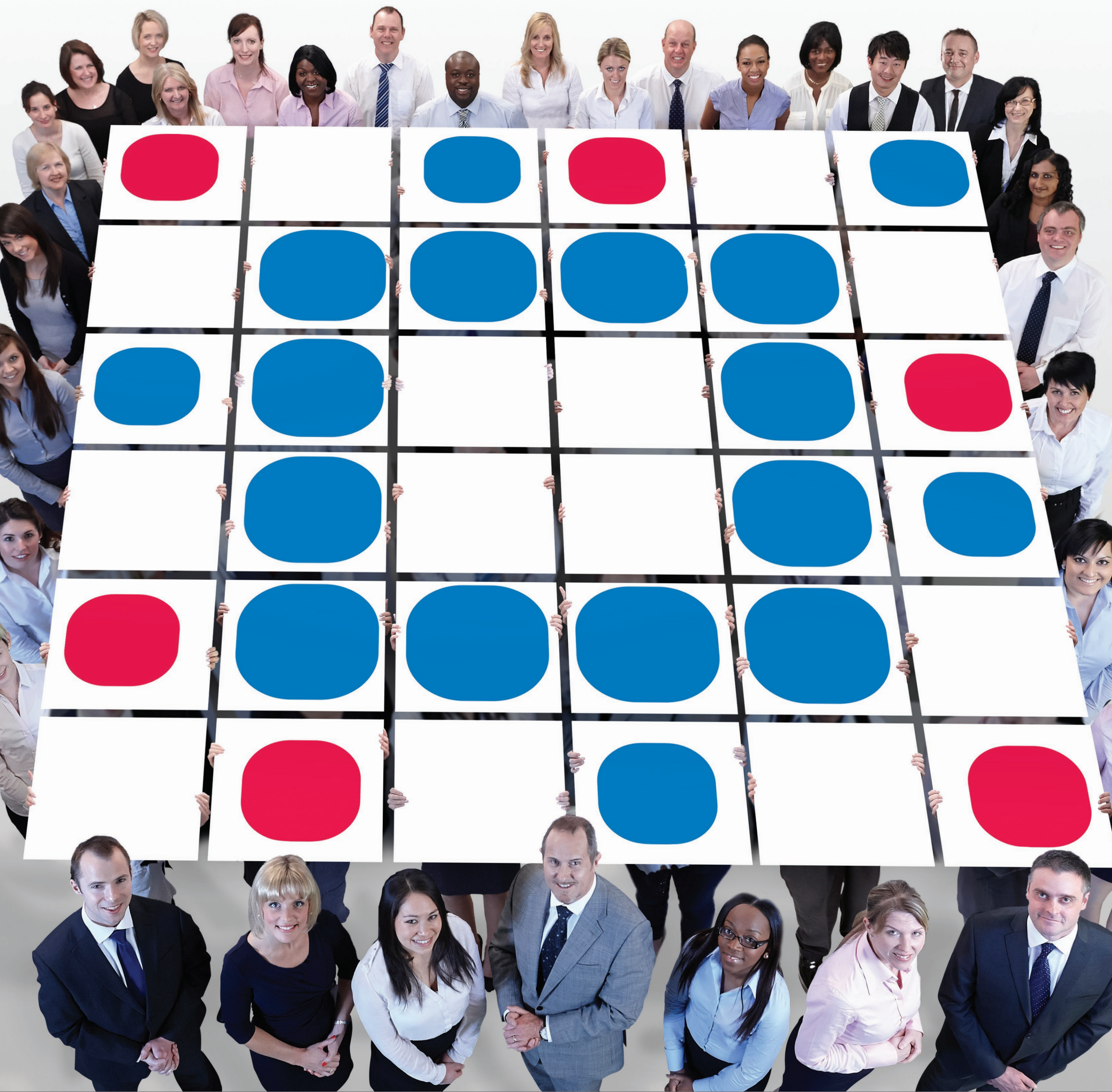
Annual Report 2013

Experian



Experian at a glance

WHAT WE DO

Our vision is for Experian's people, data and technology to become a necessary part of every major consumer economy.

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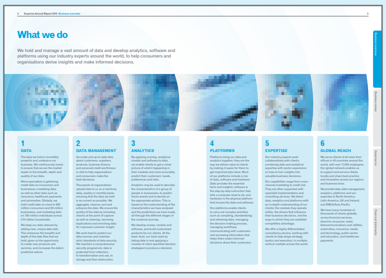

We hold and manage a vast amount of data and develop analytics, software and platforms using our industry experts around the world, to help consumers and organisations derive insights and make informed decisions.

HOW WE HELP OUR CLIENTS

We help our clients make more informed decisions.

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We help our clients make informed decisions when interacting with their customers and help consumers to manage credit and the risk of fraud. We provide a wide range of data, analytics, software and expertise to help support our clients across the customer journey.

HOW WE ARE ORGANISED

Our regions and global business lines are organised in a matrix structure.

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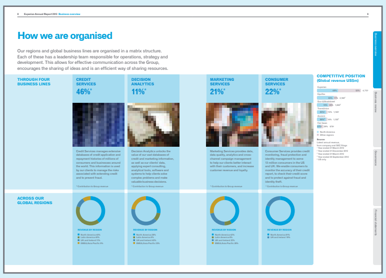

We provide services in North America, Latin America, UK and Ireland and EMEA/Asia Pacific. Activities in these regions are grouped into four business lines: Credit Services; Decision Analytics; Marketing Services and Consumer Services.

OUR STRATEGY FOR GROWTH

We seek to create value for our shareholders by investing in our business for growth.

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NEW CUSTOMER SEGMENTS

EXPANDING GEOGRAPHICALLY

PRODUCT INNOVATION

OUR CORPORATE RESPONSIBILITIES

We understand our responsibilities as a corporate citizen.

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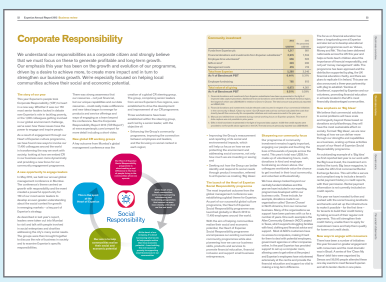

We understand our responsibilities as a corporate citizen and strongly believe that we must focus on these to generate profitable and long-term growth. Our emphasis this year has been on the growth and evolution of our programme, driven by a desire to achieve more, to create more impact and, in turn, to strengthen our business growth.

FINANCIAL HIGHLIGHTS

Revenue
US$4.7bn

13	4,713m
12	4,456m
11	3,859m

EBIT
US$1.3bn

13	1,253m
12	1,175m
11	991m

Full year dividend
34.75 US cents

13	34.75c
12	32.00c
11	28.00c

Benchmark PBT
US$1.2bn

13	1,195m
12	1,128m
11	920m

Basic EPS
37.1 US cents

13	37.1c
12	66.2c
11	57.9c

Revenue is for continuing activities only with 2012 restated for the movement of some businesses in EMEA/Asia Pacific to discontinuing activities. Benchmark PBT and EBIT are defined in note 7 to the Group financial statements.

KEY HIGHLIGHTS

- We delivered growth across all regions, with organic revenue growth of 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 our financial objectives, by delivering mid to high single-digit organic revenue growth, maintaining or improving margins and converting at least 90% of EBIT into operating cash flow.
- We executed well on our global growth programme, positioning us strongly for the future.

To help you get the most from this report, we have used this page reference symbol, Pxx, to indicate where additional information can be found.

Chairman's statement

This has been another successful year for Experian. We achieved our twelfth consecutive year of record earnings before interest and tax, delivering organic growth across the Group.

Sir John Peace
Chairman

The year saw further progress financially and strategically, while creating further value for our shareholders with total returns since demerger over three times the FTSE 100 average. We have raised our full-year dividend again, by 9% to 34.75 US cents per share and we have announced our intention to initiate a US$500m share purchase programme.

P32 Delivering premium growth globally

The expansion of our operations into major consumer economies has become one of the hallmarks of our success. Experian today is very different to the Experian of 12 years ago, with 33% of our revenues generated from outside the US and the UK, and from our vantage point we see a great many opportunities ahead of us. In Latin America, our business continues to perform well with the addition of new clients to our business in Brazil and a growing contribution from our credit bureaux in Colombia and Peru.

We are expanding into exciting new countries such as Turkey and Russia, and we were delighted this year to have launched a new credit bureau in Australia.

A decade ago, financial services accounted for the majority of the Group's revenues. Today, this figure stands at 30%, underlining the tremendous strategic progress we have made expanding into new customer segments. The same underlying data and analytical tools that enable financial services companies to make better informed decisions are now helping clients in other sectors - from telecommunications operators to public sector organisations and utility companies. We were also pleased by the excellent progress we made during the year to extend the reach of our consumer credit monitoring and fraud prevention services. This included establishing further third-party partnerships to create valuable new channels to market and also plans to expand into new geographies.

Every year our appetite for innovation grows. We are investing in data and analytics and are pioneering new products. This is part of the very fabric of Experian. Earlier this year, we launched PowerCurve, our new customer management software, and it has been very well received by clients around the world. We also introduced BusinessIQ in the UK and Ireland. BusinessIQ is our flagship business information platform and was initially introduced in the US, where it has been a great success. In the same vein, we continue to roll out our fraud prevention and digital marketing products across several markets. In December 2012, the regulations for the sharing of positive credit data in Brazil were approved. The addition of this important data to our credit bureau will create opportunities in the future for us to develop innovative new products and services for lenders and consumers.

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Driving our talent and engagement agenda

Our continued success is testament to the talent, entrepreneurial spirit and commitment of more than 17,000 people who work for Experian. At the heart of the Group, engaging our people and supporting their development is fundamental to what we stand for, encouraging a culture where we deliver exceptional business performance through the drive and energy of our people.

We are now in the second year of the Heart of Experian initiative. Our aim is to become one of the best places in the world to work and I am pleased to say that this important initiative is making excellent progress. We're bringing the Heart of Experian to life through a series of global activities, celebrating what makes our business unique, while always finding new ways to continue inspiring our workforce around the world.

The enthusiastic response from our people to the Heart of Experian has been overwhelming. I am confident that the sense of pride and connection with Experian shared by our employees can only get stronger.

P56
Our focus on governance

A strong governance framework plays a key role in supporting our business model, while striking an appropriate balance between long-term sustainable value creation and risk. I am confident that we have the right people and processes in place in this regard, and to support the Group's growth strategy. You will read later in the corporate governance report about our governance activities during the year, including the Board evaluation process, the induction of our new non-executive directors and the activities of the Board and its committees.

P52
Recognising our responsibilities

As the Group continues to grow, so do our responsibilities to the communities in which we operate. This was brought into focus during our senior management conference in Mumbai, India in May 2012, where our leaders saw and experienced a range of social issues that emphasised the wider social context for our business.

Sponsored by our Chief Executive Officer, Don Robert, this experience was used to further sharpen our social responsibility agenda and I am pleased to tell you that the year saw us achieve a number of important milestones.

In our local communities, we gave even more of our time to helping those most in need – from raising well-needed funds for very worthy causes, through to pioneering new financial education programmes. Reflecting our strong culture and values, our people gave 3,670 more hours of their time during the working day in the last year to making an even bigger difference to the communities we live and work in. Environmentally, we have exceeded our target in one year instead of two, reducing our overall carbon footprint by 8% per full-time employee and by 5% per US$1,000 of revenue as a result of building efficiencies and reducing our travel. We also launched Experian's flagship social responsibility programme under the Heart of Experian banner.

Centred on helping our local communities achieve their social and economic potential, the programme will see us do even more for our communities through Experian's:

- employee volunteering efforts;
- products and services that deliver social benefit; and
- innovative financial education and small business entrepreneurship programmes.

128% total shareholder returns since demerger

(FTSE 100 average 35%)

Full-year dividend up **9%** to 34.75 US cents

A total of **18,511** voluntary hours during work time

A business looking to the future

As the last year shows, Experian continues to go from strength to strength and I am confident that the best is yet to come. I would like to thank everyone at Experian whose creativity and hard work have played an instrumental role in achieving another record year as well as our shareholders for their tremendous support. With the Group's clear strategy for growth, focus on exceptional performance and its talented management team, Experian's global growth story is a compelling one.

What we do

We hold and manage a vast amount of data and develop analytics, software and platforms using our industry experts around the world, to help consumers and organisations derive insights and make informed decisions.

1
DATA

The data we hold is incredibly powerful and underpins our business. We continuously invest to ensure that we are the market leader in the breadth, depth and quality of our data.

We're specialists in gathering credit data on consumers and businesses, marketing data, as well as other data such as insurance, healthcare payments and automotive. Globally, we hold credit data on close to 800 million consumers and 99 million businesses, and marketing data on 700 million individuals across 270 million households.

We keep our data relevant by adding new, unique data sets. This enhances the breadth and depth of the data files that we hold, gives us the opportunity to create new products and services, and increases the data's predictive nature.

2
DATA MANAGEMENT

Accurate and up-to-date data about customers, suppliers, products, business finance and personal credit-worthiness is vital to help organisations and consumers make the best decisions.

Thousands of organisations upload data to us on a real-time, daily, weekly or monthly basis, ensuring that the data we hold is as current as possible. We aggregate, cleanse, sort and enhance the data. We ensure the quality of the data by including checks at the point of capture as well as cleaning, removing duplications and enriching data for improved customer insight.

We work hard to protect our data sources and maintain strict standards of data security. We maintain a comprehensive security programme; data is protected from collection, to transformation and use, to storage and then destruction.

3
ANALYTICS

By applying scoring, analytical models and software to data, we enable clients to get a richer picture of what's happening in their markets and more accurately predict their customers' needs, preferences and risks.

Analytics may be used to describe the characteristics of a group of people or businesses, to predict future events and to decide on the appropriate actions. This is based on the understanding of the characteristics we have analysed and the predictions we have made, all through the different stages of the customer journey.

We develop scores, models and software, and build customised products for our clients. At the basic level, our tools work by taking data in and applying a number of client specified decision strategies to produce a decision.

4
PLATFORMS

Platforms bring our data and analytics together; they are the way we deliver value to clients by making it easier for them to get important jobs done. Most of our platforms include a mix of data, software and hardware. Data provides the essential facts and insights; software is the step-by-step instruction that tells a computer what to do; and hardware is the physical platform that houses the data and software.

Our platforms enable clients to carry out complex activities such as compiling, standardising and retrieving data, managing the decision-making process, managing workflows, communicating with customers and accessing information that helps them make informed decisions about their customers.

5
EXPERTISE

Our industry experts work collaboratively with clients, combining data and analytical expertise with sector experience on how to turn insights into valuable business decisions.

Our capabilities range from cross-channel marketing to credit risk. They are often supported with specialist implementation and consulting services. We blend data, analytics and platforms with an in-depth understanding of our clients: the markets they operate within, the drivers that influence their business decisions, and the ways in which they can establish competitive advantage.

We offer a highly differentiated consultancy service, working with clients to help shape strategy, tactics and execution, in multiple vertical markets across the world.

6
GLOBAL REACH

We serve clients of all sizes from offices in 40 countries around the world, with over 17,000 employees. Our global network enables us to support and service clients locally and share best practice and innovation across our regions and business lines.

We provide data, data management, analytics, platforms and our expertise in North America, Latin America, UK and Ireland, and EMEA/Asia Pacific.

We have many hundreds of thousands of clients globally across financial services, direct-to-consumer, retail, telecommunications and utilities, automotive, insurance, media and technology, public sector and education, and healthcare payments.

How we help our clients

We help our clients make more informed decisions when interacting with their customers and help consumers to manage credit and the risk of fraud in their daily lives. We provide a wide range of data, analytics, software and expertise to help support our clients across the customer journey.

IN A TYPICAL DAY AT EXPERIAN...

we produce **3.5m** credit reports

we check that **0.5m** people are who they say they are

SUPPORTING THE CUSTOMER JOURNEY...

PLAN

We help clients create smarter plans to develop and grow their businesses; from planning how, when and where to develop products and services, through to achieving a better understanding of customers, markets and locations.

KNOW

We help our clients better understand their customers from their needs, attitudes, risk profile and preferences, to their online and offline behaviours.

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our hosted origination solutions help make **0.5m** credit application decisions

we understand over **60,000** changes in customer marketing profiles

we help **20,000** consumers at our call centres

ACQUIRE

We help organisations acquire new customers by creating compelling offers, using our insight to help them create rewarding customer experiences across multiple channels, and balance potential revenue opportunities against repayment and fraud risks.

GROW

We help our clients develop profitable customer relationships by helping connect them to what's going on in customers' lives and create ways to be more relevant.

MANAGE

We help our clients to improve customer loyalty, from enhancing retention rates through to encouraging faster payments. We help consumers manage and improve their financial status and protect against identity theft.

How we are organised

Our regions and global business lines are organised in a matrix structure. Each of these has a leadership team responsible for operations, strategy and development. This allows for effective communication across the Group, encourages the sharing of ideas and is an efficient way of sharing resources.

THROUGH FOUR BUSINESS LINES

CREDIT SERVICES

46%*

Credit Services manages extensive databases of credit application and repayment histories of millions of consumers and businesses around the world. This information is used by our clients to manage the risks associated with extending credit and to prevent fraud.

* Contribution to Group revenue

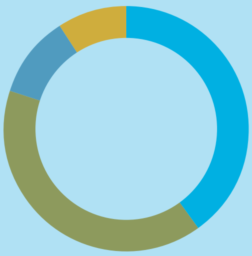
DECISION ANALYTICS

11%*

Decision Analytics unlocks the value of our vast databases of credit and marketing information, as well as our clients' data, applying expert consulting, analytical tools, software and systems to help clients solve complex problems and make valuable business decisions.

* Contribution to Group revenue

ACROSS OUR GLOBAL REGIONS



REVENUE BY REGION

- North America 40%
- Latin America 40%
- UK and Ireland 11%
- EMEA/Asia Pacific 9%

REVENUE BY REGION

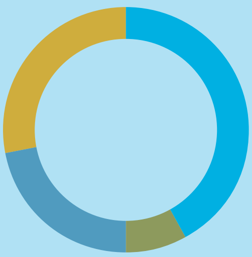
- North America 28%
- Latin America 9%
- UK and Ireland 40%
- EMEA/Asia Pacific 23%

MARKETING SERVICES

21%*

Marketing Services provides data, data quality, analytics and cross-channel campaign management to help our clients better interact with their customers, and increase customer revenue and loyalty.

* Contribution to Group revenue



REVENUE BY REGION

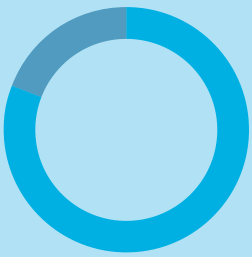
- North America 42%
- Latin America 8%
- UK and Ireland 22%
- EMEA/Asia Pacific 28%

CONSUMER SERVICES

22%*

Consumer Services provides credit monitoring, fraud protection and identity management to some 13 million consumers in the US and UK. We enable consumers to monitor the accuracy of their credit report, to check their credit score and to protect against fraud and identity theft.

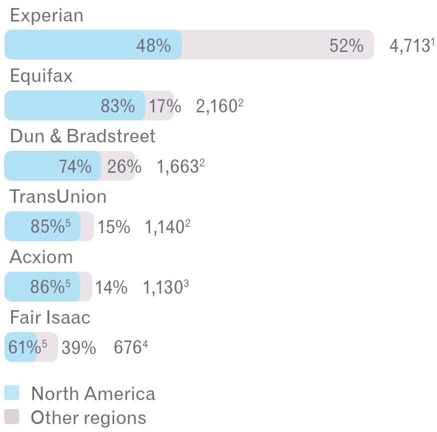
* Contribution to Group revenue



REVENUE BY REGION

- North America 81%
- UK and Ireland 19%

COMPETITIVE POSITION (Global revenue US$m)

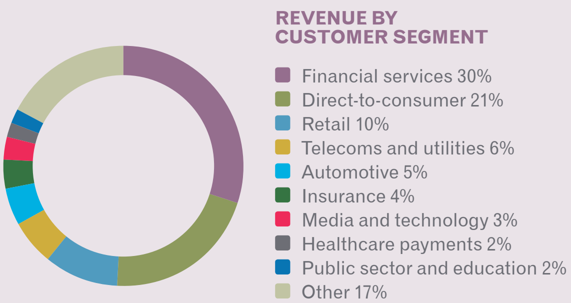


Source:
Latest annual revenue, from company and SEC filings
[1] Year ended 31 March 2013
[2] Year ended 31 December 2012
[3] Year ended 31 March 2012
[4] Year ended 30 September 2012
[5] US only

Our strategy for growth

We seek to create value by investing in our business for growth. At the heart of our strategy is the global growth programme through which we extend our presence into new customer segments, expand geographically and invest in new products. We are careful to prioritise our investments in order to achieve the maximum returns on the investments that we make. In 2013, of 19 initiatives in our growth programme, 11 were related to new product development, five to growth across new customer segments and three to expansion in new geographies.

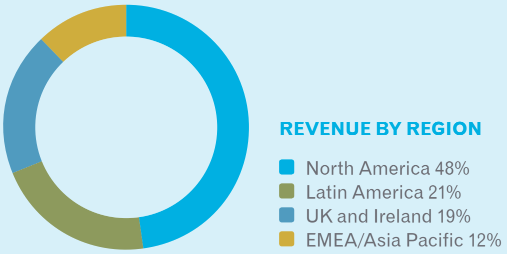
NEW CUSTOMER SEGMENTS



There is growing demand from customers in many different industries for data and analytical solutions which help to improve business decisions and enhance the customer experience.

When we are successful in one market we are able to use this experience in other industry segments. For example, data and software platforms that help banks to assess credit risk can be adapted to help telecommunication companies manage their customer relationships more effectively.

EXPANDING GEOGRAPHICALLY



As a Group we take a global approach to our business.

We map out where we are in the world and then evaluate the options for expanding into new geographies. We move around the world inorganically via acquisition, or organically by building new credit bureaux and taking existing products into new geographies.

We invest in products and platforms that are designed to work in many markets around the world, taking the best products from our large markets and introducing these into emerging markets.

PRODUCT INNOVATION

REVENUE FROM NEW PRODUCTS DEVELOPED IN THE PAST FIVE YEARS

+10%

New product innovation is critical to the development of our business. We continuously seek new ways to grow our business by developing new products. We also look for ways to become more efficient and our preference is to build a product once and then to deploy it many times. In this way, our business is becoming more scalable and more cost-efficient. It also means we can build products on which our clients can standardise, enabling them to make more consistent decisions wherever they operate around the world.

P32 For further information on how we have executed on our strategy this year please see the Chief Executive's review.

We are expanding into a variety of new segments such as the public sector, telecommunications, the small and medium enterprise ('SME') sector, healthcare payments, insurance and utilities. These are proving to be areas of high growth for us.

This year, 70% of global revenue came from customer segments outside of financial services.

We are investing in start-up credit bureaux in India and Australia, rolling out Consumer Services in Brazil, Colombia and South Africa, taking our Marketing Services products globally, and expanding our analytics and software capabilities in Brazil, Colombia, Russia and Turkey, among other markets.

This year, 33% of our global revenue came from Latin America and EMEA/Asia Pacific.

We are investing in new decision management software, new fraud and identity management products, cross-channel marketing capabilities, new technology to support our expansion into affinity services for consumers, and new business information and credit bureau platforms.

More than 10% of our global revenue this year came from new products developed in the past five years.

CREDIT SERVICES
DECISION ANALYTICS
MARKETING SERVICES
CONSUMER SERVICES

Business lines: Credit Services

Contribution to Group revenue

46%

Credit Services manages extensive databases containing the credit application and repayment histories of millions of consumers and businesses around the world. This information is used by our clients to manage the risks associated with extending credit and to prevent fraud.

Description

Our credit bureaux hold and manage databases that include information supplied by lenders and certain public records, such as liens, judgments and bankruptcies, supplied by other third parties.

Lenders and other subscribing members to the bureaux provide us with credit application and repayment data on consumers and businesses. We augment that data with publicly available information. It is then aggregated, cleansed and sorted to form a credit report on a consumer or a business which comprehensively shows how current and past credit obligations have been managed.

Credit reports vary by country, but typically include identity data, transactional data, past and present credit obligations, court judgments, bankruptcy information, suspected fraudulent applications, collections data and previous addresses, and in the case of businesses, may include company registration and ownership.

In a fully mature credit market, a credit report includes information on credit obligations, both positive and negative. Positive information includes accounts that have been paid on time, forming a complete view of a consumer's or business's financial behaviours. Negative information includes past due payments, collection accounts and public records information such as bankruptcies. In emerging credit markets, consumer credit bureaux often contain only negative data.

Consumer credit reports help lenders make better informed and faster credit decisions through access to detailed historical information about how consumers have managed their credit obligations. Business credit reports are used by clients to set the credit terms for new accounts and to manage existing account relationships with their customers and suppliers. With a complete customer view, our clients can manage their interactions with their customers in a more effective and positive manner, from a risk and customer relationship perspective.

We continually freshen and augment our bureaux databases, adding new sources of data to further enhance the depth and quality of the credit reports. We benchmark our current data depth around the globe against an 'ultimate' credit bureau profile. This allows us to understand exactly what new data we need to acquire and in what geographies. Deeper data expands our market coverage, provides our clients with insights into complex decisions, enables our data lab to research and build innovative products that we can deploy globally, opens up new vertical markets and drives competitive differentiation for us. Globally, we hold credit payment data on close to 800 million consumers and 99 million businesses. We operate 19 consumer credit bureaux and 13 business credit bureaux around the world.

To check the credit history of a consumer or business and store information with a credit bureau, a company must have a legitimate need for accessing the data and usually must notify the applicant of their intention to contact a credit bureau. The laws of each country vary in respect of the hosting of such data and access to it.

We maintain a comprehensive security programme to protect credit bureau data through its entire lifecycle, from collection, transformation and use, to storage and then destruction.

We do not make lending decisions or offer any comment or advice on particular applications, but simply provide factual information. Clients then use that information, often in conjunction with other information such as that included in an application form or any previous agreements with the applicant, to help decide whether or not to lend.

Clients

Clients principally include organisations that are extending or offering credit in its many different forms. Our diverse client base includes financial institutions, retailers, manufacturers, insurance companies, automotive dealers, telecommunications and utility companies. We also serve hospitals and physician practices in the US, as well as the public sector.

Financial characteristics

Credit reports are sold on a transactional basis, priced per report delivered. Pricing is typically tiered, varying according to the volume of reports delivered to the client. Typically, revenue for Credit Services recurs habitually. Costs are incurred in bringing data onto file (during aggregation, cleansing and sorting) and from the purchase of some third party data.

Competitive environment

Our competitive advantage lies in the depth and breadth of our data assets across the globe; they are very extensive in the markets in which we operate and include many unique data sources, which can be exclusive to us.

We are the primary provider of consumer credit information to many financial institutions in the US; the other credit bureaux are Equifax and TransUnion. In Brazil and the UK, we are the clear market leader and we have leading positions in many other countries.

In business information, we are the market-leading provider in Brazil, the UK and in a number of other markets. In the US, we are second to Dun & Bradstreet, which is the only global competitor in this field.

Market influences

See page 14 for market influences on Credit Services and Decision Analytics.

NEW CUSTOMER SEGMENTS | EXPANDING GEOGRAPHICALLY | PRODUCT INNOVATION

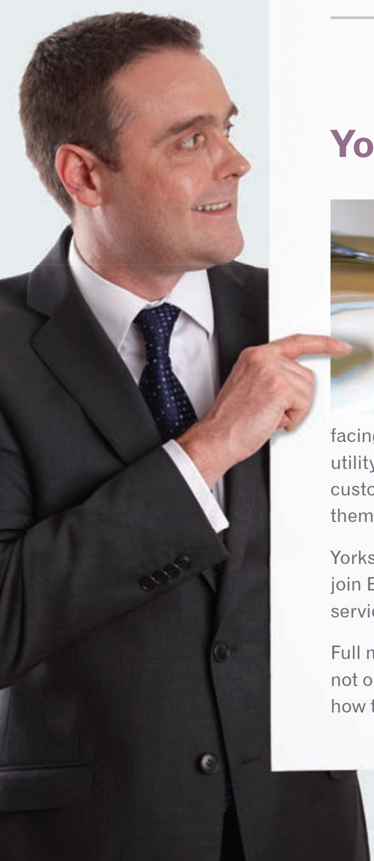
Altru

Altru Health System, an integrated not-for-profit community health system that includes a 300-bed acute care hospital and 20 outpatient clinics, cares for 200,000 patients a year in Grand Forks, North Dakota, US. In an effort to help combat a growing population of uninsured or 'self-pay' patients, Altru needed to find the tools necessary to manage this increase in volume and assist in qualifying patients for charity and/or Medicaid benefits.

