect on the Group balance sheet at 31 March 2013 nor on amounts in the Group cash flow statement for the year then ended.

(c) IFRS 13 'Fair Value Measurement'

As indicated in the Group's statutory financial statements for the year ended 31 March 2013, Experian adopted IFRS 13 'Fair Value Measurement' ('IFRS 13') with effect from 1 April 2013. IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements but its application has not materially impacted the fair value measurements carried out by the Group. IFRS 13 also requires specific disclosures on fair values, some of which are specifically required for financial instruments by IAS 34, and these disclosures are set out in note 29. In accordance with the transitional provisions of IFRS 13, Experian has applied the new fair value measurement guidance prospectively and has not provided any comparative information for the new disclosures.

4. Accounting policies, estimates and judgments

(a) Introduction

These Group half-yearly financial statements have been prepared applying the same accounting policies, significant judgments made by management in applying them, and key sources of estimation uncertainty applied by the Group that were used in the Group's statutory financial statements for the year ended 31 March 2013.

The preparation of the Group half-yearly financial statements requires management to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management's best judgment at the date of these Group half-yearly financial statements, deviate from actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. There have been no other significant changes in the bases upon which estimates have been determined, compared to those applied at 31 March 2013, and no change in estimate has had a material effect on the current period.

(b) Tax

The tax charge recognised in the period is derived from the estimated tax rate for the full year, taking account of one-off tax charges and credits arising in the period and the full year and the tax effect of exceptional items and other adjustments made to derive Benchmark PBT.

(c) Goodwill

Goodwill held in the Group's balance sheet is tested annually for impairment at the year end and details of the methodology used are set out in the Group's statutory financial statements for the year ended 31 March 2013. During the six months ended 30 September 2013, a goodwill impairment charge of US$15m was required to be recognised in respect of goodwill on businesses whose assets and liabilities were classified as held at 30 September 2013 (see note 28). Following the subsequent customary review for indications of significant impairment, no further impairment charge was required in the period.

In the light of its performance, a further impairment analysis was performed on the EMEA cash generating unit ('CGU') as at 30 September 2013 which confirmed that the recoverable amount exceeded the carrying value by US$108m and that any decline in estimated value-in-use in excess of that amount would be liable to result in an impairment. The sensitivities, which would result in the recoverable amount equalling the carrying value, can be summarised as follows:

- an absolute increase of 2.5% in the pre-tax weighted average cost of capital from 11.5% to 14.0%; or
- an absolute reduction of 3.8% in the long-term growth rate from 2.8% to a decline of 1%.

4. Accounting policies and estimates (continued)

(c) Goodwill (continued)

In the light of its performance, a further impairment analysis was performed on the Asia Pacific CGU as at 30 September 2013 which confirmed that the recoverable amount exceeded the carrying value by US$44m and that any decline in estimated value-in-use in excess of that amount would be liable to result in an impairment. The sensitivities, which result in the recoverable amount equalling the carrying value, can be summarised as follows:

- an absolute increase of 1.2% in the pre-tax weighted average cost of capital from 12.0% to 13.2%; or
- an absolute reduction of 1.6% in the long-term growth rate from 4.9% to 3.3%; or
- a reduction of 1.4% in the forecast gross margin. This is forecast to improve to a high single-digit margin in the terminal period but is below management's expectations for a mature region.

(d) Pension benefits

The Group has updated the accounting valuation of its principal defined benefit pension plan, in the light of changes in the key actuarial assumptions, and this is recognised in the Group half-yearly financial statements. The actuarial assumption with the most significant impact at 30 September 2013 is the discount rate and a rate of 4.4% (2012: 4.6%) has been used. The rate used in the year ended 31 March 2013 was 4.5%. Further details of amounts reported within retirement benefit assets and obligations, together with an analysis of movements in the period and all the key actuarial assumptions, are given in note 18.

(e) Share incentive plans

The Group had no unusual share-based payment transactions during the six months ended 30 September 2013.

(f) Related party transactions

The Group had no material or unusual related party transactions during the six months ended 30 September 2013 and there have been no changes in the related parties disclosed in the Group's statutory financial statements for the year ended 31 March 2013.

5. Accounting developments

Except as indicated in note 3, there are no accounting standards, amendments and interpretations that are effective for the first time in the Group half-yearly financial statements for the six months ended 30 September 2013 and which had a material impact on those financial statements.

New or revised accounting standards and interpretations issued by 30 September 2013 and endorsed by the EU but not yet effective for Experian include those listed below.

- IFRS 10 'Consolidated financial statements'
- IFRS 11 'Joint arrangements'
- IFRS 12 'Disclosure of interests in other entities'
- IAS 27 (revised 2011) 'Separate financial statements'
- IAS 28 (revised 2011) 'Associates and joint ventures'
- Amendments to IFRS 10, IFRS 11 and IFRS 12 'Transition guidance'
- Amendment to IAS 32 'Financial instruments amendment on financial assets and liability offsetting'

The Group routinely reviews such developments and adapts its financial reporting systems as appropriate.

Notes to the unaudited condensed Group half-yearly financial statements
for the six months ended 30 September 2013

6. Use of non-GAAP measures in the Group half-yearly financial statements

Experian has identified and defined certain measures that it believes assist understanding of the performance of the Group. The measures are not defined under IFRS and they may not be directly comparable with other companies' adjusted measures. The non-GAAP measures are not intended to be a substitute for, or superior to, any IFRS measures of performance but management has included them as they consider them to be key measures used within the business for assessing performance. The following are the key non-GAAP measures used in the Group half-yearly financial statements.

Benchmark profit before tax ('Benchmark PBT')
Benchmark PBT is defined as profit before amortisation and impairment of acquisition intangibles, goodwill impairments, acquisition expenses, adjustments to contingent consideration, exceptional items, financing fair value remeasurements, tax and discontinued operations. It includes the Group's share of continuing associates' pre-tax results.

Earnings before interest and tax ('EBIT')
EBIT is defined as profit before amortisation and impairment of acquisition intangibles, goodwill impairments, acquisition expenses, adjustments to contingent consideration, exceptional items, net finance costs, tax and discontinued operations. It includes the Group's share of continuing associates' pre-tax results.

Earnings before interest, tax, depreciation and amortisation ('EBITDA')
EBITDA is defined as EBIT before depreciation and amortisation, less amortisation of acquisition intangibles.

Benchmark earnings
Benchmark earnings represents Benchmark PBT less attributable tax and non-controlling interests. Benchmark earnings attributable to non-controlling interests represents that portion of Benchmark earnings that relate to non-controlling interests. Benchmark PBT less attributable tax is designated as Overall benchmark earnings. The attributable tax for the purposes of determining Benchmark earnings 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 earnings per share ('Benchmark EPS')
Benchmark EPS represents Benchmark earnings divided by a weighted average number of ordinary shares, and is disclosed to indicate the underlying profitability of the Group.

