news release

Preliminary results for the year ended 31 March 2013

9 May 2013 – Experian, the global information services company, today issues its financial results for the year ended 31 March 2013.

Strategic highlights

- Strong FY13 performance; considerable strategic progress with our global growth programme gaining momentum and delivering strong results.
- Notable performances from North America and Latin America, particularly in Credit Services, and from Consumer Services in the UK&I.

Financial highlights

- Revenue from continuing activities up 10%, at constant exchange rates. Organic revenue growth of 8%. Total revenue from continuing activities up 6%. Total Group revenue of US$4.7bn (2012: US$4.5bn).
- Strong margin progression. EBIT margin from continuing activities up 40 basis points to 26.6%. EBIT from continuing activities up 13%, at constant exchange rates. Total EBIT from continuing operations of US$1,253m up 7%.
- Profit before tax from continuing operations of US$440m (2012: US$689m), after an IFRS charge of US$558m (2012: US$325m) from the movement in the Serasa put option.
- Benchmark profit before tax of US$1,195m, up 6%. Benchmark EPS of 85.7 US cents, up 9%. Basic EPS from continuing operations of 25.2 US cents (2012: 66.8 US cents).
- Net debt of US$2,938m at 31 March 2013. 94% conversion of EBIT into operating cash flow.

Shareholder returns

- Second interim dividend of 24.00 US cents per ordinary share, to give full-year dividend of 34.75 US cents per ordinary share, up 9%.
- Plan to initiate a share purchase programme totalling US$500m over the next 12 months (inclusive of share purchases in respect of employee share plans that vest).

Sir John Peace, Chairman, commented:

“Experian has delivered excellent financial results and has built firm foundations to sustain premium performance into the future. In keeping with our capital strategy, which seeks to balance growth investment with returns to shareholders, we are today announcing a further share repurchase programme, along with a 9% increase in our full-year dividend.”

Don Robert, Chief Executive Officer, commented:

“Experian performed strongly last year. We met or exceeded our core financial objectives and made good progress strategically. Our global growth programme is growing in scale and momentum, positioning us strongly for the future and helping us to withstand economic headwinds in some of our markets. For the year ahead, we aim to deliver further premium growth, and look for mid to high single-digit organic revenue growth, modestly improved margins (at constant currency) and cash flow conversion of at least 90%.”

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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 first quarter trading on 12 July 2013, 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 note 30 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 are pleased to have delivered further progress in the year ended 31 March 2013 as we continue to execute against our growth programme and to capitalise on structural growth opportunities across our markets. At constant currency, total revenue growth was 10% and organic revenue growth was 8% (H1: 8%, H2: 7%). There was further progression in our EBIT margin, up 40 basis points to 26.6%, giving rise to growth in EBIT from continuing activities of 13% at constant currency. Currency movements affected us adversely during the year, mainly due to the depreciation of the Brazilian real relative to the US dollar. At actual rates, revenue and EBIT increased by 6% and 7% respectively. Benchmark EPS rose 9% to 85.7 US cents per share and we have again raised our full-year dividend, by 9% to 34.75 US cents per share.

- We delivered growth across all our regions, despite economic headwinds in some markets. Organic revenue growth was 14% in Latin America, 7% in North America, 5% in the UK and Ireland and 3% in EMEA/Asia Pacific.
- We delivered good growth across our four global business lines, with organic revenue growth of 9% in both Credit Services and Consumer Services, and 5% in both Decision Analytics and Marketing Services.
- We met or exceeded all of our financial objectives, namely to deliver mid-to-high single digit organic revenue growth, maintain or improve margin and deliver cash flow conversion of at least 90%.
- Strategically, our global growth programme continues to gain momentum, and contributed over four percentage points to organic revenue growth, ahead of our earlier expectations. The largest contributors to growth were fraud and identity management, telecommunications, and geographic expansion, for example in Colombia and Russia.

This has been another successful year for the Group and I would like to thank the people of Experian whose creativity and hard work make it possible to deliver premium growth consistently.

Financial and strategic highlights by region
Our business in North America is performing strongly. This reflects the progress we are making across our credit-related activities and in particular a growing contribution from our recent investment initiatives. We have seen strong progress in fraud and identity management, having secured several new contracts in the public sector, as well as good growth in healthcare payments, as we expand the suite of services we offer to hospitals and other healthcare practitioners. We have also seen further growth across business information and automotive. Our financial services vertical performed well, as we introduce new sources of data and as lending conditions slowly improve. In our marketing business, we made the small but strategically significant acquisition of Conversen during the year. Conversen has added new cross-channel marketing capabilities and has been positively received by clients since we integrated it into our digital marketing portfolio. In Consumer Services, we have made considerable progress in the affinity channel, securing a new channel partner during the year and we are laying the foundations for future expansion of our affinity business. As we have referenced previously, performance in our direct-to-consumer channel was held back as we temporarily suspended acquiring customers through the affiliate channel.

We were pleased to have delivered organic revenue growth in the mid-teens in Latin America during the year. Our business in Brazil has continued to perform well, notwithstanding the significant slowdown that has taken place in the Brazilian economy. We are adding clients in new customer segments, expanding the size of key client relationships and making progress across several new verticals. This helped to offset the effects of reduced credit issuance by some financial services clients during the year. There was a strong contribution too from Computec, which delivered organic revenue growth in excess of 20%. We are placing a lot of emphasis on expanding our presence in these markets by introducing a range of Experian products, particularly in software and fraud prevention, as well as in digital marketing.

An important strategic milestone was the approval in December 2012 of the final bank regulations for the sharing and collection of positive consumer credit reference data in Brazil. Banks have until August 2013 to comply with the new regulations. We are in discussions with key data suppliers, with the aim of securing a critical mass of positive data over the next eighteen months or so. We were also pleased to complete the acquisition during the year of a further 29.6% interest in Serasa to take our total holding to 99.6%.

Our UK and Ireland business is growing, notwithstanding the weak economic backdrop in the region, and our performance in fact strengthened somewhat as the year progressed. Our Consumer Services business has grown very strongly, by more than 20%, as we introduce new features to attract more members and to retain them for longer. We are also benefiting from a return to growth across Credit Services, as we introduce new sources of data, new products and as we expand further into new customer segments such as utilities, public sector, insurance and telecommunications. We have seen a slight improvement in activity levels across the financial services segment, as well as strengthening pipelines across Decision Analytics. These factors helped to offset a decline in our marketing business.

Weak conditions in Europe and across some parts of Asia Pacific created some headwinds and resulted in low growth across EMEA/Asia Pacific. We have taken action to improve operating efficiency, while at the same time expanding and growing our presence in markets where we see good growth potential, for example in Turkey and Russia. An important strategic milestone was the launch during the year of a new credit bureau in Australia.

Growth and efficiency

As previously announced, we have launched an efficiency programme with the intention of re-investing the savings into our most promising growth opportunities. We have recognised a charge of US$54m during this financial year in relation to achieving the efficiency savings. We continue to expect a total charge in relation to the programme of US$110m and for the programme to deliver gross annualised savings of approximately US$75m. Approximately two-thirds of these savings will be reinvested to drive growth.

We have identified the following as key areas for reinvestment over the forthcoming year:

- New customer segments – including public sector, healthcare payments, automotive and the affinity channel;

- Geographic expansion – including Turkey, Russia, South Africa and Chile; and

- Product innovation – including fraud and identity management, Data Lab roll-out and cross-channel marketing roll-out.

These investments are aimed at sustaining premium growth into the future.

Cash flow and net debt

EBIT conversion into operating cash flow was 94%, exceeding our target of 90% conversion. Net debt increased by US$1,120m to US$2,938m at 31 March 2013. The increase is after funding capital expenditure of US$460m, acquisition expenditure of US$1,549m, equity dividend payments of US$322m and net share purchases of US$180m. Acquisition expenditure principally comprises the purchase of the Serasa non-controlling interest for a consideration of US$1,500m, plus other smaller transactions. At 31 March 2013, the net debt to EBITDA gearing ratio was 1.86 times, which compares to our target net debt range of 1.75 to 2.0 times.

We have a £334m bond which matures in December 2013 and which will be repaid from existing bank facilities. Net debt has risen following the Serasa transaction and we expect our net interest expense to be in the range of US$80m to US$90m for the year ending 31 March 2014.

Capital strategy
In setting our capital strategy, we aim to strike an appropriate balance between investing in the business for growth, maintaining a prudent but efficient balance sheet and delivering returns to shareholders. For the forthcoming year, we have taken into account current leverage, anticipated free cash flow and the current acquisition pipeline. In view of these items, we are initiating a share purchase programme totalling US$500m over the next 12 months, subject to trading performance and acquisition spend. This sum includes share purchases in respect of employee share plans that vest, at an anticipated cost in the region of US$160m to US$170m.

Dividend
For the year ended 31 March 2013, we are announcing a second interim dividend of 24.00 US cents per share. This gives a full-year dividend of 34.75 US cents per share, up 9%. The second interim dividend will be paid on 19 July 2013 to shareholders on the register at the close of business on 21 June 2013.

People
On 1 May 2013, we announced that after over 40 years, Sir John Peace has decided to step down as Chairman and as a director of Experian plc by our annual general meeting to be held in July 2014. Sir John was a founder of our business, having joined the Group in 1969 when it was part of GUS plc. Conscious from the very early days of the value of information, he had the foresight and vision to understand how the industry would develop and this profoundly affected the formation of the Group. We owe a significant debt of gratitude to Sir John and we thank him for his enormous contribution to Experian. We will now start the process of appointing a successor and a further announcement will be made once the appointment process concludes.

Group financial results

Revenue by geography

Year ended 31 March	2013 US$m	2012[1] US$m	Growth % Total at actual rates	Growth % Total at constant rates	Growth % Organic at constant rates
North America					
Credit Services	873	791		10	9
Decision Analytics	146	129		13	13
Marketing Services	417	395		6	5
Consumer Services	822	777		6	6
Total continuing activities	**2,258**	**2,092**	**8**	**8**	**7**
Discontinuing activities	-	-			
Total North America	**2,258**	**2,092**			
Latin America					
Credit Services	874	874		17	12
Decision Analytics	44	37		39	39
Marketing Services	83	50		75	31
Total continuing activities	**1,001**	**961**	**4**	**21**	**14**
Discontinuing activities	-	-			
Total Latin America	**1,001**	**961**			
UK and Ireland					
Credit Services	248	240		4	2
Decision Analytics	206	198		5	-
Marketing Services	226	234		(2)	(2)
Consumer Services	193	152		28	26
Total continuing activities	**873**	**824**	**6**	**7**	**5**
Discontinuing activities	-	1			
Total UK and Ireland	**873**	**825**			
EMEA/Asia Pacific					
Credit Services	186	194		2	2
Decision Analytics	116	126		(4)	(4)
Marketing Services	279	259		10	6
Total continuing activities	**581**	**579**	**-**	**4**	**3**
Discontinuing activities	17	30			
Total EMEA/Asia Pacific	**598**	**609**			
Total revenue - continuing activities	**4,713**	**4,456**	**6**	**10**	**8**
Total revenue - discontinuing activities	17	31			
Total revenue – continuing operations	**4,730**	**4,487**			

1. 2012 restated for the movement of some businesses in EMEA/Asia Pacific to discontinuing activities, and for the reclassification of some products from Credit Services to Decision Analytics within Latin America.

See Appendix 2 (page 14) for analyses of revenue, EBIT and EBIT margin by business segment.