After evaluating several solutions, Altru selected our Healthcare Collections Optimisation service to better manage patient accounts through data-enriched segmentation. Using financial background and behavioural data, Collections Optimisation uses algorithms to create weighted scores that illustrate a patient's payment ability and probability to pay.

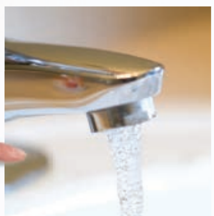
When paired with other aspects of the solution, like Medicaid screening, Altru was able to identify accounts eligible for Medicaid. This ensured patients who were Medicaid eligible were not forwarded for collection activity, and their insurance was billed. By implementing this process, Altru identified over 4,000 patients entitled to assistance worth US$2.7 million – helping reduce days in accounts receivable, obtain Medicaid reimbursement for the insurance filings and reduce bad debt write-offs.

Stan Salwei, Patient Financial Services Manager at Altru Health System, says: **"By leveraging Collections Optimisation paired with other Experian Healthcare patient access solutions, we've stabilised our ability to respond to the rise in 'self-pay' patients and avoid the payment risk this poses. Even better, we have helped them obtain healthcare coverage, which is a win-win for all. Partnering with Experian has allowed us to be an advocate for our patients while also protecting the bottom line."**



NEW CUSTOMER SEGMENTS | EXPANDING GEOGRAPHICALLY | PRODUCT INNOVATION

Yorkshire Water



Yorkshire Water manages the collection, treatment and distribution of water in Yorkshire, the UK's largest county, supplying households with 1.24 billion litres of drinking water each day.

With growing financial strain facing many households, there is an increasing need for utility companies to understand and gain insight into those customers who are facing financial hardship, and prioritise them for help before it becomes a more serious situation.

Yorkshire Water became the first water company in the UK to join Experian's Credit Account Information Sharing ('CAIS') service as a full member.

Full membership of our CAIS service means Yorkshire Water not only shares information about all of its customers on how they manage their accounts, from payment history to outstanding balances, but it also gains access to the same information provided by other members of the scheme. These include financial services and telecommunications companies.

The utility company is now able to access a customer's full credit history, with their permission, to help identify customers who may be showing early signs of financial stress. This significantly reduces the likelihood and level of bad debt, which is currently three times higher in the water industry than in the rest of the energy sector.

Jonathan Harding, Head of Customer Service at Yorkshire Water, says: **"Putting in place the tools to share data and utilise credit information, will help provide a reliable early warning of customer behaviour and how that might play out over time. It makes us better placed in the utilities sector to understand our customers and adapt effective payment plans to ensure our customers are being treated fairly and that we are responding to individual circumstances and needs."**

CREDIT SERVICES
DECISION ANALYTICS
MARKETING SERVICES
CONSUMER SERVICES

Business lines: Decision Analytics

Contribution to Group revenue

11%

Decision Analytics unlocks the value of our vast databases of credit and marketing information, as well as our clients' data, applying expert consulting, analytical tools, software and systems to help clients solve complex problems and make valuable business decisions.

Description

We enable organisations to make accurate and relevant decisions at every stage of the customer journey, helping them: to identify potentially profitable new customers, to segment their existing customers according to risk and opportunity, to manage and grow their existing portfolios, to undertake effective collections actions, and to help detect and prevent fraud.

Our integrated approach involves taking our data, our clients' data, third party data, and applying analytical models and scores to transform that data into meaningful information and insights. Our comprehensive consultative-led approach helps clients identify issues, develop insights and focus on solutions that add value to their business, whilst providing execution support. We employ over 400 analysts and statisticians globally to create bespoke and industry solutions. Products that can be applied industry-wide can frequently spring from bespoke models, as we find common elements of a problem across more than one customer.

We have developed solutions to help our customers improve their business operations and decision making in areas such as application processing, customer management, fraud and identity, and collections:

- Application processing systems enable organisations to balance the requirement for speed and competitiveness with the need for careful risk assessment when considering an applicant for credit.
- Customer management systems are used to automate huge volumes of day-to-day decisions, helping clients make the right decision for each customer, in a consistent and cost-efficient manner.
- Fraud and identity solutions are used to authenticate that people are who they say they are and that the information being provided is correct.
- Collections analytics and software play an important part in helping organisations establish an accurate picture of a customer's propensity to pay and, therefore, the amount likely to be recovered.

Clients

Clients vary in size, from small to medium, to multinational. We serve thousands of clients globally, from a range of industries, including financial services, telecommunications, utilities, retail, insurance, automotive and the public sector. Multinational clients often standardise their operations globally on our tools and software, helping to improve strategic control and operating effectiveness as well as helping to satisfy regulatory obligations.

Financial characteristics

Credit scores and fraud checks are sold on a transactional volume-tiered basis, whilst revenue from software and systems consists partly of implementation fees and partly of contractually recurring licence fees.

Competitive environment

Our competitive advantage lies in our integrated approach to solving our clients' problems, particularly in our ability to integrate multiple data sets. We are a market-leading provider of Decision Analytics in all our major geographies. Global competitors include Fair Isaac and SAS, and competition in individual markets consists typically of smaller, local players.

Market influences for Credit Services and Decision Analytics

The explosion of data globally means organisations need to capture that data and derive useful insights from it to make better and faster decisions about their business and customers. Organisations, particularly financial institutions, are dealing with increased regulatory scrutiny; new rules and regulations are focusing on risk management and fair treatment of customers. Clients in our newer customer segments, such as telecommunications and utilities, are becoming increasingly aware of the benefits of managing customer relationships, optimising collections and combating fraud. The growth in e-commerce and mobile commerce, and the increase in cross-border transactions mean that organisations need to authenticate customers and understand with whom they are doing business. Economic growth in emerging markets stimulates demand for our core products and simpler hosted solutions support expansion with mid-tier clients.

NEW CUSTOMER SEGMENTS | EXPANDING GEOGRAPHICALLY | PRODUCT INNOVATION

Banco Votorantim

Banco Votorantim is one of Brazil's largest privately held banks, with a financing division that manages consumer credit, specialising in vehicle finance and personal loans.

At the beginning of 2012, Banco Votorantim wanted to refine its customer acquisition process, while also improving how it managed its existing customers.

Working with Banco Votorantim, we helped the bank to improve how it managed its customers through the credit lifecycle.

Using our team's statistical modelling expertise combined with our high-quality, detailed credit bureau information we helped the bank to enhance its credit models and to increase automated responses in the credit process to speed up the approvals process for customers.

A new portfolio management strategy was implemented to improve customer profitability, from the loan application, to approval, to the monitoring of repayments. Our team also helped explore the collections process to take into account customers' circumstances and their ability to repay, to determine the appropriate collections approach to help improve the recovery of outstanding balances.

André Luis Duarte de Oliveira, Director Credit and Collections at Banco Votorantim, says: **"Our work with Serasa Experian has enabled us to quickly reduce delinquencies in our vehicle finance loan portfolio, while improving how we manage customers across the entire credit lifecycle. The value added by Serasa Experian and its proven data and analytical tools has helped us a lot."**

NEW CUSTOMER SEGMENTS | EXPANDING GEOGRAPHICALLY | PRODUCT INNOVATION

Turkcell

Europe's telecommunications market is one of the most highly competitive markets in the world with operators investing heavily to keep customers from switching to competitors. To add to the complexity, the huge array of new products, services and channels means there are countless different tariffs that operators can offer to new and existing customers.

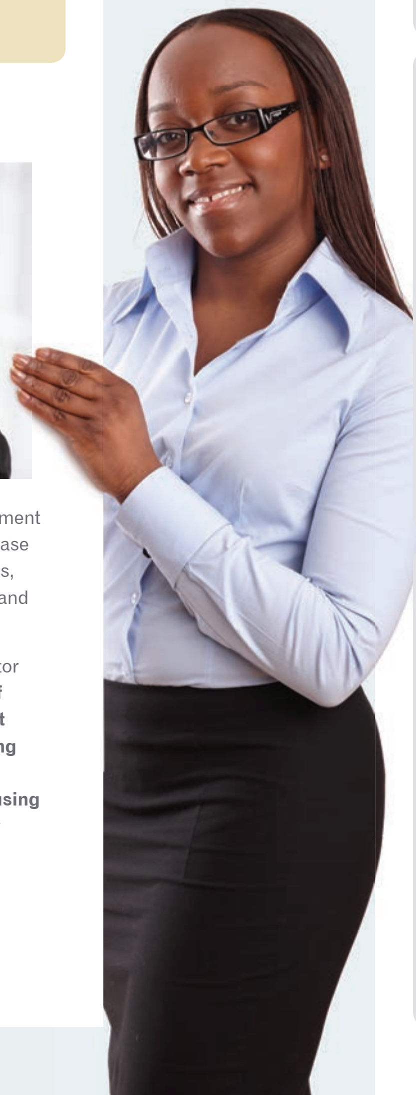
Turkcell is the leading communications and technology company in Turkey, with 34.9 million subscribers. It is a leading regional player, with market leadership in five of the nine countries in which it operates with approximately 69.2 million subscribers as of 31 March 2013. The rapidly growing operator wanted to look at how it could optimise every offer it makes to each of its customers in Turkey over a variety of digital and offline channels.

Working closely with Turkcell, we implemented our Marketswitch Optimisation technology to maximise the performance of every customer interaction by automatically determining the best offer to send to each customer, the most effective message and the best channel to use.

For Turkcell's Customer Relationship Management ('CRM') team, it can now create and evaluate a multitude of different communication scenarios for its customer offers, before allocating resources to a campaign. Direct from their desktop, the Turkcell CRM team can quickly pre-test each campaign and fine-tune every aspect to optimise its performance ahead of going live.

As a result, Turkcell has already seen a 20% improvement in the number of contacts made and a two-fold increase in campaign response rates across multiple channels, while drastically reducing the time it takes to create and deliver personalised offers to just a few hours.

Ebru Darip, Business Insights and Controlling Director at Turkcell, says: **"Experian's proven experience of working in the global telecommunications market and the combination of its analytics and consulting means that we can now communicate with every single one of our customers, with the right offer, using the right channel within compliance of regulatory requirements. This level of insight means we can now make fast and effective decisions to boost our acquisition, retention and cross and up-sell strategies."**



Business lines: Marketing Services

Contribution to Group revenue

21%

Marketing Services provides data, data quality, analytics and cross-channel campaign management to help our clients better interact with their customers, and increase customer revenue and loyalty.

Description

We provide Marketing Services in some 30 countries. We help clients to develop effective marketing campaigns to identify their best customers, understand their motivations and behaviours, and to find new, similar customers to whom they then market their products. We accomplish this by helping marketers to profile, segment and interact with consumers across different channels, an approach that centres on the consumer.

We use our core competency in data management to maintain one of the world's largest databases of marketing information on consumers. Consumer profiles include data from many sources, including: market surveys, postal addresses, electoral registers, internet service providers and magazine subscription data. Our data is often augmented with a client's own proprietary data and aggregated according to the client's needs. Globally, we hold demographic data on more than 700 million individuals in 270 million households, and online behaviour data on 25 million internet users across five million websites.

This rich source of information helps marketers understand their customers and prospects by classifying consumers according to their circumstances, preferences and behaviours in the offline and digital worlds. Segmentation can be by geographic location, demographics, purchasing behaviours, and channel and device preferences. We have segmented more than 2.3 billion consumers in over 28 countries.

High quality data is very important to our clients as this is what enables them to connect with consumers. We provide our clients with linkage and identity resolution, data verification and data management to help make sure their data is accurate and up-to-date.

Once our clients understand their customers, they can then begin to engage with them. We help our clients to execute their marketing campaigns, develop their messaging, interact with their customers across channels and measure the success of their campaigns. Marketers interact with consumers through their preferred channels, which may range from traditional channels such as direct mail, or increasingly via channels such as email, addressable television, social media, internet display and mobile devices.

By taking this focused, data-led, customer-centred approach our clients benefit from increased return on investment and improved customer engagement.

Clients

We have over 10,000 clients in 30 countries, in some of the largest economies around the world, including Australia, Brazil, China, France, Germany, Japan, the UK and the US. This global reach allows us to service large regional and multinational businesses. Clients include financial services, retail, media, automotive and public sector organisations.

Financial characteristics

Revenue is derived in a variety of ways, including transactional volume-tiered charges, data licences and subscription fees.

Competitive environment

Our competitive distinction lies in our global reach, the depth of our data assets, our expertise in data management and marketing across multiple channels, our extensive platforms and our position as a trusted, neutral third party.

With the growth of new digital channels the competitive environment has evolved. Competitors still include traditional providers such as Acxiom and Epsilon, agencies such as WPP or Omnicom, and in digital there is a very fragmented market with competition from companies such as ExactTarget, Responsys, Neolane and eDialog.

Market influences

Digital channels are changing consumer behaviours. Consumers are increasingly interacting digitally, via multiple channels, through online, mobile and social media, and via multiple devices. This is creating an unprecedented, ever-growing mass of data that marketers need help to understand and to ensure they meet the needs of their customers who expect quick response times and personalised, relevant offers across the channels in which they interact. Companies are now requiring more and more customised, portable and global campaigns, where the marketing message is personalised to individuals, using online, real-time communication channels.

NEW CUSTOMER SEGMENTS

EXPANDING GEOGRAPHICALLY

PRODUCT INNOVATION

ZUJI

ZUJI is the leading online travel agency in Asia Pacific, providing deals from more than 400 airlines and 100,000 hotels worldwide. It operates in three key markets in Asia Pacific – Australia, Hong Kong and Singapore. The company was previously owned by Travelocity and had recently been acquired by Webjet Limited (ASX:WEB).

ZUJI prides itself on enabling customers to book their own individual travel experience but, with its customer base spread across three diverse markets, creating personalised, targeted communications had become a challenge.

Using our data and analytics expertise, we partnered with ZUJI to provide a comprehensive suite of marketing and consulting services to help analyse the company's multiple customer data sources to understand which communications performed best with each of ZUJI's customers in each market. Through our marketing database technology, ZUJI was able to consolidate all its consumer data into one place and use our multi-channel marketing campaign management software to create targeted marketing campaigns based on each customer's purchasing tendencies.

To create an even more engaging experience for its customers, ZUJI selected Experian CheetahMail, our email marketing service, to create and send tailored email newsletters featuring content designed to appeal to each customer's interests.

Since partnering with Experian, ZUJI has seen email opening rates double, a seven-fold increase in customers clicking through to its website and a 50-fold improvement on revenue generated per thousand emails.

Desmond Phua, Head of Customer Experience and Direct Channels at ZUJI, says: **"Our work with Experian is really about two key activities – enhancing and optimising all of the information we have at our fingertips and using this customer intelligence in the most effective way to develop greater insights and build deeper relationships.**

This isn't a technology partnership. It's about marketing and understanding people. With a strong understanding of our business, Experian provides us with a deep level of support and engagement and the perfect union of marketing intelligence and technology."

NEW CUSTOMER SEGMENTS

EXPANDING GEOGRAPHICALLY

PRODUCT INNOVATION

P&O Cruises

P&O Cruises has a proud heritage, bringing luxurious travel to its passengers since 1837 and is now part of a group that carries nearly half of the world's cruise passengers.

The cruise industry is a £20 billion a year business, and competition is intense. Email communication plays a key role in P&O Cruises' marketing strategy to help demonstrate the quality and luxury of life on board, as well as the range of destinations to be explored.

In 2012 P&O Cruises announced that their fleet of seven ships would meet in Southampton in the UK for the first time, which also included a Royal Review from Her Royal Highness, Princess Anne, as part of the 'Grand Event'. The challenge was to encourage passenger bookings, deliver a strong return on investment and raise awareness ahead of the event.

Our Marketing Services team worked closely with P&O Cruises to deploy our Experian CheetahMail email marketing service to create personalised email campaigns using high standard video content. With perfect playback every time, our technology allowed P&O Cruises to engage customers with a smart, innovative campaign to drive awareness in the build up to the 'Grand Event'.

The campaign was a huge success with P&O Cruises seeing a 950% increase in bookings and a 670% boost to revenues.

Andy Mould, Senior Search Marketing Executive at P&O Cruises, says: **"The 'Grand Event' video email campaign was the most effective video email campaign we've ever run. Thanks to Experian's digital marketing expertise, the campaign resulted in the highest number of bookings we have seen from an email campaign. It helped us engage with our passengers in a way that brought one of the biggest events in our history to life."**

CREDIT SERVICES
DECISION ANALYTICS
MARKETING SERVICES
CONSUMER SERVICES

Business lines: Consumer Services

Contribution to Group revenue

22%

Consumer Services provides credit monitoring, fraud protection and identity management to 12.8 million consumers in the US and UK. We enable consumers to monitor the accuracy of their credit report, to check their credit score and to protect against fraud and identity theft.

Description

We provide consumers with secure, online, unlimited access to their complete credit history and scores. We also help them to manage fraud and protect their identity.

Using our interactive tools a consumer may subscribe with us to monitor their credit and to help identify ways they can actively improve their credit rating. Consumers also subscribe when they have a major life event, such as when making a one-off purchase that is credit-dependent, like for a car, appliance or home, and they want to monitor their credit and negotiate the best deal for that purchase. Email or text alerts keep consumers informed about any significant changes to their credit report.

Our direct-to-consumer channels in the US, CreditReport.com and freecreditscore.com, and in the UK, CreditExpert.co.uk, allow consumers to see the same information that is available to lenders. New markets are also opening up for us in countries such as Brazil, Colombia and South Africa.

Another significant channel for us is through affinity marketers. This is where institutions with large membership bases, such as retail banks, financial institutions, insurance companies and member associations, take our products and repackage them under their own branding. Institutions offer these services in response to demand from their customers. About half of our 12.8 million members subscribe through the affinity channel.

Our identity protection services in the US and the UK, ProtectMyID.com and ProtectMyID.co.uk, help provide identity theft detection, protection and fraud resolution to consumers. In the event of fraud, we provide consumers with access to a dedicated fraud resolution service together with insurance against financial loss. We help parents monitor their children's online activity with our SafetyWeb.com services and our DataPatrol product provides real-time wider web and social network monitoring to help prevent identity fraud before it happens.

Financial characteristics

Consumer credit reports, scores and identity protection are provided to consumers for a regular monthly subscription fee. Depending on the size and nature of the contract, affinity deals may be on a revenue or profit share basis. Typically, affinity contracts are multi-year agreements.

Competitive environment

Our competitive advantage lies in us taking the assets and capabilities from our three other global business lines and bringing them together. We take data from Credit Services, analytical tools, monitoring and alerts from Decision Analytics and multi-channel digital marketing capabilities from Marketing Services to help us to serve and market to consumers.

We are the clear market leader in both the US and UK. In the US, competition is provided by Equifax, TransUnion, Fair Isaac and other smaller specialists, but we are over four times the size of any of these competitors. In the UK, competition is provided by Equifax and smaller niche players such as CallCredit.

Market influences

Consumers are becoming increasingly aware of the need to manage and control their financial circumstances, and protect their identity. They are more conscious of how their personal information and credit history is employed by lenders, and are more focused on managing their credit relationships. Consumers want to proactively manage their identity when they are online and mobile. They want to protect their identities and minimise the risk of identity theft, as well as protecting their children while they are online and using mobile devices. Large institutions want to meet the needs of their customer base, whilst attracting and retaining new customers.

NEW CUSTOMER SEGMENTS

EXPANDING GEOGRAPHICALLY

PRODUCT INNOVATION

Vanquis

Vanquis is a UK credit card company which is part of the 130 year-old Provident Financial Group and has helped 1.8 million people across the UK to obtain credit.

We were asked by Vanquis to use our global expertise to combat identity fraud and protect Vanquis's customers from this ever present threat. The objective was simple – to ensure that every Vanquis customer can be offered immediate protection. Working closely with Vanquis, our Consumer Services business introduced our pioneering Active Web Monitoring tool, which enables customers' personal and financial information to be protected from online identity fraud threats.

Following the successful roll-out, Vanquis customers are now offered protection from credit and online identity threats.

In addition, Vanquis customers also benefit from having fast access to their credit report through our ProtectMyID online service. ProtectMyID provides consumers with greater visibility of their finances as well as expert advice on how to manage and improve their credit rating.

Looking to the future, the partnership approach between Vanquis and Experian means that we are working collaboratively to develop innovative products tailored to serve their customers' needs in the future.

Sion O'Connor, Marketing Director at Vanquis Bank, says: **"This has been a truly collaborative project with Experian. They did not just provide us with a pre-packaged product but took a truly consultative approach. Experian addressed what we needed and what would best serve our customers both now and into the future.**

Our customers now have peace of mind that we're working with the best in the industry to give them the opportunity to help protect their identities from fraudsters while also helping them improve their credit score."

Our people

With over 17,000 employees located in 40 countries operating across four different global business lines, our people strategy needs to be diverse and comprehensive. Our people objectives are fundamental to executing Experian's global strategy and are intended to attract, retain, and inspire talent. We are now one year into a significant global culture agenda called the Heart of Experian. This is the foundation for transforming Experian to become one of the best places in the world to work.

Global people strategy – exceptional performance through people

Our efforts to progress the Group from 'good to great' are supported by a robust global human resources strategy. Experian's global people vision is to deliver exceptional business performance through our people. To deliver this, our strategy is focused on two areas:

- culture and engagement; and
- talent.

Regional people plans are also in place to ensure local issues are addressed.

These strategic strands are underpinned by the work we have done and continue to do in bringing the Heart of Experian alive for our people.

Culture and engagement – generating a sense of pride and connection

Last year, the Heart of Experian initiative was launched to further identify a way to express the ties that bind our organisation across all regions and business lines. Included in the launch of the Heart of Experian we defined three words that express our convictions, how we behave and what we believe, in other words, our Core DNA: Connect, Protect, Create. We are making great progress in having the Heart of Experian become simply the way we do what we do and making Experian one of the best places to work in the world. Our culture and engagement strategy plays a central role in achieving this.

1 2 3

Global initiatives

Throughout the past year, to assist our people in understanding the Heart of Experian and our Core DNA, we launched several global initiatives:

1. Bureaucracy Busting, an initiative aimed to help reduce bureaucratic processes both globally and in local work environments;
2. Performance for Growth, a new global performance management process that we have repositioned under the Heart of Experian as a key lever for employee engagement; and
3. the Global Recognition programme, that for the first time provides an opportunity to be nominated for recognition across all of our people.

Along with these human resources-led initiatives, two other major efforts were launched:

4. Discover Experian has created a way to help our employees broaden their understanding of our business and expand their discussions with clients and colleagues alike; and
5. our commitment to Corporate Social Responsibility has been highlighted and relaunched under the Heart of Experian banner.

Beyond our global initiatives, locally and regionally our leaders held events, workshops and employee communication sessions to spread the word and gather feedback on the Heart of Experian. This feedback helped identify further initiatives to enhance local work environments.

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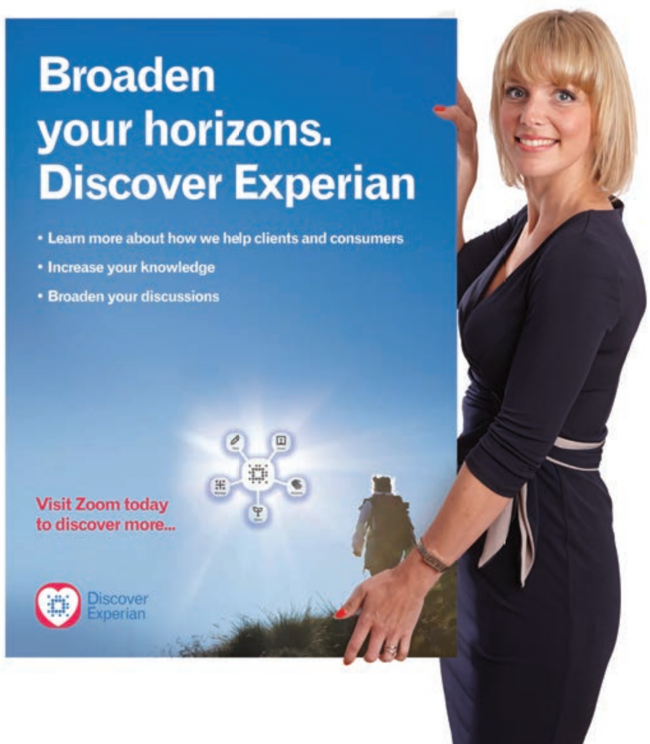

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Our people continued

Employee engagement – listening to our people

Our global people survey, carried out every 18 months, provides valuable insights into the views of employees and their level of engagement with the business. Our last global people survey was carried out in November 2011. The results of the most recent global people survey, conducted in the spring of 2013 will be available in August 2013. More information on November 2011 employee engagement scores in our global people survey can be P24 found in this annual report in the key performance indicators section.

In-between administering global people surveys, we conduct a shortened version to gauge the 'pulse' of the Group and whether our efforts in improving the work environment through action plans and management efforts are on the right track. In November 2012, a short Group-wide global pulse survey was conducted to track our progress around culture and engagement. There was a strong response rate: 76% compared to 72% in 2011. This is above the global average response rate which is 60% to 65% for these types of surveys. The results showed that we had made significant improvements across all categories since the previous survey and major progress in every question. In the area of how management has been perceived in following up with the previous global people survey, the results were up 9% since 2011 and 22 percentage points above the global high performing norm, representing a world-class performance.

The global pulse survey also asked our people to comment on what difference the Heart of Experian will make, which resulted in comments with very strong positive themes around motivation, corporate culture, international reach, improved leadership and communications as likely benefits, endorsing the Group's decision to embark on the Heart of Experian. The feedback from this survey is being used to enhance our plans around developing our culture globally and locally. In the upcoming year we will continue to help unify the Group through global initiatives. Equally, we are also emphasising regional and local activities to bring the culture alive and make the Heart of Experian just the way we do things around our business.

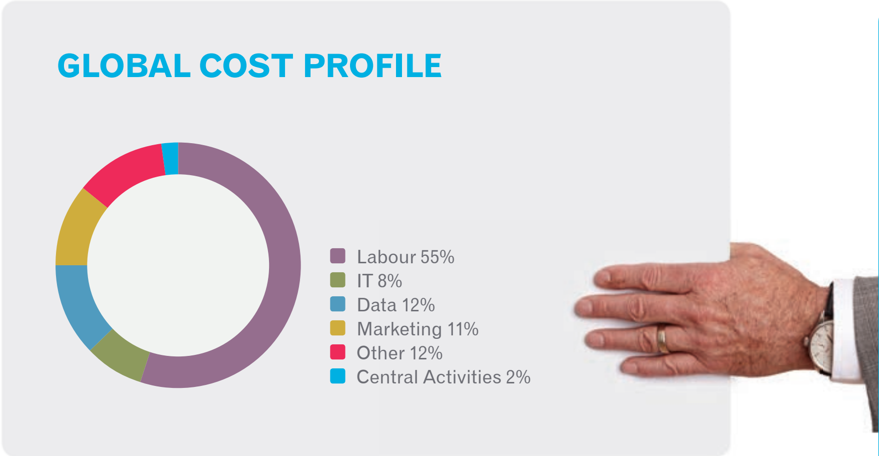
Talent – strengthening and diversifying our talent pool

Our talent mission is to release the potential of every employee to deliver Experian's performance goals by driving the attraction, growth and retention of a deep pool of talented employees who reflect our global reach and our belief in the value of diversity.

We have a diverse employee population – approximately 46% of our employees are female and 54% male. Around 28% are classified as white and 11% as non-white, with the remainder choosing not to disclose this information or the information being unavailable to report.

Our overall objective remains to drive diversity through the talent agenda to ensure that our future senior leadership team better reflects our client, consumer and employee base. The table opposite outlines the current picture and highlights the progress being made. You will find details of our Board P60 diversity in the corporate governance report later in the annual report.

In 2014 we will further enhance our efforts on diversity and inclusion. We plan to reinforce an unequivocal leadership commitment to prioritise diversity, create a supportive infrastructure for diverse employees and make progress sustainable by further improving our underlying organisational culture. We have a unique opportunity in this area to build a more inclusive culture as part of the Heart of Experian.



Talent programmes

Building a strong talent and leadership pipeline is a significant part of the talent agenda and we continue to have traction with a number of global talent programmes which are supporting the accelerated development of top talent:

Experian Business Network ('EBN')

This development forum for high potential and diverse emerging talent was successfully launched in October 2008 and now runs in all our major geographies. Over 300 employees have been or are currently part of the EBN, with analysis showing that approximately 18% of participants have gained a role promotion during or since participation. This promotion rate is ahead of the average promotion rate for Experian. Of these promotions, 49% have been for women.

CEO Forum

This development forum is designed for senior talent with a focus on creating opportunities for exposure to the CEO and other senior executives. Members are selected from the leadership succession talent pool, with diversity being actively encouraged. Analysis shows that since its creation in 2008, of the 75 participants, 16 have received a notable promotion, of which 4 were women.