Benchmark tax charge and Benchmark tax rate
The Benchmark tax charge is defined as the total tax charge or credit as reported in the Group income statement, adjusted for the tax impact of non-Benchmark items. The related effective rate of tax (the Benchmark tax rate) is calculated by dividing the Benchmark tax charge by Benchmark PBT.

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

Operating cash flow, Free cash flow and Cash flow conversion
Operating cash flow is calculated as cash generated from operations adjusted for outflows in respect of acquisition expenses, the purchase and disposal of property, plant and equipment and other intangible assets and adding dividends from continuing associates but excluding any cash flows in respect of exceptional items. It is reconciled to cash generated from operations in note 20.

Operating cash flow is defined as EBIT from continuing operations, plus depreciation, amortisation and charges in respect of share incentive plans within Benchmark PBT, less capital expenditure net of disposal proceeds and further adjusted for changes in working capital and profit or loss retained in continuing associates. Free cash flow is derived from operating cash flow by excluding net interest, tax paid in respect of continuing operations and dividends paid to non-controlling interests.

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

Net debt
Net debt is calculated as total debt less cash and cash equivalents and other highly liquid bank deposits with original maturities greater than three months. Total debt includes borrowings (and the fair value of derivatives hedging borrowings), overdrafts and obligations under finance leases. Cash and cash equivalents classified within assets held for sale and accrued interest are excluded from net debt.

7. Segment information

(a) Income statement

Six months ended 30 September 2013	North America	Latin America	UK & Ireland	EMEA/ Asia Pacific[3]	**Total operating segments**	Central Activities	**Total continuing operations**
	Continuing operations[2]						
	US$m	US$m	US$m	US$m	**US$m**	US$m	**US$m**
Revenue from external customers[1]	1,150	493	435	265	**2,343**	-	**2,343**
Reconciliation from EBIT to profit/(loss) before tax – continuing operations							
EBIT	351	176	129	(10)	**646**	(38)	**608**
Net interest (note 12(b))	-	-	-	-	**-**	(35)	**(35)**
Benchmark PBT	351	176	129	(10)	**646**	(73)	**573**
Exceptional items (note 10)	(17)	(9)	(4)	1	**(29)**	-	**(29)**
Amortisation and impairment of acquisition intangibles	(17)	(25)	(8)	(14)	**(64)**	-	**(64)**
Goodwill impairment	-	-	-	(15)	**(15)**	-	**(15)**
Acquisition expenses	(2)	-	-	-	**(2)**	-	**(2)**
Financing fair value remeasurements	-	-	-	-	**-**	17	**17**
Profit/(loss) before tax	315	142	117	(38)	**536**	(56)	**480**

Six months ended 30 September 2012	North America	Latin America	UK & Ireland	EMEA/ Asia Pacific[3]	**Total operating segments**	Central Activities	**Total continuing operations**
	Continuing operations[2]						
						Re-presented[4]	**Re-presented[4]**
	US$m	US$m	US$m	US$m	**US$m**	US$m	**US$m**
Revenue from external customers[1]	1,096	499	415	279	**2,289**	-	**2,289**
Reconciliation from EBIT to profit/(loss) before tax – continuing operations							
EBIT	327	172	118	6	**623**	(34)	**589**
Net interest (note 12(b))	-	-	-	-	**-**	(29)	**(29)**
Benchmark PBT	327	172	118	6	**623**	(63)	**560**
Exceptional items (note 10)	(7)	-	-	(5)	**(12)**	-	**(12)**
Amortisation of acquisition intangibles	(17)	(27)	(9)	(11)	**(64)**	-	**(64)**
Acquisition expenses	(1)	-	(1)	(1)	**(3)**	-	**(3)**
Adjustment to the fair value of contingent consideration	-	-	-	(1)	**(1)**	-	**(1)**
Financing fair value remeasurements	-	-	-	-	**-**	(407)	**(407)**
Profit/(loss) before tax	302	145	108	(12)	**543**	(470)	**73**

1 Revenue from external customers arose principally from the provision of services. There is no material inter-segment revenue.
2 Revenue of US$nil (2012: US$135m) and a profit before tax of US$nil (2012: US$5m) arose in respect of discontinued operations (see note 14).
3 EMEA/Asia Pacific represents all other operating segments.
4 As a consequence of the adoption of IAS 19 (revised) ‘Employee benefits’, EBIT for Central Activities for the six months ended 30 September 2012 has been further reduced by US$1m and net interest has been increased by US$2m (see note 3 on page 24).

(b) Revenue by business segment – continuing operations

The additional analysis of revenue from external customers provided to the chief operating decision-maker and accordingly reportable under IFRS 8 ‘Operating segments’ is given within note 8. This is supplemented by voluntary disclosure of the profitability of groups of service lines. For ease of reference, Experian continues to use the term ‘business segments’ when discussing the results of groups of service lines.

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

Six months ended 30 September 2013	Continuing operations[2] Credit Services US$m	Decision Analytics US$m	Marketing Services US$m	Consumer Services US$m	**Total business segments US$m**	Central Activities US$m	**Total continuing operations US$m**
Revenue from external customers[1]	1,090	252	465	536	**2,343**	-	**2,343**
Reconciliation from EBIT to profit/(loss) before tax – continuing operations							
EBIT	382	44	52	168	**646**	(38)	**608**
Net interest (note 12(b))	-	-	-	-	**-**	(35)	**(35)**
Benchmark PBT	382	44	52	168	**646**	(73)	**573**
Exceptional items (note 10)	(23)	(4)	2	(4)	**(29)**	-	**(29)**
Amortisation and impairment of acquisition intangibles	(32)	(4)	(19)	(9)	**(64)**	-	**(64)**
Goodwill impairment	-	-	(15)	-	**(15)**	-	**(15)**
Acquisition expenses	-	(1)	(1)	-	**(2)**	-	**(2)**
Financing fair value remeasurements	-	-	-	-	**-**	17	**17**
Profit/(loss) before tax	327	35	19	155	**536**	(56)	**480**

Six months ended 30 September 2012	Continuing operations[2] Credit Services US$m	Decision Analytics US$m	Marketing Services US$m	Consumer Services US$m	**Total business segments US$m**	Central Activities Re-presented[3] US$m	**Total continuing operations Re-presented[3] US$m**
Revenue from external customers[1]	1,072	237	480	500	**2,289**	-	**2,289**
Reconciliation from EBIT to profit/(loss) before tax – continuing operations							
EBIT	368	44	58	153	**623**	(34)	**589**
Net interest (note 12(b))	-	-	-	-	**-**	(29)	**(29)**
Benchmark PBT	368	44	58	153	**623**	(63)	**560**
Exceptional items (note 10)	(1)	(8)	(3)	-	**(12)**	-	**(12)**
Amortisation of acquisition intangibles	(37)	(3)	(15)	(9)	**(64)**	-	**(64)**
Acquisition expenses	(1)	-	(1)	(1)	**(3)**	-	**(3)**
Adjustment to the fair value of contingent consideration	-	-	(1)	-	**(1)**	-	**(1)**
Financing fair value remeasurements	-	-	-	-	**-**	(407)	**(407)**
Profit/(loss) before tax	329	33	38	143	**543**	(470)	**73**

1 Revenue from external customers arose principally from the provision of services. There is no material inter-segment revenue.
2 Revenue of US$nil (2012: US$135m) and a profit before tax of US$nil (2012: US$5m) arose in respect of discontinued operations (see note 14).
3 As a consequence of the adoption of IAS 19 (revised) 'Employee benefits', EBIT for Central Activities for the six months ended 30 September 2012 has been further reduced by US$1m and net interest has been increased by US$2m (see note 3 on page 24).