Income statement, earnings and EBIT margin analysis

Year ended 31 March	2013 US$m	2012[1] US$m	Growth % Total at constant rates	Growth % Total at actual rates
EBIT by geography				
North America	718	658	9	
Latin America	346	320	27	
UK and Ireland	246	227	9	
EMEA/Asia Pacific	26	38	(18)	
EBIT before Central Activities	**1,336**	**1,243**	**13**	
Central Activities – central corporate costs	(81)	(74)		
EBIT - continuing activities	**1,255**	**1,169**	**13**	
EBIT - discontinuing activities[2]	(2)	6		
Total EBIT from continuing operations	**1,253**	**1,175**	**12**	**7**
Net interest	(58)	(47)		
Benchmark PBT	**1,195**	**1,128**		**6**
Exceptional items	(66)	12		
Amortisation of acquisition intangibles	(123)	(122)		
Acquisition expenses	(4)	(9)		
Adjustment to the fair value of contingent consideration	(1)	3		
Charges for demerger-related share incentive plans	-	(5)		
Financing fair value remeasurements	(561)	(318)		
Profit before tax	**440**	**689**		
Group tax (charge)/credit	(152)	35		
Profit after tax from continuing operations	**288**	**724**		
Benchmark earnings				
Benchmark PBT	**1,195**	**1,128**		**6**
Benchmark tax charge	(302)	(274)		
Overall benchmark earnings	**893**	**854**		
For owners of Experian plc	**847**	**780**		**9**
For non-controlling interests	46	74		
Benchmark EPS	**US85.7c**	**US78.9c**		**9**
Basic EPS from continuing operations	US25.2c	US66.8c		
Weighted average number of ordinary shares	988m	989m		
EBIT margin – continuing activities				
North America	31.8%	31.5%		
Latin America	34.6%	33.3%		
UK and Ireland	28.2%	27.5%		
EMEA/Asia Pacific	4.5%	6.6%		
Total EBIT margin	**26.6%**	**26.2%**		

1. 2012 restated for the movement of some businesses in EMEA/Asia Pacific to discontinuing activities.
2. EBIT from discontinuing activities arises in EMEA/Asia Pacific only.

See Appendix 2 (page 14) for analyses of revenue, EBIT and EBIT margin by business segment.
See Appendix 7 (page 17) for definitions of non-GAAP measures.

Business review

North America

Total revenue from continuing activities in North America was US$2,258m, up 8%, with organic revenue growth of 7%. The difference relates primarily to the acquisitions of Medical Present Value (acquired June 2011) and Conversen (acquired May 2012).

Credit Services

Total revenue growth was 10% and organic revenue growth was 9%. Growth reflected successful new product introductions, the addition of new sources of data and as we further diversify and expand in new customer segments. We delivered good growth across consumer information driven by increased origination and portfolio management activity. There was also an exceptionally strong contribution from mortgage, attributable to high levels of refinancing activity during the year. We further expanded within business information, reflecting strong new customer wins for our flagship product BusinessIQ. Our strategy to expand across new customer segments also contributed meaningfully to our performance, with double-digit organic revenue growth across each of the automotive and healthcare payments sectors.

Decision Analytics

Growth in Decision Analytics was strong, with both total and organic revenue growth of 13%. During the year we significantly expanded our fraud and identity management operations, securing several new contract wins across the public sector and elsewhere. We also delivered growth in software, as we introduced new products and as we start to deploy our new Decision Analytics PowerCurve software.

Marketing Services

Total revenue growth was 6% and organic revenue growth was 5%. Our focus in Marketing Services is on data, data quality and multi-channel marketing. During the year we saw good growth in data, as marketers have sought new sources of data to enrich and enhance their marketing campaigns. We also delivered strong growth in our data quality business, which ensures data is clean and precise. Growth reflected new client wins and strong renewal rates for software licences. We also saw recovery in our email marketing business and an encouraging response from clients towards our new multi-channel capabilities, with several new business wins for our Conversen platform and a growing pipeline.

Consumer Services

Total and organic revenue growth was 6%. There was strong growth in the affinity (white label) channel during the year, including a significant new client win. While new compliance requirements have slowed client decision-making, the pipeline for affinity deals continues to be good. Our direct-to-consumer channel slowed, principally due to a proactive decision we took to enhance membership order quality, which caused us to stop acquiring customers for a time in the affiliate channel. We have recently resumed marketing in the affiliate channel which should benefit future performance.

For continuing activities, North America EBIT was US$718m, up 9%. EBIT margin was 31.8%, an increase of 30 basis points year-on-year, which reflected positive operating leverage, net of investment in growth initiatives.

Latin America

Total revenue in Latin America was US$1,001m, up 21% at constant exchange rates, with organic revenue growth of 14%. The difference relates to the acquisitions of Virid Interatividade Digital (acquired July 2011) and Computec (completed November 2011).

Credit Services
At constant exchange rates, total revenue growth in Credit Services was 17%, with organic revenue growth of 12%. We delivered good growth despite a tough prior year comparable and softer conditions in the Brazilian economy. For the year, we delivered double-digit growth across consumer and business information activities in Brazil, as we introduced new sources of negative data from our partnership with the CNDL retail association and as we expanded into new customer segments such as telecommunications, automotive and insurance. As expected, revenue from digital certificates declined in the second half of the year, as we lapped the prior year comparative. Our bureaux in Colombia and Peru performed strongly.

Decision Analytics
Total and organic revenue growth was 39% at constant exchange rates, reflecting growth in scoring, analytics, fraud prevention and software sales across the region. We also saw an increased contribution from consultancy projects, as clients prepare for the introduction of positive data.

Marketing Services
There was good growth in Marketing Services in Brazil, largely attributable to growth in data services and email marketing. Total revenue growth at constant exchange rates was 75% and organic revenue growth was 31%.

For Latin America, EBIT grew 27% at constant exchange rates to US$346m. EBIT margin increased by 130 basis points to 34.6%, reflecting positive operating leverage across the region.

UK and Ireland

In the UK and Ireland, revenue was US$873m, up 7% at constant exchange rates. Organic revenue growth was 5%. The acquisition contribution relates to LM Group (acquired July 2011), Garlik (acquired December 2011) and 192business (completed February 2012).

Credit Services
Total revenue growth was 4% at constant exchange rates, with organic revenue growth of 2%. While the UK lending market remains somewhat subdued, we benefited from our focus on superior data quality, new product introductions and as we further penetrated non-financial customer segments, including the small and medium enterprise market. We also made progress on key investment initiatives during the year. For example, we have replatformed the UK credit bureau, which will enhance our competitive position, and we introduced BusinessIQ, our global business information platform, which has been well received by clients.

Decision Analytics
Total revenue growth at constant exchange rates was 5%, while organic revenue growth was flat. There was good growth in software sales to support loan origination and customer management activity which partially offset a decline in collections software, affected by a strong prior year comparable. There was also further progress across identity and fraud management.

Marketing Services
Total and organic revenue declined 2% at constant exchange rates. Market conditions remained fairly weak throughout the year, and whilst we delivered growth in email marketing this was offset by soft demand for data and data quality services.

Consumer Services
There was strong growth across Consumer Services, where total revenue growth was 28% at constant exchange rates, with organic revenue growth of 26%. We benefited from growth in memberships, as well as further uplift in average revenue per member as we enhanced our CreditExpert brand and the functionality of the product.

For the UK and Ireland, EBIT from continuing activities was US$246m, up 9% at constant exchange rates. EBIT margin increased by 70 basis points to 28.2%, reflecting positive operating leverage and notwithstanding adverse acquisition mix.

EMEA/Asia Pacific
Total revenue from continuing activities in EMEA/Asia Pacific was US$581m, up 4% at constant exchange rates, with organic revenue growth of 3%. The difference relates primarily to the acquisition of Altovision (March 2012).

Credit Services
Total and organic revenue growth was 2%. Market conditions across most of Europe were challenging during the year, which affected revenues in some bureau markets. We benefited from strong growth in our business information bureaux in China and Singapore, and good growth from our consumer bureau in Spain.

Decision Analytics
Total and organic revenue, at constant exchange rates, declined 4%. In the early part of the year our Decision Analytics business was affected by weakness in the European banking sector, as well as by weaker conditions in some Asian markets, including Australia. Performance improved as the year progressed, benefiting from actions taken to realign the business, and from strong growth in markets such as Russia, Turkey, South Africa and the Middle East.

Marketing Services
Total revenue growth at constant exchange rates was 10%, with organic revenue growth of 6%. Against a tough prior year comparable, there was some moderation in performance in Marketing Services as the year progressed, principally reflecting slower growth in Asia Pacific and across some Eurozone markets.

For EMEA/Asia Pacific, EBIT from continuing activities was US$26m, down 18% at constant exchange rates. EBIT margin was 4.5% (2012: 6.6%). The decline in EBIT margin reflected increased investment in the Australian bureau development, some negative operating leverage and adverse foreign exchange translation movements.

Group financial review

Key financials

Year ended 31 March	2013	2012
Revenue	US$4,730m	US$4,487m
Benchmark PBT	US$1,195m	US$1,128m
Benchmark tax rate	25.3%	24.3%
Benchmark EPS	US 85.7c	US 78.9c
Operating cash flow	US$1,175m	US$1,124m
Net debt	US$2,938m	US$1,818m

Income statement commentary

Revenue and profit performance – continuing operations

An analysis of Group profit performance in the year and commentary on revenue and EBIT performance by geography is given within pages 3 to 10. An additional analysis of the income statement is given in Appendix 3 on page 15 with revenue, EBIT and EBIT margin by business segment summarised in Appendix 2 on page 14.

Profit before tax from continuing operations of US$440m (2012: US$689m) is after a charge of US$558m arising from the increase in the fair value of the Serasa put option liability prior to the completion of the acquisition of the further 29.6% interest in November 2012. There was a charge of US$325m in the prior year in respect of the put option liability.

Exceptional items - continuing operations

Year ended 31 March	2013 US$m	2012 US$m
Restructuring costs	54	-
Loss/(gain) on disposal of businesses	12	(8)
Interest income on legacy tax balances	-	(4)
Total exceptional charge/(credit)	**66**	**(12)**

As indicated on page 4, the Group launched a significant programme of cost-efficiency measures in November 2012. Identified efficiencies include re-engineering fixed costs, re-focusing resources on areas that offer higher growth opportunities, further near-shoring and offshoring, and rationalisation of products. This programme is expected to deliver annualised cost savings of approximately US$75m. One-off restructuring costs associated with achieving these cost savings will be in the region of US$110m, the majority of which will be cash costs. Costs of US$54m have been recognised in the year ended 31 March 2013 in connection with this programme with a related cash outflow of US$27m. Of this charge, US$41m related to redundancy costs and US$13m related to asset write-offs.

The loss on disposal of businesses in the year related to a number of small disposals of businesses.

Other adjustments made to derive Benchmark PBT – continuing operations

Year ended 31 March	2013 US$m	2012 US$m
Amortisation of acquisition intangibles	123	122
Acquisition expenses	4	9
Adjustment to the fair value of contingent consideration	1	(3)
Charges in respect of the demerger-related share incentive plans	-	5
Financing fair value remeasurements	561	318
Other adjustments made to derive Benchmark PBT	**689**	**451**

Net interest expense

In the year ended 31 March 2013, the net interest expense was US$58m (2012: US$47m). The key driver of the increase over the prior year has been the additional funding requirement in connection with the acquisition of the 29.6% stake in Serasa in November 2012.

Experian remains strongly cash generative and both our interest cost and the amount paid have continued to benefit from the environment of low global interest rates. There was a non-cash interest credit of US$8m (2012: US$11m) in respect of the difference between the expected return on pension plan assets and interest recognised on pension plan obligations.

Tax

The Benchmark tax rate was 25.3% (2012: 24.3%). The increase reflects increased profits in the USA and Brazil where corporate tax rates are higher than the main UK rate.

The tax charge for the year ended 31 March 2013 was US$152m and the effective rate of tax for the year was 34.5%. This is higher than the Benchmark tax rate primarily because the statutory profit before tax includes a charge for the Serasa put option on which there is no tax relief whilst there is a one-off tax benefit on a corporate transaction in respect of Computec. The tax credit of US$35m in the prior year and the effective rate of tax of (5.1%) benefited from the determination of historic positions and the further utilisation of tax losses.

Earnings per share

As indicated in note 13 to the financial statements, basic earnings per share were 37.1 US cents (2012: 66.2 US cents). Basic earnings for the year included earnings per share of 11.9 US cents (2012: loss of 0.6 US cents) in respect of discontinued operations. Benchmark earnings per share increased to 85.7 US cents from 78.9 US cents last year.

At 31 March 2013, Experian had some 1,030 million shares in issue of which some 42 million 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 31 March 2013 is 988 million. Any issues and purchases of shares after 31 March 2013 will result in an amendment to that figure.

Seasonality

In recent years, our margin progression has tended to be weighted towards the second half of the year reflecting revenue seasonality and the phasing of investment expenditure. We expect this pattern to continue into the year ending 31 March 2014 due to the usual seasonality and also to the phasing of our cost efficiency and reinvestment programme.

Foreign exchange
The principal exchange rates used to translate revenue and EBIT in the year are:

Average exchange rates	**2013**	**2012**	**Weakened against the US dollar**
Sterling : US dollar	1.58	1.60	1.2%
US dollar : Brazilian real	2.01	1.70	18.2%
Euro : US dollar	1.29	1.38	6.5%

The effect of these exchange rate changes on the results for the year is to decrease reported revenue by US$196m and EBIT by US$67m.