Executive Success

After the very successful pilot of the Executive Success programme in 2012, this year we have initiated the second cohort of the programme. This programme targets our highest potential leaders who have participated in the CEO Forum and have been identified as individuals we want to further develop. The programme is aimed at accelerating leadership development for our top global talent that will help them prepare for future roles in the most senior levels of management.

Diversity profile of the senior leadership team

	September 2009 (Total population = 87)	September 2010 (Total population = 90)	September 2011 (Total population = 85)	September 2012 (Total population = 89)
Gender (number and % females)	14 (16%)	16 (18%)	16 (19%)	17 (19%)
Ethnic origin (number and % non-white)	4 (5%)	6 (7%)	8 (9%)	8 (9%)

Talent and succession planning – improving our leadership pool and deepening our talent pipeline

Succession planning, an integral part of our talent strategy, ensures that appropriate resources are in place to achieve our strategic objectives. The plans for senior leadership succession are regularly reviewed by the Group Operating Committee and the Board's Nomination and Corporate Governance Committee.

The most recent review highlighted the following:

- 10% of the senior leadership team are occupying developmental roles outside their home market and geography. This mobility of talent continues to be a key focus as building global capability is key to our sustained success.
- Approximately 93% of senior leadership roles have successors ready to cover these roles in the short term through emergency cover, and 52% have one or more candidates identified as permanent successors over the short and medium term. The key focus is on developing the strength and depth of this talent pipeline. We continue to cascade the talent review process to increasingly junior levels of emerging talent as one way of doing this.

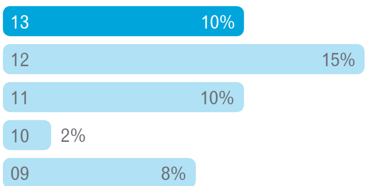
Key performance indicators

We use twelve key metrics to measure the success of our business. They help to provide visibility into the financial, strategic, environmental and employee engagement performance of the Group. There are three financial metrics specifically linked to management remuneration.

FINANCIAL KEY PERFORMANCE INDICATORS

Total revenue growth

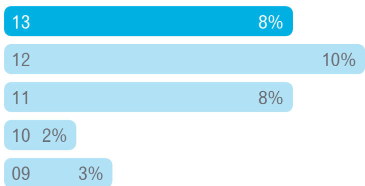
In the year ended 31 March 2013, total revenue from continuing activities increased by 10% at constant exchange rates. Total continuing revenue increased by US$257m.



See the financial review for definition of total revenue growth. For further information on revenue by operating and business segment, see note 9 to the Group financial statements.

Organic revenue growth

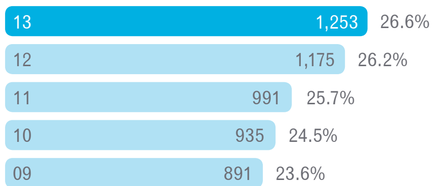
We again met our financial objective of mid to high single-digit organic revenue growth, with growth of 8% in the year ended 31 March 2013.



See the financial review for definition of organic revenue growth.

EBIT (US$m) and EBIT margin

In the year ended 31 March 2013, total EBIT increased by 7% to US$1,253m. EBIT from continuing activities increased 13% at constant exchange rates. We met our financial objective to maintain or grow EBIT margins, with a 40 basis points expansion in margin from continuing activities to 26.6%.

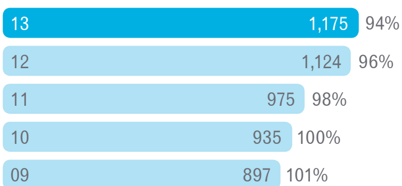


See note 7 to the Group financial statements for definition of EBIT.

Linked to PBT remuneration measure on page 75

Cash flow (US$m) and cash flow conversion

One of our financial objectives is to convert at least 90% of our EBIT into operating cash flow each year. In the year ended 31 March 2013 we converted 94% of EBIT to operating cash flow.

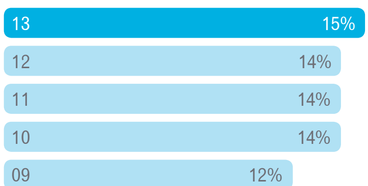


See the Group financial statements and the financial review for definition of operating cash flow and cash flow conversion.
For additional information on cash flow see the Group cash flow statement.

Remuneration linked KPI – see page 75

Return on capital employed ('ROCE')

ROCE measures the return generated from capital invested in the business and reflects how we add shareholder value over the long term. In the year ended 31 March 2013 ROCE increased to 15%, primarily reflecting the benefit to Benchmark earnings arising from the acquisition of the additional interest in Serasa.



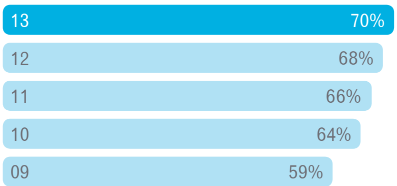
ROCE is measured as Benchmark earnings attributable to Experian shareholders, divided by average capital employed during the year.

Remuneration linked KPI – see page 75

OTHER KEY PERFORMANCE INDICATORS

Percentage of revenue from customer segments other than financial services

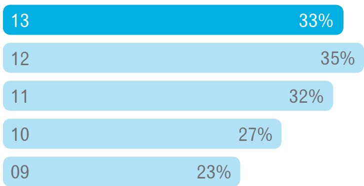
We are increasing our penetration into new customer segments, beyond financial services, into areas such as healthcare payments, insurance, public sector, SME, telecommunications and utilities. We now generate 70% of revenue from non-financial verticals.



2012 restated for the movement of some businesses in EMEA/Asia Pacific to discontinuing activities.

Percentage of revenue from Latin America and EMEA/Asia Pacific

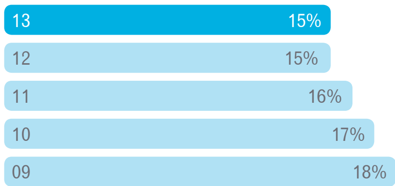
We look to extend our geographical reach beyond our traditional markets of the US and UK, and expand further into Latin America and EMEA/Asia Pacific. This year revenue from the latter decreased to 33% of global revenue due to growth in the US and UK, and depreciation of the Brazilian real.



2012 restated for the movement of some businesses in EMEA/Asia Pacific to discontinuing activities.

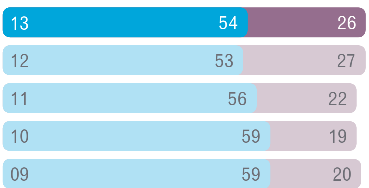
Revenue dependence on top 20 clients (percentage of total revenue)

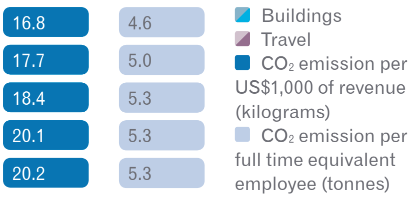
We aim to reduce our reliance on any single client in order to increase the balance and diversity of our revenue base. Revenue from our top 20 clients now stands at 15% of total revenue.



Carbon footprint (000's tonnes)

Our environmental impact is largely the result of energy use in our offices and data centres, and from employee travel. We remain committed to reducing our impact on the environment and we have policies and strategies in place to ensure that we steadily reduce our energy consumption and increase the use of energy from renewable sources. Employee engagement was a particular focus this year, with a series of initiatives designed to encourage individually responsible behaviour. Whilst total carbon emissions across the Group remained at 80,000 tonnes for the year ended 31 March 2013, CO_2 per employee and per US$1,000 of revenue have decreased to 4.6 tonnes and 16.8 kilograms respectively.





See the full corporate responsibility report for details, calculation methods and further information on how Experian is minimising its impact on the environment at www.experianplc.com/crreport.

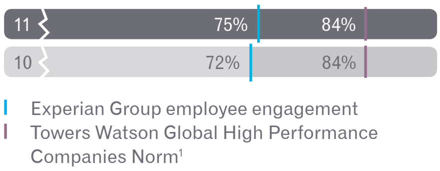
Where emission factors have changed Experian has applied the most recent factors retrospectively.

2012 restated to remove emissions related to a building in North America on a long-term lease to a third party. Building emissions were previously reported as 56,000 tonnes.

Employee engagement

We conduct an all-employee global people survey every 18 months to gather feedback from employees and to measure their engagement with the business. The results are analysed in-depth and used to develop action plans that deliver sustainable improvements.

Our last full survey, conducted in 2011, showed that employee engagement improved three percentage points in 2011 to 9% below the Towers Watson Global High Performance Companies Norm[1] benchmark. In-between the full surveys, we conduct a shortened 'pulse' survey to gauge whether our efforts in improving the work environment through our action plans are on the right track; please refer to the our people section for further information. Our next full survey takes place in May 2013, with the results to be included in next year's annual report.

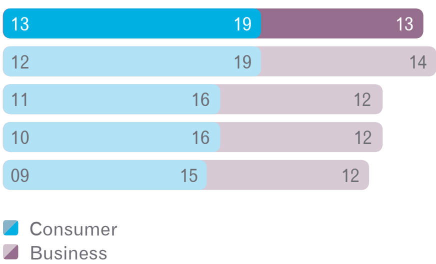


1. The Towers Watson Global High Performance Companies Norm is based on over 500,000 employees' survey results from a cross section of 28 companies. Companies qualifying for this norm meet two criteria: superior financial performance and superior human resources practices.

P20 Please refer to the our people section for further information.

Number of credit bureaux

Our credit bureaux, which hold and manage the credit application and repayment histories on consumers and businesses, are the foundation of our consumer and business information activities in Credit Services. We own 18 consumer and 12 business credit bureaux, and further operate one consumer and one business bureau. In the year ended 31 March 2013 we divested a business bureau in Italy.



P12 Please refer to the Credit Services section for further information on credit bureaux.

Protecting our business

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.

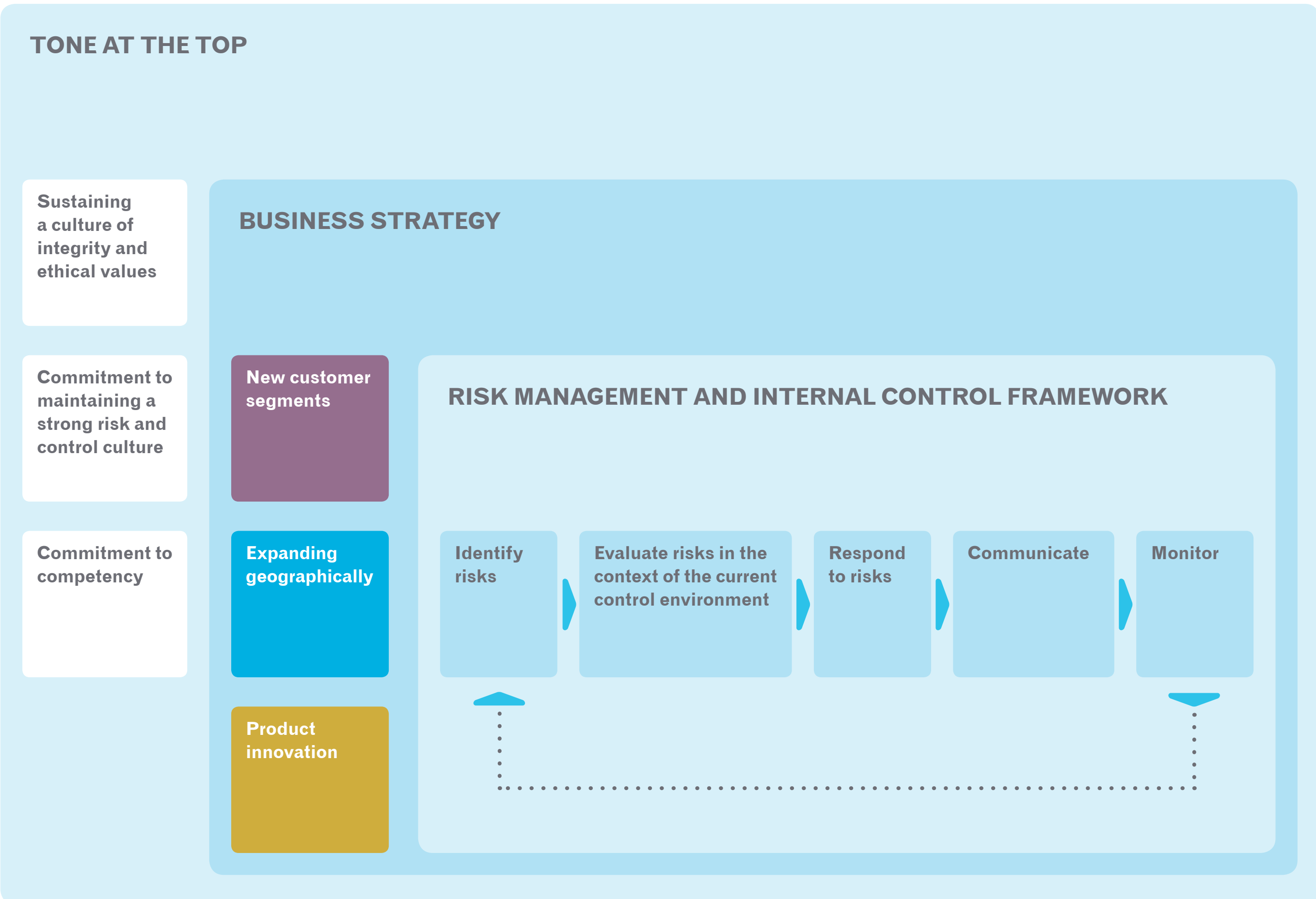
Risk management operates at all levels throughout our organisation, across geographies, business lines and operational support functions.

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 THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS



WHAT ARE THE PRINCIPAL FEATURES OF THE RISK MANAGEMENT FRAMEWORK?

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

WHAT DOES THE CONTROL ENVIRONMENT LOOK LIKE?

• Terms of reference for the Board and each of its committees, which are regularly reviewed.	• 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.	• All significant business investments, developments and divestments are reviewed by Regional and Global Strategic Project Committees.
• Clear organisational structure directed by the global and regional delegated authorities' matrices.	• Defined and well-understood review and approval procedures for major transactions, capital expenditure and revenue expenditure.	• 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 reports to the Board including Group financial summary, Group results, forecasts and sales trends, investor relations analysis and detailed business trading summaries.	• 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.	• 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.
• Monthly detailed performance reviews at a regional level.	• 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.	

WHAT MONITORING TAKES PLACE?

• Board approval of Group strategy and budgets and ongoing Board monitoring of performance against the agreed plan.	• Ongoing identification and escalation of accepted, new and emerging risks to management and the Board consistent with the global risk management policy.	• 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.
• Achievement of business objectives, both financial and non-financial, using a range of monthly KPIs.	• 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.	• 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.
• Regular reporting to the Board of the exercise of the delegations of authorities to the principal subsidiaries.	• 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.	• 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.
• 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.		

WHAT ADDITIONAL INTERNAL CONTROLS SUPPORT FINANCIAL REPORTING?

Detailed policies and procedures are in place to ensure the accuracy and reliability of financial reporting and the preparation of consolidated financial statements. A comprehensive Group Accounting Manual ('GAM'), including details of International Financial Reporting Standards ('IFRS') requirements, is in place. The document is owned by the Group's finance team and has been rolled out across the Group. All Experian companies are obliged to follow the requirements of the GAM. The aims of the GAM are to:

- provide guidance on accounting issues; allow for consistent and well-defined information for IFRS reporting requirements;
- provide uniform measures for quantitative and qualitative measures of Group performance; and
- increase the efficiency of the Group's reporting process.

What are the risks and uncertainties?

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 of the report. 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.

LOSS OR INAPPROPRIATE USAGE OF DATA

Performance indicator
EBIT, employee engagement and general litigation trends

Strategic alignment
- New customer segments
- Expanding geographically
- Product innovation

Further information
Corporate responsibility section – use and protect data properly

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.

Change from 2012
Stable

2013 update
Several highly publicised data security breaches at other companies have heightened consumer awareness of this issue. We continue to invest in IT security solutions, and execute a sound security strategy that allows for layered protections across our technology infrastructure.

DEPENDENCE UPON THIRD PARTIES TO PROVIDE DATA AND CERTAIN OPERATIONAL SERVICES

Performance indicator
EBIT and total revenue growth

Strategic alignment
- New customer segments
- Expanding geographically
- Product innovation

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 on our business, reputation and operating results.

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 our products and/or services, which may have a materially adverse effect on our 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 we have 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.

Change from 2012
Stable

2013 update
We continue to enter into long-term contracts with data providers as well as securing access to data sources through acquisitions. We analyse the data to make sure we are receiving the best value and highest quality.

EXPOSURE TO LEGISLATION OR REGULATORY REFORMS

Performance indicator
EBIT and ROCE

Strategic alignment
- Expanding geographically
- Product innovation

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.

Change from 2012
Increasing risk

2013 update
A revision of the 1995 European Union Data Protection Directive is currently being considered by European legislatures. The revision may include more stringent operating requirements for data processors and significant penalties for non-compliance.

In the US and certain Latin American countries, legislation regarding the availability or use of consumer and commercial data continues to be discussed. These proposals have in some cases had the potential to expand the availability or uses of information and in other cases have the potential to restrict the availability or use of information we currently maintain. Regulators and legislators have opened inquiries into our operations as a marketing data broker, but it is uncertain whether new laws will be adopted. More likely, self-regulatory systems will need to be enhanced.

REGULATORY COMPLIANCE

Performance indicator
EBIT and general litigation trends

Strategic alignment
- Expanding geographically
- Product innovation

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.

Change from 2012
Increasing risk

2013 update
The new Consumer Financial Protection Bureau ('CFPB') commenced regulatory oversight of our US Credit Services businesses in September 2012. The CFPB is the US federal agency that holds primary responsibility for regulating consumer protection with regards to financial products and services. In this role, the CFPB has the authority to write and enforce rules, conduct examinations, and collect and track consumer complaints.

PRODUCT/SERVICE OR TECHNOLOGY OBSOLESCENCE

Performance indicator
EBIT and ROCE

Strategic alignment
- Product innovation

Further information
- Business overview section – examples of how businesses are delivering innovative solutions
- Our strategy for growth section – examples of product innovation
- Business overview section – discussion of how we extend our global lead through product innovation

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 us 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.

Change from 2012
Stable

2013 update
We continue to invest strongly in new data sources and new analytical products, together with the platforms that support their worldwide delivery. Over 10% of our revenues come from new products developed in the past five years. In addition, 20% of our global costs are in information technology and data.

INTERRUPTIONS IN BUSINESS PROCESSES OR SYSTEMS

Performance indicator / Strategic alignment	Description of risk and potential impact / How we manage this risk	Change from 2012 / 2013 update
Performance indicator EBIT and total revenue growth **Strategic alignment** • Product innovation	**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, 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 our systems in a timely manner. Any significant failure or interruption could have a material adverse effect on our 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.	**Change from 2012** Stable **2013 update** Continuity of services is a core focus and built into the development of new and existing products. While we experienced limited disruptions during the fiscal year, events such as the London 2012 Olympics and Hurricane Sandy along the US eastern seaboard provided real-time validation of established plans and processes. We continue to execute periodic exercises to ensure that documented procedures are accurate and suitable for each specific environment.

DEPENDENCE ON RECRUITMENT AND RETENTION OF HIGHLY SKILLED PERSONNEL

Performance indicator / Strategic alignment	Description of risk and potential impact / How we manage this risk	Change from 2012 / 2013 update
Performance indicator Employee engagement **Strategic alignment** • New customer segments • Expanding geographically • Product innovation **Further information** • Our people section • Corporate responsibility section – be a good employer to all	**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 their 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.	**Change from 2012** Stable **2013 update** The results of our 2012 global pulse survey show consistent overall improvement in the degree of employee engagement, as well as general satisfaction and involvement at work. Separately, approximately 52% of our senior leadership roles have successors ready to cover these roles in the short and medium-term. We have also continued to make several strategic senior level external hires to strengthen our senior leader capability.

OTHER RISKS

EXPOSURE TO MATERIAL ADVERSE LITIGATION INCLUDING CLAIMS OF INTELLECTUAL PROPERTY INFRINGEMENT OR VIOLATION OF PRIVACY LAWS

Performance indicator / Strategic alignment	Description of risk and potential impact / How we manage this risk	Change from 2012 / 2013 update
Performance indicator EBIT and general litigation trends **Strategic alignment** • New customer segments • Expanding geographically • Product innovation **Further information** • Corporate governance section associated with the identification and monitoring of litigation • Financial statements note 50 describing contingencies for pending and threatened litigation claims	**Description of risk and potential impact** We are regularly involved in a number of pending and threatened litigation claims in the US and Latin America, including a number of class actions in the US. 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.	**Change from 2012** Stable **2013 update** The exposure to material adverse litigation in the US remains generally consistent with prior years.

EXPOSURE TO COUNTRY AND REGIONAL (POLITICAL, FINANCIAL, ECONOMIC, SOCIAL) RISKS PARTICULARLY IN THE US, LATIN AMERICA AND THE UK

Performance indicator / Strategic alignment	Description of risk and potential impact / How we manage this risk	Change from 2012 / 2013 update
Performance indicator EBIT and total revenue growth **Strategic alignment** • Expanding geographically **Further information** • Corporate responsibility section – playing an active part in communities • Exposure to legislation or regulatory reforms risks and uncertainties	**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.	**Change from 2012** Stable **2013 update** We have operations in 40 countries and provide services in many countries around the world. For 2013, businesses in North America accounted for 48% of global revenue, in Latin America 21% and the UK and Ireland 19%. Only 5% of global revenue is derived from the euro zone.

THE ACQUISITION, INTEGRATION OR DIVESTITURE OF BUSINESSES MAY NOT PRODUCE THE DESIRED FINANCIAL OR OPERATING RESULTS

Performance indicator
EBIT

Strategic alignment
- New customer segments
- Expanding geographically
- Product innovation

Further information
- Business review section – discussion of how we extend our global lead through geographic expansion
- Financial statements note 45 for a detailed description of the financial impact of these acquisitions to the Group

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 ventures 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 our operations. These difficulties could disrupt on-going business, distract management and the workforce, increase expenses and otherwise materially adversely affect our 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 withdraw from low growth or low return markets.

Change from 2012
Stable

2013 update
We acquired a further 29.6% interest in Serasa, our market leading credit bureau in Brazil. This takes our holding to 99.6%. The opportunity to increase our shareholding this year was part of the original agreement in 2007. We acquired the shares from a bank group comprising BIU Participações S.A. (a consortium comprising the stakes in Serasa held by Itaú Unibanco and Bradesco), Banco Bradesco Financiamentos, Grupo Santander and HSBC. This included an extension of existing agreements to provide negative data, and commitments for the provision of positive data once the applicable law is fully operational.

EXPOSURE TO THE UNPREDICTABILITY OF FINANCIAL MARKETS (FOREIGN EXCHANGE, INTEREST RATE AND OTHER FINANCIAL RISKS)

Performance indicator
EBIT

Strategic alignment
- Expanding geographically

Further information
- Financial review section and notes to the Group financial statements

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 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.

Change from 2012
Increasing risk

2013 update
Concerns about credit risk (including that of sovereigns) are contributing to currency volatility and downgrades of some financial institutions. We continue to monitor counterparty positions regularly.

RESULTS OF OPERATIONS MAY BE AFFECTED BY ADVERSE MARKET CONDITIONS CAUSED BY THE GLOBAL FINANCIAL CRISIS AND EURO ZONE DEBT CRISIS

Performance indicator
EBIT

Strategic alignment
- Expanding geographically

Further information
- Business review section

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 US 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.

Change from 2012
Stable

2013 update
We have operations in 40 countries and provide services in many countries around the world. For 2013, businesses in North America accounted for 48% of global revenue, in Latin America 21% and the UK and Ireland 19%. Only 5% of global revenue is derived from the euro zone.

EXPOSURE TO INCREASING COMPETITION

Performance indicator
EBIT

Strategic alignment
- New customer segments
- Expanding geographically
- Product innovation

Further information
- Business review section

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 to 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 retain 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.

Change from 2012
Stable

2013 update
We continue to focus on the development of new products that leverage our scale to deploy capabilities into new markets and geographies. Many new platforms have been or are being rolled out in multiple geographies. For further examples of these please refer to the our strategy for growth section of the annual report.

Chief Executive'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.

Don Robert
Chief Executive Officer

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

P36 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.

P38 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%.

P40 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.

P42 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.

Chief Executive's review continued

Revenue and EBIT by geography

Year ended 31 March	Revenue 2013 US$m	Revenue 2012[1] US$m	Revenue Growth[2] %	EBIT 2013 US$m	EBIT 2012[1] US$m	EBIT Growth[2] %
North America	**2,258**	2,092	8	**718**	658	9
Latin America	**1,001**	961	21	**346**	320	27
UK and Ireland	**873**	824	7	**246**	227	9
EMEA/Asia Pacific	**581**	579	4	**26**	38	(18)
Sub total	**4,713**	4,456	10	**1,336**	1,243	13
Central Activities - central corporate costs	**–**	–	n/a	**(81)**	(74)	n/a
Continuing activities	**4,713**	4,456	10	**1,255**	1,169	13
Discontinuing activities[3]	**17**	31	n/a	**(2)**	6	n/a
Total	**4,730**	4,487	10	**1,253**	1,175	12
EBIT margin[4]				**26.6%**	26.2%	

1. 2012 restated for the movement of some businesses in EMEA/Asia Pacific to discontinuing activities.
2. Total growth at constant exchange rates.
3. Discontinuing activities comprise small discontinuing businesses in EMEA/Asia Pacific.
4. EBIT margin is for continuing activities only. Further analysis can be found in the financial review.

See the financial review for analysis of revenue and EBIT by business segment.
See the financial review and note 7 to the Group financial statements for definitions of non-GAAP measures.

Income statement and earnings analysis

	2013 US$m	2012 US$m
EBIT from continuing operations	**1,253**	1,175
Net interest	**(58)**	(47)
Benchmark PBT	**1,195**	1,128
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 EPS (US cents)	**85.7**	78.9
Basic EPS for continuing operations (US cents)	**25.2**	66.8
Weighted average number of ordinary shares (million)	**988**	989

See the financial review for analysis of revenue and EBIT by business segment.
See the financial review and note 7 to the Group financial statements for definitions of non-GAAP measures.

Growth and efficiency

As announced in November 2012, 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.

NORTH AMERICA
LATIN AMERICA
UK AND IRELAND
EMEA/ASIA PACIFIC

Region: North America

Contribution to Group revenue

48%

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).

"The North America team performed strongly again this year. As we continue to work hard to serve our clients' needs, we've seen a growing contribution from our investment initiatives, particularly in fraud and identity management, healthcare payments, as well as in business information and automotive. We're excited about our new cross-channel marketing capabilities and we're laying the foundations for future expansion of our Consumer Services business."

Victor Nichols
Chief Executive Officer,
North America

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.

Year ended 31 March	2013 US$m	2012 US$m	Total growth[1] %	Organic growth[1] %
Revenue				
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 North America	**2,258**	2,092	8	7
EBIT				
Total North America	**718**	658	9	
EBIT margin	**31.8%**	31.5%		

1. Growth at constant exchange rates.

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.

EBIT and margin

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.

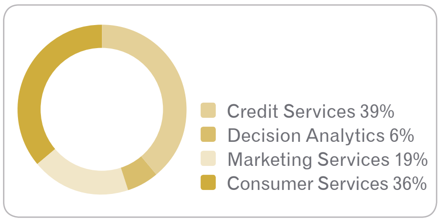
Social, ethical and environmental performance

In the past year in our North America region we significantly increased the number of volunteers and hours supporting local organisations and charities; employee volunteer efforts during working hours more than tripled across business units in North America.

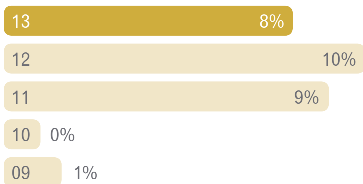
We continue to invest in organisations that make a difference in the lives of those in need, partnering in particular with those that enable financial independence and stability. We worked closely with partners like Allen Community Outreach in Texas to help people rebuild their lives after financial hardships.

Our North America team is constantly looking for greener alternatives to common practices to help us save energy. For the 80% of sites that they manage and control directly, they achieved a reduction of approximately 3% in total energy consumption this year.

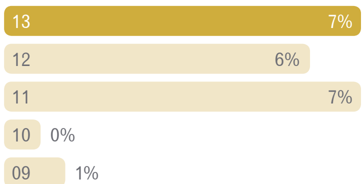
2013 REVENUE BY ACTIVITY



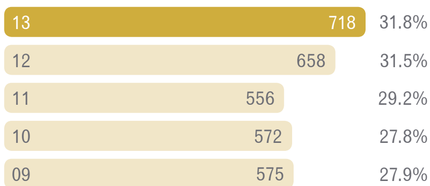
TOTAL REVENUE GROWTH



ORGANIC REVENUE GROWTH



EBIT (US$M) AND MARGIN



NORTH AMERICA
LATIN AMERICA
UK AND IRELAND
EMEA/ASIA PACIFIC

Region: Latin America

Contribution to Group revenue

21%

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).