9. Foreign currency

The principal exchange rates used in these financial statements are as follows:

	Average – Six months ended 30 September **2013**	Average – Six months ended 30 September 2012	Closing – 30 September **2013**	Closing – 30 September 2012	Closing – 31 March 2013
US dollar : Brazilian real	**2.18**	1.99	**2.23**	2.03	2.02
Sterling : US dollar	**1.54**	1.58	**1.62**	1.62	1.52
Euro : US dollar	**1.32**	1.27	**1.35**	1.29	1.28

Notes to the unaudited condensed Group half-yearly financial statements
for the six months ended 30 September 2013

10. Exceptional items – continuing operations

	Six months ended 30 September	
	2013	2012
	US$m	US$m
Restructuring costs:		
Redundancy costs	**31**	6
Asset write-offs	**6**	3
Restructuring costs	**37**	9
(Profit)/loss on disposal of businesses	**(8)**	3
Total exceptional items - reported within total operating expenses	**29**	12

The Group conducted a strategic review of its cost base during the year ended 31 March 2013 and has recognised a further charge in connection with this significant programme of US$37m in the six months ended 30 September 2013 (2012: US$9m). The charge for the year ended 31 March 2013 was US$54m. The cash outflow from the restructuring programme in the six months ended 30 September 2013 was US$41m (2012: US$1m) and a reconciliation of the charge to the cash outflow is given in note 19(c).

The profit on disposal of businesses in the six months ended 30 September 2013 related to the disposal of the market research services business of Sinotrust International Information & Consulting (Beijing) Co. (which traded as Sinotrust MRS in China) together with other small disposals. The loss on disposal of businesses in the six months ended 30 September 2012 related to a number of small disposals. There was a related cash inflow in the six months ended 30 September 2013 of US$23m (2012: outflow of US$1m).

11. Other adjustments made to derive Benchmark PBT – continuing operations

	Six months ended 30 September	
	2013	2012
	US$m	US$m
Amortisation and impairment of acquisition intangibles	**64**	64
Goodwill impairment	**15**	-
Acquisition expenses	**2**	3
Adjustment to the fair value of contingent consideration	**-**	1
Financing fair value remeasurements (note 12(c))	**(17)**	407
Other adjustments made to derive Benchmark PBT	**64**	475
By income statement caption:		
Within total operating expenses and charged in operating profit	**81**	68
Within net finance costs	**(17)**	407
Other adjustments made to derive Benchmark PBT	**64**	475

On acquisition, specific intangible assets are identified and recognised separately from goodwill and then amortised over their useful economic lives. These include items such as brand names and customer lists, to which value is first attributed at the time of acquisition. The Group has excluded amortisation of these acquisition intangibles from its definition of Benchmark PBT because such a charge is based on judgments about their value and economic life. Goodwill impairments are similarly excluded from the definition of Benchmark PBT.

During the six months ended 30 September 2013, the Group recorded impairment charges of US$24m, comprising US$9m on acquisition intangibles (primarily customer relationships and other contractual relationships) and US$15m on goodwill, on a business in the EMEA/Asia Pacific region that is held for sale at 30 September 2013.

IFRS 3 requires that acquisition expenses are charged to the Group income statement. The Group has excluded such costs from its definition of Benchmark PBT as, by their very nature, they bear no relation to the underlying performance of the Group or to the performance of the acquired businesses. Adjustments to contingent consideration are similarly excluded from the definition of Benchmark PBT.

An element of the Group's derivatives is ineligible for hedge accounting. Gains or losses on these derivatives arising from market movements, together with gains and losses on put options in respect of acquisitions, are credited or charged to financing fair value remeasurements within finance expense in the Group income statement.

Notes to the unaudited condensed Group half-yearly financial statements
for the six months ended 30 September 2013

12. Net finance costs

(a) Net finance costs included in Profit before tax

	Six months ended 30 September	
	2013	2012 (Re-presented) (Note 3)
	US$m	US$m
Interest income:		
Bank deposits, short-term investments and loan notes	**(10)**	(8)
Interest on opening net retirement benefit assets	**(1)**	(2)
Interest income	**(11)**	(10)
Finance expense:		
Interest expense	**46**	39
(Credit)/charge for financing fair value remeasurements (note 12(c))	**(17)**	407
Finance expense	**29**	446
Net finance costs included in Profit before tax	**18**	436

(b) Net interest expense included in Benchmark PBT

	Six months ended 30 September	
	2013	2012 (Re-presented) (Note 3)
	US$m	US$m
Interest income	**(11)**	(10)
Interest expense	**46**	39
Net interest expense included in Benchmark PBT	**35**	29

(c) Analysis of (credit)/charge for financing fair value remeasurements

	Six months ended 30 September	
	2013	2012
	US$m	US$m
Increase in fair value of Serasa put option	**-**	403
Decrease in fair value of other put options	**(10)**	(4)
Other financing fair value (gains)/losses	**(7)**	8
(Credit)/charge for financing fair value remeasurements	**(17)**	407

A charge of US$403m for the increase in the fair value of the Serasa put option was recognised in the six months ended 30 September 2012. As that option lapsed on the acquisition of the further 29.6% interest in Serasa in November 2012, there is no such charge in the six months ended 30 September 2013.

13. Tax – continuing operations

(a) Group tax charge and effective rate of tax

	Six months ended 30 September	
	2013	2012 (Re-presented) (Note 3)
	US$m	US$m
Group tax charge	**144**	115
Profit before tax	**480**	73
Effective rate of tax based on Profit before tax	**30.0%**	157.5%

The effective rate of tax shown above for the six months ended 30 September 2012 was not meaningful largely due to the fact that there was no tax applicable to the charge of US$403m on the movement in the value of the Serasa put option.