Balance sheet commentary

At 31 March 2013, net assets and total equity amounted to US$3,224m (2012: US$2,931m), equivalent to US$3.26 per share (2012: US$2.96).

The increase in total equity of US$293m is after a charge for two key items within other comprehensive income - actuarial losses of US$62m in respect of defined benefit pension plans and currency translation losses of US$39m, mainly as a result of the weakening of the Brazilian real against the US dollar. These items are shown net of related tax in the Group statement of comprehensive income.

Within transactions with owners, there is an increase in total equity of US$427m for the net movement from transactions with non-controlling interests and this arises principally on the recognition of a deferred tax asset on the acquisition of the further stake in Serasa. Dividends of US$376m have been paid in the year (2012: US$361m).

The principal exchange rates used to translate assets and liabilities at the year end are:

Closing rates	**2013**	**2012**
Sterling : US dollar	1.52	1.60
US dollar : Brazilian real	2.02	1.82
Euro : US dollar	1.28	1.33

Cash flow and net debt commentary

Experian generated good cash flow in the year with operating cash flow of US$1,175m (2012: US$1,124m) and a cash flow conversion of 94% (2012: 96%). A reconciliation of cash generated from operations, as reported in the Group cash flow statement on page 22, to operating cash flow as reported in the cash flow summary table (Appendix 4) is given in note 18 to the financial statements.

As indicated in the cash flow summary table, free cash flow in the year ended 31 March 2013 was US$891m (2012: US$889m). The net cash outflow in the year of US$1,018m (2012: US$182m) is after acquisition spend of US$1,549m (2012: US$787m) and equity dividends of US$322m (2012: US$290m). Acquisition spend in both the current and prior years includes significant developments for the Group in Latin America with the acquisition of the further stake in Serasa in November 2012 and the acquisition of Computec, completed in November 2011. The analysis of acquisition spend is given in note 17(f) to the financial statements.

At 31 March 2013, net debt was US$2,938m (2012: US$1,818m) and undrawn committed borrowing facilities totalled US$1,624m (2012: US$2,147m). At 31 March 2013, the net debt/EBITDA ratio was 1.86 times.

In July 2012, Experian issued US$600m 2.375% notes due 2017; the £334m 5.625% Euronotes 2013 are due for redemption in December 2013.

Appendices

1. Non-GAAP financial information

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

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

2. Revenue, EBIT and EBIT margin by business segment

Year ended 31 March 2013	2013 US$m	2012[1] US$m	Total growth[2] %	Organic growth[2] %
Revenue				
Credit Services	2,181	2,099	12	9
Decision Analytics	512	490	8	5
Marketing Services	1,005	938	9	5
Consumer Services	1,015	929	9	9
Total - continuing activities	**4,713**	**4,456**	**10**	**8**
Discontinuing activities[3]	17	31	n/a	
Total	**4,730**	**4,487**	**10**	
EBIT				
Credit Services	769	716	16	
Decision Analytics	109	113	-	
Marketing Services	147	146	4	
Consumer Services	311	268	16	
Total business segments	**1,336**	**1,243**	**13**	
Central Activities – central corporate costs	(81)	(74)	(10)	
Total - continuing activities	**1,255**	**1,169**	**13**	
Discontinuing activities[3]	(2)	6	n/a	
Total	**1,253**	**1,175**	**12**	
EBIT margin – continuing activities				
Credit Services	35.3%	34.1%		
Decision Analytics	21.3%	23.1%		
Marketing Services	14.6%	15.6%		
Consumer Services	30.6%	28.8%		
Total EBIT margin	**26.6%**	**26.2%**		

1. 2012 restated for the movement of some small Credit Services, Decision Analytics and Marketing Services businesses to discontinuing activities and the reclassification of some products from Credit Services to Decision Analytics.
2. Growth is at constant exchange rates.
3. Discontinuing activities comprise small discontinuing Credit Services, Decision Analytics and Marketing Services businesses.

3. Income statement analysis – continuing operations

Year ended 31 March	2013			2012		
	Benchmark	Non-benchmark[1]	Total	Benchmark	Non-benchmark[1]	Total
	US$m	US$m	US$m	US$m	US$m	US$m
Revenue	**4,730**	**-**	**4,730**	**4,487**	**-**	**4,487**
Labour costs	(1,792)	(41)	(1,833)	(1,694)	(5)	(1,699)
Data and information technology costs	(453)	-	(453)	(400)	-	(400)
Depreciation and amortisation	(329)	(136)	(465)	(312)	(122)	(434)
Marketing and customer acquisition costs	(375)	-	(375)	(405)	-	(405)
Other operating charges	(528)	(17)	(545)	(499)	2	(497)
Total operating expenses	(3,477)	(194)	(3,671)	(3,310)	(125)	(3,435)
Operating profit/(loss)	**1,253**	**(194)**	**1,059**	**1,177**	**(125)**	**1,052**
Share of loss of associates	-	-	-	(2)	-	(2)
EBIT from continuing operations	**1,253**			**1,175**		
Non-benchmark items		**(194)**			**(125)**	
Profit/(loss) before net finance costs and tax	**1,253**	**(194)**	**1,059**	**1,175**	**(125)**	**1,050**
Net finance costs	(58)	(561)	(619)	(47)	(314)	(361)
Profit/(loss) before tax	**1,195**	**(755)**	**440**	**1,128**	**(439)**	**689**
Tax (charge)/credit	(302)	150	(152)	(274)	309	35
Profit/(loss) after tax from continuing operations	**893**	**(605)**	**288**	**854**	**(130)**	**724**
Attributable to:						
Owners of Experian plc	847	(598)	249	780	(119)	661
Non-controlling interests	46	(7)	39	74	(11)	63
Profit/(loss) after tax from continuing operations	**893**	**(605)**	**288**	**854**	**(130)**	**724**
	US cents	**US cents**	**US cents**	**US cents**	**US cents**	**US cents**
Earnings/(loss) per share – basic	**85.7**	**(60.5)**	**25.2**	**78.9**	**(12.1)**	**66.8**
	%	**%**	**%**	**%**	**%**	**%**
Effective rate of tax	**25.3**	**19.9**	**34.5**	**24.3**	**70.4**	**(5.1)**

1. These include a charge for exceptional items of US$66m (2012: credit of US$12m) and charges of US$689m (2012: US$451m) for other adjustments made to derive Benchmark PBT, full details of which are included in notes 8 and 9 respectively to the financial statements.

4. Cash flow summary

Year ended 31 March	2013 US$m	2012 US$m
EBIT from continuing operations	1,253	1,175
Depreciation and amortisation (see below)	329	312
Loss on sale of fixed assets	2	4
Capital expenditure	(460)	(453)
Sale of property, plant and equipment	1	3
(Increase)/decrease in working capital	(29)	20
Loss retained in associate	1	3
Charge for share incentive plans within Benchmark PBT	78	60
Operating cash flow	**1,175**	**1,124**
Net interest paid	(68)	(57)
Tax paid – continuing operations	(162)	(107)
Dividends paid to non-controlling interests	(54)	(71)
Free cash flow	**891**	**889**
Net cash outflow from exceptional items	(27)	(5)
Acquisitions	(1,549)	(787)
Purchase of investments	(8)	(1)
Disposal of available-for-sale financial assets	-	12
Disposal of businesses – continuing operations	5	-
Disposal of businesses – discontinued operations	(8)	-
Equity dividends paid	(322)	(290)
Net cash outflow	**(1,018)**	**(182)**
Net share purchases	(180)	(167)
New borrowings and other financing related cash flows	1,118	187
Net decrease in cash and cash equivalents – continuing operations	**(80)**	**(162)**
Net increase/(decrease) in cash and cash equivalents – discontinued operations	64	(1)
Net decrease in cash and cash equivalents	**(16)**	**(163)**
Cash and cash equivalents at 1 April	254	408
Foreign exchange movements on cash and cash equivalents	(12)	9
Cash and cash equivalents at 31 March	**226**	**254**

5. Reconciliation of net debt

Year ended 31 March	2013 US$m	2012 US$m
At 1 April	**1,818**	**1,501**
Net cash outflow – as reported in the cash flow summary	1,018	182
Net share purchases	180	167
Foreign exchange and other	(78)	(32)
At 31 March	**2,938**	**1,818**

6. Reconciliation of depreciation and amortisation

Year ended 31 March	2013 US$m	2012 US$m
As reported in the Group income statement	465	434
Less: amortisation of acquisition intangibles	(123)	(122)
Less: exceptional asset write-off	(13)	-
As reported in the cash flow summary	**329**	**312**

7. Definitions of non-GAAP financial 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 prior period, where shown, is restated to disclose separately the results of discontinuing activities. 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 31 March 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.

Other:
Further non-GAAP measures that are included within the Group financial statements are defined in note 4 to those financial statements.

Group income statement

for the year ended 31 March 2013

	Notes	2013 US$m	2012 US$m
Revenue	5	**4,730**	4,487
Labour costs		**(1,833)**	(1,699)
Data and information technology costs		**(453)**	(400)
Depreciation and amortisation		**(465)**	(434)
Marketing and customer acquisition costs		**(375)**	(405)
Other operating charges		**(545)**	(497)
Total operating expenses		**(3,671)**	(3,435)
Operating profit		**1,059**	1,052
Interest income		**68**	79
Finance expense		**(687)**	(440)
Net finance costs	10(a)	**(619)**	(361)
Share of post-tax loss of associates		**-**	(2)
Profit before tax	5	**440**	689
Group tax (charge)/credit	11	**(152)**	35
Profit after tax for the financial year from continuing operations		**288**	724
Profit/(loss) for the financial year from discontinued operations	12(a)	**118**	(6)
Profit for the financial year		**406**	718
Attributable to:			
Owners of Experian plc		**367**	655
Non-controlling interests		**39**	63
Profit for the financial year		**406**	718

	Notes	US cents	US cents
Earnings per share			
Basic	13	**37.1**	66.2
Diluted	13	**36.4**	65.1
Earnings per share from continuing operations			
Basic	13	**25.2**	66.8
Diluted	13	**24.7**	65.7
Full year dividend per share	14	**34.75**	32.00

Group statement of comprehensive income

for the year ended 31 March 2013

	2013 US$m	2012 US$m
Profit for the financial year	**406**	718
Other comprehensive income:		
Actuarial (losses)/gains recognised on defined benefit pension plans	**(48)**	7
Fair value gains recognised on available-for-sale financial assets	**3**	-
Currency translation losses	**(39)**	(64)
Other comprehensive income for the financial year, net of tax (note 11)	**(84)**	(57)
Total comprehensive income for the financial year	**322**	661
Attributable to:		
Owners of Experian plc:		
Continuing operations	**181**	620
Discontinued operations	**118**	(6)
Owners of Experian plc	**299**	614
Non-controlling interests	**23**	47
Total comprehensive income for the financial year	**322**	661

Non-GAAP measures

Reconciliation of profit before tax to Benchmark PBT

for the year ended 31 March 2013

	Notes	2013 US$m	2012 US$m
Profit before tax	5	**440**	689
Exceptional items – within operating profit	8	**66**	(8)
Exceptional items – within net finance costs	8	**-**	(4)
Amortisation of acquisition intangibles	9	**123**	122
Acquisition expenses	9	**4**	9
Adjustment to the fair value of contingent consideration	9	**1**	(3)
Charges in respect of the demerger-related share incentive plans	9	**-**	5
Financing fair value remeasurements	9	**561**	318
Benchmark PBT – continuing operations	5	**1,195**	1,128

	Notes	US cents	US cents
Benchmark earnings per share from continuing operations			
Basic	13	**85.7**	78.9
Diluted	13	**83.9**	77.5