"Our region continues to deliver very good growth. We're gaining clients in new customer segments from telecommunications and insurance through to automotive. At the same time, we're continuing to expand our market presence in Colombia and Peru with the introduction of new fraud prevention and digital marketing products. The advent of positive credit bureau data in Brazil opens the door for us to develop new innovative products for our clients in the future."

Kerry Williams
President,
Latin America

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.

Year ended 31 March	2013 US$m	2012[1] US$m	Total growth[2] %	Organic growth[2] %
Revenue				
Credit Services	**874**	874	17	12
Decision Analytics	**44**	37	39	39
Marketing Services	**83**	50	75	31
Total Latin America	**1,001**	961	21	14
EBIT				
Total Latin America	**346**	320	27	
EBIT margin	**34.6%**	33.3%		

1. 2012 restated for the reclassification of some products from Credit Services to Decision Analytics.
2. Growth at constant exchange rates.

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%.

EBIT and margin

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.

Social, ethical and environmental performance

In Colombia, we are creating partnerships with organisations involved in environmental care and support for children at risk in society. We are reporting environmental performance data and setting up a waste minimisation programme showing a strong commitment to our Corporate Responsibility agenda.

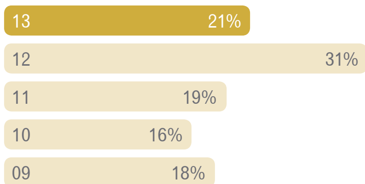
In Serasa Experian we have a business that continues to excel as a top performing employer of choice, winning awards and creating a role model for other businesses in Brazil. This year we saw the launch of a Brazilian Business and Disability Network, grown directly from Serasa Experian's Employability Forum for Persons with Disabilities.

Our Sonhos Reais ('Real Dreams') financial education volunteer programme continues to grow and improve, this year engaging employees working across our branch office network as part of a planned development to reach more communities. This has complemented our outreach work with consumers; Serasa Experian partnered with clients to set up and stage five major consumer debt fairs during the year, reaching 56,000 people and helping them resolve their credit-related problems.

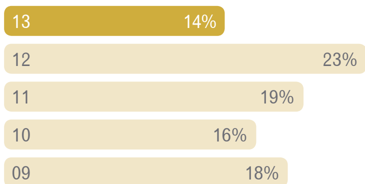
Sustainable business is also a core tenet of our programme in Brazil and the year has seen further developments in our products with a social and environmental benefit. We are also making more gifts of our products to help our partner NGOs.

2013 REVENUE BY ACTIVITY

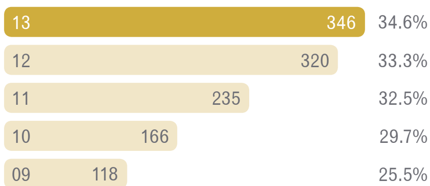
TOTAL REVENUE GROWTH



ORGANIC REVENUE GROWTH



EBIT (US$M) AND MARGIN



Business overview
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NORTH AMERICA
LATIN AMERICA
UK AND IRELAND
EMEA/ASIA PACIFIC

Region: UK and Ireland

Contribution to Group revenue

19%

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).

"We were pleased to deliver a solid performance in the UK and Ireland. Helped by the investments we're making, our Credit Services business performed well as we introduced new superior sources of data, new products and expanded into non-financial customer segments, including telecommunications and utilities. Our Consumer Services business saw significant growth as we grew our membership base and retained customers for longer."

Craig Boundy
Managing Director,
UK and Ireland

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.

Year ended 31 March	2013 US$m	2012 US$m	Total growth[1] %	Organic growth[1] %
Revenue				
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	7	5
Discontinuing activities	**–**	1		
Total UK and Ireland	**873**	825		
EBIT				
Total UK and Ireland	**246**	227	9	
EBIT margin	**28.2%**	27.5%		

1. Growth at constant exchange rates.

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.

EBIT and margin

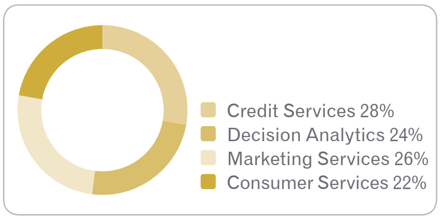
For the UK and Ireland, EBIT from continuing activities was US$246m, up 9% at constant exchange rates. EBIT margin increased by 70 basis points to 28.2%, reflecting positive operating leverage and notwithstanding adverse acquisition mix.

Social, ethical and environmental performance

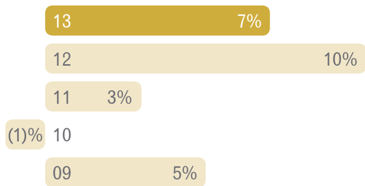
In the UK and Ireland we embarked upon a ground-breaking new partnership with the UK's leading financial education charity pfeg (Personal Finance Education Group) to transform 20 schools, in some of the country's most financially disadvantaged areas, into Centres of Excellence in financial education. In parallel with this and other large scale projects, we made small grants to over 100 charities in support of our employees' passions for volunteering and fundraising.

Our overall energy consumption in our buildings has increased but when normalised against our revenue to account for business growth, we show a decrease of 1.8% due to general raised awareness, and online energy management.

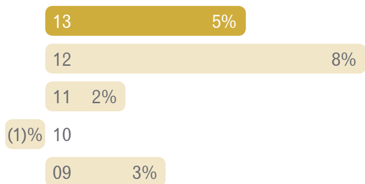
2013 REVENUE BY ACTIVITY



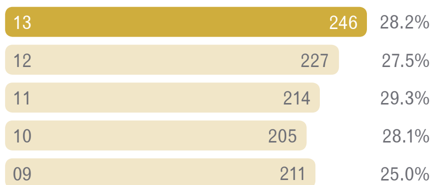
TOTAL REVENUE GROWTH



ORGANIC REVENUE GROWTH



EBIT (US$M) AND MARGIN



NORTH AMERICA
LATIN AMERICA
UK AND IRELAND
EMEA/ASIA PACIFIC

Regions: EMEA/Asia Pacific

Contribution to Group revenue

12%

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).

"We're capitalising on many varied opportunities across the region, focusing on both our established markets and expanding our capabilities into emerging markets like Turkey and Russia. We're working to ensure we have the right level of resources in the right areas to meet the ever-changing needs of our customers."

Chris Clark
Managing Director,
EMEA

"Our region is at an exciting stage of its development; we're strengthening our position by further embedding ourselves in the region and we're thrilled to have launched our new credit bureau in Australia."

Joy Griffiths
Chief Executive Officer,
Asia Pacific

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.

Year ended 31 March	2013 US$m	2012[1] US$m	Total growth[2] %	Organic growth[2] %
Revenue				
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		
EBIT				
Continuing activities	**26**	38	(18)	
Discontinuing activities	**(2)**	6		
Total EMEA/Asia Pacific	**24**	44		
EBIT margin[3]	**4.5%**	6.6%		

1. 2012 restated for the movement of some businesses to discontinuing activities.
2. Growth at constant exchange rates.
3. EBIT margin is for continuing activities only.

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.

EBIT and margin

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.

Social, ethical and environmental performance

We made good progress in EMEA/Asia Pacific this year. In EMEA our community programme focused on some big projects in Turkey, Monaco, Italy, Spain and South Africa, with a strong focus on financial empowerment. We have singled out the projects in Turkey and South Africa as case studies in the Group's 2013 Corporate Responsibility Report and between the two projects we reached 17,000 young people and helped make them more aware of money management and risk issues.

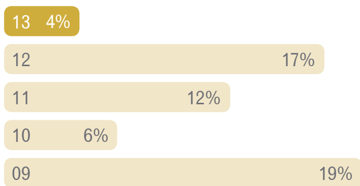
Volunteering figures for EMEA/Asia Pacific have increased 27% by comparison with the prior year with a huge uplift specifically in Asia Pacific.

Environmental performance was focused on video conference facility provision across EMEA and we saw an associated reduction in travel. Individual engagement of employees, especially through the fun global 'Green Challenge' environmental programme, was high. We saw 32 teams, with 242 employees across 16 countries, taking part and the winning team came from EMEA, a fitting tribute to the participation across the region.

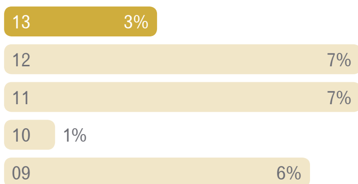
2013 REVENUE BY ACTIVITY [1]

[1] Excludes discontinuing activities.

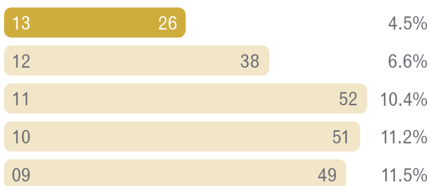
TOTAL REVENUE GROWTH



ORGANIC REVENUE GROWTH



EBIT (US$M) AND MARGIN



EBIT and EBIT margin are for continuing activities only.

Financial review

Experian has delivered excellent financial performance as our global growth and efficiency programmes gain pace, with strong revenue, profit and cash flow performance.

Brian Cassin
Chief Financial Officer

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

Introduction

Our financial review is designed to set out the financial highlights of the year and to further develop the story behind these numbers. Further financial information is provided in the Group financial statements. P98

We also use this review to draw out the key elements within our accounting and risk management policies and explain formally why the going concern basis continues to be adopted in the preparation of the financial statements. For the sake of completeness we also explain here the use of non-GAAP financial measures by Experian and include – either directly or by reference – definitions of such measures used within the business review.

Group income statement commentary

Revenue and profit performance – continuing operations

Revenue increased from US$4,487m in the prior year to US$4,730m in the year ended 31 March 2013. At constant exchange rates, organic revenue growth was 8% and this, together with the full year benefit of earlier acquisition activity, translated into growth in total EBIT of 7% to US$1,253m, with a margin improvement of 40 basis points to 26.6%.

An analysis of and commentary on Group profit performance in the year by geography is given earlier in the business review. An additional analysis of the income statement is given in this financial review together with a summary of performance by business segment.

Profit before tax from continuing operations decreased by US$249m, from US$689m to US$440m, with US$233m of the decrease due to the movement in the fair value of the Serasa put option. Benchmark PBT rose by US$67m to US$1,195m (2012: US$1,128m).

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.

Exceptional items – continuing operations

A summary of exceptional items is given in the table below.

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)

P32 As indicated in the Chief Executive's review, 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 off-shoring, 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.

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 US and Brazil where corporate tax rates are higher than the main UK rate. A reconciliation of the Benchmark tax charge is given in note 16 to the Group financial statements.

The tax charge for the year 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 its effective rate of tax of (5.1%) benefited from the determination of historic positions and the further utilisation of tax losses.

Earnings and dividends per share

Basic earnings per share were 37.1 US cents (2012: 66.2 US cents) including earnings per share of 11.9 US cents (2012: loss of 0.6 US cents) in respect of discontinued operations (see note 19). Benchmark EPS increased to 85.7 US cents from 78.9 US cents last year.

The second interim dividend is 24.00 US cents per ordinary share (2012: 21.75 US cents) giving a total for the year of 34.75 US cents (2012: 32.00 US cents), an increase of 9%. This is covered 2.5 times by Benchmark EPS.

Foreign exchange

The principal exchange rates used to translate revenue and EBIT in the year are shown in the table at the foot of the page.

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

Cash flow and net debt commentary

Cash flow

We 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%). Working capital and capital expenditure is managed with the aim of converting at least 90% of EBIT into operating cash flow and this target forms a key performance indicator. Accordingly, our record on this metric over a period of five years is shown in the key performance indicators section of this report. A reconciliation of cash generated from operations as reported in the Group cash flow statement to operating cash flow as reported in the cash flow summary table is given in note 44 to the Group financial statements.

As indicated in the cash flow summary table overleaf, 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 44(f).

Foreign exchange – average rates

	2013	2012	Weakened against the US$
Sterling : US$	1.58	1.60	1.2%
US$: Brazilian real	2.01	1.70	18.2%
Euro : US$	1.29	1.38	6.5%

Financial review continued

Capital expenditure
Capital expenditure was US$460m (2012: US$453m) including data and software to support future growth. An analysis by operating segment is given in note 9(a) to the Group financial statements.

Later in this review we include a comparison between capital expenditure and depreciation and amortisation charges in each of the two years ended 31 March 2013.

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

A summary reconciliation of movements in net debt is provided below and a more detailed reconciliation is included in note 30(c) to the Group financial statements. This has been included to provide our stakeholders with a deeper understanding of our net debt movements.

The maturity profile of borrowings and facilities is shown in note 29 to the Group financial statements. 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.

There have been no breaches of any covenants given on borrowings in the year under review or the prior year and there is no undue concentration of repayment obligations in respect of debt.

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 associates	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

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

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

Group balance sheet commentary

Net assets

An analysis of net assets and capital employed is given in the net assets summary table. As part of our internal reporting process, capital employed is monitored by operating segment and further information by operating segment is given in note 9(a) to the Group financial statements.

Capital employed includes net pension assets of US$24m (2012: US$77m) and net derivative financial assets of US$59m (2012: US$92m) where the balance sheet values are a function of external market conditions.

Total equity

A reconciliation of, and the key components of, the movements in Group total equity is given in the summary reconciliation of total equity table.

The increase in Group total equity in the year ended 31 March 2013 of US$293m (2012: US$224m) is after a charge for two key items within other comprehensive income – actuarial losses of US$62m (2012: gains of US$9m) in respect of defined benefit pension plans and currency translation losses of US$39m (2012: US$64m), 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.

The net movement from transactions with non-controlling interests in the year of US$427m within transactions with owners principally relates to the recognition of a deferred tax asset on the acquisition of the further stake in Serasa.

Foreign exchange

The principal exchange rates used to translate assets and liabilities at the year end are shown in the table opposite.

Share price and market capitalisation

The share price of Experian ranged from a low of £8.70 to a high of £11.85 during the year. On 31 March 2013, the mid-market price was £11.40, giving a market capitalisation of US$17.8bn at that date.

Net assets summary

At 31 March	2013 US$m	2012 US$m
Goodwill	**4,057**	4,163
Other intangible assets	**1,474**	1,582
Investment in associates	**21**	13
Other segment assets	**1,363**	1,426
Total segment assets	**6,915**	7,184
Segment liabilities	**(1,307)**	(1,332)
Operating segments – net assets	**5,608**	5,852
Central Activities – net assets	**125**	127
Capital employed	**5,733**	5,979
Net present value of Serasa put option	**–**	(1,092)
Net debt	**(2,938)**	(1,818)
Tax	**429**	(138)
Net assets	**3,224**	2,931
	US$	US$
Net assets per share	**3.26**	2.96

Summary reconciliation of total equity

Year ended 31 March	2013 US$m	2012 US$m
Profit for the year	**406**	718
Other comprehensive income	**(84)**	(57)
Transactions with owners:		
Net movement for employee share incentive plans	**(80)**	(79)
Net movement from transactions with non-controlling interests	**427**	3
Dividends paid	**(376)**	(361)
Increase in total equity	**293**	224
At 1 April	**2,931**	2,707
At 31 March	**3,224**	2,931

Foreign exchange – closing rates

At 31 March	2013	2012
Sterling : US$	**1.52**	1.60
US$: Brazilian real	**2.02**	1.82
Euro : US$	**1.28**	1.33

Financial review continued

Accounting policies and developments

The principal accounting policies used are shown in note 5 to the Group financial statements and these have been applied consistently.

Two significant strategic transactions have been completed during the year – the acquisition of the further 29.6% interest in Serasa and the sale of the comparison shopping and lead generation businesses. The treatment of these transactions is detailed in notes 46 and 47 respectively to the Group financial statements and is consistent with both previously adopted policies for such transactions and with International Financial Reporting Standards ('IFRS').

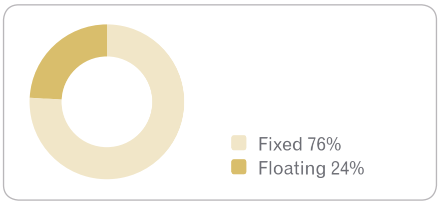
The year under review has seen little impact on the Group from developments in IFRS but the Group is adopting IAS 19 (revised) with effect from 1 April 2013. The results for the year ended 31 March 2013 will be re-presented accordingly in the annual report for the year ending 31 March 2014 and it is anticipated that there will be a small reduction in reported profit before tax for the year ended 31 March 2013 as the rate used to determine the expected return on pension plan assets will fall.

Accounting estimates and assumptions

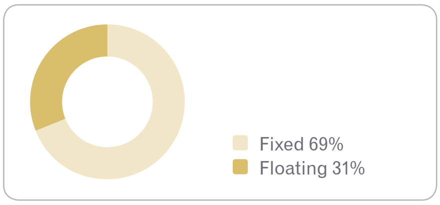
Details of critical accounting estimates and assumptions are shown in note 6(a) to the Group financial statements. The most significant of these relate to tax, pension benefits and goodwill and the key features can be summarised as follows:

- Estimates made in respect of tax assets and liabilities include the consideration of transactions in the ordinary course of business for which the ultimate tax determination is uncertain.
- The recognition of pension benefits involves the selection of appropriate actuarial assumptions, changes to which may impact on the amounts disclosed in the Group financial statements.
- The assumptions used in the cash flow projections underpinning the impairment testing of goodwill include assumptions in respect of profitability and future growth, together with pre-tax discount rates specific to the Group's operating segments.

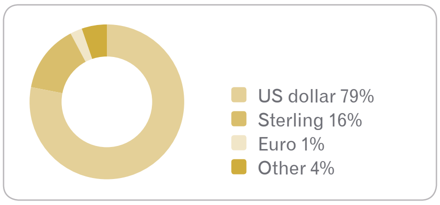
2013 NET FUNDING BY INTEREST RATE



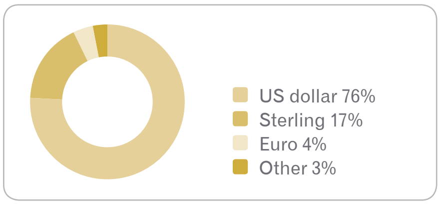
2012 NET FUNDING BY INTEREST RATE



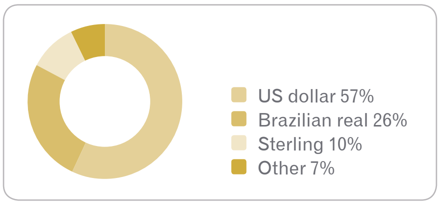
2013 NET FUNDING BY CURRENCY



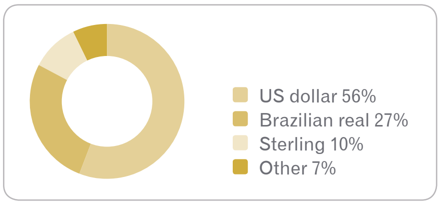
2012 NET FUNDING BY CURRENCY



2013 EBIT BY CURRENCY



2012 EBIT BY CURRENCY



Financial risk management

The risks and uncertainties that are specific to our business, together with more general risks, are set out in the protecting our business section of this report. Our financial risk management continues to focus on the unpredictability of financial markets and seeks to minimise potentially adverse effects on our financial performance.

We seek to reduce exposures to foreign exchange, interest rate and other financial risks. Detailed narrative and numeric disclosures in respect of such risks are included in the notes to the Group financial statements and the key features are summarised below.

Foreign exchange risk is managed by:

- Entering into forward foreign exchange contracts in the relevant currencies in respect of investments in entities with functional currencies other than US dollars, whose net assets are exposed to foreign exchange translation risk;
- Swapping the proceeds of certain bonds issued in sterling and euros into US dollars;
- Denominating internal loans in relevant currencies to match the currencies of assets and liabilities in entities with different functional currencies; and
- Using forward foreign exchange contracts for certain future commercial transactions.

Interest rate risk is managed by:

- Using both fixed and floating rate borrowings;
- Using interest rate swaps to adjust the balance of fixed and floating rate liabilities; and
- Mixing the duration of borrowings and interest rate swaps to smooth the impact of interest rate fluctuations.

Credit risk is managed by:

- Dealing only with banks and financial institutions with strong credit ratings, within limits set for each organisation; and
- Closely controlling dealing activity with counterparty positions monitored regularly.

Liquidity risk is managed by:

- Entering into long-term committed bank borrowing facilities to ensure that sufficient funds are available for operations and planned expansion; and
- Monitoring of rolling forecasts of projected cash flows to ensure that adequate undrawn committed facilities are available.

Capital risk management

Our definition and management of capital focuses on capital employed and the Group's capital employed is analysed in the net assets summary table set out above.

Our objectives in managing capital are:

- To safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders; and
- To maintain an optimal capital structure and cost of capital.

We remain committed to:

- A prudent but efficient balance sheet; and
- A target gearing ratio of 1.75 to 2.0 times EBITDA, consistent with a desire to retain a strong investment-grade credit rating.

To maintain or adjust the capital structure, we may:

- Adjust the amount of dividends paid to shareholders;
- Return capital to shareholders;
- Issue or purchase shares; or
- Sell assets to reduce net debt.

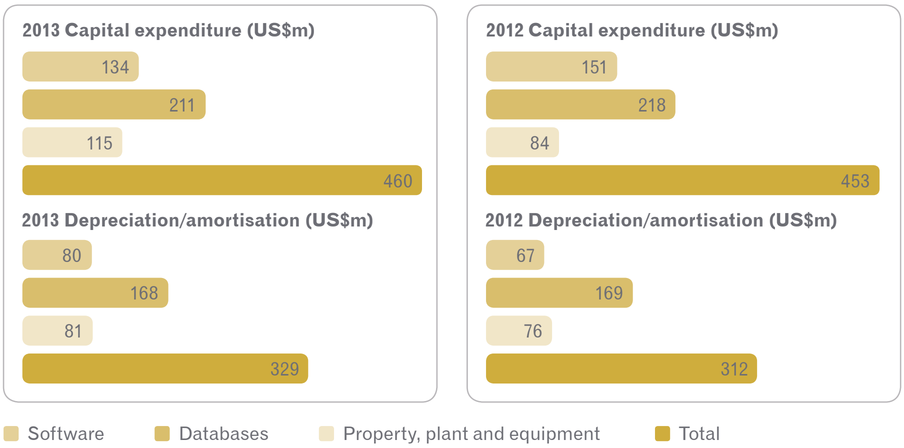
Going concern

The Board formed a judgment at the time of approving the Group and the parent company financial statements that there was a reasonable expectation that the Group and the Company had adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion the Board took account of:

- Current and anticipated trading performance which is the subject of detailed comment elsewhere in the business review;
- Current and anticipated levels of borrowings and the availability of the committed borrowing facilities which are stated above; and
- Exposures to and management of financial risks which are summarised above and detailed in the notes to the Group financial statements.

For this reason, the going concern basis continues to be adopted in the preparation of the Group and the parent company financial statements.

COMPARISON OF CAPITAL EXPENDITURE AND DEPRECIATION/AMORTISATION



Non-GAAP measures

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 they consider them to be key measures used within the business for assessing performance.

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 7 to those financial statements.

Roundings

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

Financial review continued

Income statement analysis – continuing operations

Year ended 31 March	2013 Benchmark US$m	2013 Non-benchmark[1] US$m	2013 Total US$m	2012 Benchmark US$m	2012 Non-benchmark[1] US$m	2012 Total US$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 total adjustments made to derive Benchmark PBT, full details of which are included in notes 13 and 14 respectively to the Group financial statements.

Revenue, EBIT and EBIT margin by business segment

Year ended 31 March	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	**(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.

Corporate Responsibility

We understand our responsibilities as a corporate citizen and strongly believe that we must focus on these to generate profitable and long-term growth. Our emphasis this year has been on the growth and evolution of our programme, driven by a desire to achieve more, to create more impact and in turn to strengthen our business growth. We're especially focused on helping local communities achieve their social and economic potential.

The story of our year

This year Experian's people took Corporate Responsibility ('CR') to heart in a new way. Whether it was our 150 most senior leaders locked in debate over Experian's role in tackling poverty, or the 1,000 colleagues getting involved in our global environment challenge, we've seen how these issues have the power to engage and inspire people.

As a result of engagement through our Heart of Experian culture programme, we have found new ways to involve our 17,400 colleagues around the world in transforming the way we work with society; looking at how we embed CR in our business even more dynamically and providing a new focus for our community engagement programme.

A new opportunity to engage leaders

In May 2012, we held our annual global management conference in Mumbai. The conference's theme centred on growth with responsibility and the event created a powerful opportunity for 150 of our most senior leaders to develop an even greater understanding about the social context for growth in emerging markets – a key part of Experian's strategy.

As described in last year's report, leaders were taken out into Mumbai to visit and talk with people involved in social enterprises and charities addressing the city's many social needs. The groups were then brought together to discuss the role of business in society and to examine Experian's specific responsibilities.

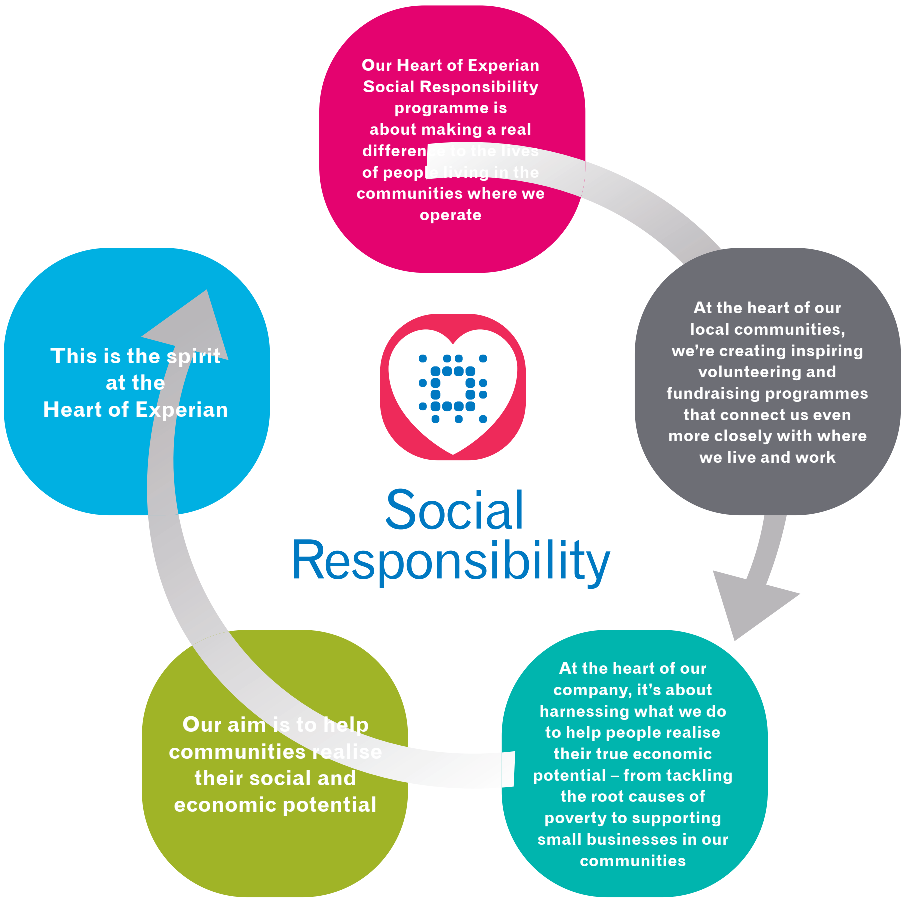
There was strong awareness that our resources – not just financial, but our unique capabilities and our data resources – could really make a difference and new ideas began to emerge for products and service offerings and ways of engaging as a team beyond the conference. See the Corporate Responsibility Report 2013 ('CR Report') at www.experianplc.com/crreport for more detail including a short video.

New global CR working groups

A key outcome from Mumbai's global management conference was the creation of a global CR steering group. The group, comprising senior leaders from across Experian's five regions, was established to drive the development and improvement of our CR programme.

Three workstreams have been established within the steering group, each led by a senior leader, with the objective of:

- Enhancing the Group's community programme, improving the connection between employees and leaders, and the focusing on social context in each region;



Community investment

	2013 US$'000	2012 Re-presented US$'000
Funds from Experian plc	**1,217**	981
Financial donations and investments from Experian subsidiaries[1,2]	**2,676**	1,504
Employee time volunteered[3]	**656**	505
Gifts in kind[4]	**323**	282
Management costs	**416**	274
Total from Experian	**5,288**	3,546
As % of Benchmark PBT	**0.44%**	0.31%
Employee fundraising	**785**	815
Total value of all giving	**6,073**	4,361
As % of Benchmark PBT	**0.51%**	0.39%

1. Financial donations and investments from Experian subsidiaries have been re-presented in the light of improved data capture processes. Additional financial donations were identified in the North America region, the largest of which was US$180,000 in relation to Donor's Choose. The total amount was previously reported as US$941,000.
2. Financial donations and investments include relevant costs incurred in respect of our commercial initiatives in the community in Brazil, 'Clean my name'. Our CR report sets out how we have calculated the costs that directly benefit the community. No comparable initiatives and costs were incurred in the prior year.
3. Manual and skilled time volunteered during normal working hours on Experian projects. This level of data capture was not possible in prior years.
4. Gifts in kind have been re-presented in the light of improved data capture. 41,000 free credit reports were provided to not-for-profit advice agencies in the UK. The total amount previously reported was US$166,000.