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

	Six months ended 30 September	
	2013	2012 (Re-presented) (Note 3)
	US$m	US$m
Group tax charge	**144**	115
Tax attributable to exceptional items	**2**	-
Tax relief on other adjustments made to derive Benchmark PBT	**19**	25
Deferred tax charge arising on rate reduction	**(11)**	-
Benchmark tax charge	**154**	140
Benchmark PBT	**573**	560
Benchmark tax rate	**26.9%**	25.0%

In the six months ended 30 September 2013, a deferred tax charge of US$11m was recognised as a consequence of the enacted reduction in the main rate of UK corporation tax from 23% to 20% and the associated reduction in deferred tax assets recognised in respect of tax losses. This amount is excluded from the calculation of the Benchmark tax charge and rate in view of its size and nature. The impact of this change is being spread over the year and a similar charge is anticipated in the second half of the financial year.

(c) Tax paid
Tax paid in the six months ended 30 September 2013 was US$77m (2012: US$48m). Tax cash flows in respect of discontinued operations are set out in note 19(d).

(d) Tax recognised in other comprehensive income and directly in equity
In the six months ended 30 September 2013, a tax credit of US$8m (2012: US$8m) has been recognised in other comprehensive income, principally relating to remeasurement losses on defined benefit pension plans of US$33m (2012: US$36m). There is no tax applicable to the currency translation items recognised in other comprehensive income.

In the six months ended 30 September 2013, a tax charge relating to employee share incentive plans of US$10m (2012: US$10m) has been recognised in equity and is separately reported within transactions with owners in the Group statement of changes in total equity.

During the six months ended 31 March 2013, a deferred tax asset of US$462m was recognised in equity in connection with the acquisition of the further 29.6% interest in Serasa in November 2012 and this amount was included in the deferred tax assets of U$643m in the Group balance sheet at 31 March 2013.

13. Tax – continuing operations (continued)

(e) Deferred tax assets

The reduction of US$99m in deferred tax assets reported in the Group balance sheet from US$643m at 31 March 2013 to US$544m at 30 September 2013 principally arises from exchange differences (US$54m) and a deferred tax charge in the six months ended 30 September 2013 of US$58m.

14. Discontinued operations – comparison shopping and lead generation businesses

Experian completed a transaction to divest the Group's comparison shopping and lead generation businesses in October 2012 and the results and cash flows of these businesses are classified as discontinued. The assets and liabilities of these businesses at 30 September 2012 were classified as held for sale and the net assets at that date of US$37m are analysed in note 28(b). A gain on disposal of US$121m was recognised in the second half of the year ended 31 March 2013 primarily from the tax losses in respect of the disposal.

(a) Results for discontinued operations

	Six months ended 30 September	
	2013	2012
	US$m	US$m
Revenue	**-**	135
Total operating expenses	**-**	(130)
Profit before tax	**-**	5
Tax charge	**-**	(2)
Profit for the period from discontinued operations	**-**	3

(b) Cash flows for discontinued operations

The cash inflow from operating activities of US$90m in the six months ended 30 September 2013 comprises amounts recovered on the tax losses of these businesses. The cash inflow from operating activities of US$4m in the six months ended 30 September 2012 related to trading activity during that period and included no tax inflow or outflow.

The net cash inflow of US$2m arising on the disposal of the comparison shopping and lead generation businesses in the six months ended 30 September 2013 is disclosed within net cash flows used in investing activities in the Group cash flow statement and comprises consideration received of US$5m less transaction costs paid of US$3m.

15. Basic and diluted earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the earnings/(loss) attributable to ordinary shareholders by a weighted average number of ordinary shares (being the ordinary shares in issue during the period less own shares held in employee trusts and in treasury, which are treated as cancelled).

Diluted earnings/(loss) per share reflects the potentially dilutive effect of employee share incentive plans and the purchase of own shares for which there is a contractual commitment at 30 September 2013. The earnings/(loss) figures used in these calculations are unchanged.

(a) Basic earnings/(loss) per share

	Six months ended 30 September	
	2013	2012 (Re-presented) (Note 3)
	US cents	US cents
Continuing and discontinued operations	**34.2**	(7.3)
Deduct: discontinued operations	**-**	(0.3)
Continuing operations	**34.2**	(7.6)
Add: exceptional items and other adjustments made to derive Benchmark PBT	**8.3**	46.4
Benchmark earnings per share from continuing operations (non-GAAP measure)	**42.5**	38.8

(b) Diluted earnings/(loss) per share

	Six months ended 30 September	
	2013	2012 (Re-presented) (Note 3)
	US cents	US cents
Continuing and discontinued operations	**33.8**	(7.2)
Deduct: discontinued operations	**-**	(0.3)
Continuing operations	**33.8**	(7.5)
Add: exceptional items and other adjustments made to derive Benchmark PBT	**8.2**	45.6
Benchmark diluted earnings per share from continuing operations (non-GAAP measure)	**42.0**	38.1

(c) Earnings/(loss) attributable to owners of Experian plc

	Six months ended 30 September	
	2013	2012 (Re-presented) (Note 3)
	US$m	US$m
Continuing and discontinued operations	**336**	(72)
Deduct: discontinued operations	**-**	(3)
Continuing operations	**336**	(75)
Add: exceptional items and other adjustments made to derive Benchmark PBT	**82**	458
Benchmark earnings attributable to owners of Experian plc (non-GAAP measure)	**418**	383

(d) Earnings attributable to non-controlling interests

	Six months ended 30 September	
	2013	2012
	US$m	US$m
Continuing and discontinued operations	**-**	33
Add: amortisation of acquisition intangibles attributable to non-controlling interests	**1**	4
Benchmark earnings attributable to non-controlling interests (non-GAAP measure)	**1**	37

(e) Reconciliation of Overall benchmark earnings to Profit/(loss) for the period

	Six months ended 30 September	
	2013	2012 (Re-presented) (Note 3)
	US$m	US$m
Overall benchmark earnings (non-GAAP measure)	**419**	420
Loss from exceptional items and other adjustments made to derive Benchmark PBT	**(83)**	(462)
Profit/(loss) after tax from continuing operations	**336**	(42)
Profit from discontinued operations	**-**	3
Profit/(loss) for the period	**336**	(39)

15. Basic and diluted earnings/(loss) per share (continued)

(f) Weighted average number of ordinary shares

	Six months ended 30 September	
	2013	2012
	million	million
Weighted average number of ordinary shares	**983**	988
Add: dilutive effect of share incentive awards and share purchases	**12**	18
Diluted weighted average number of ordinary shares	**995**	1,006

16. Dividends

	Six months ended 30 September			
	2013	**2013**	2012	2012
	US cents per share	**US$m**	US cents per share	US$m
Amounts recognised and paid:				
Second interim – paid in July 2013 (2012: July)	**24.00**	**236**	21.75	215
First interim dividend (announced)	**11.50**	**113**	10.75	106

A first interim dividend of 11.50 US cents per ordinary share will be paid on 31 January 2014 to shareholders on the register at the close of business on 3 January 2014 and is not included as a liability in these Group half-yearly financial statements. The first interim dividend for the six months ended 30 September 2012 was 10.75 US cents per ordinary share and the total dividend per ordinary share for the year ended 31 March 2013 was 34.75 US cents with a total full year cost of US$342m.