Group balance sheet

at 31 March 2013

	Notes	2013 US$m	2012 US$m
Non-current assets			
Goodwill		**4,057**	4,163
Other intangible assets	15	**1,474**	1,582
Property, plant and equipment	15	**478**	463
Investments in associates		**21**	13
Deferred tax assets		**643**	320
Retirement benefit assets	16(a)	**80**	130
Trade and other receivables		**10**	13
Available-for-sale financial assets		**41**	37
Other financial assets		**156**	123
		6,960	6,844
Current assets			
Inventories		**7**	11
Trade and other receivables		**923**	910
Current tax assets		**49**	10
Other financial assets		**27**	7
Cash and cash equivalents	19	**229**	254
		1,235	1,192
Assets classified as held for sale	12	**-**	118
		1,235	1,310
Current liabilities			
Trade and other payables		**(1,197)**	(1,210)
Borrowings	19	**(635)**	(13)
Current tax liabilities		**(41)**	(56)
Provisions		**(52)**	(38)
Other financial liabilities	21	**(20)**	(1,098)
		(1,945)	(2,415)
Liabilities classified as held for sale	12	**-**	(80)
		(1,945)	(2,495)
Net current liabilities		**(710)**	(1,185)
Total assets less current liabilities		**6,250**	5,659
Non-current liabilities			
Trade and other payables		**(41)**	(43)
Borrowings	19	**(2,626)**	(2,179)
Deferred tax liabilities		**(222)**	(379)
Retirement benefit obligations	16(a)	**(56)**	(53)
Provisions		**(1)**	(10)
Other financial liabilities		**(80)**	(64)
		(3,026)	(2,728)
Net assets		**3,224**	2,931
Equity			
Called up share capital	22	**102**	102
Share premium account	22	**1,480**	1,471
Retained earnings		**17,849**	17,350
Other reserves		**(16,247)**	(16,151)
Attributable to owners of Experian plc		**3,184**	2,772
Non-controlling interests		**40**	159
Total equity		**3,224**	2,931

Group statement of changes in total equity

for the year ended 31 March 2013

	Called up share capital (Note 22) US$m	Share premium account (Note 22) US$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:							
Profit for the financial year	-	-	367	-	**367**	39	**406**
Other comprehensive income	-	-	(45)	(23)	**(68)**	(16)	**(84)**
Total comprehensive income	-	-	322	(23)	**299**	23	**322**
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	-	-	78	-	**78**	-	**78**
- proceeds from shares issued on vesting	-	9	-	-	**9**	-	**9**
- other exercises of share awards and options	-	-	(105)	148	**43**	-	**43**
- related tax credit	-	-	15	-	**15**	-	**15**
- purchase of own shares by employee trusts	-	-	-	(221)	**(221)**	-	**(221)**
- other payments	-	-	(4)	-	**(4)**	-	**(4)**
Liability for put option over non-controlling interests	-	-	(15)	-	**(15)**	-	**(15)**
Non-controlling interests arising on business combinations	-	-	-	-	**-**	1	**1**
Acquisition of non-controlling interest in Serasa	-	-	534	-	**534**	(85)	**449**
Other transactions with non-controlling interests	-	-	(4)	-	**(4)**	(4)	**(8)**
Dividends paid during the financial year	-	-	(322)	-	**(322)**	(54)	**(376)**
Transactions with owners	-	9	177	(73)	**113**	(142)	**(29)**
At 31 March 2013	**102**	**1,480**	**17,849**	**(16,247)**	**3,184**	**40**	**3,224**

for the year ended 31 March 2012

	Called up share capital (Note 22) US$m	Share premium account (Note 22) US$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 2011	102	1,460	17,029	(16,045)	**2,546**	161	**2,707**
Comprehensive income:							
Profit for the financial year	-	-	655	-	**655**	63	**718**
Other comprehensive income	-	-	7	(48)	**(41)**	(16)	**(57)**
Total comprehensive income	-	-	662	(48)	**614**	47	**661**
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	-	-	65	-	**65**	-	**65**
- proceeds from shares issued on vesting	-	11	-	-	**11**	-	**11**
- other exercises of share awards and options	-	-	(110)	166	**56**	-	**56**
- related tax credit	-	-	20	-	**20**	-	**20**
- purchase of own shares by employee trusts	-	-	-	(224)	**(224)**	-	**(224)**
- other payments	-	-	(7)	-	**(7)**	-	**(7)**
Liability for put option over non-controlling interests	-	-	(9)	-	**(9)**	-	**(9)**
Non-controlling interests arising on business combinations	-	-	-	-	**-**	23	**23**
Transactions with non-controlling interests	-	-	(10)	-	**(10)**	(1)	**(11)**
Dividends paid during the financial year	-	-	(290)	-	**(290)**	(71)	**(361)**
Transactions with owners	-	11	(341)	(58)	**(388)**	(49)	**(437)**
At 31 March 2012	**102**	**1,471**	**17,350**	**(16,151)**	**2,772**	**159**	**2,931**

Group cash flow statement

for the year ended 31 March 2013

	Notes	2013 US$m	2012 US$m
Cash flows from operating activities			
Cash generated from operations	17(a)	**1,602**	1,539
Interest paid		**(80)**	(79)
Interest received		**12**	22
Dividends received from associates		**1**	1
Tax paid	17(d)	**(162)**	(107)
Net cash inflow from operating activities – continuing operations		**1,373**	1,376
Net cash inflow from operating activities – discontinued operations	12(b)	**64**	2
Net cash inflow from operating activities		**1,437**	1,378
Cash flows from investing activities			
Purchase of property, plant and equipment		**(115)**	(84)
Purchase of other intangible assets	17(e)	**(345)**	(369)
Sale of property, plant and equipment		**1**	3
Purchase of investments in associates		**(8)**	-
Purchase of available-for-sale financial assets		**-**	(1)
Disposal of available-for-sale financial assets		**-**	12
Acquisition of subsidiaries, net of cash acquired	17(f)	**(38)**	(746)
Disposal of subsidiaries – continuing operations	26	**5**	-
Disposal of subsidiaries – discontinued operations	26	**(8)**	-
Net cash flows used in investing activities – continuing operations		**(508)**	(1,185)
Net cash flows used in investing activities – discontinued operations	12(b)	**-**	(3)
Net cash flows used in investing activities		**(508)**	(1,188)
Cash flows from financing activities			
Cash flows from employee share incentive plans:			
- proceeds from issue of ordinary shares		**9**	11
- other proceeds from vesting of share awards and exercise of share options		**61**	54
- purchase of own shares by employee trusts		**(250)**	(232)
- other payments		**(4)**	(7)
Payments to acquire non-controlling interests	17(g)	**(1,507)**	(12)
New borrowings		**1,135**	179
Repayment of borrowings		**(12)**	-
Capital element of finance lease rental payments		**(1)**	(4)
Net receipts from equity swaps		**-**	5
Receipt from bank deposit		**-**	14
Dividends paid		**(376)**	(361)
Net cash flows used in financing activities		**(945)**	(353)
Net decrease in cash and cash equivalents		**(16)**	(163)
Cash and cash equivalents at 1 April		**254**	408
Exchange and other movements on cash and cash equivalents		**(12)**	9
Cash and cash equivalents at 31 March	17(i)	**226**	254

Notes to the financial statements

for the year ended 31 March 2013

1. Corporate information and basis of preparation

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 as a public company limited by shares and is resident in Ireland. The Company's ordinary shares are traded on the London Stock Exchange's Regulated Market (Premium Listing).

The financial information set out in this preliminary announcement does not constitute the Group's statutory financial statements, which comprise the annual report and audited financial statements, for the years ended 31 March 2013 or 31 March 2012 but is derived from the statutory financial statements for the year ended 31 March 2013. The Group's statutory financial statements for the year ended 31 March 2013 will be made available to shareholders in June 2013 and delivered to the Jersey Registrar of Companies in due course. The auditors have reported on those financial statements and have given an unqualified report which does not contain a statement under Article 111(2) or Article 111(5) of the Companies (Jersey) Law 1991. The Group's statutory financial statements for the year ended 31 March 2012 have been delivered to the Jersey Registrar of Companies. The auditors reported on those financial statements and gave an unqualified report which did not contain a statement under Article 111(2) or Article 111(5) of the Companies (Jersey) Law 1991.

The Group's statutory financial statements for the year ended 31 March 2013 have been:

- prepared in accordance with International Financial Reporting Standards ('IFRS' or 'IFRSs') as adopted for use in the European Union and IFRS Interpretations Committee interpretations;
- prepared under the historical cost convention, as modified for the revaluation of available-for-sale financial assets and certain other financial assets and financial liabilities including derivatives;
- presented in US dollars, the most representative currency of the Group's operations, and rounded to the nearest million; and
- prepared using the principal exchange rates set out in note 7.

Other than those disclosed in this preliminary announcement, no significant events impacting the Group have occurred between 31 March 2013 and 8 May 2013 when this preliminary announcement was approved for issue.

This preliminary announcement has been prepared in accordance with the Listing Rules of the UK Financial Services Authority, using the accounting policies applied in the preparation of the Group's statutory financial statements for the year ended 31 March 2013. Those policies were published in full in the Group's statutory financial statements for the year ended 31 March 2012 and are available on a corporate website, at www.experianplc.com/annualreport.ie.

2. Comparative information

Following a review of the Group assessment of risk and rewards, revenue from scores and value-added products in Latin America is now reported in Decision Analytics rather than in Credit Services and the results of these business segments (shown within note 6) have been re-presented. The effect is to increase revenue and EBIT in Decision Analytics for the year ended 31 March 2012 by US$17m and US$7m respectively with equal and opposite decreases in the revenue and EBIT of Credit Services.

Except as indicated above, the Group's statutory financial statements have been prepared on a basis consistent with that reported for the year ended 31 March 2012.

Notes to the financial statements (continued)

for the year ended 31 March 2013

3. Recent accounting developments

The information below is a summary of external accounting developments and their impact on the Group where significant. The Group routinely reviews such developments and adapts its financial reporting systems as appropriate.

There were no accounting standards, amendments or interpretations that were effective for the first time in the financial statements for the year ended 31 March 2013 and which had a material impact on those financial statements.

The following accounting standards, amendments and interpretations are effective for the first time for the Group's accounting periods beginning on or after 1 April 2013. The impact of Experian adopting IAS 19 (revised) with effect from 1 April 2013 is detailed in note 16.

- IFRS 10 'Consolidated financial statements';
- IFRS 11 'Joint arrangements';
- IFRS 12 'Disclosure of interests in other entities';
- IFRS 13 'Fair value measurement';
- Amendment to IFRS 7 'Financial instruments: disclosures';
- Amendment to IAS 1 'Financial statements presentation';
- IAS 27 (revised) 'Separate financial statements';
- IAS 28 (revised) 'Associate and joint ventures';
- Amendment to IAS 12 'Income taxes';
- Amendment to IAS 19 (revised) 'Employee benefits'; and
- Amendment to IAS 32 'Financial instruments amendment on financial assets and liability offsetting'.

New or revised accounting standards and interpretations issued by 31 March 2013 but not yet effective include those listed below.

- Improvements to IFRSs (April 2011); and
- IFRS 9 'Financial instruments: classification and measurement'.

4. Use of non-GAAP measures in the Group's statutory financial statements

Experian has identified 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 financial statements.

Benchmark profit before tax ('Benchmark PBT')
Benchmark PBT is defined as profit before amortisation of acquisition intangibles, acquisition expenses, goodwill impairments, adjustments to contingent consideration, charges in respect of the demerger-related share incentive plans, 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 of acquisition intangibles, acquisition expenses, goodwill impairments, adjustments to contingent consideration, charges in respect of the demerger-related share incentive plans, 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 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 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 and free cash flow
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 18.

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
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. Accrued interest is excluded from net debt.