- Improving the Group's measurement and reporting of its social and environmental impacts, which will help us focus on how we are protecting the environment and addressing social concerns, not only how much we are investing or saving; and
- Seeking out how the Group can better identify and respond to social needs through product innovation, referred to at Experian as creating 'Big Ideas'.

The launch of the Heart of Experian Social Responsibility programme

The most important outcome from the global management conference was establishing a global theme for Experian. As part of our successful global culture programme, the Heart of Experian Social Responsibility programme was launched globally in March 2013 to 17,400 employees around the world.

With the aim of helping communities realise their social and economic potential, the Heart of Experian Social Responsibility programme encompasses our existing successful community programmes while also pioneering how we use our business skills, products and services to promote financial education, financial inclusion and support small business entrepreneurs.

Sharpening our community focus

Our programme of community investment remains hugely important, engaging our people and touching the lives of thousands of people across the world. This year's total was US$6.1m made up of volunteering hours, cash, donations in kind and employee fundraising as shown above. Our colleagues worldwide value the chance to get involved in their local community, and volunteer enthusiastically.

We have always looked beyond our centrally funded initiatives and this year we have included in our reporting, programmes developed within our business units. These include, for example, donations made to an organisation called 'Donors Choose' in North America, from our consumer business. Many of the organisations we support have been partners with us for a number of years. One such example is the Allen Community Outreach ('ACO') project in Texas, which supports struggling families with food, clothing and financial advice and support. Most of ACO's customers have no access to computers, making it hard for them to deal with potential employers, government agencies or other companies online. In the past Experian has provided support to set up a computer room, allowing users to get online at the project and Experian's employees have volunteered extensively at the centre and provide the financial education and support so vital to making a long-term difference.

The focus on financial education has been a longstanding one at Experian and also led us to develop educational support programmes such as 'Values, Money and Me'. This has been delivered nationwide across the UK this year and helps schools teach children about the importance of financial responsibility, and not just 'money management' skills. The programme has been approved and the distribution supported by pfeg, the UK financial education charity, and there are plans to replicate it in Ireland. This year we also announced a three-year partnership with pfeg to establish 'Centres of Excellence', supported by Experian and our volunteers, promoting financial education in schools located in the UK's most financially disadvantaged communities.

New emphasis on 'Big Ideas'

We believe that commercial solutions to social problems will have scale and longevity beyond those based on donations and philanthropy; they will have the most sustainable effect on society. Termed 'Big Ideas', we are now looking at how we can deliver more through our strengths and capabilities as a business, scaling up these activities as part of our Heart of Experian Social Responsibility programme.

An outstanding example of a 'Big Idea' we first reported last year is our work with the Big Issue Invest, the investment arm behind the iconic Big Issue magazine, to create the UK's first commercial Rental Exchange Service. This will offer a secure and compliant way to include a tenant's rental payment history in credit reports, with their permission. Rental payment information is not currently included on credit reports.

This year we have invested further and worked with the social housing landlords and tenants and set up the infrastructure to make it possible – for the first time – for tenants to build their credit history by taking account of their regular rent payments. This will strengthen their credit history, enable them to apply for mainstream loans and help them qualify for lower-cost credit deals.

New ways to engage with consumers

There have been a number of initiatives this year focused on greater engagement with consumers and the most dramatic was in Brazil. A series of five 'Clean My Name' debt fairs were organised by Serasa and 56,000 people attended these one day events to meet Serasa Experian and all its lender clients in one place.

Corporate Responsibility continued

Linking to our business strategy

Corporate responsibility for Experian is an essential element of our business growth strategy and supports our drive towards product innovation, geographic expansion and work in new customer segments. Our CR programme is developed through a cycle of consulting, focusing, embedding and innovating. We have great stories to tell in our CR Report, which show how we're making progress in all our areas of responsibility. See www.experianplc.com/crreport for our case studies.

BIG ISSUE INVEST PARTNERSHIP

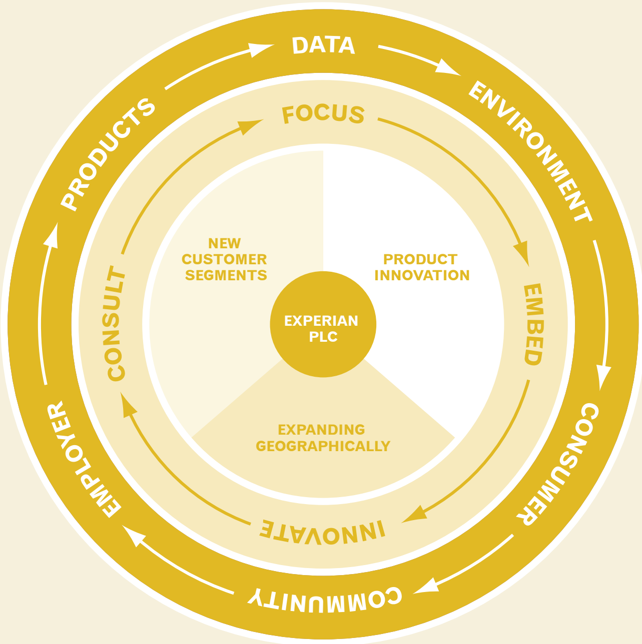
In our second year of partnership with the Big Issue Invest, engagement with social landlords is becoming a reality. For the individual we provide a means to build a repayment profile that will give access to mainstream lending and help them achieve considerably cheaper interest rates.

GREEN CHALLENGE

Our global environmental engagement programme ran for three months and challenged our people to make a change to their green, or not so green, behaviours. Over 3,000 colleagues regularly read and watched our updates and over 1,000 people signed up in teams across 20 countries. Our case study tells their story and you can see an amateur video grown out of green passion!

GROWING THE HEART OF EXPERIAN

Our culture programme, the Heart of Experian, is helping us foster a working environment where people are engaged and inspired. In this second year we have made great strides and our case study describes some of our progress and shares a video that formed one of the first exciting messages about the initiative.



VALUES, MONEY AND ME

Developed by our UK and Ireland business, Values, Money and Me is a free primary school online programme that explores what money can and cannot buy. Developed in partnership with teachers and backed by pfeg, the UK financial education charity, the case study video shows children and teachers using the resource and having a lot of fun learning about finances and values.

CLEAN MY NAME

Or Limpe Nome as it's known in Portuguese, is the title for a series of five major events held across Brazil, developed by our Serasa Experian business to help people set their finance records straight and solve their debt problems in one day. Over 56,000 people attended – see the impact and hear their inspiring stories in the case study.

The fairs provided a unique opportunity to address credit problems in one go, in real time, to clear up misunderstandings and bring new hope to people stuck at the limit of their credit.

Many people who attended told us that they arrived feeling hopeless and left energised by a new and realistic plan to deal with their debt problems. Lenders will benefit too, with lower default rates expected from attendees. Serasa Experian employee volunteers added to the value of the events by providing financial education sessions for attendees, to help them in the longer term.

A new green engagement programme

Many of Experian's people are housed in modern offices, controlled by building management systems with little individual scope to be involved in reducing our footprint. So this year we launched our 'Green Challenge' to harness the creativity and interest of our colleagues around the world and encourage them towards more environmentally aware behaviour in the office, at home and as they travel between the two.

The idea was simple: colleagues were invited to register in self-organised teams and were presented with a series of environmental challenges throughout the competition. Points were awarded for the best performing teams. Funds were pledged to good causes as an incentive for participation and to reward winning teams.

Over 3,000 colleagues around the world visited the dedicated 'Green Challenge' intranet site and around 1,000 people took part in 126 teams across 20 countries.

The results were outstanding, with photos, stories and videos flooding in from around the world. From Costa Rica to California, Monaco to Madrid, colleagues have said that being part of a global project but in a local team was a motivating force for them. As we plan the legacy of the project we have termed the phrase 'Green for Good' because we know we have changed the behaviour and outlook of a large number of Experian colleagues.

Responsibility	2013 Objectives	Status	How achieved
Data			
Use and protect data properly, respecting all the relevant laws, helping evolve industry guidelines and new legislation and ensuring a culture of compliance with the highest standards of integrity.	Make Experian's Global Code of Conduct available to external stakeholders, rolling out first via the CR section of the Experian plc website. By the end of the financial year provide a link via Experian country websites to versions translated into local languages.	✓	Our Code of Conduct has been translated into 15 languages, available via the CR section of the Experian plc website and links have been created via our country websites making our conduct around data visible to all stakeholders.
Products and Services			
Create social and economic benefit through our products, services and capabilities, balancing commercial benefit with consumers' rights and needs.	Work with members of the Strategic Projects Committee in each region, raising their level of Social Ethical and Environmental ('SEE') issue awareness. Enable their decision making on new developments to take account of social benefit, using tools and frameworks created by the global CR Steering Group.	✓	With global CR Steering Group support we created frameworks and diagnostic tools to help product managers across all regions assess the social benefit of the products and services in their remit, enabling them to review new developments.
Consumer			
Inform and empower consumers, and ensure that those who interact directly with our Company receive fair and honest treatment.	Maximise the reach of our financial education advice to consumers in three of our regions by working with partners including consumer organisations and clients, using new channels and sharing expertise between regions.	✓	North America: we increased our focus on social media, hosting 12 live events over three months, with a typical TweetChat reaching more than 150,000 accounts. UK and Ireland: we established a Facebook page in September and already have 17,000 'likes'. Latin America (Brazil): the emphasis has been on new face-to-face events in collaboration with clients, with 56,000 people attending five 'Clean your name' events across Brazil. All regions: we continued to collaborate and share information regarding the achievements in the above regions.
Employer			
Be a good employer to all, establishing a set of expected behaviours and values, aiming to ensure that everyone working for us is treated fairly, given the maximum opportunity to fulfil their potential and that all our workplaces are safe and healthy.	Work with senior leaders to improve their understanding of Experian's role as a responsible business in line with statements in Heart of Experian employee materials. Inspire and enable them to hold informed discussions with employees leading to local community plans at a regional level and improved employee engagement and better leader/employee communication.	✓	We engaged senior leaders via the Global Management Growth Conference running a half-day programme on the role of Experian as a responsible business in society. Support materials including video and intranet communications have been provided and discussions with employees are ongoing. Regional CR plans were included in the main strategic plans for the first time.
Environment			
Minimise as far as possible the environmental impacts associated with our business and enable employee participation, with a particular concentration on the reduction of energy use and its effect on global warming.	Overall reduce CO_2 emissions normalised by revenue by 2% by 2016. Targets for this year were: • Achieve a 5% PUE (Power Utilisation Effectiveness) reduction in our primary UK and North America data centres by December 2013. • Decrease air travel between locations with video conferencing ('VC') facilities in the UK and Ireland and EMEA by 4% and 7% respectively during the current year.	✓ (Part achieved) ↻	• Aggregated PUE has reduced by 12.6% across our four core data centres based in the UK and North America. The technology investment required in one site was delayed, so we expect to achieve more reductions in the future. • Air travel in EMEA has reduced by 29% in terms of mileage, and 20% in terms of costs of air travel between VC locations. • Air travel in the UK and Ireland has reduced by 12% in terms of mileage, and by 5% in terms of costs of air travel.
Community			
Play an active part in social and economic regeneration in our communities, be they local, national or global.	• Complete the process of improving the capture of local business unit charitable payments and investments. • Develop global policies for match funding, volunteering and payroll giving and set goals for implementation taking account of regional limitations.	✓ ↻	Improved data capture processes are in place and the increase in regional charitable contributions and investments partly reflects this improvement. Policy and goal development work is ongoing with regions as part of the CR Steering Group remit.

✓ Achieved ✓ Part achieved ↻ Ongoing

Governance: Chairman's introduction

Corporate governance involves setting appropriate strategic aims for Experian, providing the leadership and resources to put them into effect, while striking the right balance between risk and long-term value creation for all of our stakeholders.

Sir John Peace
Chairman

As we continue to successfully develop our growth strategy with a view to maintaining the performance of recent years, your Board is mindful of its role and the important role that corporate governance plays in that development. The ongoing pressures in the global economy, among other factors, have served to heighten the ongoing commitment of the Board to good governance, and the Board's view remains that the right processes and people are in place at Experian to support that development. These processes and people allow for first class governance without overly restricting the innovation and entrepreneurship of our people that has served us so well.

In reflecting on the role of the Board in relation to corporate governance, it is useful to think about the Heart of Experian, which we introduced in April 2012 and continue to embed throughout the Group. The purpose of the Heart of Experian is to help us further identify our collective purpose and a way to express the ties that bind all of the people in the Group, as well as set the goal of becoming one of the best places to work.

As part of the Heart of Experian, we introduced three words to articulate what we stand for in the eyes of employees, clients, investors and the communities we serve. In other words, our 'core DNA'. Those words are Connect, Protect and Create – and it is Protect which is most relevant in terms of corporate governance.

Your Board develops Group strategy, approves the Group budget and provides ethical leadership and appropriate direction to management, while being acutely aware of the need to:

- **Protect** the interests of our shareholders;
- **Protect** the sensitive data we hold;
- **Protect** the Group against risk;
- **Protect** the reputation of the Group; and
- help **Protect** the communities in which we operate through the corporate responsibility programme you read about earlier in the annual report.

The corporate governance report which follows will provide more detail, but I am pleased to mention some areas which demonstrate how we applied the principles in the UK Corporate Governance Code relating to the role and effectiveness of the Board during the financial year.

Board role

The Board, through the Nomination and Corporate Governance Committee, receives updates on corporate governance developments, to assist in ensuring that the Board and its committees can meet best governance practice. This year, the Committee received updates on the new UK Corporate Governance Code (published in September 2012) and recommendations about implementation of the new code. The Remuneration Committee received similar updates as they relate to remuneration corporate governance and, during the year, was briefed on the UK Department of Business Innovation & Skills consultation on revised remuneration reporting regulations.

As well as receiving such updates, the Board plays a central role in Experian's governance, by the example it sets and the procedures it has put in place. The delegation of authority from the Board down to the Group's operating businesses was put in place by the Board and is a key feature of Experian's governance structure that flows from the list of matters that the Board has reserved to itself for decision. The delegation process is well understood in the Group and allows decisions to be taken at the most appropriate place. The Board maintains oversight of the delegation by reviewing the minutes of meetings of the various principal decision-making entities around the Group.

In terms of risk, the Board continually strives to manage risks within our risk appetite. Over the past year, there has been an increasing emphasis on consumer information across various legislative and regulatory systems, and the Group continues to actively monitor, evaluate and plan for changes that may affect our operations.

Board time

The Board met seven times (including one ad-hoc meeting) during the year and, as usual, committee meetings were held at the same time. You will read later about the areas that the Board concentrated on during the year.
As Chairman, I work closely with the Chief Executive Officer and the Company Secretary to make sure that the agenda is focused on the right areas and I believe we strike the right balance. There is regular feedback in the Board evaluation process about spending time with the business, and this year we had a major overseas trip to our regional operational headquarters in Costa Mesa, where the Board spent a great deal of time meeting with senior leaders and other staff to develop their knowledge of the business.

Board evaluation

The findings of the 2012 Board evaluation in terms of Board performance were positive, with the Board found to be providing the right direction for management, while demonstrating ethical leadership and displaying and promoting behaviours consistent with the cultures and values defined for Experian. The Board is considered to both encourage and challenge management, as circumstances require, with the interests of shareholders always being a top priority. Risk is always at the forefront for your Board, and it considers the risk management programme of the Group to be increasingly robust.

The 2013 Board and Board committee evaluation will be facilitated externally, in line with the recommendations of the UK Corporate Governance Code.

Board composition

During the year, we completed the appointments of Brian Cassin as Chief Financial Officer and Deirdre Mahlan and George Rose as non-executive directors. Having completed these appointments, I believe that there is a good mix of backgrounds, skills and experience on the Board, although it was noted in the 2012 Board evaluation that further refinements are always possible and that there is a need to ensure the smooth replacement of any experience that is naturally lost at Board level in the coming years when directors' terms of office conclude. The Nomination and Corporate Governance Committee will continue to focus on achieving the right balance for Experian.

This year, the Board agreed a set of operating principles for itself, the Board committees and the directors. The aim of the internal principles is to aid the Board with succession planning, in the context of the international profile of the Group. The principles are also designed to take account of prevailing governance guidelines at any given time.

In accordance with the UK Corporate Governance Code, all the directors will stand for election/re-election at the 2013 AGM. Each director continues to provide the Board with valuable knowledge and expertise and to devote sufficient time in support of the Group, and I strongly recommend their election/re-election.

Conclusion

To successfully develop growth initiatives, innovation and entrepreneurship need to be encouraged, and your Board will continue to work to ensure that the right corporate governance oversight and processes are in place to help reduce the associated potential risks, to protect all our stakeholders.

UK Corporate Governance Code

It is the Board's view that the Company has been compliant with the provisions of the UK Corporate Governance Code, published by the UK Financial Reporting Council in 2010, throughout the year ended 31 March 2013. The corporate governance report, together with the report on directors' remuneration, explains how the Company has applied the main principles and complied with the provisions of the UK Corporate Governance Code during the year. Additionally, the Company has chosen to comply voluntarily with certain of the changes to the UK Corporate Governance Code announced by the UK Financial Reporting Council in September 2012. The directors' report forms part of the corporate governance report.

Board of directors

Sir John Peace (64) — Chairman ■

Appointed: 6 July 2006

Other current roles: Chairman – Burberry Group plc, Standard Chartered PLC

Previous roles: Group Chief Executive Officer and director – former GUS plc

Key skills and experience: Many years' experience as a successful board chairman, with this strength frequently mentioned during Board reviews. An in-depth knowledge of the Experian business due to his role in its inception and his time as Group Chief Executive Officer of GUS plc

Don Robert (53) — Chief Executive Officer ■

Appointed: 6 July 2006

Other current roles: Non-executive director – Compass Group PLC. Director and trustee – National Education and Employer Partnership Taskforce. Trustee – Sage Hill School, California

Previous roles: Chief Executive Officer – Experian North America. Various senior roles – The First American Corporation. President – Credco, Inc. Various – US Bancorp. Director – former GUS plc. Past chairman – Consumer Data Industry Association

Key skills and experience: Has led Experian through a period of enormous change, beginning with listing as an independent company in October 2006. Brought many years' experience in credit reporting businesses to his Experian roles

Chris Callero (61) — President and Chief Operating Officer

Appointed: 1 April 2009

Other current roles: Advisory capacity – Paul Mirage School of Business, Bren School of Information and Computer Sciences. Board member – Segerstrom Center for the Arts. Member – University of California Chancellor's Chief Executive Roundtable

Previous roles: Chief Executive Officer – Experian Americas. Various senior roles – Bank of America (27 years). Chief Operating Officer – Wink Communications

Key skills and experience: Overall responsibility includes Experian business operations around the globe, and the development and management of growth initiatives to ensure the continued success of the business. Strong leadership skills, clear strategic vision and an in-depth knowledge of the business

Brian Cassin (45) — Chief Financial Officer

Appointed: 30 April 2012

Other current roles: None

Previous roles: Managing Director – Greenhill & Co. Baring Brothers International. London Stock Exchange

Key skills and experience: Twenty years' experience in the corporate advisory sector, and very familiar with the Experian business having acted as a strategic advisor to former parent company, GUS plc, in the lead up to demerger in 2006. Previously acted as an advisor to Experian

Fabiola Arredondo (46) — Non-executive director ● ▲ ■

Appointed: 1 January 2007

Other current roles: Managing Partner – Siempre Holdings. Non-executive director – Saks, Inc., Rodale, Inc., the World Wildlife Fund, Sesame Workshop

Previous roles: Senior operating positions – Yahoo!, the BBC, Bertelsmann AG. Non-executive director – Bankinter S.A., BOC Group plc, Intelsat Corporation

Key skills and experience: Brings directly relevant international strategic and operational experience in the technology and media sectors, including a senior role at a pre-eminent global internet company. Has extensive leading international non-executive directorship experience and qualifications including an MBA

Roger Davis (56) — Non-executive director ● ▲ ■

Appointed: 1 January 2007

Other current roles: Chairman – Experian plc Remuneration Committee. Chairman – Gem Diamonds Limited, Cabot Credit Management, Sainsbury's Bank

Previous roles: Chief Executive Officer – Barclays UK banking operation. Board member – Barclays PLC. Various roles – Flemings and BZW

Key skills and experience: Over 20 years' experience leading and managing change at large global businesses. Understands what is required to effectively manage a large organisation as a result of extensive executive and non-executive experience

● Audit Committee ▲ Remuneration Committee ■ Nomination and Corporate Governance Committee

Company Secretary: Charles Brown FCIS **Independent Auditors:** PricewaterhouseCoopers LLP, Chartered Accountants and Recognized Auditor

Alan Jebson (63) — **Non-executive director** ● ▲ ■

Appointed: 1 January 2007

Other current roles: Chairman – Experian plc Audit Committee. Non-executive director – Vodafone Group plc

Previous roles: Group Chief Operating Officer, Group Chief Information Officer – HSBC Holdings plc. Non-executive director – MacDonald Dettwiler

Key skills and experience: Information technology, global resourcing and an operational background are invaluable at a large global business like Experian where issues around server technology and information security are of great importance. A qualified chartered accountant, with top-level non-executive experience

Deirdre Mahlan (50) — **Non-executive director** ● ▲ ■

Appointed: 1 September 2012

Other current roles: Chief Financial Officer – Diageo plc

Previous roles: Deputy Chief Financial Officer, Head of Tax and Treasury – Diageo plc. Senior Vice President, Chief Financial Officer – Diageo North America. Vice President of Finance – Diageo Guinness USA. Various senior finance roles – Joseph Seagram and Sons, Inc. PricewaterhouseCoopers

Key skills and experience: A qualified accountant with an MBA, Deirdre has many years' experience in senior finance roles. Currently a board member at Diageo plc, so understands the operational challenges of a global public company

George Rose (61) — **Non-executive director** ● ▲ ■

Appointed: 1 September 2012

Other current roles: Non-executive director (and audit committee chairman) – National Grid plc, Genel Energy plc, Laing O'Rourke plc. Member – Industrial Development Advisory Board

Previous roles: Group Finance Director, Director of Finance and Treasury – BAE Systems plc. Senior finance positions – Ford, Leyland DAF plc, Rover Group. Non-executive director – SAAB AB, Orange plc

Key skills and experience: George's career has included high-level finance positions, including at board level with BAE Systems plc. Continues to hold non-executive positions with leading companies

Sir Alan Rudge (75) — **Deputy Chairman and Senior independent director** ● ▲ ■

Appointed: 6 September 2006

Other current roles: Chairman – Experian plc Nomination and Corporate Governance Committee. President – The ERA Foundation Limited

Previous roles: Pro Chancellor – Surrey University. President – CELTEL International B.V. Non-executive director – S.E.S.A. AG. Special Advisor – General Atlantic Partners. Chairman – Board of Management of the Royal Commission for the Exhibition of 1851, ERA Technology, WS Atkins. Deputy Chief Executive – BT. Non-executive director – former GUS plc. Past Chairman – Engineering and Physical Sciences Research Council. Past President – Institution of Electrical Engineers

Key skills and experience: Many years' experience in general management and technology roles, giving a broad knowledge of operational issues. Sir Alan holds a PhD in electrical engineering and has a deep understanding of the Experian business and a wealth of experience as a member of other boards and as a chairman

Judith Sprieser (59) — **Non-executive director** ▲ ■

Appointed: 1 June 2010

Other current roles: Non-executive director – Reckitt Benckiser Group plc, Allstate Corporation, InterContinental Exchange, Inc., Royal Ahold N.V.

Previous roles: President and Chief Executive Officer – Transora. Executive Vice President, Food Operations, Chief Financial Officer – Sara Lee Corporation. Non-executive director – USG Corporation, Adecco SA

Key skills and experience: Relevant experience of providing insight into customer decision-making, and a wealth of international experience. An experienced non-executive director who has chaired both audit and remuneration committees

Paul Walker (55) — **Non-executive director** ● ▲ ■

Appointed: 1 June 2010

Other current roles: Non-executive Chairman – Perform Group plc. Non-executive director and Chairman Designate – Halma plc. Non-executive director – WANdisco plc. Chair – Newcastle Science City Partnership. Director – Entrepreneurs' Forum

Previous roles: Chief Executive Officer, Finance Director, Financial Controller – The Sage Group plc. Non-executive director – Diageo plc, MyTravel Group plc. Ernst & Young

Key skills and experience: Spent 16 years recently as chief executive officer of a FTSE company, giving a great understanding of the challenges of running a global business. An economics graduate with a strong financial background and high-level non-executive experience

Corporate governance report

Governance framework:

Advice, review, recommendation, monitoring, executive forum

Delegated authority flow

Board committees

Group Operating Committee

The remit of this executive group includes identifying, debating and achieving consensus on issues involving strategy, growth, people and culture and operational efficiency. A further focus of this group, which is comprised of the most senior executives from the Group, is to ensure that there is strong communication and co-operative working relationships amongst the top team. The meetings tend to be issues-oriented and focus on selected important Group issues worthy of debate.

Strategic project committees
(global and regional)

These committees are comprised of the most senior global and regional executives. The remit of the committees is to oversee a process to ensure that all strategic projects are appropriately resourced, risk-assessed and commercially, financially and technically appraised. Depending on the outcome of the discussions, the conclusions of the committees are then considered by the relevant Group company for approval.

Risk management committees
(executive, regional and global operations)

The primary responsibility of the Executive Risk Management Committee ('ERMC'), which is comprised of senior Group executives including the executive directors and the Company Secretary, is to oversee the management of global risks. The regional risk committees oversee the management of regional risks consistent with Experian's risk appetite, strategies and objectives. Global operational related risks, including technology and project risks, are monitored by a global operations risk management committee.

Internal Audit

Conducts a range of independent audit reviews throughout the Group during the year and is represented at each Audit Committee meeting. Internal Audit's plans, results and key findings are presented to and discussed with the Audit Committee. The internal audit programme and methodology are aligned to the risk categories and risk assessment parameters established by the global risk management function. It also makes use of risk assessment information at a business level in planning and conducting its audits.

Board

See Board section which follows.

Principal subsidiaries

These are Group companies to which the Board has delegated certain decision-making powers, for example, the implementation of decisions agreed in principle by the Board; executive management of the operations of the Group within the strategy and budget approved by the Board; acquisitions and disposals with a value up to US$20m, and capital expenditure projects.

Executive management team

Operating businesses

Audit Committee

See Audit Committee report.

Remuneration Committee

See Remuneration Committee report.

Nomination and Corporate Governance Committee

See Nomination and Corporate Governance Committee report.

Global Delegated Authorities Matrix

This key document pieces together the schedule of matters reserved to the Board, the terms of reference of the Board committees as well as the authority levels for the Group's principal subsidiaries, directors and senior executives. For matters not reserved to the Board, the matrix prescribes the cascade of authorities delegated throughout the Group by respective Group companies, together with the monetary limits of such delegations. The matrix is reviewed and refreshed regularly and the Board monitors the exercise of delegations to the Group's principal subsidiaries which are reported to it at each Board meeting. There are also regional matrices in place.

Board

Composition

The Board currently comprises the Chairman, three executive directors and eight independent non-executive directors, including a Deputy Chairman. Brian Cassin was appointed as Chief Financial Officer on 30 April 2012, Deirdre Mahlan and George Rose were appointed as non-executive directors on 1 September 2012 and David Tyler retired as a non-executive director on 31 December 2012.

What is the role of the Board?

The Board sets the strategic direction of Experian and ensures that the necessary financial and human resources are in place to achieve the goals. In January each year, senior management presents the proposed strategy to the Board for the following financial year. This provides an opportunity for the Board to critically review the proposed strategy with management and, at the January Board meeting, consider the strategy for approval. The budget discussions in March are essential for ensuring that the right resources are in place to deliver the agreed strategy, and include detailed focus on both regional and global business line budgets.

The Board also monitors management and financial performance against the Group's goals. To enable them to do this, operational and financial updates are provided at every Board meeting and financial updates are provided between meetings. The Board also receives post-investment reviews on an agreed timeline for any acquisitions and/or organic investments that it has previously approved.