Unless shareholders elect by 3 January 2014 to receive US dollars, their dividends will be paid in sterling at a rate per share calculated on the basis of the exchange rate from US dollars to sterling on 10 January 2014.

Pursuant to the Income Access Share arrangements put in place on demerger in October 2006, shareholders in the Company can elect to receive their dividends from a UK source (the 'IAS election'). Shareholders who held 50,000 or fewer Experian shares (i) on the date of admission of the Company's shares to listing on the London Stock Exchange and (ii) in the case of shareholders who did not own shares at that time, on the first dividend record date after they became shareholders in the Company, will be deemed to have elected to receive their dividends under the IAS election arrangements unless they elect otherwise. Shareholders who hold more than 50,000 shares and who wish to receive their dividends from a UK source must make an IAS election. All elections remain in force indefinitely unless revoked. Unless shareholders have made, or are deemed to have made, an IAS election, dividends will be received from an Irish source and will be taxed accordingly.

17. Capital expenditure, disposals and capital commitments

During the six months ended 30 September 2013, the Group incurred capital expenditure of US$182m (2012: US$218m) in continuing operations.

Excluding any amounts in connection with the disposal of businesses, the book value of other intangible fixed assets and property, plant and equipment disposed of in the six months ended 30 September 2013 was US$2m (2012: US$nil) and the amount realised was US$1m (2012: US$nil).

At 30 September 2013, the Group had capital commitments in respect of property, plant and equipment and intangible assets and for which contracts had been placed of US$110m (2012: US$125m). Capital commitments at 30 September 2013 include commitments of US$65m not expected to be incurred before 30 September 2014. Capital commitments at 30 September 2012 included commitments of US$70m not then expected to be incurred before 30 September 2013.

18. Retirement benefit assets and obligations – defined benefit plans

(a) Amounts recognised in the Group balance sheet

	30 September 2013 US$m	2012 US$m
Retirement benefit assets – funded plans:		
Fair value of funded plans' assets	**1,035**	968
Present value of funded plans' obligations	**(983)**	(870)
Retirement benefit assets – surplus in funded plans	**52**	98
Retirement benefit obligations – unfunded plans:		
Present value of unfunded pension obligations	**(49)**	(42)
Present value of post-retirement healthcare obligations	**(12)**	(12)
Retirement benefit obligations – unfunded plans	**(61)**	(54)
Net retirement benefit (obligations)/assets	**(9)**	44

The net retirement benefit assets of US$24m at 1 April 2013 comprised assets of US$80m in respect of funded plans and obligations of US$56m in respect of unfunded plans. The retirement benefit assets and obligations are denominated primarily in sterling.

(b) Movements in net amount recognised in the Group balance sheet

	Six months ended 30 September 2013 US$m	2012 (Re-presented) (Note 3) US$m
At 1 April	**24**	77
Income recognised in Group income statement:		
Within total operating expenses – current service cost	**(6)**	(5)
Within net finance costs – interest income	**1**	2
Charge to Group income statement	**(5)**	(3)
Remeasurements recognised within other comprehensive income	**(33)**	(36)
Contributions paid by the Group	**5**	6
At 30 September	**(9)**	44

(c) Actuarial assumptions

	30 September 2013 %	2012 %
Discount rate	**4.4**	4.6
Rate of inflation:		
– based on the UK Retail Prices Index (the 'RPI')	**3.3**	2.8
– based on the UK Consumer Prices Index (the 'CPI')	**2.3**	1.8
Rate of increase for salaries	**3.8**	3.8
Rate of increase for pensions in payment:		
– element based on the RPI (where cap is 5%)	**3.0**	2.7
– element based on the CPI (where cap is 5%)	**2.3**	1.8
– element based on the CPI (where cap is 3%)	**1.9**	1.7
Rate of increase for pensions in deferment	**2.3**	1.8
Rate of increase in medical costs	**6.8**	6.8

The mortality and other demographic assumptions used at 30 September 2013 remain unchanged from those used at 31 March 2013 and disclosed in the Group's statutory financial statements for the year then ended.

Notes to the unaudited condensed Group half-yearly financial statements
for the six months ended 30 September 2013

19. Notes to the Group cash flow statement

(a) Cash generated from operations

	Notes	Six months ended 30 September 2013 US$m	2012 (Re-presented) (Note 3) US$m
Profit before tax		**480**	73
Share of post-tax profit of associates		**(1)**	-
Net finance costs		**18**	436
Operating profit		**497**	509
Loss on disposal of fixed assets		**1**	-
(Gain)/loss on disposal of businesses		**(8)**	3
Depreciation and amortisation		**238**	227
Impairment of acquisition intangibles	11	**9**	-
Goodwill impairment	11	**15**	-
Charge in respect of share incentive plans		**34**	32
Increase in working capital	19(b)	**(127)**	(131)
Adjustment to the fair value of contingent consideration		**-**	1
Movement in exceptional items included in working capital		**(10)**	5
Cash generated from operations		**649**	646

(b) Increase in working capital

	Six months ended 30 September 2013 US$m	2012 (Re-presented) (Note 3) US$m
Inventories	**1**	1
Trade and other receivables	**77**	30
Trade and other payables	**(205)**	(162)
Increase in working capital	**(127)**	(131)

(c) Reconciliation of cash outflow in respect of restructuring programme

	Note	Six months ended 30 September 2013 US$m	2012 US$m
Charge for restructuring costs	10	**37**	9
Working capital movements		**10**	(5)
Asset write-offs		**(6)**	(3)
Cash outflow in respect of restructuring programme		**41**	1

(d) Cash (inflow)/outflow in respect of tax

	Note	Six months ended 30 September 2013 US$m	2012 US$m
Tax paid – continuing operations		**77**	48
Tax recovery on disposal transaction – discontinued operations	14	**(90)**	-
Cash (inflow)/outflow in respect of tax		**(13)**	48

(e) Purchase of other intangible assets

	Six months ended 30 September 2013 US$m	2012 US$m
Databases	**99**	112
Internally generated software	**31**	43
Internal use software	**18**	20
Purchase of other intangible assets	**148**	175

Notes to the unaudited condensed Group half-yearly financial statements
for the six months ended 30 September 2013

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

(f) Cash outflow on acquisitions (non-GAAP measure)

	Notes	Six months ended 30 September	
		2013	2012
		US$m	US$m
Purchase of subsidiaries	27	**71**	17
Net cash acquired with subsidiaries	27	**(5)**	-
Deferred consideration settled on acquisitions		**-**	14
As reported in the Group cash flow statement		**66**	31
Acquisition expenses paid		**2**	3
Payments to acquire non-controlling interests		**19**	7
Cash outflow on acquisitions (non-GAAP measure)		**87**	41