Notes to the financial statements (continued)

for the year ended 31 March 2013

5. Segment information

(a) Income statement

Year ended 31 March 2013	North America US$m	Latin America US$m	UK & Ireland US$m	EMEA/ Asia Pacific[3] US$m	**Total operating segments US$m**	Central Activities US$m	**Total continuing operations US$m**
	Continuing operations[2]						
Revenue from external customers[1]	2,258	1,001	873	598	**4,730**	-	**4,730**
Reconciliation from EBIT to profit/(loss) before tax – continuing operations							
EBIT	718	346	246	24	**1,334**	(81)	**1,253**
Net interest (note 10(b))	-	-	-	-	**-**	(58)	**(58)**
Benchmark PBT	718	346	246	24	**1,334**	(139)	**1,195**
Exceptional items (note 8)	(23)	(1)	(9)	(33)	**(66)**	-	**(66)**
Amortisation of acquisition intangibles (note 9)	(32)	(53)	(21)	(17)	**(123)**	-	**(123)**
Acquisition expenses (note 9)	(1)	(1)	(1)	(1)	**(4)**	-	**(4)**
Adjustment to the fair value of contingent consideration (note 9)	-	-	-	(1)	**(1)**	-	**(1)**
Financing fair value remeasurements (note 10(c))	-	-	-	-	**-**	(561)	**(561)**
Profit/(loss) before tax	662	291	215	(28)	**1,140**	(700)	**440**

Year ended 31 March 2012	North America US$m	Latin America US$m	UK & Ireland US$m	EMEA/ Asia Pacific[3] US$m	**Total operating segments** US$m	Central Activities US$m	**Total continuing operations** US$m
	Continuing operations[2]						
Revenue from external customers[1]	2,092	961	825	609	**4,487**	-	**4,487**
Reconciliation from EBIT to profit/(loss) before tax – continuing operations							
EBIT	658	320	227	44	**1,249**	(74)	**1,175**
Net interest (note 10(b))	-	-	-	-	**-**	(47)	**(47)**
Benchmark PBT	658	320	227	44	**1,249**	(121)	**1,128**
Exceptional items (note 8)	-	-	6	2	**8**	4	**12**
Amortisation of acquisition intangibles (note 9)	(32)	(52)	(18)	(20)	**(122)**	-	**(122)**
Acquisition expenses (note 9)	(1)	(3)	(2)	(3)	**(9)**	-	**(9)**
Adjustment to the fair value of contingent consideration (note 9)	-	3	-	-	**3**	-	**3**
Charges in respect of the demerger-related share incentive plans	(2)	-	(2)	-	**(4)**	(1)	**(5)**
Financing fair value remeasurements (note 10(c))	-	-	-	-	**-**	(318)	**(318)**
Profit/(loss) before tax	623	268	211	23	**1,125**	(436)	**689**

1. Revenue from external customers arose principally from the provision of services. There is no material inter-segment revenue. The analysis by business segment of revenue from external customers is given in note 6.
2. A loss before tax of US$5m (2012: US$9m) arose in respect of discontinued operations. Further information on such operations which comprise the Group's comparison shopping and lead generation businesses is given in note 12.
3. EMEA/Asia Pacific represents all other operating segments.

(b) Revenue by country – continuing operations	**2013 US$m**	2012 US$m
USA	**2,255**	2,089
Brazil	**866**	900
UK	**865**	815
Colombia	**111**	48
Other	**633**	635
	4,730	4,487

1. No single customer accounted for 10% or more of the Group's revenue from external customers in the current or prior year.
2. The Company is resident in Ireland. The Group's revenue is primarily attributable to foreign countries as revenue with Irish external customers represents less than 1% of the Group's revenue from external customers.

Notes to the financial statements (continued)

for the year ended 31 March 2013

5. Segment information

(c) 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 is given within note 6. 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.

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

	Continuing operations[2]						
Year ended 31 March 2013	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]	2,194	512	1,009	1,015	**4,730**	-	**4,730**
Reconciliation from EBIT to profit/(loss) before tax – continuing operations							
EBIT	768	109	146	311	**1,334**	(81)	**1,253**
Net interest (note 10(b))	-	-	-	-	**-**	(58)	**(58)**
Benchmark PBT	768	109	146	311	**1,334**	(139)	**1,195**
Exceptional items (note 8)	(29)	(14)	(20)	(3)	**(66)**	-	**(66)**
Amortisation of acquisition intangibles (note 9)	(71)	(5)	(28)	(19)	**(123)**	-	**(123)**
Acquisition expenses (note 9)	(2)	(1)	(1)	-	**(4)**	-	**(4)**
Adjustment to the fair value of contingent consideration (note 9)	-	-	(1)	-	**(1)**	-	**(1)**
Financing fair value remeasurements (note 10(c))	-	-	-	-	**-**	(561)	**(561)**
Profit/(loss) before tax	666	89	96	289	**1,140**	(700)	**440**

	Continuing operations[2]						
Year ended 31 March 2012	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]	2,116	493	949	929	**4,487**	-	**4,487**
Reconciliation from EBIT to profit/(loss) before tax – continuing operations							
EBIT	721	114	146	268	**1,249**	(74)	**1,175**
Net interest (note 10(b))	-	-	-	-	**-**	(47)	**(47)**
Benchmark PBT	721	114	146	268	**1,249**	(121)	**1,128**
Exceptional items (note 8)	-	2	6	-	**8**	4	**12**
Amortisation of acquisition intangibles (note 9)	(72)	(4)	(31)	(15)	**(122)**	-	**(122)**
Acquisition expenses (note 9)	(4)	(1)	(3)	(1)	**(9)**	-	**(9)**
Adjustment to the fair value of contingent consideration (note 9)	-	-	3	-	**3**	-	**3**
Charges in respect of the demerger-related share incentive plans	-	-	-	-	**-**	(5)	**(5)**
Financing fair value remeasurements (note 10(c))	-	-	-	-	**-**	(318)	**(318)**
Profit/(loss) before tax	645	111	121	252	**1,129**	(440)	**689**

1. Revenue from external customers arose principally from the provision of services.
2. A loss before tax of US$5m (2012: US$9m) arose in respect of discontinued operations. Further information on such operations which comprise the Group’s comparison shopping and lead generation businesses is given in note 12. As indicated in note 2, within continuing operations, revenue and EBIT in Decision Analytics for the year ended 31 March 2012 have been increased by US$17m and US$7m respectively with equal and opposite decreases in the revenue and EBIT of Credit Services.

Notes to the financial statements (continued)

for the year ended 31 March 2013

7. Foreign currency

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

	Average		Closing		
	2013	2012	**2013**	2012	2011
Sterling : US dollar	**1.58**	1.60	**1.52**	1.60	1.60
US dollar : Brazilian real	**2.01**	1.70	**2.02**	1.82	1.63
Euro : US dollar	**1.29**	1.38	**1.28**	1.33	1.42

The results and financial position of Group undertakings whose functional currencies are not US dollars are translated into US dollars as follows:

- Income and expenses are translated at the average exchange rate for the year (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates on the dates of the transactions);
- Assets and liabilities are translated at the closing exchange rate on the balance sheet date; and
- All resulting exchange differences are recognised in other comprehensive income.

8. Exceptional items – continuing operations

	2013 US$m	2012 US$m
Restructuring costs	**54**	-
Loss/(gain) on disposal of businesses	**12**	(8)
Interest income arising on legacy tax balances	**-**	(4)
Total exceptional items	**66**	(12)
By income statement caption:		
Labour costs	**41**	-
Depreciation and amortisation	**13**	-
Other operating charges	**12**	(8)
Within operating profit	**66**	(8)
Within net finance costs	**-**	(4)
Total exceptional items	**66**	(12)

The Group conducted a strategic review of its cost base during the year ended 31 March 2013. Examples of efficiencies that it expects to realise include re-engineering fixed costs, reducing exposure to lower growth markets, further near-shoring and off-shoring, and rationalisation of lower growth legacy products. One-off restructuring costs associated with achieving these efficiencies will be in the region of US$110m, the majority of which will be cash costs. Costs of US$54m have been recognised in the year ended 31 March 2013 in connection with this programme with a related cash outflow of US$27m. Of this charge, US$41m related to redundancy costs and US$13m related to asset write-offs.

The loss on disposal of businesses in the year ended 31 March 2013 related to a number of small disposals. The gain on disposal of businesses in the year ended 31 March 2012 related to a number of small disposals of businesses, principally the disposal of an investment classified as available-for-sale at 31 March 2011. There were related cash inflows of US$5m (2012: US$12m).

Interest income of US$4m arose on the determination of certain legacy tax balances in the year ended 31 March 2012.

A reconciliation of total exceptional items to the cash outflow in respect of exceptional items, other than on the disposal of businesses, is given in note 17(c).

Notes to the financial statements (continued)

for the year ended 31 March 2013

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

	2013 US$m	2012 US$m
Amortisation of acquisition intangibles	**123**	122
Acquisition expenses	**4**	9
Adjustment to the fair value of contingent consideration	**1**	(3)
Charges in respect of the demerger-related share incentive plans	**-**	5
Financing fair value remeasurements (note 10(c))	**561**	318
Other adjustments made to derive Benchmark PBT	**689**	451
By income statement caption:		
Labour costs	**-**	5
Depreciation and amortisation	**123**	122
Other operating charges	**5**	6
Within operating profit	**128**	133
Finance expense	**561**	318
Other adjustments made to derive Benchmark PBT	**689**	451

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.

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.

10. Net finance costs

	2013 US$m	2012 US$m
(a) Net finance costs included in Profit before tax		
Interest income:		
Expected return on pension plan assets	**(52)**	(57)
Bank deposits, short-term investments and loan notes	**(16)**	(18)
Interest income before interest on legacy tax balances	**(68)**	(75)
Interest income on legacy tax balances	**-**	(4)
Interest income	**(68)**	(79)
Finance expense:		
Interest expense on pension plan liabilities	**44**	46
Other interest expense	**82**	76
Interest expense	**126**	122
Charge in respect of financing fair value remeasurements	**561**	318
Finance expense	**687**	440
Net finance costs included in Profit before tax	**619**	361
(b) Net interest expense included in Benchmark PBT		
Interest income before interest on legacy tax balances	**(68)**	(75)
Interest expense	**126**	122
Net interest expense included in Benchmark PBT	**58**	47
(c) Analysis of financing fair value remeasurements		
Increase in fair value of Serasa put option	**558**	325
Other financing fair value losses/(gains)	**3**	(7)
Charge in respect of financing fair value remeasurements	**561**	318

The charge of US$558m in the year ended 31 March 2013 in respect of the increase in the fair value of the Serasa put option reflects the movement to the date of the acquisition of the additional 29.6% interest in Serasa and the terms of the related agreement.

Notes to the financial statements (continued)

for the year ended 31 March 2013

11. Group tax charge/(credit)

(a) Group tax charge/(credit) in the Group income statement

	2013 US$m	2012 US$m
UK tax	**5**	(241)
Non-UK tax	**147**	206
Group tax charge/(credit)	**152**	(35)
Profit before tax	**440**	689
Effective rate of tax based on Profit before tax	**34.5%**	(5.1%)

(b) Reconciliation of the tax charge/(credit) in the Group income statement to the Benchmark tax charge

	2013 US$m	2012 US$m
Group tax charge/(credit)	**152**	(35)
One-off tax credit	**98**	268
Tax attributable to exceptional items	**11**	(1)
Tax relief on other adjustments made to derive Benchmark PBT	**41**	42
Benchmark tax charge	**302**	274
Benchmark PBT	**1,195**	1,128
Benchmark tax rate	**25.3%**	24.3%

(c) One-off tax credits

In both the current and prior year, significant one-off tax credits have been excluded from the calculation of the Benchmark tax rate in view of their size and nature. In the year ended 31 March 2013, the one-off tax credit of US$98m comprised a tax benefit on a corporate transaction in respect of Computec. In the prior year, the tax credit of US$268m arose on the determination of certain liabilities in respect of historic positions and the further utilisation of tax losses.

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

In the year ended 31 March 2013, the charge of US$84m (2012: US$57m) for other comprehensive income is after a deferred tax credit of US$14m (2012: charge of US$2m), principally relating to actuarial losses (2012: gains) on defined benefit pension plans.

In the year ended 31 March 2013, a tax credit relating to employee share incentive plans of US$15m (2012: US$20m) has been recognised in equity and reported as appropriate within transactions with owners. This amount comprises a current tax credit of US$21m (2012: US$15m) and a deferred tax charge of US$6m (2012: credit of US$5m). A further deferred tax credit of US$462m has been recognised in equity in the year ended 31 March 2013 in respect of the acquisition of the additional interest in Serasa.

Notes to the financial statements (continued)

for the year ended 31 March 2013

12. Discontinued operations - comparison shopping and lead generation businesses

Prior to 31 March 2012, Experian agreed to divest the Group's comparison shopping and lead generation businesses, and completed a transaction in October 2012. As in the Group's statutory financial statements for the year ended 31 March 2012, the results and cash flows of these businesses are classified as discontinued. Prior to that they were reported as part of the North American and UK and Ireland segments.

(a) Results for discontinued operations	2013 US$m	2012 US$m
Revenue	**147**	283
Labour costs	**(34)**	(44)
Data and information technology costs	**(7)**	(7)
Depreciation and amortisation	**-**	(32)
Marketing and customer acquisition costs	**(99)**	(201)
Other operating charges	**(12)**	(8)
Total operating expenses	**(152)**	(292)
Loss before tax	**(5)**	(9)
Tax credit (including deferred tax of US$nil (2012: charge of US$2m))	**2**	3
Loss after tax of discontinued operations	**(3)**	(6)
Profit on disposal of discontinued operations (note 26)	**-**	-
Tax credit in respect of disposal	**121**	-
Profit after tax on disposal of discontinued operations	**121**	-
Profit/(loss) for the financial year from discontinued operations	**118**	(6)

Depreciation and amortisation includes amortisation of acquisition intangibles of US$nil (2012: US$27m). As the assets and liabilities of these discontinued operations were classified as held for sale, no depreciation and amortisation was required to be charged in the year ended 31 March 2013.