Attendance at Board and principal committee meetings

	Board	Nomination and Corporate Governance Committee	Remuneration Committee	Audit Committee
Sir John Peace	100% - 6/6 (–)	100% - 6/6	n/a	n/a
Don Robert	100% - 6/6 (1)	100% - 6/6	n/a	n/a
Chris Callero	100% - 6/6 (1)	n/a	n/a	n/a
Brian Cassin	100% - 6/6 (1)	n/a	n/a	n/a
Fabiola Arredondo	100% - 6/6 (1)	100% - 6/6	100% - 4/4	100% - 4/4
Roger Davis	100% - 6/6 (–)	100% - 6/6	100% - 4/4	100% - 4/4
Alan Jebson	100% - 6/6 (–)	100% - 6/6	100% - 4/4	100% - 4/4
Deirdre Mahlan*	100% - 4/4 (–)	100% - 4/4	100% - 3/3	100% - 3/3
George Rose*	100% - 4/4 (1)	100% - 4/4	100% - 3/3	100% - 3/3
Sir Alan Rudge	100% - 6/6 (–)	100% - 6/6	100% - 4/4	100% - 4/4
Judith Sprieser	83% - 5/6 (–)	83% - 5/6	100% - 4/4	n/a
David Tyler**	50% - 2/4 (–)	50% - 2/4	100% - 2/2	100% - 3/3
Paul Walker	100% - 6/6 (–)	100% - 6/6	100% - 4/4	100% - 4/4

Includes, in brackets, attendance at one ad-hoc Board meeting held during the year. Percentage calculations do not include attendance at the ad-hoc Board meeting.

* Deirdre Mahlan and George Rose were appointed on 1 September 2012.

** David Tyler retired on 31 December 2012.

It is not possible, or correct, for the Board to be involved with the day-to-day management of the Group's activities, but it is accountable to shareholders for delivering financial performance and long-term shareholder value. To achieve this, the Board has put in place a framework of controls which enable risk to be appraised and managed effectively through clear and robust procedures and delegated authorities. In addition, there are certain key activities that it has reserved to itself for decision.

Examples include:

Strategy and management – approval and oversight of Experian's long-term objectives and commercial strategy, ensuring that the necessary financial and human resources are in place to meet the objectives.

Management oversight – review of operating, financial and risk performance.

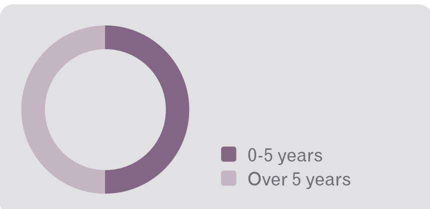
Regulatory/statutory activity – including approval of the Group's results, key stakeholder documents and dividends.

Finance/treasury – approval of the framework for the Group's finance, banking and capital structure arrangements.

Appointments – approval, upon the recommendation of the Nomination and Corporate Governance Committee, of the appointment of new directors.

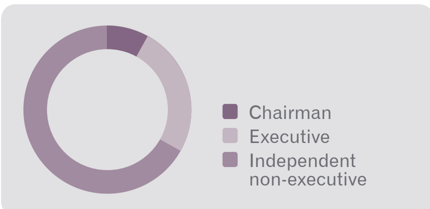
Approval of Group policies – including, for example, an anti-corruption policy, a gifts and hospitality policy, a global code of conduct and a global compliance policy.

LENGTH OF TENURE OF DIRECTORS AT 31 MARCH 2013*

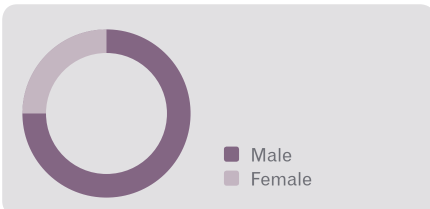


* Company listed in October 2006

BALANCE OF EXECUTIVE AND NON-EXECUTIVE DIRECTORS AT 31 MARCH 2013



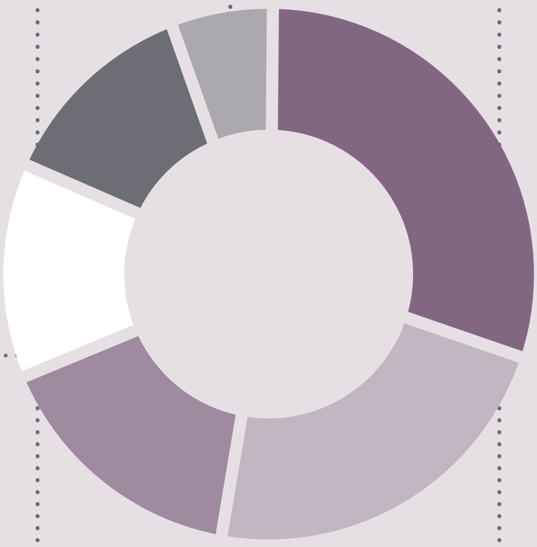
BALANCE OF MALE AND FEMALE DIRECTORS AT 31 MARCH 2013



Corporate governance report continued

What did the Board do during the year?

The key corporate activities during the year, among which are activities which reflect the overall strategy of the Group and were decided upon in the light of the Board's risk appetite and risk management processes, were as follows:



Investor relations

- Received an investor relations and media update at each Board meeting.
- Reviewed draft analysts' results presentations, when reviewing the Group's full and half-year financial results.
- Reviewed the results of the 2012 investor audit (see engagement with shareholders and others section for more detail).
- Through the Remuneration Committee, engaged with top shareholders on proposed remuneration arrangements for 2012/13.

Other

Operational and financial performance, including monitoring

- Received operational and financial updates from the Chief Executive Officer and Chief Financial Officer respectively at each scheduled Board meeting.
- Reviewed monthly finance reports, including details of performance against budget and the Group's financial position.
- Approved the Group's annual report, full and half-year financial results and made recommendations regarding dividend payments.
- Approved the issue of US$600m 2.375% notes due 2017.
- Approved the Group's budget for 2013/14, and received updates on Group insurance and pension arrangements.

Governance and risk

- Reviewed reports on risk and the appropriateness of the financial statements being prepared on a going concern basis.
- Formalised the Group's process and procedures in relation to compliance, including the role of the Global Compliance Council, and the approval of compliance policies.
- Received regular updates on corporate responsibility issues, and the annual environmental and health and safety updates.
- Reviewed the findings of the 2012 Board evaluation, approved a set of internal Board principles, approved amendments to Board committee terms of reference, authorised potential conflicts of interest of Board members and approved the annual re-election of Board members.
- Received details of share dealings and external appointments of Board members.

Corporate development

- Received an update at each Board meeting on the pipeline of potential corporate development activity.
- Approved the acquisition of a further 29.6% interest in Serasa S.A., the market leading credit bureau in Brazil, taking the Group's holding to 99.6%.
- Concluded the formation of a joint venture with Cerved Group SpA to provide enhanced consumer credit information services to the Italian market.
- Approved the disposal of the Group's price comparison shopping business (PriceGrabber) and North American online lead generation activities.
- Conducted post-investment reviews on the 2010 acquisitions of the assets of Mighty Net (online credit monitoring services) and RentBureau (aggregation of rental payment history data in the US).

Strategy

- Spent the annual 'strategy day' receiving presentations from the Group's senior leaders: these included consideration of the key strategic issues facing the Group and potential growth areas.
- Received specific presentations on new product and platform initiatives, developing engagement with clients and employees, potential new verticals and financial analysis.
- Approved the Group's strategy for 2013/14.

Board meetings

The Board meets regularly during the year and on an ad-hoc basis as required. For each scheduled meeting, the directors normally meet over a two or three day period and Board committee meetings are also held during the time the directors are together. Structuring the Board and committee meetings in this way enhances the effectiveness of the Board and its committees. At least one overseas Board meeting is held each year, which provides management across the Group with the opportunity to present to the Board and meet the directors informally.

Board evaluation

A comprehensive evaluation of the performance of the Board, its committees and each of the directors is carried out every year. For 2012, the Board evaluation was facilitated internally, led by the Chairman and supported by the Company Secretary. Using online evaluation software, the views of all directors and regular Board attendees were canvassed in respect of the performance of the Board, and the following broad categories were evaluated:

- the role of the Board and directors;
- Board support and the role of the Company Secretary;
- decision-making;
- Board composition and succession planning;
- the performance of the Board, its committees and directors;
- risk;
- relations with shareholders; and
- priorities.

This process was complemented with separate meetings between each director and the Chairman. The evaluation of the Chairman himself was undertaken by the Deputy Chairman, through consultation with the other directors and the Chief Executive Officer. Each principal Board committee also reviewed its own performance and, in all cases, no issues of concern were raised.

Case study: Induction programme – Deirdre Mahlan and George Rose

Deirdre and George were appointed on 1 September 2012, and took part in an intensive induction programme which was presented under three key themes: Corporate, Products and Propositions, and Regional and Geographic Issues. The programme was designed to align with existing Board meetings and events, and sessions were held in Dublin, London and Costa Mesa, California.

Under each of the themes, the new directors received the following induction from senior executives:

Corporate – the history of the Group, briefings on strategy (operational, financial and corporate development), growth programmes, investor relations, audit, legal and regulatory, talent, governance and risk, information security and brand.

Products and Propositions – details of strategic accounts/clients, each of the global business lines and demonstrations on a number of the Experian products.

Regional and Geographic Issues – presentations from the leaders of businesses in North America, Latin America, UK and Ireland, EMEA and Asia Pacific, as well as the leader responsible for strategic markets.

An independently drafted report on the results of the Board evaluation was circulated to directors ahead of, and considered at, the Board meeting held in January 2013. The findings of the evaluation were positive in all of the areas highlighted above, with particular highlights including the role of the Board in providing direction for management, the quality of Board decisions, the effectiveness of the Board in setting the Group strategy, the role of the Chairman and committee chairmen in the decision-making process, the quality of support that the Board receives, the robust and high-quality debate at Board level and the importance of risk in making decisions. Some key operational issues that the Group can expect to face in the coming years were also highlighted, including: data security, management succession, the increasing regulatory environment, the effective allocation of resources and geographical expansion. These are areas that are already scrutinised by the Board, and will continue to be.

Overall, the Board concluded that it is operating effectively and that each director is contributing to the overall effectiveness and success of the Group. In terms of Board performance, the following priorities were identified:

- **Strategy** – continue the Board's key development role, especially in the context of developing market opportunities and increased regulation.

Corporate governance report continued

- **Board and committee composition** – to ensure a clear and effective succession plan for all directors, both executive and non-executive.
- **Management succession** – continued development of the talent pool and ensuring the Board gets to meet the key people.
- **Board visits** – making sure that the Board continues to visit the Group's key markets.

Board support

The Group Corporate Secretariat, under the leadership of Charles Brown, the Company Secretary, is responsible for providing administrative and logistical support to the Board. The Company Secretary is also responsible for corporate governance, statutory and listing rules compliance and reporting, shareholder services, enterprise risk management and corporate responsibility. He is secretary to the Board, its principal committees and the Global Strategic Projects Committee, and is a member of the Group Operating Committee.

All directors are provided with a regular supply of financial and operational information to assist them with the discharge of their duties. This information is provided on a monthly basis and Board papers are circulated at least a week ahead of each Board meeting to ensure directors have appropriate time to review them in advance of meetings.

Directors have access to independent professional advice at the Company's expense, if considered appropriate. No director obtained any such advice during the year ended 31 March 2013.

Induction and training

There is an induction programme for all new non-executive directors. The case study in this report provides a summary of this year's tailored induction programme for Deirdre Mahlan and George Rose, which is typical of the induction programme that new directors receive.

There is also ongoing induction and training to ensure that directors can appropriately perform their duties. During the year, the Board received induction, which included the following:

North America – presentations and product demonstrations on the four global business lines, presentations on marketing, human resources, regulatory and legal issues and informal meetings with top talent.

UK and Ireland – an overview from the Managing Director, UK and Ireland, as well as business reviews on the strategy, performance, competitors and future growth potential of the four global business lines in the UK and Ireland.

EMEA – a presentation to the Board which included details on financial trends and forecasts, clients, the leadership team, the macro-economy and competitors.

Decision Analytics – an update from the Global Managing Director, Decision Analytics, on the strategic priorities that had been identified in September 2011.

Conflicts of interest

The articles of association of the Company allow the Board to authorise conflicts, or potential conflicts, of interest. The authorisation procedure involves the issue of guidance and a questionnaire by Group Corporate Secretariat each August, asking directors to identify any conflicts or potential conflicts, which are considered by the Board at its September meeting. In addition, directors are expected to advise the Company Secretary of any actual or potential conflicts as soon as they arise, so that they can be considered by the Board at the next available opportunity. It is the Board's view that this procedure operated effectively during the year under review.

Chairman and Chief Executive Officer

There is a clear separation of the roles of the Chairman and the Chief Executive Officer which is set down in writing. An extract from the written statement evidencing this separation is given below.

The Company announced in May 2013 that Sir John Peace had notified it of his intention to step down as Chairman and as a director of the Company by the 2014 annual general meeting, to be held in July 2014. The Nomination and Corporate Governance Committee will oversee the process of appointing a successor to Sir John and a further announcement will be made once the appointment process concludes.

It was confirmed in the 2012 Board evaluation that Sir John continues to fulfil his role as Chairman of Experian very effectively and, in the past, institutional shareholders have provided positive feedback on Sir John's chairmanship. In September 2010, the Board appointed Sir Alan Rudge as Deputy Chairman, with a clear division of responsibilities defined between him and Sir John. In addition, the role of Chairman of the Nomination and Corporate Governance Committee was relinquished from Sir John to Sir Alan at that time.

Chairman and Chief Executive Officer

Chairman's responsibilities include:	Chief Executive Officer's responsibilities include:
The effective running of the Board, and ensuring that the Board as a whole plays a full and constructive part in the development and determination of the Group's strategy and overall commercial objectives.	The running of the Group's business, and developing the Group's strategy and overall commercial objectives.
Promoting the highest standards of integrity, probity and corporate governance throughout the Group and particularly at Board level.	With the executive team, implementing the decisions of the Board, its committees and the principal subsidiaries.
Ensuring that the Board receives accurate, timely and clear information on the Group's performance and issues, challenges and opportunities facing the Group.	Ensuring that a dialogue is maintained with the Chairman on the important and strategic issues facing the Group and that the Chairman is alerted to forthcoming complex, contentious or sensitive issues.
Ensuring effective communication with the Company's shareholders, including by the Chief Executive Officer, the Chief Financial Officer and other executive management, and ensuring that members of the Board develop an understanding of the views of the major investors in the Company.	Leading the communication programme with shareholders.

Senior Independent Director

The Senior Independent Director is the Deputy Chairman, Sir Alan Rudge. In this role, Sir Alan is available to meet shareholders who have concerns that cannot be resolved through discussion with the Chairman, the Chief Executive Officer or the Chief Financial Officer, or where such contact is inappropriate.

Non-executive directors

Appointment

Non-executive directors are initially appointed for a term of three years which may, subject to satisfactory performance and election/re-election by the shareholders, be extended by mutual agreement. Non-executive directors normally serve a maximum of three, three-year, terms (i.e. nine years). This does not include time served as a director of the former GUS plc, because the Board considers the two companies to be wholly separate, with less than nine years concurrency between the executive directors of Experian plc and any of the non-executive directors.

Meetings of non-executive directors

In addition to their attendance at Board and committee meetings, the non-executive directors normally meet as a group without the executive directors present at the end of each scheduled Board meeting. The non-executive directors also meet at least once a year without the Chairman present, and did so once during the year.

Independence

The Board considers each of the current non-executive directors to be independent in character and judgment and also that there are no relationships or circumstances which are likely to affect (or could appear to affect) each director's judgment.

Corporate governance report continued

Engagement with shareholders and others

The Company places considerable importance on communication and maintaining good relationships with shareholders, and makes every effort to ensure that shareholders are kept informed of significant Group developments.

To assist members of the Board to gain an understanding of the views of institutional shareholders, the Board receives an investor relations and media report at each of its scheduled meetings, which covers a wide range of matters including a commentary on the perception of the Company and views expressed by the investment community, media reports, share price performance and analysis.

In November 2012, the Group's capital markets advisory firm presented the positive results of the biennial investor audit to the Board. The presentation included commentary on the financial and share price performance of the Company and a summary of observations from the investors that had been surveyed, as well as their suggested focus areas.

The Board consults with shareholders in connection with specific issues where it considers appropriate. The Chairman of the Remuneration Committee consulted with major institutional shareholders and others in May 2012 regarding the proposed performance measures, targets and operation of the Company's executive long-term incentive arrangements for the year ended 31 March 2013, and meetings were also held with investors in this regard.

There is also an ongoing programme of site-visits, and dialogue and meetings between the executive team and institutional investors and analysts. At these meetings a wide range of relevant issues including strategy, performance, management and governance are discussed within the constraints of information already made public. The announcement of the annual and half-year results and interim management statements provide opportunities for the Company to answer questions from analysts covering a wide range of topics. During the year, several investor roadshows took place including ones in Singapore, New York, San Francisco, Boston, London, Frankfurt and Stockholm.

In January 2013, seminars were hosted for analysts and institutional investors in London and New York, at which senior executives provided updates on the Group's strategic direction and detailed information on the strategy of the Group's four global business lines. The seminars, which were well-attended, were chaired by the Chief Executive Officer and included presentations from the management team.

The Company's website is a very important method of communication with shareholders and all material information reported to the regulatory news services, together with copies of annual results announcements, half-year results announcements and interim management statements, is published on the Company's website so that all shareholders can have full access promptly to Company announcements. The Experian Investor Relations application for tablet computer, which contains information on financial performance, together with reports and presentations, and news of upcoming events, continues to be popular.

The Board is also committed to ensuring that any concerns of private shareholders are dealt with and, on its behalf, the Company Secretary oversees communication with these shareholders. A 'Shareholder Questions' card is issued with the shareholder documentation for the annual general meeting and the Company receives numerous questions from private shareholders using the card. The Company Secretary ensures that the Company responds to shareholders directly, as appropriate, at or following the annual general meeting.

The annual general meeting is an important event in Experian's corporate calendar and provides a valuable opportunity for the Board to communicate with shareholders and meet with them on an informal basis before the main business of the meeting. All directors are expected to attend the annual general meeting.

Experian's 2013 annual general meeting will take place on Wednesday 17 July 2013 and shareholders are encouraged to attend the meeting and use the opportunity to ask questions. However, given the size and geographical diversity of the Company's shareholder base, attendance may not always be practical and shareholders are encouraged to use proxy voting on the resolutions put forward. Every vote cast, whether in person or by proxy, is counted, because votes on all matters except procedural issues are taken by a poll.

Experian website

Additional information relevant to corporate governance at Experian can be found on the Experian website at www.experianplc.com There you will find:

- Terms of reference of the principal Board committees.
- The schedule of matters reserved to the Board.
- The memorandum and articles of association of the Company.
- Details of annual general meeting proxy voting by shareholders, including votes withheld.
- Contact details for any questions.

In accordance with the UK Corporate Governance Code, details of proxy voting by shareholders, including votes withheld, are made available on request and placed on the Company's website following the meeting. In 2012, voting levels at the annual general meeting showed a small increase to 69% of the issued share capital of the Company, compared with 68% in 2011.

Risk management and internal control

The Board is responsible for establishing, maintaining and reviewing sound risk management and internal control systems, and there is an ongoing process in place for identifying, evaluating and managing the significant risks faced by the Company, including those risks relating to social, ethical and environmental matters (which has been in place for the financial year and up to the date of approval of this annual report). As such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, they can provide reasonable, but not absolute, assurance against material financial misstatement or loss. For certain joint arrangements, the Board places reliance upon the systems of internal control operating within the partners' infrastructure and the obligations upon partners' boards relating to the effectiveness of their own systems.

An annual review of the effectiveness of the risk management and control systems is required and this is performed by the Audit Committee, under delegated authority from the Board. The review included senior executives being asked to confirm compliance with the Group's system of internal control, Group policies, and corporate governance and corporate responsibility processes, i.e. to confirm compliance with the Turnbull Guidance 'Internal Control Revised Guidance for Directors' throughout the financial year. Unqualified confirmations in respect of all material businesses were received from regional management, senior Group functional heads, the Chief Financial Officer and the Chief Executive Officer. The Committee also reviewed, and confirmed its satisfaction with, the features of the risk management and control systems and the control framework, noting the level and quality of the various forms of assurance (both management and independent) that it received during the year. Following the review, it is the Board's view that the information was sufficient to enable it to review the effectiveness of the Group's system of internal control in accordance with the Turnbull Guidance, and that the system has no significant failings or weaknesses.

Full details of the Experian risk management and internal control systems can be found in the protecting our business section of the annual report, which forms part of this corporate governance report.

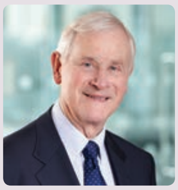
Board committee reports

The principal Board committees are the Nomination and Corporate Governance Committee, the Remuneration Committee and the Audit Committee. The committees operate within defined terms of reference which cover the authority delegated to them by the Board. The terms of reference are available on the Experian website at www.experianplc.com or from the Company Secretary upon request. The Company Secretary is secretary to all three principal committees.

Throughout the year, the committee chairmen provided the Board with reports of the issues considered at committee meetings and the minutes of Audit Committee meetings were circulated to the Board. Reports of the activities of each of the principal Board committees follow.

Corporate governance report continued

Nomination and Corporate Governance Committee report



Sir Alan Rudge
Chairman

Current members

Sir Alan Rudge (Chairman)
Sir John Peace
Don Robert
Fabiola Arredondo
Roger Davis
Deirdre Mahlan
George Rose
Alan Jebson
Judith Sprieser
Paul Walker

Primary roles

- To ensure that appropriate procedures are in place for the nomination, selection, training and evaluation of directors, and that adequate succession plans are in place.
- To review the Board structure, size, composition and succession needs, at all times keeping under consideration the balance of membership and the required balance of skills, experience, independence and knowledge of the Board.
- To identify and nominate, for the Board's approval, suitable candidates to fill vacancies for non-executive and, with the assistance of the Chief Executive Officer, executive directors, with such appointments made on merit and against objective criteria to ensure that the Board maintains its balance of skills, experience, independence and knowledge.
- To review legislative, regulatory and corporate governance developments and make appropriate recommendations to the Board, and ensure that the standards and disclosures recommended by the UK Corporate Governance Code are observed.

Governance

The Committee was in place throughout the year ended 31 March 2013 and met six times. Eight members of the Committee are considered by the Board to be independent non-executive directors in accordance with provision B.2.1 of the UK Corporate Governance Code. The Group Human Resources Director and the Global Talent Director attend certain meetings by invitation.

Activities

At its meetings during the year, the Committee:

- Discussed Board governance, specifically plans for Board succession and new non-executive directors.
- Considered where Board and committee meetings should be held, and what the focus of meetings should be (i.e. who the directors should meet, and what parts of the business should come under the spotlight).
- Approved the process for the 2012 Board evaluation.
- Received an AGM briefing from the Company Secretary, including voting results and shareholder feedback.
- Recommended to the Board that all directors retire at the 2013 annual general meeting.
- Reviewed its performance and terms of reference.
- Recommended to the Board the re-appointment of certain directors for further terms following rigorous review.
- Recommended to the Board a set of internal Board operating principles.
- Received updates on changes to the UK Corporate Governance Code.
- Received an update on the global talent management programme and succession planning at the executive level, comprising a progress review of the talent, leadership and culture agenda, an insight on the impact this agenda has had on employees by reference to key metrics and videos, and future plans to build on the success to date of the agenda.

As recommended by the UK Corporate Governance Code, the Board's diversity policy can be summarised as follows: We respect, value and welcome diversity, including gender diversity, and seek to reflect the diversity of our client, investor and general employee base in our Board. To this end, we recruit talented and diverse Board members who have the appropriate mix of skills, capabilities and market knowledge to ensure Board effectiveness. When recruiting, we look across all sectors and non-traditional talent pools and we require diversity of candidates on our shortlists.

The UK Corporate Governance Code also recommends that we describe the process used in relation to Board appointments. The Committee reviews and approves an outline brief and role specification and appoints a search agent for the assignment (we would disclose the name of the search agent and any other connection with Experian in the following annual report). Meetings would then be held with the search agent to discuss the specification and the search, an initial long list of candidates would be prepared and interviews held. A short list would then be presented to the Committee, and the Committee would consider the short list and recommend the appointment to the Board for its consideration. In due course, a tailored induction programme would be developed for the new director.

Remuneration Committee report

Roger Davis
Chairman

Current members

Roger Davis (Chairman)
Fabiola Arredondo
Alan Jebson
Deirdre Mahlan
George Rose
Sir Alan Rudge
Judith Sprieser
Paul Walker

Primary roles

- To recommend to the Board senior management remuneration policy and the remuneration of the Chairman.
- To determine individual remuneration packages for executive directors and certain senior executives.
- To communicate with shareholders on remuneration policy.
- To review and recommend to the Board the design of the Group's short and long-term incentive plans.
- To oversee the Group's executive pension arrangements.

Governance

The Remuneration Committee was in place throughout the year ended 31 March 2013 and met four times. All of its members are considered by the Board to be independent non-executive directors in accordance with provision D.2.1 of the UK Corporate Governance Code. The Chairman and Chief Executive Officer attend meetings by invitation. They do not attend when their individual remuneration is discussed and no director is involved in deciding his or her own remuneration. Other regular attendees include the Group Human Resources Director and members of the Global Reward team. The Committee meets regularly with its independent advisers.

All members of the Committee were provided with an induction in the role of the Committee and the operation of its terms of reference on first appointment.

Activities

At its meetings during the year, the Committee:

- Initiated the invitation to employees to participate in the 2012 Sharesave scheme.
- Reviewed the draft report on directors' remuneration.
- Agreed the 2011/12 bonus outcome and the 2013 bonus targets and those for long-term incentive awards.
- Initiated and reviewed feedback from a shareholder consultation exercise concerning the proposed performance measures, targets and operation of the Company's long-term incentive plans.
- Received updates (including in respect of performance conditions) in respect of the long-term incentive plans of the Company.
- Agreed the participants for certain long-term incentive plans.
- Received an update on corporate governance issues relevant to remuneration, including the response of the Company to the UK Department for Business Innovation & Skills (BIS) consultation on revised reporting regulations for executive pay.
- Agreed to make share plan awards.
- Approved the proposed remuneration for new senior appointments.
- Considered certain executive international assignments.
- Reviewed the fee of the Chairman and the salaries of the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Company Secretary and a number of senior executives, taking account of remuneration arrangements throughout Experian.
- Received a presentation from its advisers on trends in executive remuneration and corporate governance.
- Discussed the areas to be considered in the next financial year in terms of remuneration strategy.
- Reviewed its own performance and terms of reference.

The report on directors' remuneration sets out the way in which the Company has applied corporate governance principles to directors' remuneration.

Corporate governance report continued

Audit Committee report

Alan Jebson
Chairman

Current members

Alan Jebson (Chairman)
Fabiola Arredondo
Roger Davis
Deirdre Mahlan
George Rose
Sir Alan Rudge
Paul Walker

Primary roles

- To monitor the integrity of the financial statements.
- To review the effectiveness of the system of internal control including the risk management system.
- To review the effectiveness of the audit process and the independence and objectivity of the external auditors.
- To monitor and review the effectiveness of the internal audit function.
- To develop and monitor policy on non-audit services to be provided by the external auditors.
- To approve the remuneration and terms of engagement of the external auditors and make recommendations in relation to their re-appointment.

Governance

The Audit Committee was in place throughout the year ended 31 March 2013, and met four times with meetings held to coincide with key dates in the financial reporting and audit cycle. All members of the Committee are considered by the Board to be independent non-executive directors in compliance with provision C.3.1 of the UK Corporate Governance Code.

The Chairman and the other directors attend meetings by invitation. Other regular attendees include the General Counsel and the Head of Global Internal Audit. Representatives from PricewaterhouseCoopers LLP, including the lead audit partner, attend meetings of the Committee. At each meeting, the Committee meets with the external auditors and the Head of Global Internal Audit without management present.

In terms of recent and relevant financial experience, the Committee includes Deirdre Mahlan, the current Chief Financial Officer of Diageo plc, and George Rose, former Group Finance Director of BAE Systems plc and chairman of the audit committee of each of National Grid plc, Genel Energy plc and Laing O'Rourke plc. The Board is confident that the collective international business experience of the Committee members enables them to act as an effective committee. The Committee has access to the financial expertise within the Group and the auditors and the Chairman of the Audit Committee is in regular contact with key members of senior management.