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

	Notes	Six months ended 30 September	
		2013	2012
		US$m	US$m
Issue of ordinary shares	24	**(11)**	(8)
Net cash outflow/(inflow) on vesting of share awards and exercise of share options		**60**	(16)
Purchase of own shares by employee trusts – for employee share incentive plans	25	**120**	181
Purchase of own shares held in treasury	25	**153**	-
Cash outflow in respect of net share purchases (non-GAAP measure)		**322**	157

(h) Analysis of cash and cash equivalents

	Note	Six months ended 30 September	
		2013	2012
		US$m	US$m
Cash and cash equivalents – as reported in the Group balance sheet		**507**	621
Bank overdrafts		**(1)**	(43)
Cash and cash equivalents (net of overdrafts)		**506**	578
Cash and cash equivalents classified within assets held for sale	28	**12**	-
Cash and cash equivalents – as reported in the Group cash flow statement		**518**	578

Cash and cash equivalents at 1 April 2013 in the Group cash flow statement were reported net of overdrafts of US$3m (1 April 2012: US$nil).

20. Reconciliation of Cash generated from operations to Operating cash flow (non-GAAP measure)

	Notes	Six months ended 30 September	
		2013	2012
		US$m	US$m
Cash generated from operations	19(a)	**649**	646
Acquisition expenses paid		**2**	3
Purchase of property, plant and equipment		**(34)**	(43)
Purchase of other intangible assets	19(e)	**(148)**	(175)
Sale of property, plant and equipment		**1**	-
Dividends received from associates		**-**	1
Cash outflow in respect of restructuring programme	19(c)	**41**	1
Operating cash flow (non-GAAP measure)		**511**	433

Free cash flow for the six months ended 30 September 2013 was US$400m (2012: US$315m). Cash flow conversion for the six months ended 30 September 2013 was 84% (2012: 74%).

21. Net debt (non-GAAP measure)

(a) Analysis of net debt by nature

	30 September 2013 US$m	2012 US$m
Cash and cash equivalents (net of overdrafts)	**506**	578
Bank deposits with maturity greater than three months	**-**	2
Debt due within one year – bonds and notes	**(544)**	-
Debt due within one year – bank loans and finance lease obligations	**(20)**	(1)
Debt due after more than one year – bonds and notes	**(2,046)**	(2,631)
Debt due after more than one year – bank loans and finance lease obligations	**(1,158)**	-
Derivatives hedging loans and borrowings	**106**	132
	(3,156)	(1,920)

(b) Analysis of net debt by balance sheet caption

	30 September 2013 US$m	2012 US$m
Cash and cash equivalents – as reported in the Group balance sheet	**507**	621
Borrowings (current) – as reported in the Group balance sheet	**(589)**	(44)
Borrowings (non-current) – as reported in the Group balance sheet	**(3,248)**	(2,696)
Total reported in the Group balance sheet	**(3,330)**	(2,119)
Bank deposits reported within financial assets	**-**	2
Accrued interest reported within borrowings above but excluded from net debt	**68**	65
Derivatives reported within financial assets	**106**	135
Derivatives reported within financial liabilities	**-**	(3)
	(3,156)	(1,920)

Debt due within one year at 30 September 2013 includes US$544m for the £334m 5.625% Euronotes 2013 which are due for redemption in December 2013. At 31 March 2013, net debt was US$2,938m. There is no material difference between the carrying values of borrowings reported in the Group balance sheet and their fair values.

22. Borrowings

(a) Bank borrowing facilities

An analysis of undrawn committed bank borrowing facilities is set out in the table below.

	30 September 2013 US$m	2012 US$m
Facilities expiring in:		
One to two years	**68**	100
Two to three years	**2,017**	215
Three to four years	**-**	2,000
	2,085	2,315

At 31 March 2013, there were undrawn committed borrowing facilities of US$1,624m. Since that date, the Group has entered into additional borrowing facilities totalling US$916m as at 30 September 2013 which include term loans fully drawn down at that date of US$704m.

(b) Covenants and gearing ratio

The only significant financial covenant in connection with borrowing facilities is that EBIT must exceed three times net interest expense. The Group monitors this and the net debt to EBITDA gearing ratio.

23. Other financial liabilities

Other financial liabilities reported as current liabilities at 30 September 2012 included US$1,380m in respect of the Serasa put option which lapsed on the acquisition of the further 29.6% interest in Serasa in November 2012.

24. 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 2012	1,029.0	102	1,471
Shares issued under employee share incentive plans	1.0	-	8
At 30 September 2012	1,030.0	102	1,479
Shares issued under employee share incentive plans	0.1	-	1
At 31 March 2013	1,030.1	102	1,480
Shares issued under employee share incentive plans	1.3	-	11
At 30 September 2013	**1,031.4**	**102**	**1,491**

25. Own shares held

	Number of shares million	Cost of shares US$m
At 1 April 2012	40	492
Purchase of own shares by employee trusts	12	181
Exercise of share awards and options	(9)	(112)
At 30 September 2012	43	561
Purchase of own shares by employee trusts	2	40
Exercise of share awards and options	(3)	(36)
At 31 March 2013	42	565
Purchase of own shares by employee trusts	7	120
Purchase of own shares held in treasury	8	153
Exercise of share awards and options	(5)	(70)
At 30 September 2013	**52**	**768**

Own shares held at 30 September 2013 include 28 million (2012: 20 million) shares held in treasury and 24 million (2012: 23 million) shares held in employee trusts. Own shares held at 31 March 2013 included 20 million shares held in treasury (31 March 2012: 24 million shares) and 22 million shares (31 March 2012: 16 million shares) held in employee trusts.

The total cost of own shares held at 30 September 2013 of US$768m (2012: US$561m) is deducted from other reserves in the Group balance sheet. The cost at 31 March 2013 of US$565m (31 March 2012: US$492m) was similarly deducted.

26. Non-controlling interests
Non-controlling interests of US$139m at 30 September 2012 included US$96m in respect of the non-controlling interests in Serasa which were largely eliminated on the acquisition of the further 29.6% interest in Serasa in November 2012.

27. Acquisitions

(a) Acquisitions in the period

The Group made two acquisitions during the six months ended 30 September 2013, in connection with which provisional goodwill of US$42m was recognised based on the provisional fair value of the net assets acquired of US$29m.

(b) Net assets acquired and acquisition consideration

	US$m
Intangible assets:	
Customer and other relationships	16
Software development	12
Intangible assets	28
Trade and other receivables	3
Cash and cash equivalents	5
Trade and other payables	(1)
Deferred tax liabilities	(6)
Total identifiable net assets	29
Goodwill	42
Total	71
Satisfied by:	
Cash	71

These provisional fair values contain amounts which will be finalised no later than one year after the date of acquisition. Goodwill represents the assembled workforce and future growth potential of the businesses acquired. The goodwill arising in the period of US$42m is not currently deductible for tax purposes.