The loss before tax of US$5m reported for discontinued operations within notes 5 and 6 in respect of the year ended 31 March 2013 comprises the loss before tax of US$5m and the profit on disposal of US$nil. A tax credit of US$121m, comprising a deferred tax charge of US$13m and a current tax credit of US$134m, has arisen primarily from the tax losses arising in respect of the disposal.

(b) Cash flows for discontinued operations	2013 US$m	2012 US$m
Cash inflow from operating activities	**64**	**2**
Cash flow used in investing activities	**-**	**(3)**
Cash inflow/(outflow)	**64**	**(1)**

The cash inflow from operating activities is stated after tax received of US$87m (2012: tax paid of US$9m) comprising tax relief on the losses of these businesses of US$2m (2012: tax paid of US$9m) and tax relief on the disposal transaction of US$85m. Experian expects to realise further cash tax relief of some US$132m. The net cash outflow of US$8m arising on the disposal of the comparison shopping and lead generation businesses in the year ended 31 March 2013 is disclosed within net cash flows used in investing activities from continuing operations in the Group cash flow statement.

(c) Assets and liabilities classified as held for sale at 31 March 2012	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	15
Current tax asset	5
Assets classified as held for sale	118
Liabilities classified as held for sale:	
Deferred tax liability	38
Trade payables	15
Accruals and deferred income	24
Other payables	3
Liabilities classified as held for sale	80

Notes to the financial statements (continued)

for the year ended 31 March 2013

13. Basic and diluted earnings per share

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

The calculation of diluted earnings per share reflects the potentially dilutive effect of employee share incentive plans. The earnings figures used in the calculations are unchanged for diluted earnings per share.

Basic earnings per share	**2013 US cents**	2012 US cents
Continuing and discontinued operations	**37.1**	66.2
(Deduct)/add: discontinued operations	**(11.9)**	0.6
Continuing operations	**25.2**	66.8
Add: exceptional items and other adjustments made to derive Benchmark PBT	**60.5**	12.1
Benchmark earnings per share from continuing operations (non-GAAP measure)	**85.7**	78.9

Diluted earnings per share	**2013 US cents**	2012 US cents
Continuing and discontinued operations	**36.4**	65.1
(Deduct)/add: discontinued operations	**(11.7)**	0.6
Continuing operations	**24.7**	65.7
Add: exceptional items and other adjustments made to derive Benchmark PBT	**59.2**	11.8
Benchmark diluted earnings per share from continuing operations (non-GAAP measure)	**83.9**	77.5

Earnings attributable to owners of Experian plc	**2013 US$m**	2012 US$m
Continuing and discontinued operations	**367**	655
(Deduct)/add: discontinued operations	**(118)**	6
Continuing operations	**249**	661
Add: exceptional items and other adjustments made to derive Benchmark PBT	**598**	119
Benchmark earnings attributable to owners of Experian plc (non-GAAP measure)	**847**	780

Earnings attributable to non-controlling interests	**2013 US$m**	2012 US$m
Continuing and discontinued operations	**39**	63
Add: amortisation of acquisition intangibles attributable to non-controlling interests	**7**	11
Benchmark earnings attributable to non-controlling interests (non-GAAP measure)	**46**	74

Reconciliation of Overall benchmark earnings to profit for the financial year	**2013 US$m**	2012 US$m
Overall benchmark earnings (non-GAAP measure)	**893**	854
Profit/(loss) from discontinued operations	**118**	(6)
Loss from exceptional items and other adjustments made to derive Benchmark PBT	**(605)**	(130)
Profit for the financial year	**406**	718

Weighted average number of ordinary shares	**2013 million**	2012 million
Weighted average number of ordinary shares	**988**	989
Add: dilutive effect of share incentive awards and share purchases	**21**	17
Diluted weighted average number of ordinary shares	**1,009**	1,006

Notes to the financial statements (continued)

for the year ended 31 March 2013

14. Dividends

	2013		2012	
	US cents per share	**US$m**	US cents per share	US$m
Amounts recognised and paid during the financial year:				
First interim – paid in February 2013 (2012: January 2012)	**10.75**	**106**	10.25	102
Second interim - paid in July 2012 (2012: July 2011)	**21.75**	**216**	19.00	188
Dividends paid on ordinary shares	**32.50**	**322**	29.25	290
Full year dividend for the financial year	**34.75**	**343**	32.00	317

A dividend of 24.00 US cents per ordinary share will be paid on 19 July 2013 to shareholders on the register at the close of business on 21 June 2013 and is not included as a liability in these financial statements. This dividend, together with the first interim dividend of 10.75 US cents per ordinary share paid in February 2013, comprises the full year dividend for the financial year of 34.75 US cents.

Unless shareholders elect by 21 June 2013 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 28 June 2013.

Pursuant to the Income Access Share arrangements put in place 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 or (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.

In the year ended 31 March 2013 the employee trusts waived their entitlements to dividends of US$7m (2012: US$4m). There is no entitlement to dividend in respect of own shares held in treasury.

15. Capital expenditure, disposals and capital commitments

During year ended 31 March 2013 the Group incurred capital expenditure of US$460m (2012: US$453m) in continuing operations.

Excluding any amounts in connection with the disposal of businesses, the book value of other intangible fixed assets and property, plant and equipment disposed of in the year ended 31 March 2013 was US$3m (2012: US$7m) and the amount realised was US$1m (2012: US$3m).

At 31 March 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$119m (2012: US$162m). These include commitments of US$77m not expected to be incurred before 31 March 2014. Capital commitments as at 31 March 2012 included commitments of US$104m not then expected to be incurred before 31 March 2013.

Notes to the financial statements (continued)

for the year ended 31 March 2013

16. Retirement benefit assets and obligations – defined benefit plans

	2013 US$m	2012 US$m
(a) Amounts recognised in the Group balance sheet		
Retirement benefit assets – funded plans:		
Fair value of funded plans' assets	**994**	957
Present value of funded plans' obligations	**(914)**	(827)
Surplus in the funded plans	**80**	130
Retirement benefit obligations – unfunded plans:		
Present value of unfunded pension obligations	**(45)**	(41)
Present value of for post-retirement healthcare obligations	**(11)**	(12)
Retirement benefit obligations – unfunded plans	**(56)**	(53)
Net retirement benefit assets	**24**	77

The Group's retirement benefit assets and obligations are denominated primarily in sterling.

	2013 US$m	2012 US$m
(b) Movements in net amount recognised in the Group balance sheet		
At 1 April	**77**	55
Differences on exchange	**(3)**	-
Income recognised in Group income statement	**1**	2
Actuarial (losses)/gains recognised within other comprehensive income	**(62)**	9
Contributions paid by the Group	**11**	11
At 31 March	**24**	77

	2013 US$m	2012 US$m
(c) Income/(expense) recognised in the Group income statement		
Service cost	**(8)**	(9)
Curtailment gain	**1**	-
Charge within labour costs	**(7)**	(9)
Net finance income	**8**	11
Total credit to Group income statement	**1**	2

(d) Actuarial assumptions	2013 %	2012 %
Discount rate	**4.5**	5.2
Rate of inflation – based on the Retail Prices Index	**3.4**	3.3
Rate of inflation – based on the Consumer Prices Index	**2.4**	2.3
Rate of increase for salaries	**4.4**	4.3
Rate of increase for pensions in payment – element based on the Retail Prices Index (where cap is 5%)	**3.1**	3.1
Rate of increase for pensions in payment – element based on the Consumer Prices Index (where cap is 5%)	**2.4**	2.3
Rate of increase for pensions in payment – element based on the Consumer Prices Index (where cap is 3%)	**2.0**	1.9
Rate of increase for pensions in deferment	**2.4**	2.3
Rate of increase in medical costs	**6.9**	6.8
Expected return on plan assets	**n/a**	5.7

The mortality assumptions used at 31 March 2013 remain broadly unchanged from those used at 31 March 2012.

In view of the adoption of IAS 19 (revised) with effect from 1 April 2013 which requires the use of the discount rate on both obligations and assets from that date, no expected return on plan assets is disclosed at 31 March 2013.

(e) Adoption of IAS 19 (revised)

As Experian is adopting IAS 19 (revised) with effect from 1 April 2013, the results for the year ended 31 March 2013 will be re-presented accordingly in the annual report for the year ending 31 March 2014. It is anticipated that this will give rise to a reduction in reported profit before tax for the year ended 31 March 2013 of some US$6m.

17. Notes to the Group cash flow statement

	2013 US$m	2012 US$m
(a) Cash generated from operations		
Operating profit	**1,059**	1,052
Loss on disposals of fixed assets	**2**	4
Loss/(gain) on disposal of businesses	**12**	(8)
Depreciation and amortisation	**465**	434
Charge in respect of share incentive plans	**78**	65
(Increase)/decrease in working capital (note 17(b))	**(29)**	20
Acquisition expenses – difference between Group income statement charge and amount paid	**-**	(20)
Adjustment to the fair value of contingent consideration	**1**	(3)
Movement in exceptional items included in working capital	**14**	(5)
Cash generated from operations	**1,602**	1,539
(b) (Increase)/decrease in working capital		
Inventories	**3**	3
Trade and other receivables	**(68)**	(38)
Trade and other payables	**39**	57
Difference between pension current service cost and contributions paid	**(3)**	(2)
(Increase)/decrease in working capital	**(29)**	20
(c) Reconciliation of cash outflow in respect of exceptional items		
Total exceptional items (note 8)	**66**	(12)
Interest received on legacy tax balances	**-**	4
Working capital movements	**(14)**	5
Asset write-offs	**(13)**	-
(Loss)/gain on disposal of businesses	**(12)**	8
Cash outflow in respect of exceptional items	**27**	5
(d) Cash outflow in respect of tax		
Tax paid – continuing operations	**162**	107
Tax (received)/paid - discontinued operations (note 12(b)):		
Tax (received)/paid on income	**(2)**	9
Tax relief on disposal transaction	**(85)**	-
Tax (received)/paid in respect of discontinued operations	**(87)**	9
Cash outflow in respect of tax	**75**	116
(e) Purchase of other intangible assets		
Databases	**211**	218
Internal use software	**57**	55
Internally generated software	**77**	96
Purchase of other intangible assets	**345**	369
(f) Cash flows on acquisitions (non-GAAP measure)		
Purchase of subsidiaries (note 24)	**23**	785
Net cash acquired with subsidiaries	**-**	(53)
Deferred consideration settled on acquisitions	**15**	14
Net cash outflow for acquisition of subsidiaries - as reported in the Group cash flow statement	**38**	746
Acquisition expenses – transaction expenses paid on behalf of vendors	**-**	18
Acquisition expenses – other amounts paid	**4**	11
Payments to acquire non-controlling interests (note 17(g))	**1,507**	12
Net cash outflow for acquisitions (non-GAAP measure)	**1,549**	787

Notes to the financial statements (continued)

for the year ended 31 March 2013

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

	2013 US$m	2012 US$m
(g) Payments to acquire non-controlling interests		
Payment to shareholders in Serasa for purchase of additional interest	**1,487**	-
Expenses in connection with the purchase of additional interest in Serasa	**13**	-
Payments to acquire additional interest in Serasa	**1,500**	-
Other payments to acquire non-controlling interests	**7**	12
Payments to acquire non-controlling interests	**1,507**	12
(h) Cash outflow in respect of net share purchases (non-GAAP measure)		
Proceeds from issue of ordinary shares (note 22)	**(9)**	(11)
Other proceeds from vesting of share awards and exercise of share options	**(61)**	(54)
Purchase of own shares by employee trusts - for employee share incentive plans	**250**	232
Cash outflow in respect of net share purchases (non-GAAP measure)	**180**	167
(i) Analysis of cash and cash equivalents		
Cash and cash equivalents in the Group balance sheet	**229**	254
Bank overdrafts	**(3)**	-
Cash and cash equivalents in the Group cash flow statement	**226**	254

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

	Notes	**2013 US$m**	2012 US$m
Cash generated from operations	17(a)	**1,602**	1,539
Acquisition expenses paid		**4**	29
Purchase of property, plant and equipment		**(115)**	(84)
Purchase of other intangible assets	17(e)	**(345)**	(369)
Sale of property, plant and equipment		**1**	3
Dividends received from associates		**1**	1
Cash outflow in respect of exceptional items	17(c)	**27**	5
Operating cash flow		**1,175**	1,124

There were cash flows of US$115m (2012: US$84m) for the purchase of property, plant and equipment after receipts of US$nil (2012: US$11m) in the form of landlord incentives.