Activities

The key activities of the Audit Committee during the year ended 31 March 2013 included the following:

- Reviewed the 2012 preliminary and 2013 half-year results announcements and the 2012 annual report and financial statements, reviewed impairment papers as required by IAS 36 and papers supporting the preparation of relevant financial statements on a going concern basis. For more information on the matters considered in relation to the going concern assessment, please see the financial review section.
- Agreed the 2013 audit plan with the external auditors, noting the risk areas to be covered by the audit and the materiality levels to be applied. The presentation to the Committee set out the objectives of the audit, the proposed approach to the audit (a risk-based approach which has evolved to reflect the changing nature of the Experian business), together with the timetable and the audit team.
- Received updates on the audit process from the external auditors, which included details of the status of the audit, key matters arising from the audit (and assessments of the management judgments on them), reviewing the content of the independence letter and the management representation letter to the external auditors.
- Assessed the effectiveness of the external audit process, through the issue of tailored questionnaires to the members of the Committee, the executive directors, executive management (mainly senior finance, and others involved in the audit process) and the internal audit team. The Committee concluded, based on the feedback obtained and other information obtained by the Committee during the course of its other work, that the external auditors were performing effectively.
- Monitored the independence of the external auditors, by reviewing the potential threats to independence and the associated safeguards (which include partner rotation, appropriate relationships between the external auditors and Experian, having no contingent fee arrangements, the use of appropriate policies of code of conduct and independence, ensuring that non-audit services fall within agreed monetary limits and that the external auditors consider the potential impact on audit services). The Committee concluded that the external auditors had maintained their independence throughout the year ended 31 March 2013.

- Based on the outcome of the performance evaluation in respect of the year ended 31 March 2012, and having concluded that the external auditors and Experian had complied with the guidance set out in the UK Financial Reporting Council's Guidance on Audit Committees, made a recommendation to the Board (for shareholder approval) in relation to the re-appointment of the external auditors and considered their engagement terms.
- At each meeting, received an update from the internal audit function, including updates on work performed, progress against the annual plan and staffing, as well as details of actions required by the Committee. During the year, the Committee also received presentations from management in respect of matters raised by internal audit, and approved the annual internal audit plan.
- Reviewed a variety of reports on risk – as more fully described in the protecting our business section of the annual report.
- Received a fraud and whistleblowing update.
- Reviewed the effectiveness of the Group's system of risk management and internal control, including financial, operational, compliance and risk management on an ongoing basis.
- Reviewed and approved the Group's treasury policy, approved the annual meeting schedule of the Committee and evaluated its own performance and concluded that its terms of reference remained appropriate.
- Reviewed the key points of the UK Financial Reporting Council's Update for Directors of Listed Companies in relation to country and currency risk, and noted the relevant updates to the UK Financial Reporting Council's Corporate Governance Code and Guidance on Audit Committees.
- Received a compliance update at each meeting including details of UK Bribery Act 2010 compliance and US regulatory issues.

The significant issues in relation to the Group financial statements considered in respect of the year ended 31 March 2013, and the manner in which these issues were addressed, can be summarised as follows:

- The Committee reviewed a summary of the treatment of the acquisition of the further interest in Serasa and, in particular, the accounting for the put option, concluding that it was appropriate to recognise the change in the fair value of the put option from 1 April 2012 to the date of the acquisition in the Group income statement.
- The Committee considered the accounting treatment of the disposal of the comparison shopping and lead generation businesses in the light of the transaction that was completed during the year. It accepted the recognition of the loan note and the determination that the inclusion of the results and cash flows of these businesses and the disposal transaction within discontinued operations was appropriate.
- The Committee considered the recognition of the costs of the Group's efficiency programme and concluded that both the charge recognised in the year and the provision at the balance sheet date were appropriately stated.
- The Committee considered management's impairment analysis and concurred with the conclusion that no impairment charges needed to be recognised in the year. It was noted that the headroom within the Asia Pacific region had declined during the year due to continued pressure on the performance of the Group's businesses within that region.
- The Committee considered three specific tax issues. First, and in the light of the further reduction in the main rate of UK corporation tax, it considered management's analysis of the carrying value of deferred tax recognised in respect of tax losses. The treatment of the asset, and resultant impact on the tax charge for the year, were considered to be appropriate. Secondly, the Committee considered an update on the claim by the Brazilian tax authorities in respect of the deduction for tax purposes of goodwill amortisation arising from the acquisition of the majority stake in Serasa in 2007. In the light of developments during the year, it concluded that it remained appropriate to regard this claim as remote. Thirdly, the Committee considered management's assessment of the recognition of deferred tax assets arising in Serasa and Computec and the recognition of those assets through equity and the Group income statement respectively. It concluded that the accounting for and recognition of these assets was appropriate.

Corporate governance report continued

External auditors

PricewaterhouseCoopers LLP have been the Company's auditors since the Group was demerged from the former GUS plc in October 2006. At its September 2012 meeting, the Audit Committee concluded that it remained satisfied with the work of the auditors in terms of its independence and level of challenge to management. The Committee also noted that there were no material issues around the quality of delivery of the audit, audit staff or the level of service provided. Overall, there were no significant recurring items to suggest that the auditors should change their approach and there was nothing to indicate that an effective audit had not been carried out in respect of the year ended 31 March 2012. The Committee concluded that the Group and the auditors had complied with the guidance set out in the UK Financial Reporting Council's Guidance on Audit Committees. To date, the Committee has not considered it necessary to require the auditors to tender for the audit work, although it does acknowledge the recommendation in the new UK Corporate Governance Code that FTSE 350 companies should put the external audit out to tender at least every ten years. The Group expects to comply with the recommendation in due course. There are no contractual obligations restricting the Company's choice of external auditor.

PricewaterhouseCoopers LLP provide a range of other services to Experian, which include tax compliance and advisory services. To ensure auditor objectivity and independence, a policy has been adopted by the Company in relation to the provision of such services, which includes financial limits above which the Chairman of the Audit Committee must pre-approve any proposed non-audit services. In addition to the policy, the external auditors maintain safeguards to ensure the objectivity and independence of their service teams. The safeguards include the rotation of the lead audit engagement partner and the use of separate teams, where appropriate. There is also a policy in place in respect of the employment of former employees of the external auditor.

The Committee receives half-yearly reports containing details of assignments carried out by the external auditors in addition to their normal work, together with details of related fees. The payment of non-audit fees to the Company's auditors is capped at 100% of fees for audit and assurance services, except in exceptional circumstances, and an analysis of fees paid to the external auditors for the year ended 31 March 2013 is set out in note 11 to the Group financial statements.

Policy on the provision of non-audit services

This policy has not been changed during the year, and remains appropriate for the Group. Provided that the provision of such services does not conflict with the external auditors' statutory responsibilities and ethical guidance, the following types of services may be assigned to the external auditors:

Further assurance services: where the external auditors' deep knowledge of the Group's affairs means that they may be best placed to carry out such work. This may include, but is not restricted to, shareholder and other circulars, regulatory reports and work in connection with acquisitions and divestments.

Tax services: where the external auditors' knowledge of the Group's affairs may provide significant advantages which other parties would not have. Where this is not the case, the work is put out to tender.

General: in other circumstances, the external auditors may provide services provided that proposed assignments are put out to tender and decisions to award work are taken on the basis of demonstrable competence and cost effectiveness. However, the external auditors are specifically prohibited from performing work related to accounting records and financial statements that will ultimately be subject to external audit; management of or significant involvement in internal audit services; any work that could compromise the independence of the external auditors; and any other work that is prohibited by UK ethical guidance.

Report on directors' remuneration

Roger Davis
Chairman of the Remuneration Committee

Chairman's introduction and highlights

The Remuneration Committee (the 'Committee') is pleased to present its annual report on directors' remuneration (the 'Report') for the year ended 31 March 2013. Shareholders will be invited to approve the Report at the Company's Annual General Meeting on 17 July 2013.

The Committee, whose membership, remit and responsibilities are set out in the preceding corporate governance report, has always sought to provide transparency in its reporting. In light of the UK Government's proposed regulations on reporting of executive remuneration which are expected to be introduced in the coming year, this year's Report includes certain additional disclosures that aim to provide greater clarity. This Report covers:

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- the remuneration policy employed in the year ended 31 March 2013, and the policy that will apply for the forthcoming financial year; and
- how the policy has been implemented over the past financial year.

Our policy is structured to balance the twin objectives of supporting our strategic aims to deliver long-term sustainable growth that results in superior total shareholder returns and providing sufficient levels of remuneration and appropriate reward to our executive directors.

The Committee believes that the current policy is flexible enough to achieve this and, given that a substantial part of the total remuneration package is weighted towards long-term performance, includes a significant deferral element of the annual bonus, and clawback provisions are in place, the Committee is comfortable that no undue risk taking is being encouraged.

While the Committee considers that no material changes to the current structure are needed for the 2014 financial year it has, as it does periodically, reviewed this and concluded that it is appropriate to increase the shareholding guidelines to 300% of salary for the Chief Executive Officer and 200% of salary for the other executive directors (from 200% and 100% of salary respectively). This recognises the increasing desire from shareholders for management to retain shares in their business together with the importance of aligning the interests of directors with those of the owners of the business.

From 1 April 2013, the salaries of the executive directors were increased by between 2.5% to 2.9% which was in line with salary increases for the wider employee population. The Committee was mindful of the pay restraint that continues to be exercised across the Group and will ensure that future salary rises continue to be positioned from this perspective.

The Company has performed well over the past year and our results again demonstrate the ability of our business to perform strongly in difficult market conditions. Having achieved benchmark PBT growth of 12.5%, on a constant currency basis, a bonus of 150% of salary, equivalent to 75% of the maximum, is payable to the executive directors. Once again, the executive directors have elected to defer 100% of their bonus into the Co-investment Plans, as they always have done, which is a strong signal of their confidence in the Company and strengthens the alignment of their interests with those of shareholders.

Performance over the longer-term has also been strong and looking back over the past three years Benchmark PBT has grown by an annual average of 13.5%, on a constant currency basis, and cumulative operating cash flow was $3,330m. In addition, the Company's TSR was 47.1% above that of the FTSE 100. These key strategic metrics are the performance conditions upon which the vesting of the Performance Share Plan (the 'PSP') and Co-investment Plans (the 'CIP') awards are based. As a result of this performance 100% of the awards under the PSP and 100% of the awards under the CIP will vest. Full details of the outcome are set out on page 74.

The Committee is comfortable that the levels of vesting are commensurate with the underlying financial performance of the business and therefore considers that the payouts reflect our view that exceptional rewards are only paid for exceptional performance. We will continue to set performance targets that are both appropriately challenging and, if met, will represent value creation for shareholders whilst being achievable and motivational for management. We will aim to ensure that they are of equivalent stretch from year to year whatever the change in the economic climate or trading conditions.

In summary, therefore, the Committee seeks to balance the interests of all stakeholders and considers that its aims are currently being met. We hope that our shareholders agree with our approach and look forward to their support at the 2013 AGM.

Report on directors' remuneration
continued

Remuneration in summary

This section provides a summary of key remuneration arrangements for our executive directors. More detail of how these were operated during the year ended 31 March 2013, and are intended to be operated in future, is provided later in this Report.

Summary of annual remuneration earned in the year ended 31 March 2013

	Salary '000s	Annual bonus[1] '000s	Benefits '000s	Total 2013 '000s
Don Robert	US$1,550	US$2,325	US$465	US$4,340
Chris Callero	US$990	US$1,485	US$62	US$2,537
Brian Cassin[2]	£413	£675	£67	£1,155

1. The executive directors have deferred their entire annual bonus shown above and will be awarded invested shares under the Co-investment Plans in respect of this deferral. They will have an opportunity to earn matching shares (maximum 2:1) on this deferral, subject to the achievement of performance conditions.
2. Brian Cassin's annual salary was £450,000 for the year ended 31 March 2013. The figures provided in the above table show remuneration from the date he joined Experian (30 April 2012) to 31 March 2013.

Summary of long-term remuneration awarded in the year ended 31 March 2013

	Shares awarded under	Shares awarded under Co-investment Plans	
	Performance Share Plan[1]	Invested shares[2]	Matching shares[1]
Don Robert	219,063	211,997	423,994
Chris Callero	139,918	135,678	271,356
Brian Cassin[3]	101,275	–	–

1. Awards under the Performance Share Plan and matching shares awarded under the Co-investment Plans will only vest to the extent that stretching performance targets are met. These targets are described later in this Report.
2. The directors deferred their entire annual bonus for 2012 and the invested shares shown above were awarded in respect of this deferral.
3. Upon appointment Brian Cassin was also granted a one-off recruitment award of 158,261 shares. Further details are provided in the section entitled 'Recruitment and Retention awards'. P82

Summary of proposed remuneration arrangements for the year ending 31 March 2014

The Remuneration Committee reviews remuneration arrangements annually to ensure they remain suitable in the light of both internal and external factors. This year, the Committee concluded that the key elements of the existing arrangements remained aligned with the core principles of Experian's remuneration policy and Experian's long-term business strategy, and therefore no changes to the overall structure of the remuneration package were required. The Committee agreed the following key changes for the year ending 31 March 2014:

- salaries have been increased in line with salary increases for the wider employee population;
- performance targets have been reviewed by the Committee and, as a result, the cash flow target, which applies to the Co-investment Plans, has been increased. The Committee considers that the other long-term targets remain appropriate;
- in order to ensure a strong alignment of the interests of the executive directors with those of shareholders, the Committee has increased the shareholding guideline from 200% of salary for the CEO and 100% of salary for other executive directors to 300% and 200% respectively; and
- mindful of shareholders' desire for Remuneration Committees to have the ability to adjust payouts from incentive plans to ensure rewards are aligned with the success of the business, additional powers are being introduced into the long-term incentive plans, for awards being made in 2013 onwards, to give the Committee the discretion to vary the level of vesting determined by applying the performance conditions if they consider that this level of vesting is inconsistent with the actual underlying financial and operational performance of the Group.

Remuneration Policy

The following table sets out an overview of the remuneration policy which applied for the year ended 31 March 2013 and which will also apply for the year ending 31 March 2014.

Element	Purpose and link to strategy	Operation
Base salary	*Reflects the competitive market salary for the role and takes account of personal contribution and performance against Group strategy*	Base salaries are normally reviewed by the Committee annually and on the same basis as for all other employees, with any increases taking effect on 1 April of each year. Salary increases take into account the prevailing economic conditions, best practice, positioning against market and approach to employee remuneration throughout the wider Group. As a result, in the year ended 31 March 2013, the percentage increases for the executive directors (2.5% to 2.9%) were in line, overall, with the global pay review.
Benefits	*Benefits are provided as part of a market competitive package*	Benefits comprise life insurance, cash supplement in lieu of pension, private healthcare, company car and fuel allowance where applicable. Don Robert is based in the US, and receives a fixed accommodation allowance given the time he is required to spend in the UK. As a result, additional expenses are not paid in respect of hotels or subsistence when he is in London. In line with typical US practice, Don Robert and Chris Callero participate in a deferred compensation plan.
Annual bonus	*Incentivises year on year achievement against stretching performance conditions linked to Experian's strategy to drive profitable growth*	The performance measure is growth in Benchmark profit before tax ('PBT')[1] and targets are approved annually by the Committee. Awards are up to a maximum 200% of salary, subject to performance, and are paid in cash and are not pensionable. Any bonus earned may be deferred into the Co-investment Plans (see below).
Co-investment Plans ('CIP')	*Performance measures directly link to Experian's strategy to drive profitable growth and optimise capital efficiency* *Aligns with shareholder interests through delivery of shares* *Encourages long-term commitment to the Group from participants* *Aligns remuneration with two of Experian's strategic KPIs*	Participants are invited to invest between 50% and 100% of their annual bonus in Experian shares with the opportunity to earn matching shares (at a maximum of two shares for every one invested) subject to the achievement of performance targets tested over a three-year performance period. Maximum matching share award for executive directors is 200% of invested bonus. Vesting of awards is based on the following performance measures equally: • Growth in PBT; and • Cumulative operating cash flow ('cash flow').
Performance Share Plan ('PSP')	*Performance measures directly link to Experian's strategy to drive profitable growth and optimise capital efficiency* *Aligns with shareholder interests through use of total shareholder return performance criteria and delivery in shares*	Annual award of shares which vests subject to the achievement of performance targets that are tested over a three-year period. Normal maximum award levels are 200% of salary. Awards of up to 400% of salary may be made in exceptional circumstances. Vesting of awards is based on the following performance measures: • 75% of an award vests based on growth in PBT; and • 25% of an award is based on total shareholder return ('TSR') out-performance against the FTSE 100. In addition, awards will be subject to the achievement of satisfactory return on capital employed ('ROCE') performance.
Pension	*Provides competitive retirement provision and encourages retention*	In the UK, a defined contribution plan is available for all employees, with an employer contribution rate (in normal circumstances) of up to 20% for the most senior executives. Retirement age is 65 but benefits can be taken from age 55 onwards. The UK defined benefit arrangements are closed to new entrants, subject only to exceptions approved by the Committee on a case by case basis. There are no directors who are members of the UK defined benefit plan. In the US, Experian provides a Personal Investment Plan (401k) which all US employees, including directors, are eligible to join. This is a defined contribution arrangement to which participants are able to contribute up to 50% of salary, up to a maximum salary and participant contribution limit established by the IRS, each calendar year. A supplementary unfunded defined benefit arrangement is provided in the US for Don Robert.
Shareholding guidelines	*Strengthens the alignment between executive directors and shareholders*	Guideline requirement is shares equivalent in value to 300% of salary for the CEO and 200% for other executive directors (an increase for 2014 from 200% and 100% respectively). Executives are required to retain at least half of any vested shares (net of tax) under the CIP and PSP until the guideline is met. Unvested shares do not count towards the limits. Non-executive directors are required to hold a minimum shareholding in Experian plc equivalent to one times their annual fee. 25% of their net fees will be paid in the form of shares until the guideline is met.

Notes:

1. All subsequent references in the Report on directors' remuneration to PBT refer to Benchmark PBT as calculated on a constant currency basis.
2. Experian has operated a Share Option Plan (the 'SOP') in the past but no grants have been made since 2010 and there is currently no intention to make any grants in the future. Awards may be granted, however, under exceptional circumstances.
3. Experian's recruitment policy is in place to attract the key talent required to drive business success. Where applicable, the structure and terms and conditions of any buyout awards will replicate, as closely as possible, those of the incumbent awards.

Report on directors' remuneration continued

Explanation of Remuneration Policy

Introduction

This Report has been drawn up in line with Schedule 8 of the UK Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, the UK Financial Conduct Authority Listing Rules and the UK Corporate Governance Code. In addition, the Company has chosen to adopt some of the proposed regulations under the draft UK Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 ahead of the legislation becoming effective for UK companies.

The Remuneration Committee: members, role and frequency of meetings

P69 The Committee members, their role and frequency of meetings can be found in the corporate governance statement.

Working with advisers

In making its decisions, the Committee consults with the Chairman, the Chief Executive Officer and the Group HR Director. Other members of the Global Reward team are also invited to attend meetings of the Committee as appropriate. The Chief Financial Officer is also normally consulted in respect of performance conditions applying to short and long-term incentive arrangements. No executives are present when their own remuneration arrangements are being discussed.

The Committee has access to independent consultants to ensure that it receives objective advice. Deloitte LLP ('Deloitte') were first appointed by the Committee as independent advisers in 2007 and they continued to act in this capacity during the year ended 31 March 2013. Deloitte is a member of the Remuneration Consultants Group and, as such, voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK. Deloitte also provided unrelated advisory and tax services to the Group during the year. Kepler Associates ('Kepler') provided incentive plan award valuations and remuneration data in addition to supporting data for the target calibration process. Kepler does not provide any other services to the Group. Linklaters LLP provided legal advice in respect of incentive plan design and interpretation.

Remuneration philosophy and principles

Experian's remuneration philosophy is that reward should be used to drive long-term, sustainable business performance. In this regard, the Committee aims to have in place remuneration principles for Experian which are consistent with its business objectives and are designed to:

- drive accountability and transparency and align remuneration with the interests of shareholders;
- provide a balanced portfolio of incentives which align both short-term (one-year) and longer-term (three-year) performance such that sustainable growth and value are delivered for our shareholders;
- apply demanding performance conditions to deliver sustained profitable growth across the Group, thereby aligning incentives with shareholders' interests, setting these conditions with due regard to actual and expected market conditions;
- pay base salaries that are market-competitive and are appropriate in the context of an individual's performance and experience as well as the remuneration arrangements throughout the Group;
- provide competitive performance-related compensation which influences performance and helps attract and retain executives by providing the opportunity to earn commensurate rewards for the achievement of outstanding performance, which leads to long-term shareholder value creation; and
- deliver competitive benefits to underpin the other components of the remuneration package.

Consistent with these principles, the Committee compares the Experian remuneration arrangements with those of other relevant organisations and companies of similar size and scope to Experian. The remuneration arrangements are also reviewed in light of market conditions, which have once again been challenging and are expected to continue to be so over the forseeable future. Performance-related incentives are targeted at upper quartile levels for the achievement of stretching objectives. Experian is committed to performance-related pay at all levels within the organisation and the Committee takes into consideration the remuneration arrangements throughout Experian when determining those for the executive directors.

The performance measures used in Experian's incentive plans are all financial, with growth in profit being the key measure P24 used. This measure was selected as it is reflective of one of Experian's key performance indicators (EBIT). The performance management process, which is used throughout Experian, assesses executives against both financial and non-financial performance objectives. Performance against these individual objectives ultimately supports growth in profit and so the Committee believes it is appropriate that this remains the key measure for the Group's incentive plans. For the long-term incentive plans, Kepler calculate the TSR performance and this, and all other performance, is subject to audit.

The management of the Group's specific business risks is governed by its risk management framework and is inherent in the P26 way in which Experian operates. As a result of this operational focus on risk management, the Committee is satisfied that the incentive arrangements do not encourage excessive risk taking and therefore it is not considered necessary to have a direct link to risk in the performance measures used.

The Committee believes reward at Experian is appropriately balanced against risk considerations, particularly in the following areas:

Reward alignment with risk considerations

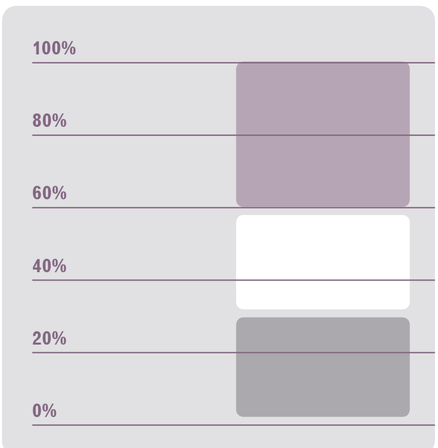
Co-investment/ Deferral	Between 50% and 100% of the annual bonus may be deferred into shares for three years. These deferred shares together with shares awarded under the long-term incentive plan mean that a significant portion of total remuneration is delivered in the form of shares deferred for a period of three years.	The executive directors and the vast majority of senior management invited to participate have elected to defer their entire annual bonuses for the year ended 31 March 2013.
Shareholding guidelines	Executive directors are expected to build up and maintain a shareholding of at least 200% of salary (300% for the CEO). These guidelines have been increased from 100% of salary (200% for the CEO) with effect from 1 April 2013.	The shareholdings of Don Robert and Chris Callero greatly exceed the minimum requirement. Brian Cassin, who was appointed in April 2012, is building up his shareholding in line with the guidelines.
'Clawback'	Vesting of awards made under the Experian Performance Share Plan and matching awards under the Experian Co-investment Plans will only occur if the Committee is satisfied that the vesting is not based on any material misstatement of accounts; and Where any bonus is paid out which is ultimately found to have been based on materially misstated financial results, the bonus opportunity may be reduced accordingly in the following financial year.	This feature was introduced in 2011 and will be in place for future awards.
Discretion	The Committee has the discretionary power to adjust payouts from incentive plans to ensure rewards are aligned with the actual underlying financial and operational performance of the Company.	This feature has been introduced for incentive plan awards made in 2013 onwards.

With respect to Responsible Investment Disclosure, the Committee is satisfied that environmental, social and governance risks are not increased by the incentive structure for senior management and this does not inadvertently motivate irresponsible behaviour.

Remuneration of executive directors

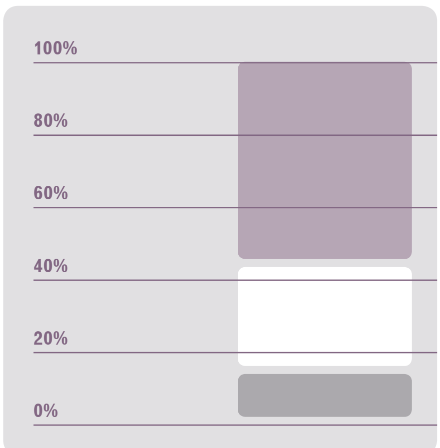
These graphs illustrate the remuneration package for the executive directors, split between fixed and variable pay, at target and maximum levels of performance. The combined potential remuneration from annual bonus and share-based incentives (i.e. variable pay) outweighs the fixed elements (excluding pension and benefits) at both levels of performance. As the relativities of the fixed and variable elements are the same for each executive director, we have not provided graphs on an individual basis.

EXPECTED VALUE OF EXECUTIVE DIRECTORS' REMUNERATION AT TARGET PERFORMANCE



Variable: long-term
Variable: short-term
Fixed

EXPECTED VALUE OF EXECUTIVE DIRECTORS' REMUNERATION AT MAXIMUM PERFORMANCE



Variable: long-term
Variable: short-term
Fixed

Report on directors' remuneration
continued

Executive directors' service contracts

Don Robert has a service agreement with Experian Services Corporation ('ESC') dated 7 August 2006. This provides that, if his employment is terminated by ESC without cause, he is entitled to the following severance payments: continued payment of monthly salary for 12 months from the termination date; 12 months' participation in welfare benefit plans in which he participated during his employment; and an annual bonus based on 100% achievement of objectives payable in equal monthly instalments for 12 months. The same amounts are payable by ESC if Don Robert terminates the contract: (i) following material breach by ESC; or (ii) for Good Reason following a change of control of ESC. Good Reason means, during the six month period following a change of control, a material and substantial adverse reduction or change in Don Robert's position. These terms are in line with US practice.

Don Robert's service agreement also provides for the following payments to be made if the agreement terminates in the event of his death (in addition to payments due but unpaid before death): a pro rata annual bonus for the bonus year to the termination date based on the Group's performance in that bonus year; and a lump sum equal to 12 months' base salary to be paid no later than 90 days after the date of death. If the employment is terminated due to Don Robert's disability, he is entitled to the bonus as described immediately above (in addition to payments due but unpaid before the termination). Any deferred compensation obligations will be governed in accordance with the relevant plan rules. This is consistent with US employment practice.

Chris Callero has a service agreement, dated 11 June 2009, with ESC, which is terminable by 12 months' notice either from ESC or from Chris Callero.

Brian Cassin has a service agreement dated 29 February 2012, with Experian Limited, which is terminable by 12 months' notice from Experian Limited or six months' notice from Brian Cassin.

Other than as described above, the service contract of each of the executive directors does not provide for any benefits on the termination of employment.

Experian's policy on service contracts for new executive directors is to follow the UK Corporate Governance Code guidelines and best practice.

Consultation and engagement

How shareholder views are taken into account

In advance of the AGM the Chairman of the Committee writes to the 25 shareholders with the largest holding of Company shares and investor representative bodies such as the Association of British Insurers (the 'ABI') and the National Association of Pension Funds (the 'NAPF') to provide information on any changes to the remuneration structure. Where requested by these shareholders, further discussion and clarification is provided to assist them in making an informed voting decision. If any major concerns are raised, these are discussed with the Committee Chairman, in the first instance, and the rest of the Committee as appropriate.

Then, at its first meeting following the AGM each year, the Committee considers all shareholder feedback received in relation to the AGM. This feedback, plus any additional feedback received during any meetings or from correspondence from time to time, is then considered as part of the Committee's annual review of remuneration policy which normally takes place at meetings in November and January.

Shareholder voting on the 2012 report on directors' remuneration

The voting to approve the Report at the AGM on 18 July 2012 is set out in the following table:

Votes for (including discretionary votes)	% of votes cast	Votes against	% of votes cast	Total number of votes cast	Number of votes withheld
613.5m	88.1%	82.5m	11.9%	696.0m	3.2m

Following the AGM, the Company engaged with a number of shareholders who had voted against the resolution to approve the Report, to discuss the reasons for their voting decision and this has generated additional feedback which will inform the Committee's deliberations going forward.

The Committee is committed to openness and providing transparency to its operation and considers that its current process of shareholder engagement along with the additional disclosures contained within this Report are evidence of that.

How employee pay is taken into account

Pay and conditions across the Group are considered when finalising the current policy for executive directors. As a result, the basic salary increases at 1 April 2013 were in line with the average increases of the wider workforce.

Fixed remuneration

Base salary and benefits

Before making a final decision on individual salary awards, the Committee assesses each director's individual performance and experience as well as average pay increases awarded to other employees in the Group. To assess the appropriate salary for a role, benchmark data, sourced from external remuneration consultants, is provided to the Committee. Executive directors' salaries are benchmarked against those of executive directors from the companies in the FTSE 100 Index along with other global comparators, reflecting the markets from which Experian recruits talent. These include, but are not limited to, UK and US companies of a similar size, companies of a similar size in the UK and US financial services sector and companies with significant operations in the same markets as Experian.