(c) Additional information

(i) Additional information in respect of current year acquisitions

	US$m
Increase in book value from fair value adjustments:	
Intangible assets	27
Other assets and liabilities	(6)
Increase in book value from fair value adjustments	21
Gross contractual amounts receivable in respect of trade and other receivables	3
Revenue from 1 April 2013 to dates of acquisition	1
Revenue from dates of acquisition to 30 September 2013	5

At the dates of acquisition, the amounts receivable in respect of trade and other receivables of US$3m were expected to be collected in full.

It has been impracticable to estimate the impact on Group profit before tax had the acquired entities been owned from 1 April 2013, as their accounting policies and period end dates did not accord with those of the Group prior to the acquisition.

(ii) Additional information in respect of current and prior year acquisitions

There have been no material gains, losses, error corrections or other adjustments recognised in the period ended 30 September 2013 that relate to acquisitions in the current or previous years.

There was a cash outflow of US$31m reported in the Group cash flow statement in the six months ended 30 September 2012 including deferred consideration of US$14m settled on earlier acquisitions.

28. Assets and liabilities classified as held for sale

The assets and liabilities classified as held for sale at 30 September 2013 are those of small non-core businesses in Latin America and EMEA/Asia Pacific (note (a)). The assets and liabilities classified as held for sale at 30 September 2012 are those of the discontinued comparison shopping and lead generation businesses (note (b)).

(a) Assets and liabilities classified as held for sale at 30 September 2013

During the period, approval was given for the disposal of small non-core businesses in Latin America and EMEA/Asia Pacific and accordingly the assets and liabilities of these businesses are classified as held for sale at 30 September 2013. Any gain on disposal arising from the receipt of consideration in excess of the net assets of US$31m will be recognised on the completion of the transactions.

The assets and liabilities of these businesses at 30 September 2013 are analysed below and are reported after impairment charges of US$24m in the six months ended 30 September 2013 (see note 11). The assets and liabilities at 31 March 2013 and 30 September 2012 are not required to be separately reported

	US$m
Assets classified as held for sale:	
Goodwill	**4**
Other intangible assets	**16**
Property, plant and equipment	**1**
Investment in associates	**10**
Inventories	**2**
Trade receivables	**10**
Other prepayments and accrued income	**4**
Cash and cash equivalents	**12**
Assets classified as held for sale	**59**
Liabilities classified as held for sale:	
Trade payables	**11**
Accruals and deferred income	**7**
Other payables	**5**
Current tax liabilities	**1**
Deferred tax liabilities	**4**
Liabilities classified as held for sale	**28**

(b) Assets and liabilities businesses classified as held for sale at 30 September 2012

As indicated in note 14, Experian completed a transaction to divest the Group's comparison shopping and lead generation businesses in October 2012. The assets and liabilities of these businesses at 30 September 2012 were classified as held for sale and are analysed below.

	US$m
Assets classified as held for sale:	
Goodwill	33
Other intangible assets	35
Property, plant and equipment	8
Trade receivables	22
Other prepayments and accrued income	16
Current tax assets	3
Assets classified as held for sale	117
Liabilities classified as held for sale:	
Trade payables	15
Accruals and deferred income	22
Other payables	5
Deferred tax liabilities	38
Liabilities classified as held for sale	80

29. Financial risk management

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks:

- market risk (including foreign exchange risk, interest rate risk and price risk);
- credit risk; and
- liquidity risk.

These risks and the policies in place to mitigate them are unchanged from those reported in the annual report and financial statements for the year ended 31 March 2013 and full information and disclosures were contained in that document.

(b) Analysis by level of financial assets and liabilities measured at fair value

	Level 1 US$m	Level 2 US$m	Level 3 US$m	**Total US$m**
Financial assets:				
Derivatives used for hedging	-	163	-	**163**
Financial assets at fair value through profit and loss	-	26	-	**26**
Amounts reported as other financial assets	-	189	-	**189**
Available-for-sale	40	-	3	**43**
	40	189	3	**232**
Financial liabilities:				
Derivatives used for hedging	-	-	-	**-**
Financial liabilities at fair value through profit and loss	-	31	45	**76**
Commitment for future purchase of own shares	38	-	-	**38**
	38	31	45	**114**

The fair values of derivative financial instruments and other financial assets and liabilities are determined by using market data and established estimation techniques such as discounted cash flow and option valuation models. The fair value of foreign exchange contracts is based on a comparison of the contractual and period end exchange rates using the present value of the outstanding currency cash flows. The fair values of other derivative financial instruments are estimated by discounting the future cash flows to net present values using appropriate market rates prevailing at the period end.

Assets and liabilities whose valuations are based on unadjusted quoted prices in active markets for identical assets and liabilities are classified as Level 1. Assets and liabilities which are not traded in an active market and whose valuations are derived from available market data that is observable for the asset or liability are classified as Level 2. Assets and liabilities whose valuations are derived from inputs not based on observable market data are classified as Level 3.

(c) Analysis of movements in Level 3 financial assets and liabilities

	Available-for-sale US$m	Other US$m	**Total US$m**
At 1 April 2013	3	(55)	**(52)**
Valuation gains recognised in Group income statement (note 12(c))	-	10	**10**
At 30 September 2013	**3**	**(45)**	**(42)**

This table presents an analysis of the changes in financial assets and liabilities classified as Level 3 which principally comprise put and call options associated with corporate transactions. There would be no material effect from any reasonably possible change in inputs at 30 September 2013.

29. Financial risk management (continued)

(d) Other financial assets and liabilities

There are no material differences between the carrying value of the Group's other financial assets and liabilities and their estimated fair values. The following assumptions and methods are used to estimate the fair values of financial assets and liabilities not measured at fair value:

- The fair value of receivables, payables and cash and cash equivalents is considered to approximate to the carrying amounts;
- The fair value of short-term borrowings is considered to approximate to the carrying amounts due to the short maturity terms of such instruments; and
- The fair value of long-term bank loans and bonds is based on quoted market prices in the case of fixed rate borrowings and is considered to approximate to the carrying amount in the case of floating rate bank loans and finance lease obligations.

30. Contingencies

As was indicated in the Group’s statutory financial statements for the year ended 31 March 2013, there are a number of pending and threatened litigation claims involving the Group in North America and Latin America 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 proceedings, there is a risk of outcomes that are unfavourable to the Group. In the case of unfavourable outcomes the Group would benefit from applicable insurance recoveries.

As previously indicated, Serasa has been advised that the Brazilian tax authorities are challenging the deduction for tax purposes of goodwill amortisation arising from its acquisition by Experian in 2007. The possibility of this resulting in a liability to the Group is believed to be remote, on the basis of the advice of external legal counsel and other factors in respect of the claim.