19. Net debt (non-GAAP measure)

	2013 US$m	2012 US$m
(a) Analysis of net debt:		
Cash and cash equivalents (net of overdrafts)	**226**	254
Debt due within one year – bank loans, bonds and notes	**(620)**	(12)
Debt due within one year – finance lease obligations	**(3)**	(1)
Debt due after more than one year - bonds and notes	**(2,014)**	(1,992)
Debt due after more than one year – bank loans and finance lease obligations	**(602)**	(170)
Derivatives hedging loans and borrowings	**75**	103
	(2,938)	(1,818)

	2013 US$m	2012 (Restated) US$m
(b) Analysis of net debt by balance sheet caption:		
Cash and cash equivalents – as reported in the Group balance sheet	**229**	254
Borrowings (current) – as reported in the Group balance sheet	**(635)**	(13)
Borrowings (non-current) – as reported in the Group balance sheet	**(2,626)**	(2,179)
Total reported in the Group balance sheet	**(3,032)**	(1,938)
Accrued interest reported within loans and borrowings above but excluded from net debt	**19**	17
Derivatives reported within financial assets	**75**	103
	(2,938)	(1,818)

Accrued interest at 31 March 2012 is now separately reported.

Notes to the financial statements (continued)

for the year ended 31 March 2013

20. Undrawn committed borrowing facilities

	2013 US$m	2012 US$m
Facilities expiring in:		
One to two years	**114**	-
Two to three years	**1,510**	167
Three to four years	**-**	1,980
	1,624	2,147

21. Other financial liabilities

At 31 March 2012, the net present value of the put option in respect of the Serasa non-controlling interest was US$1,092m and this financial liability was reported within current liabilities. The liability was settled in connection with the acquisition of the 29.6% interest in Serasa in November 2012. The liability was derecognised directly to equity in the amount of US$1,487m, with the change in value from 31 March 2012 comprising a financing fair value loss of US$558m reported in the Group income statement and a currency translation gain of US$163m taken directly to the statement of comprehensive income.

22. 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 2011	1,027.1	102	1,460
Shares issued under employee share incentive plans	1.9	-	11
At 31 March 2012	1,029.0	102	1,471
Shares issued under employee share incentive plans	1.1	-	9
At 31 March 2013	**1,030.1**	**102**	**1,480**

23. Own shares held

	Number of shares million	**Cost of shares US$m**
At 1 April 2011	38	434
Purchase of own shares by employee trusts	18	224
Exercise of share options and awards	(16)	(166)
At 31 March 2012	40	492
Purchase of own shares by employee trusts	14	221
Exercise of share options and awards	(12)	(148)
At 31 March 2013	**42**	**565**

Own shares held at 31 March 2013 include 20 million shares held as treasury shares and 22 million shares held by employee trusts. Own shares held at 31 March 2012 included 24 million shares held as treasury shares and 16 million shares held by employee trusts. The purchases of own shares in the current and prior year were by the employee trusts for employee share incentive plans, with no purchases of treasury shares in either year. In May 2012, some 4 million shares were transferred from treasury to employee trusts.

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

Notes to the financial statements (continued)

for the year ended 31 March 2013

24. Acquisitions

(a) Acquisitions in the year

The Group made three acquisitions during the year ended 31 March 2013, none of which is individually material and in connection with which provisional goodwill of US$27m has been recognised based on the fair value of the net assets acquired of US$6m.

(b) Net assets acquired

Details of the net assets acquired at provisional fair values and the consideration and goodwill arising are given below.

	US$m
Intangible assets:	
Customer and other relationships	**4**
Software development	**6**
Intangible assets	**10**
Trade and other receivables	**4**
Trade and other payables	**(5)**
Deferred tax liabilities	**(3)**
Total identifiable net assets	**6**
Goodwill	**27**
Total	**33**
Satisfied by:	
Cash	**23**
Recognition of non-controlling interest	**1**
Equity shares not yet settled	**9**
Total	**33**

The provisional fair values above contain certain amounts which will be finalised no later than one year after the date of acquisition. Provisional amounts have been included at 31 March 2013 as a consequence of the timing and complexity of the acquisitions. Goodwill represents the synergies, assembled workforces and future growth potential of the businesses acquired. None of the goodwill arising in the year of US$27m is 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	**10**
Other assets and liabilities	**(4)**
Increase in book value from fair value adjustments	**6**
Gross contractual amounts receivable in respect of trade and other receivables[1]	**4**
Revenue from 1 April 2012 to dates of acquisition	**9**
Revenue from dates of acquisition to 31 March 2013	**15**
Profit before tax from dates of acquisition to 31 March 2013[2]	**-**

1. At the dates of acquisition, these amounts were expected to be collected in full.
2. It has been impracticable to estimate the impact on Group profit before tax had the acquired entities been owned from 1 April 2012, as their accounting policies and period end dates did not accord with those of the group prior to their 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 year ended 31 March 2013 that relate to acquisitions in the current or previous years. The cash outflow of US$746m in the year ended 31 March 2012 was principally attributable to the acquisitions of Computec S.A. and Medical Present Value, Inc.

Notes to the financial statements (continued)

for the year ended 31 March 2013

25. Transactions with non-controlling interests

(a) Acquisition of additional interest in Serasa

In November 2012, the Group completed the acquisition of a further 29.6% interest in Serasa SA taking its holding to 99.6%. This transaction was not a related party transaction under IFRS. The treatment of the changes in this ownership interest in the financial statements is summarised below.

(i) Movements in total equity

	US$m
Decrease in equity attributable to owners of Experian plc:	
Payment to shareholders in Serasa for purchase of additional interest	**(1,487)**
Expenses in connection with the purchase of additional interest in Serasa	**(13)**
Payments to acquire additional interest in Serasa - charged to equity	**(1,500)**
Derecognition of put option liability - credited to equity	**1,487**
Deferred tax asset recognised	**462**
Movement on derecognition of non-controlling interest	**85**
Increase in equity attributable to owners of Experian plc	**534**
Derecognition of non-controlling interest	**(85)**
Increase in total equity	**449**

(ii) In the Group cash flow statement - payments to acquire additional interest in Serasa

	US$m
Payment to shareholders in Serasa for purchase of additional interest	**1,487**
Expenses in connection with the purchase of additional interest in Serasa	**13**
Payments to acquire additional interest in Serasa	**1,500**

(b) Other transactions with non-controlling interests

The Group derecognised non-controlling interests of US$4m and recorded a decrease in equity of US$4m in the year ended 31 March 2013 as a result of a number of small transactions. There was a related cash outflow of US$7m.

26. Disposals

(a) Disposal of comparison shopping and lead generation businesses

(i) Profit on disposal

	US$m
Net assets disposed of – book value at date of disposal:	
Goodwill	**11**
Other intangible assets	**35**
Property, plant and equipment	**8**
Trade receivables	**23**
Other prepayments and accrued income	**14**
Deferred tax liability	**(2)**
Trade payables	**(1)**
Accruals and deferred income	**(20)**
Net assets disposed	**68**
Disposal proceeds:	
Proceeds received in cash	**2**
Loan note	**78**
Transaction costs	**(12)**
Total net proceeds	**68**
Profit on disposal	**-**

Notes to the financial statements (continued)

for the year ended 31 March 2013

26. Disposals (continued)

(ii) Cash outflow from disposal

	US$m
Proceeds received in cash	**2**
Transaction costs paid	**(10)**
Net cash outflow	**(8)**

As indicated in note 12, the comparison shopping and lead generation businesses were sold in October 2012. Further consideration is available to Experian if defined profit targets are achieved over time and in certain other circumstances, up to a fully inclusive total of US$110m. The assets and liabilities of these businesses at 31 March 2012 were classified as held for sale and details are provided in note 12.

(b) Other disposals

There was a loss of US$12m on a number of small disposals during the year with an associated cash inflow of US$5m.

27. Contingencies

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 pending or threatened litigation 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 the acquisition of Serasa in 2007. Experian believes that the possibility of this resulting in a liability to the Group is remote, on the basis of the advice of external legal counsel and other factors in respect of the claim.

28. Events occurring after the end of the reporting period

Details of the second interim dividend announced since the end of the reporting period are given in note 14.

On 2 April 2013, the Group acquired 100% of Decisioning Solutions Inc., a provider of a hosted, Software-as-a-Service ('SaaS') customer acquisition platform in Canada for US$59m (including US$5m of cash acquired). The fair value of goodwill, software development, customer relationships and other assets and liabilities will be reported on an aggregate basis with any further acquisitions in the Group’s half-yearly financial statements for the six months ending 30 September 2013 and in the 2014 annual report.

29. 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. 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 preliminary announcement since it was initially presented on the website. Jersey legislation and UK regulation governing the preparation and dissemination of financial information may differ from requirements in other jurisdictions.

30. Risks and uncertainties

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

Risk management is central to how we run our business and is fundamental to how we create value and deliver substantial returns to shareholders. Risk management operates at all levels throughout our organisation, across geographies, business lines, and operational support functions. Our approach to risk management aims to identify risks as early as possible and to either remove those risks or reduce that risk to an acceptable level.

Our risk management framework provides a structured and consistent process for identifying, assessing, responding and reporting risks. Through its execution, the framework enables management to demonstrate a responsible and proactive embedded approach to risk management. In doing so the main functions of the Board are supported by identifying and managing risk in alignment with our strategic objectives, risk appetite, corporate responsibility strategy and the long-term drivers in the business.

Principal features of our risk management framework

- Defined governance structure and commitment by the Board and management towards integrity, risk ownership and commitment to competent leadership.
- Defined and communicated business principles and strategies.
- Clear global, regional and line of business objectives, supported by financial and non-financial key performance indicators (‘KPIs’).
- Standardised process to identify, evaluate and manage significant risks on an ongoing basis.
- Control reviews and follow-ups performed by management, internal audit and third parties.
- Budgetary controls and monthly performance reviews, including achievement of objectives and KPIs.
- Regional risk management committees with local oversight of risk management processes.
- Executive Risk Management Committee with global oversight of risk management processes.
- Regular reporting on risk to the Audit Committee by senior management and regular risk updates to the Board.

What does our control environment look like?

- Terms of reference for the Board and each of its committees, which are regularly reviewed.
- Clear organisational structure directed by the global and regional delegated authorities matrices.
- Principles, policies and standards including a global risk management policy, compliance policy, accounting policies, treasury policy, information security policy and a policy on fraud and whistleblowing.
- Defined and well-understood review and approval procedures for major transactions, capital expenditure and revenue expenditure.
- All significant business investments, developments and divestments are reviewed by Regional and Global Strategic Project Committees.
- Establishment of strategies to manage each identified significant risk including the establishment of internal controls, insurance and specialised treasury instruments.

How do we communicate risk and control results?

- Monthly finance report to the Board including Group financial summary, Group results, forecasts and sales trends, investor relations analysis and detailed business trading summaries.
- Monthly detailed performance reviews at a regional level.
- Quarterly Regional and Executive Risk Management Committee reports highlighting the status of principal and emerging risks along with the status of significant projects that promote the Group’s strategic objectives.
- Quarterly Audit Committee reports highlighting the status of principal and emerging risks along with the status of significant strategic projects and other material investments that promote Experian’s strategic objectives.
- Regular reports to the Audit Committee by the Head of Global Internal Audit on the results of investigations initiated through fraud and whistleblowing procedures that allow employees to report suspected improprieties.

30. Risks and uncertainties (continued)

What monitoring takes place?

- Board approval of Group strategy and budgets and ongoing Board monitoring of performance against the agreed plan.
- Achievement of business objectives, both financial and non-financial, using a range of monthly key performance indicators.
- Regular reporting to the Board of the exercise of the delegations of authorities to the principal subsidiaries.
- The internal audit programme and methodology is aligned to the risk categories and makes use of risk assessment information at a business level in planning and conducting its audits.
- Ongoing identification and escalation of accepted, new and emerging risks to management and the Board consistent with the global risk management policy.
- Ongoing business unit risk management within established exposure limits and escalation of identified risks and control weaknesses or gaps consistent with the global risk management policy.
- Annual certification by each business and key function leader to confirm compliance with Experian's system of internal control, policies, and corporate governance and corporate responsibility processes.
- Experian's internal audit function performs independent testing and reports to the Audit Committee on the adequacy and effectiveness of the system of internal controls.
- A variety of reports on risk, including material risk reports, material litigation reports, information security reports and regulatory and compliance reports are reviewed by the Audit Committee.
- The Audit Committee performs an annual review of the effectiveness of Experian's systems of risk management and internal control and receives an annual report on the controls over relevant risks.