The Group has recently received a significant number of claims primarily in two Brazilian states relating to the disclosure and use of credit scores in Brazil. The cases are mainly small claims and a class action and there is no certainty as to the likely timing or outcome of these claims. The Group does not believe the claims have merit under Brazilian law and will continue to vigorously defend them. Accordingly, no provision has been made for the ultimate outcome.

31. Events occurring after the end of the reporting period

(a) First interim dividend
Details of the first interim dividend approved by the board on 5 November 2013 are given in note 16.

(b) Acquisitions
The 41st Parameter, Inc
On 1 October 2013 the Group acquired 100% of the issued share capital of The 41st Parameter, Inc, a leading provider of fraud detection services, based in the United States. This acquisition increases Experian’s presence in the fraud prevention market, and complements Experian’s existing activities in fraud detection and online authentication. The aggregate purchase consideration was US$324m, of which US$14m is subject to limited, two-year revenue based earn-out provisions, and was funded from the Group’s cash resources.

Passport Health Communications, Inc
On 31 October 2013 Experian signed a definitive agreement to acquire Passport Health Communications, Inc, a leading provider of data, analytics and software in the US healthcare payment market. Completion of the transaction is subject to regulatory approval in the US and other customary closing conditions. This acquisition further increases Experian’s presence in the US healthcare payment. The purchase consideration is US$850m, payable in full at closing, which will be funded from Experian’s existing committed bank facilities.

31. Events occurring after the end of the reporting period (continued)

(b) Acquisitions (continued)
In view of the timing and complexity of these transactions, no acquisition balance sheets determined in accordance with IFRS are available and the valuation of the acquisition intangibles cannot yet be completed. Accordingly it is impracticable to provide a summary of the assets and liabilities determined in accordance with IFRS and the goodwill arising on these transactions. Further details in respect of these transactions as required by IFRS 3 (revised) 'Business combinations' will be included in the Group's statutory financial statements for the year ending 31 March 2014.

(c) Divestment
On 1 November 2013 Experian announced that it had divested the small Colombia document outsourcing business of Experian Computec S.A. to Hermes Documentos S.A.S., a Colombian investor. The assets and liabilities of this business were classified as held for sale at 30 September 2013.

32. Seasonality

The Group's results are subject to certain seasonal fluctuations and effects, as described in the commentary on page 13.

33. Company website

The Company has a website which contains up-to-date information on Group activities and published financial results. The directors are responsible for the maintenance and integrity of statutory and audited information on this website. As indicated on page 47, the work carried out by the auditors does not involve consideration of these matters. Jersey legislation and UK regulation governing the preparation and dissemination of financial information may differ from requirements in other jurisdictions.

Statement of directors' responsibilities

The directors are responsible for preparing the half-yearly financial report for the six months ended 30 September 2013 in accordance with applicable law, regulations and accounting standards. In preparing the unaudited condensed Group half-yearly financial statements the directors are responsible for ensuring that they give a true and fair view of the state of affairs of the Group at the end of the period and the profit or loss of the Group for that period.

The directors confirm that these unaudited condensed Group half-yearly financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU, and that, to the best of their knowledge, the interim management report herein includes a fair review of the information required by the UK Financial Conduct Authority Disclosure and Transparency Rules 4.2.7 and 4.2.8.

The directors of Experian plc are listed in the Group's statutory financial statements for the year ended 31 March 2013. There have been no subsequent changes of directors and a list of current directors is maintained on the Company's website at www.experianplc.com. As indicated in the Group's statutory financial statements for the year ended 31 March 2013, Sir John Peace has notified the Company of his intention to step down as Chairman by the 2014 Annual General Meeting, to be held in July 2014. Sir Alan Rudge has subsequently notified the Company of his intention to retire as Deputy Chairman/Senior Independent Director and as a director on the completion of the process to appoint a new Chairman.

By order of the board

Charles Brown
Company Secretary

5 November 2013

Independent review report to Experian plc

Introduction

We have been engaged by Experian plc (the 'Company') to review the condensed Group half-yearly financial statements on pages 19 to 45 of the half-yearly financial report for the six months ended 30 September 2013. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed Group half-yearly financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed Group half-yearly financial statements included in this half-yearly financial report have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed Group half-yearly financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed Group half-yearly financial statements in the half-yearly financial report for the six months ended 30 September 2013 are not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

PricewaterhouseCoopers LLP
Chartered Accountants
London, United Kingdom

5 November 2013

Notes:

(a) The maintenance and integrity of the Experian plc corporate website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the half-yearly financial report since it was initially presented on the website.

(b) Legislation in Jersey and the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Shareholder information

Company website
A full range of investor information is available at www.experianplc.com.

Electronic shareholder communication
Shareholders may register for Share Portal, an electronic communication service provided by Capita Registrars (Jersey) Limited, via the Company website at www.experianplc.com/shares.

The service enables shareholders to access a comprehensive range of shareholder services online, including dividend payment information, the ability to check shareholdings, amend address or bank details and submit AGM proxy voting instructions.

When registering for Share Portal, shareholders can select their preferred communication method – email or post. Shareholders will receive a written notification of the availability on the Company's website of shareholder documents, such as the annual report, unless they have elected to either (i) receive such notification via email or (ii) receive paper copies of shareholder documents where such documents are available in that format.

Dividend Reinvestment Plan ('DRIP')
The DRIP enables those shareholders who receive their dividends under the Income Access Share arrangements to use their cash dividends to purchase Experian shares. Shareholders who wish to participate in the DRIP for the first time, in respect of the first interim dividend for the year ending 31 March 2014 to be paid on 31 January 2014, should return a completed and signed DRIP mandate form to be received by the registrars by no later than 3 January 2014. Shareholders should contact the registrars for further details.

American Depositary Receipts ('ADR')
Experian has a sponsored Level 1 ADR programme, for which Bank of New York Mellon acts as Depositary. The Level 1 ADR programme is not listed on a stock exchange in the USA and trades in the over-the-counter market on the OTCQX platform under the symbol EXPGY. Each ADR represents one Experian plc ordinary share. Further information can be obtained by contacting:

Shareholder Relations
BNY Mellon Depositary Receipts
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T +1 201 680 6825 (from the USA: 1-888-BNY-ADRS)
E shrrelations@bnymellon.com
W www.bnymellon.com/shareowner

Shareholder information (continued)

Financial calendar

First interim dividend record date	3 January 2014
Interim management statement, third quarter	16 January 2014
First interim dividend to be paid	31 January 2014
Preliminary announcement of results	7 May 2014
Interim management statement, first quarter	11 July 2014
Annual General Meeting	16 July 2014

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* Call charges apply on these numbers. Lines are open from 9.00am to 5.30pm (UK time), Monday to Friday.