What are our risks and uncertainties?

(a) Principal risks
Throughout the year we have critically reviewed and evaluated the risks Experian faces. Our assessment of the most significant risks and uncertainties that could impact Experian's long-term performance is outlined in this section. These risks are not set out in any order or priority and they do not comprise all the risks and uncertainties we face. This list is not exhaustive and it is likely to change as some risks assume greater importance than others during the course of the year.

(i) Risk area - Loss or inappropriate usage of data

Description of risk and potential impact - Experian owns and/or processes a large amount of highly sensitive and confidential consumer information including financial information, personally identifiable information and protected health information. Data security and integrity are critically important to Experian's business. Cyber-attacks and other breaches of security, lost, misappropriated or misused data or the perception that confidential information is not secure may result in a material loss of business, substantial legal liability or significant harm to our reputation. Our partners or third-party contractors may also experience security breaches involving the storage and transmission of our data and other proprietary information.

How we manage this risk - We maintain physical security measures, technical controls and contractual precautions to identify, detect and prevent the unauthorised access of our data.

(ii) Risk area - Dependence upon third parties to provide data and certain operational services

Description of risk and potential impact - Our business model is dependent upon third parties to provide data, intellectual property and certain operational services (service providers), the loss of which could significantly impact the quality of, and demand for, our products. We rely upon data and services from external sources, including customers, strategic partners and various government and public record services. Our service providers could withhold their data and terminate services for a variety of reasons. If certain key service providers were to terminate or be unable to provide their data and services, our ability to provide our products and services could be impacted, and in some cases result in us being unable to offer services, which may have a materially adverse effect our business, reputation and operating results.

30. Risks and uncertainties (continued)

Similarly, if one of our service providers, including third parties with whom we have strategic relationships, were to experience financial and/or operational difficulties, their services to us may suffer or they may no longer be able to provide services to us at all. This could have a significant impact on the delivery of Experian's products and/or services, which may have a materially adverse effect Experian's business, reputation and operating results.

How we manage this risk - Service providers are covered by legal contracts that contain appropriate terms to ensure that the service providers have the right to provide Experian with the data and services for the required purpose. Our global strategic sourcing activities support the selection and negotiation of agreements with a diverse network of service providers based on criteria such as delivery assurance and reliability in order to minimise potential disruptions. There are a variety of protections relating to critical service provider relationships. For instance, there are contractual requirements to maintain appropriate business continuity arrangements that Experian has the right to audit, long-term agreements, adequate notice provisions for termination and/or renegotiation of terms, and economic incentives to continue mutually advantageous relationships.

(iii) Risk area - Exposure to legislation or regulatory reforms

Description of risk and potential impact - Legislative, regulatory and judicial systems in the countries in which we operate are responding to public concerns about how consumer information is collected and used for marketing, risk management and fraud detection purposes. These concerns may result in new laws, regulations and enforcement practices, or pressure upon industries to adopt new procedures or self-regulation. Some potential changes, especially due to increased examination oversight by regulators, could adversely affect our ability to undertake these activities in a cost-effective manner or could reduce revenue resulting from modified business practices. Regulatory oversight of data security processes and policies is particularly acute. Separately, we are subject to changes in specific countries' tax laws. Our future effective tax rates may be adversely affected by changes in tax laws.

How we manage this risk - We continue to educate lawmakers, regulators, consumer and privacy advocates, industry trade groups and other stakeholders in the public policy debate. We have launched specific programmes to manage increased examination oversight. We also retain internal and external tax professionals that monitor the likelihood of future tax changes. These risks are generally outside our control.

(iv) Risk area - Regulatory compliance

Description of risk and potential impact - We must monitor and comply with international, federal, regional, provincial, state and other jurisdictional regulations and best practice, including but not limited to privacy, consumer data protection, health and safety, tax, labour, environmental, anti-corruption and information security laws. These regulations differ from region to region, are complex, change frequently, may be inconsistently applied and interpreted and have tended to become more stringent over time. We have in the past and may be required to incur significant expenses to comply with these regulations. Any failure by us to comply with applicable government regulations could also result in cessation of operations or portions of operations or impositions of fines and restrictions on our ability to carry on or expand our operations.

How we manage this risk - Our regulatory compliance departments work closely with our businesses to identify and adopt strategies to help ensure compliance with jurisdictional regulations and identified business ethics that include active monitoring of our collection and use of personal data. To the best of our knowledge, we are in compliance with data protection requirements in each jurisdiction in which we operate.

(v) Risk area - Product/service or technology obsolescence

Description of risk and potential impact - The markets for our products and services are characterised by technological changes, frequent introduction of new services and evolving industry standards. Advances in technology may result in changing consumer preferences for products, services and delivery formats and any such change in preference can be rapid. In order to keep pace with customer demands for increasingly sophisticated service offerings, to sustain expansion into growth industries and to maintain its profitability, we must continue to innovate and introduce new products and services to the market. Without continued investment in our technology infrastructure, we may not be able to support changes in the way our businesses and customers use and purchase information.

How we manage this risk - Product innovation is a key driver of growth for Experian in all our markets. Detailed competitive and market analyses are performed that provide the foundation of a rigorous product and services investment identification and selection process.

30. Risks and uncertainties (continued)

(vi) Risk area - Interruptions in business processes or systems

Description of risk and potential impact - Our ability to provide reliable services largely depends on the efficient and uninterrupted operation of our computer network systems and data and call centres, as well as maintaining sufficient staffing levels. Our systems, personnel and operations could be exposed to damage, interruption and pandemic outbreaks if we do not have sufficient redundant operations to cover a loss of personnel or failure of its systems in a timely manner. Any significant failure or interruption could have a material adverse effect Experian's business, results of operations and financial condition.

How we manage this risk - We have strict standards, procedures and training programmes for physical security along with comprehensive business continuity plans and incident management programmes. We maintain full duplication of all information contained in databases and run back-up data centres. Support arrangements, strict standards, procedures and training schemes for business continuity have been established with third party vendors. We also monitor potential pandemic threats and adjust action plans.

(vii) Risk area - Dependence on recruitment and retention of highly skilled personnel

Description of risk and potential impact - Our ability to meet the demands of the market and compete effectively with other information technology suppliers is, to a large extent, dependent on the skills, experience and performance of our personnel. Demand is high for individuals with appropriate knowledge and experience in the information technology and business services market. We may not be able to hire and retain such personnel at compensation levels consistent with its compensation structure. Some of our competitors may be able to offer more attractive terms of employment and they may seek to hire our existing personnel. The inability to attract, motivate or retain key talent could have a material adverse effect on our ability to service client commitments and grow its business.

How we manage this risk - Effective recruitment programmes are on-going across all business areas, as well as personal and career development initiatives. Talent identification and development programmes have been implemented and are reviewed annually. Compensation and benefits programmes are competitive and also regularly reviewed.

(b) Other risks

(i) Risk area - Exposure to material adverse litigation including claims of intellectual property infringement or violation of privacy law

Description of risk and potential impact - We are regularly involved in a number of pending and threatened litigation claims in the United States and Latin America, including a number of class actions in the United States. Such litigation can comprise a number of areas, including intellectual property, privacy, antitrust, general commercial disputes and employment. The outcome of such claims is difficult to accurately assess or quantify. An adverse outcome in any of these claims could result in civil or criminal penalties as well as in negative publicity.

How we manage this risk - We monitor third-party patents and patent applications that may be relevant to our technologies and products and carry out freedom to operate analyses where we deem appropriate. We vigorously defend all pending and threatened litigation claims. We employ internal counsel and engage external counsel to assist in the effective management and disposal of litigation proceedings. Insurance coverage is maintained against litigation risks where such coverage is feasible and appropriate.

(ii) Risk area - Exposure to country and regional (political, financial, economic, social) risks particularly in the US, Latin America and the UK

Description of risk and potential impact - Our global footprint subjects our businesses to economic, political and other risks associated with international sales and operations. A variety of factors, including changes in a specific country's or region's political, economic, or regulatory requirements, as well as the potential for social and geopolitical turmoil, including terrorism and war, could result in loss of services, prevent our ability to respond to agreed service levels or fulfil other obligations. These risks are generally outside our control.

How we manage this risk - Our portfolio is diversified by geography, by product, by sector and by client in order to protect itself against many of these fluctuations, especially those that are restricted to individual territories and market sectors.

30. Risks and uncertainties (continued)

(iii) Risk area - The acquisition, integration or divesture of businesses may not produce the desired financial or operating results

Description of risk and potential impact - We continue to expand our global reach and extend our capabilities through a combination of acquisitions, strategic alliances/joint venture and organic strategic investments. The contributions of these businesses and initiatives to Experian may result in financial outcomes that are different than expected or we may have difficulty assimilating new businesses and their products, services, technologies and personnel into its operations. These difficulties could disrupt on-going business, distract management and workforce, increase expenses and otherwise materially adversely affect Experian's operating results and financial condition.

How we manage this risk - We assess all acquisitions rigorously, using both in-house experts and professional advisers. In addition, we conduct extensive post-acquisition and organic investment reviews to ensure performance remains consistent with the business plan. Similarly, we continually review the performance of all businesses within our portfolio, and, as a result, sometimes withdraws from low growth or low return markets.

(iv) Risk area - Exposure to the unpredictability of financial markets (foreign exchange, interest rate and other financial risks)

Description of risk and potential impact - Our international operations expose us to the unpredictability of international financial markets. We face several market risks including: foreign exchange risk from future commercial transactions, recognised assets and liabilities and investments in, and loans between, undertakings with different functional currencies; interest rate risks arising from its net debt; and price risks. We are also exposed to credit and liquidity risks arising from our derivative financial instruments and long-term facilities. The impact of changes in market conditions could adversely affect our business, operations and profitability.

How we manage this risk - Our financial risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Experian's financial performance. We apply conservative currency hedging strategies to minimise the impact of currency volatility. Treasury and insurance activities are conducted only with financial and insurance institutions with strong credit ratings, within limits set for each organisation.

(v) Risk area - Results of operations may be affected by adverse market conditions caused by global financial crisis and eurozone debt crisis

Description of risk and potential impact - Our international operations are exposed to adverse market conditions resulting from concerns about the large sovereign debts and/or fiscal deficits of a number of European countries and the United States or an economic slowdown in high growth markets such as Brazil and China. The default, or a significant decline in the credit rating, of one or more sovereigns or financial institutions could cause severe stress in the financial system generally and could adversely affect the markets in which we operate and the businesses and economic condition and prospects of our customers, suppliers, counterparties or creditors, directly or indirectly, in ways that are difficult to predict.

How we manage this risk - Our financial risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on our financial performance. We apply conservative currency hedging strategies to minimise the impact of currency volatility. Treasury and insurance activities are conducted only with financial and insurance institutions with strong credit ratings, within limits set for each organisation.

(vi) Risk area - Exposure to increasing competition

Description of risk and potential impact - We operate in a number of geographic, product and service markets that are highly competitive. Competitors may develop products and services that are superior to or that achieve greater market acceptance than our products and services. Some of our competitors may choose to sell products competitive with our products at lower prices by accepting lower margins and profitability, or may be able to sell products competitive to ours at lower prices given proprietary ownership of data, technological superiority and economies of scale. Such price reductions may negatively impact our margins and results of operations and also harm our ability to obtain new customers or maintain existing ones.

How we manage this risk - We are committed to continued research and investment in new data sources, people, technology and products to support our strategic plan.

Statement of directors' responsibilities

The directors confirm that, to the best of their knowledge, the financial statements are prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the Group taken as a whole; and the management report includes a fair review of the development and performance of the business and the position of the Company and the Group taken as a whole, and a description of the principal risks and uncertainties that they face is included in note 30.

At the date of this statement, the names and functions of the directors in office are those listed in the Experian annual report 2012 save that David Tyler retired as a director on 31 December 2012.

By order of the Board

Charles Brown

Company Secretary

8 May 2013