The Committee reviewed salaries in early 2013 and, taking into account the factors described above, approved increases as detailed in the following table. These increases are in line with those awarded to the wider employee population.

	Salary to 31 March 2013	Salary from 1 April 2013	Percentage increase
Don Robert	US$1,550,000	US$1,595,000	2.9%
Chris Callero	US$990,000	US$1,015,000	2.5%
Brian Cassin	£450,000	£462,500	2.8%

In addition to base salary, executive directors receive certain benefits-in-kind including a car or car allowance, private health cover and life assurance. These are set at market competitive levels for each role. In line with typical US practice, Don Robert and Chris Callero also participate in a deferred compensation plan.

Pensions

Pension provision varies across the Group based on geographical location and the time of joining Experian. Subject to these variations, the principles of pension provision apply to all employees.

In the UK, a defined contribution plan is available for all employees, with an employer contribution rate (in normal circumstances) of up to 20% for the most senior executives. Retirement age is 65 but benefits can be taken from age 55 onwards. Brian Cassin participates in the UK defined contribution plan.

The UK defined benefit arrangements are closed to new entrants, subject only to exceptions approved by the Committee on a case by case basis. There are no directors who are members of the UK defined benefit plan.

In the US, Experian provides a Personal Investment Plan (401k) which all US employees, including directors, are eligible to join. This is a defined contribution arrangement to which participants are able to contribute up to 50% of salary, up to a maximum salary and participant contribution limit established by the IRS, each calendar year. Chris Callero participates in this plan.

A supplementary unfunded defined benefit arrangement is provided in the US for Don Robert. This is a legacy arrangement from when he joined the Company's previous parent, GUS plc, and was set up to provide a defined benefit arrangement similar to those of the UK executives. He is also entitled to participate in the US defined contribution arrangement (401k) but does not currently do so.

Variable remuneration

Annual bonus

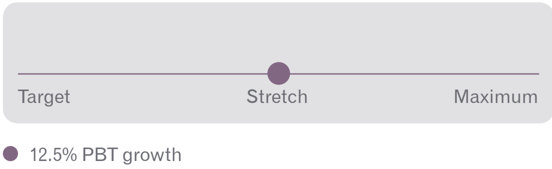
Annual bonuses are awarded for achieving profit growth targets. The Committee believes this is appropriate as it is reflective P24 of one of Experian's key performance indicators (EBIT). The maximum bonus opportunity for executive directors is 200% of base salary. However, this level of annual bonus is only payable if Experian's financial performance surpasses stretching profit growth targets, designed to deliver exceptional results to shareholders. The calibration of these targets is based on benchmarks that reflect stretching internal and external expectations. The benchmarks considered include: broker earnings estimates, earnings estimates for competitors, straight-line profit growth consistent with median/upper quartile shareholder returns, latest projections for the current year, budget and strategic plan.

Annual bonus in respect of the year ended 31 March 2013

The Committee set targets for the annual bonus in respect of the year ended 31 March 2013 which required stretching levels of performance (with reference to relevant internal and external benchmarks) in order for maximum bonus to be earned.

Report on directors' remuneration
continued

PBT GROWTH CALIBRATION FOR 2013 ANNUAL BONUS



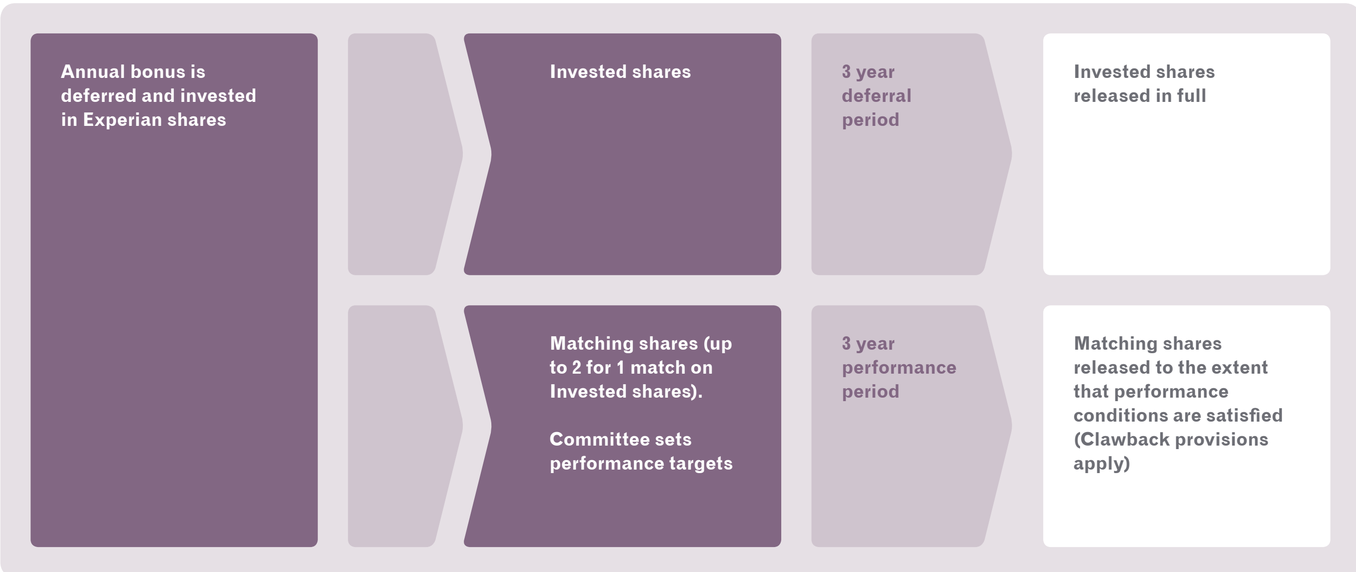
Benchmark PBT growth achieved of 12.5% was around the mid-point of the performance range, as shown in the chart opposite, and therefore a bonus equivalent to 150% of salary is payable to the executive directors.

The Committee considers that this level of bonus payment is appropriate in the context of the underlying performance of the business.

Co-investment Plans

The CIP provides the executive directors with the opportunity to defer between 50% and 100% of their annual bonus into Experian shares ('invested shares') that are matched with an additional award of shares ('matching shares') with the maximum match being calculated on the basis of two matching shares for each invested share ('2:1 basis'). The release of invested shares and matching shares is deferred for three years and the release of the matching shares is subject to performance conditions which are measured over that period.

The operation of the CIP is described in the following schematic:



Performance conditions are determined by the Committee in advance of grant. Dividend equivalents accrue on these awards. Generally, if a participant resigns during the three-year period they forfeit the right to the matching shares and the associated dividends, although they would be entitled to retain any invested shares. Matching awards under the CIP may vest early in the event of a change of control but would be pro-rated for time and performance.

P88 Details of the awards granted in May 2012 are given in the table entitled 'Co-investment Plans'.

CIP performance metrics

The vesting of awards under the CIP is based 50% on the achievement of a growth in PBT performance condition, measured over three years, with the other 50% subject to the achievement of a three-year cash flow target. The Committee selected these P24 two performance measures as they reflect two of Experian's key performance indicators (EBIT and cash flow).

The executive directors have elected to defer 100% of their bonus earned in respect of the year ended 31 March 2013 into the CIP. It is intended the same performance measures will be used for the matching awards expected to be made in May 2013 as for the awards made in May 2012 (i.e. growth in PBT and cash flow).

The economic environment in which Experian operates has not improved over the last year. On balance, the Committee believes the PBT growth target set in 2011 continues to be appropriately calibrated. The cash flow target has been increased to reflect the Group's increased absolute profitability whilst taking into account the impact of foreign exchange movements.

If the 2012 performance targets were restated using 2013 exchange rates, the performance range would be approximately US$3,500m to US$3,900m. The Committee therefore believes that the new target range provides a sufficient stretch above that of 2012.

Both performance conditions will be measured over a three-year period and the specific targets for the May 2013 awards are set out in the following tables along with the targets for the 2011 and 2012 awards:

PBT (50% of an award)

	Vesting*		
	0%	50%	100%
2011	Below 7%	7%	14%
2012	Below 7%	7%	14%
2013	Below 7%	7%	14%

* straight-line vesting between points

Cash flow (50% of an award)

	Vesting*		
	0%	50%	100%
2011	Below $3,000m	$3,000m	$3,400m
2012	Below $3,700m	$3,700m	$4,100m
2013	Below $3,800m	$3,800m	$4,200m

* straight-line vesting between points

In addition, vesting of awards is subject to the Committee being satisfied that the vesting is not based on financial results which have been materially misstated.

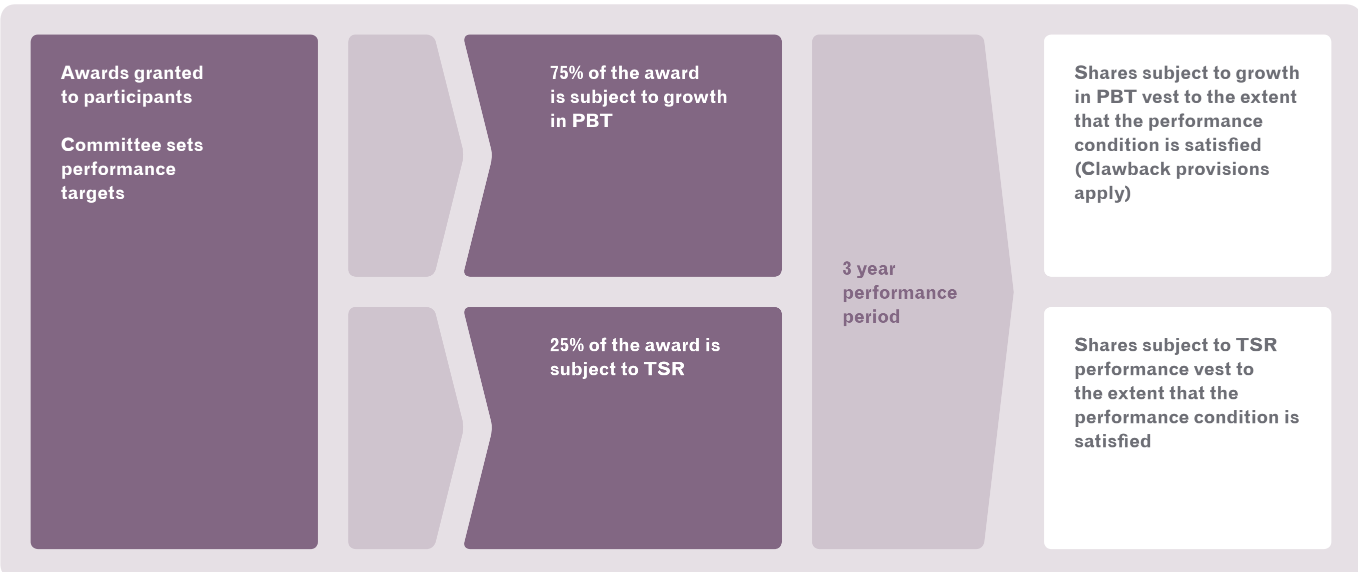
For the awards to be made in 2013, the Committee will also have the discretion to vary the level of vesting determined by applying the PBT and cash flow performance conditions if they consider that this level of vesting is inconsistent with the actual underlying financial and operational performance of the Group.

Annual bonus and CIP in respect of the year ending 31 March 2014
It is intended that annual bonus arrangements and the operation of the CIP for executive directors will remain unchanged for the year ending 31 March 2014. For matching shares awarded under the CIP, the final performance measures and targets will be determined shortly before the awards are made in May 2014 and will be disclosed at the appropriate time. However, the Committee undertakes to ensure that any targets, whilst they must be seen as achievable to retain and motivate executives during the deferral period, are sufficiently stretching in order to deliver significant shareholder value.

Performance Share Plan
Under the PSP, shares are awarded to participants subject to the achievement of performance conditions which are measured over a three-year period. The maximum award under the PSP is normally 200% of base salary, although up to 400% of salary may be awarded under exceptional circumstances. Any vesting occurs three years from the date of grant and dividend equivalents accrue on the vested shares. Awards under the PSP may vest early in the event of a change of control but would be pro-rated for time and performance.

P89 Details of the awards granted in prior years are given in the table entitled 'Performance Share Plan'.

The operation of the PSP is described in the following schematic:



Report on directors' remuneration
continued

PSP performance metrics

The vesting of awards under the PSP is based 75% on the achievement of a growth in PBT performance condition, measured over three years, with the other 25% subject to TSR outperformance against the FTSE 100 Index. The Committee has selected P24 these two performance measures as they reflect a key performance indicator of Experian (EBIT) and represent the value delivered to shareholders relative to Experian's peers.

The performance targets for all outstanding PSP awards, and those expected to be granted in May 2013 are set out in the following tables. For the awards to be made during 2013, the Committee has reviewed the calibration of the performance targets in light of market conditions, and, on balance, considers that the targets set in 2011 continue to be appropriately stretching. The Committee will also have the discretion to vary the level of vesting determined by applying the TSR and PBT performance conditions if they consider that this level of vesting is inconsistent with the actual underlying financial and operational performance of the Group.

PBT (75% of an award)

			Vesting*
	0%	25%	100%
2011	Below 7%	7%	14%
2012	Below 7%	7%	14%
2013	Below 7%	7%	14%

* straight-line vesting between points

TSR vs FTSE 100 – % outperformance (25% of an award)

			Vesting*
	0%	25%	100%
2011	Below index	Equal to index	25% above index
2012	Below index	Equal to index	25% above index
2013	Below index	Equal to index	25% above index

* straight-line vesting between points

All outstanding awards are also subject to a ROCE performance underpin and a clawback feature whereby the vesting of awards is subject to the Committee being satisfied that the vesting is not based on financial results which have been materially misstated.

Recruitment and Retention awards

Special awards of shares may be granted for specific recruitment or retention purposes under an annex to the rules of the PSP. Any such awards are not pensionable.

As disclosed last year, recruitment awards were granted to Brian Cassin upon his appointment as Chief Financial Officer in the year under review. These were made to compensate him for share awards he forfeited when he left his previous employer. The recruitment awards aimed to replicate, as closely as possible, the structure and value of Mr Cassin's previous awards (which were not subject to performance conditions and were due to vest in annual tranches over a five year period).

The recruitment awards were therefore structured to vest in five tranches between January 2013 and January 2017, subject to Mr Cassin's continued employment with Experian. Should he leave at any time during that period, other than for "good leaver" reasons, those unvested shares will lapse in full (subject to the rules of the PSP).

As there were no performance conditions attached to the original awards, the value of these was determined as the face value around the time of grant and that, in turn, determined the value and number of shares of the recruitment awards. Details of the P89 awards are in the table entitled 'Performance Share Plan'.

In structuring the recruitment awards as outlined above, the Committee was satisfied that Mr Cassin was offered a package that was equivalent to his previous one whilst at the same time replicating the "lock-in" through staggered vesting over the five year period.

The Committee does not believe in over-paying on recruitment, nor does it grant replacement equity incentives without first taking into account the likely vesting and resulting value of the equity that any potential new hire would be giving up.

Share Option Plan ('SOP')

As has been the policy since 2010, no grants were made under this plan in 2012 and the Committee has agreed this will also be the case for 2013 (other than in exceptional circumstances). The maximum award under the SOP is normally 200% of base salary, although up to 400% of salary may be awarded under exceptional circumstances. Use of the SOP in the future will remain under review by the Committee. Details of outstanding awards under the SOP and the associated performance P87 conditions are set out in the table entitled 'Share options'.

Sharesave plans
All executive directors and employees of the Company, and any participating subsidiaries in which sharesave or a local equivalent is operated, are eligible to participate if they are employed by the Group at a qualifying date. As an example of these plans, the UK Sharesave Plan provides an opportunity for employees to save a regular monthly amount, over either three or five years which, at the end of the savings period, may be used to purchase Experian shares at up to 20% below market value at the date of grant.

Outcome of performance testing determined in the year ended 31 March 2013

Co-investment Plans
For awards granted under the Co-investment Plans in June 2010, the matching shares were subject to the achievement of performance targets as set out in the following tables.

PBT (50% of an award)

Average growth target per annum	Vesting*
Below 5%	0%
5%	50%
11%	100%

* straight-line vesting between points

Cash flow (50% of an award)

3 year cash flow	Vesting*
Below $2,900m	0%
$2,900m	50%
$3,300m	100%

* straight-line vesting between points

The Committee measured the performance conditions over the three years ended 31 March 2013 and the results were as follows:

- PBT: average annual growth over the three-year performance period was 13.5% which resulted in 100% of this part of the award vesting; and
- Cash flow: three-year cumulative cash flow was US$3,330m which resulted in 100% of this part of the award vesting.

In aggregate therefore, 100% of the matching awards will vest on 3 June 2013.

Performance Share Plan
PSP awards granted in June 2010 were subject to performance conditions measured over the three years ended 31 March 2013, as set out in the following tables.

PBT (75% of an award)

Average growth target per annum	Vesting*
Below 5%	0%
5%	25%
11%	100%

* straight-line vesting between points

TSR vs FTSE 100 – % outperformance (25% of an award)

3 year TSR	Vesting*
Below index	0%
Equal to index	25%
25% above index	100%

* straight-line vesting between points

Vesting was also subject to the Committee confirming that ROCE performance had been satisfactory.

The Committee measured the performance conditions over the three years ended 31 March 2013 and the results were as follows:

- PBT: average annual growth over the three-year performance period was 13.5% which resulted in 100% of this part of the award vesting; and
- TSR: three-year outperformance was 47.1% which resulted in 100% of this part of the award vesting.

The Committee confirmed that ROCE performance was satisfactory and in aggregate, therefore, 100% of the awards will vest on 3 June 2013.

Report on directors' remuneration continued

Shares released to participants in the year ended 31 March 2013

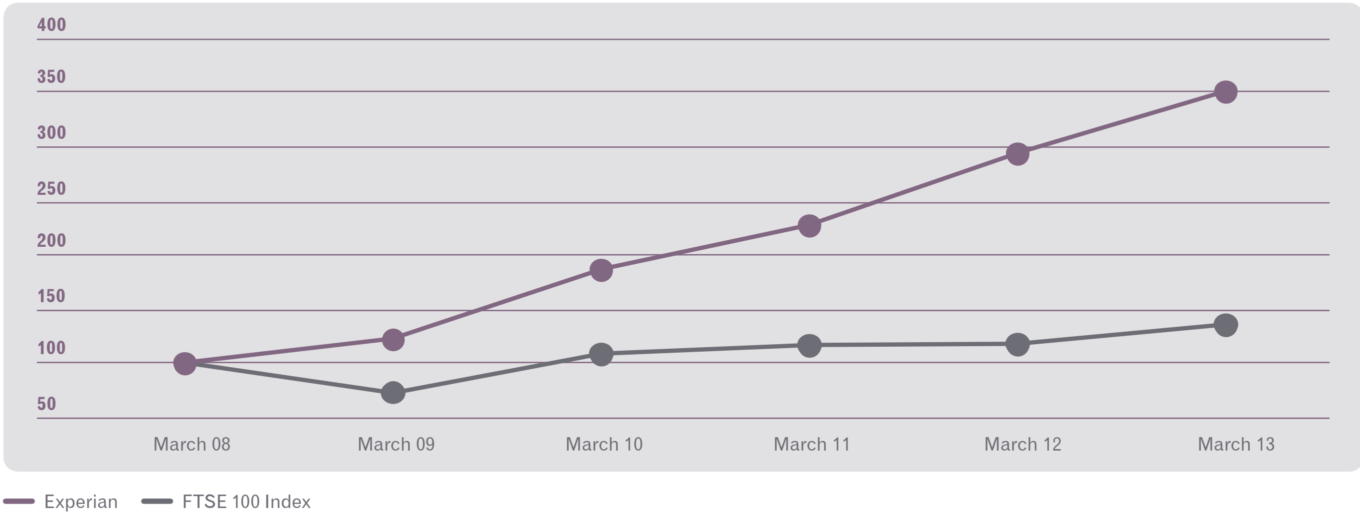
Recruitment and Retention awards

One of the awards outlined above, made to Brian Cassin on his recruitment, vested on 25 January 2013 and he received 30,663 P89 shares. Further details are given in the table entitled 'Performance Share Plan'.

Performance graph

The Committee has chosen to illustrate TSR against the FTSE 100 Index. The FTSE 100 Index is the most appropriate index against which TSR should be measured as it is a widely used and understood index of which Experian is a constituent.

VALUE OF £100 INVESTED IN EXPERIAN AND THE FTSE 100 ON 31 MARCH 2008



The above graph shows that, at 31 March 2013, a hypothetical £100 invested in Experian would have generated a total return of £350 compared with a return of £135 if invested in the FTSE 100 Index on 31 March 2008.

Shareholding guidelines

The Committee believes it is important that executives build up a significant holding in Experian shares to align their interests with those of shareholders. Therefore, the Committee has established guidelines, from 1 April 2013, under which the Chief Executive Officer should hold the equivalent of three times his base salary in Experian shares and other executive directors two times their base salary (including invested shares held under the CIP). Don Robert and Chris Callero significantly exceed these guidelines. Brian Cassin is building his shareholding up to the requisite level in accordance with the guidelines. Further details P91 are given in the table entitled 'Directors' interests'.

Policy on external appointments

The Board recognises the value of external directorships in enabling executive directors to broaden their experience and development. In line with the UK Corporate Governance Code, executive directors may therefore accept one FTSE 100 non-executive directorship, and retain any related fees.

During the period under review, Don Robert served as non-executive director on the board of Compass Group plc and the fee P86 received in respect of this role is set out in Note 4 to the annual remuneration table.

Meeting obligations under share-based incentives

Obligations under Experian's employee share plans may be met using either shares purchased in the market or, except for rolled-over awards under certain GUS plans, newly issued shares. The current policy is that, where possible, all awards will be satisfied by the purchase of shares, or from shares previously purchased, by the employee trusts or by shares held in treasury. This policy will remain under regular review. The rules of the Experian share plans are in line with the guidelines set out by the ABI regarding dilution.

Remuneration of non-executive directors

The Board's policy on the remuneration of non-executive directors is that:

- fees should reflect individual responsibilities and membership of Board committees;
- remuneration should be in line with recognised best practice and be sufficient to attract, motivate and retain high calibre non-executives; and
- remuneration should be a combination of cash fees (paid quarterly) and Experian shares (see below) to help align the interests of non-executive directors with those of shareholders.

Non-executive directors do not receive any benefits-in-kind with the exception of the Chairman who receives private healthcare and the use of a company car.

The current fees for non-executive directors are shown in the table below. These were last reviewed with effect from 1 October 2011 and will next be reviewed in October 2013.

	Non-executive directors' fees from 1 October 2011
Base fee	€125,000
Plus additional fees for:	
Deputy Chairman/Senior Independent Director	€80,000
Chairman of Audit Committee	€35,000
Chairman of Remuneration Committee	€27,000

The Chairman's fee was reviewed by the Committee in early 2012 and increased by £25,000 to £375,000 with effect from 1 April 2012. This was the first fee review since April 2010 and the next review will be in April 2014.

Experian requires its non-executive directors to build up a holding in the Company's shares equal to their annual fee. One quarter of their net annual fee is used to purchase Experian shares each year until they reach this holding; such shares P91 are included in the table entitled 'Directors' interests'. Any tax liability arising from these arrangements is the responsibility of the individual director.

Non-executive directors do not participate in any Experian share plans. Non-executive directors do not have employment contracts but each has a letter of appointment with no provision for any termination payment. Each appointment (with the exception of that of the Chairman) is for a renewable three-year term, subject to election/re-election by shareholders, but may be terminated by either party on one month's written notice (six months' notice in the case of the Chairman).

Report on directors' remuneration continued

Implementation of Remuneration Policy

The information set out in the remainder of this Report has been subject to audit.

Annual remuneration

The following table shows an analysis of the emoluments of the individual directors for the year ended 31 March 2013. Annual bonuses shown relate to the year ended 31 March 2013.

	Salary and fees '000s	Annual bonus '000s	Benefits(1) '000s	Total 2013 '000s	Total 2012 '000s
Chairman					
Sir John Peace (2)	£375	–	£23	£398	£374
Executive directors (3)					
Don Robert (4)	US$1,550	US$2,325	US$465	US$4,340	US$4,939
Chris Callero	US$990	US$1,485	US$62	US$2,537	US$2,931
Brian Cassin (5)	£413	£675	£67	£1,155	–
Non-executive directors (6)					
Fabiola Arredondo	€149	–	–	€149	€159
Roger Davis	€164	–	–	€164	€150
Alan Jebson	€184	–	–	€184	€194
Deirdre Mahlan (7)	€79	–	–	€79	–
George Rose (7)	€79	–	–	€79	–
Sir Alan Rudge	€217	–	–	€217	€203
Judith Sprieser	€155	–	–	€155	€159
David Tyler (8)	€106	–	–	€106	€123
Paul Walker	€143	–	–	€143	€129

Notes:

1. Benefits to executive directors include life insurance, private healthcare, company car and fuel allowance where applicable. Don Robert also received a fixed accommodation allowance of £250,000 during the year. In line with typical US practice, Don Robert and Chris Callero also participate in a deferred compensation plan. Brian Cassin received a cash supplement of £53,130 in lieu of part of his pension entitlement.
2. Sir John Peace is not eligible for a performance bonus, pension contributions or long-term incentive awards but continues to receive a company car benefit and private healthcare.
3. Experian plc pays directors' fees to the executive directors in respect of their services as directors of Experian plc. These fees were €125,000 per annum from 1 October 2011. Such fees form part of, and are not additional to, the remuneration set out in the table.
4. Don Robert served as a non-executive director of Compass Group plc during the period under review, for which he received a fee of £81,000 (2012: £81,000).
5. Brian Cassin's annual salary was £450,000 for the year ended 31 March 2013. The salary and benefits figures provided in the table show remuneration from the date he joined Experian (30 April 2012) to 31 March 2013. The annual bonus is for the full year, as agreed by the Committee on recruitment. No further payment was made to Mr Cassin to reflect bonus foregone when he left his previous employer.
6. Non-executive directors receive an additional fee of €6,000 per trip to attend Board meetings where such attendance involves inter-continental travel from their home location.
7. Deirdre Mahlan and George Rose joined the Board on 1 September 2012 and the amounts shown in the above table are their fees earned from that date.
8. David Tyler retired from the Board on 31 December 2012 and the amounts shown in the above table are the fees he earned to that date.

Share options

Details of options granted to directors under the Experian Share Option Plan and the GUS Executive Share Option Schemes are set out in the table below.

	Date of grant	Number of shares under option at 1 April 2012	Exercise price	Granted	Exercised	Experian share price on date of exercise	Lapsed	Total number of shares under option at 31 March 2013	Date from which exercisable/ expiry date
Executive directors									
Don Robert	31.05.05	132,091	483.1p	–	–	–	–		31.05.08 – 30.05.15
	02.06.06	133,184	521.1p	–	–	–	–		02.06.09 – 01.06.16
	18.06.09	552,453	464.0p	–	552,453	1,095.0p	–		
								265,275	
Chris Callero	18.06.09	236,765	464.0p	–	236,765	933.5p	–	–	

Notes:

1. Options granted in 2006 or earlier were originally granted under the GUS Executive Share Option Scheme and were exchanged for equivalent options over Experian plc shares on demerger. These options vested subject to the achievement of performance conditions which were met in full.
2. The options granted in June 2009 were subject to performance conditions measured over the three years ended on 31 March 2012. As reported last year, the outcome of these performance conditions was such that 100% of these options vested on 18 June 2012.
3. The market price of Experian plc shares at 31 March 2013 was 1,140p; the highest and lowest prices during the financial year then ended were 1,185p and 870p respectively.

Report on directors' remuneration
continued

Co-investment Plans

Details of awards made to directors under the Experian Co-investment Plans are set out in the table below.

	Date of award	Experian share price on date of award	Invested shares at 1 April 2012	Matching shares at 1 April 2012	Co-investment Plan invested shares awarded	Co-investment Plan matching shares awarded	Invested and matching shares released	Matching shares lapsed	Experian share price on date of release	Total plan shares at 31 March 2013	Normal vesting date
Don Robert											
	18.06.09	464.0p	311,768	311,768	–	–	623,536	–	933.5p		18.06.12
	03.06.10	636.0p	306,374	612,748	–	–	–	–	–		03.06.13
	15.06.11	785.0p	221,523	443,046	–	–	–	–	–		15.06.14
	18.05.12	870.0p	–	–	211,997	423,994	–	–	–		18.05.15
										2,219,682	
Chris Callero											
	18.06.09	464.0p	200,422	200,422	–	–	400,844	–	933.5p		18.06.12
	03.06.10	636.0p	196,954	393,908	–	–	–	–	–		03.06.13
	15.06.11	785.0p	142,080	284,160	–	–	–	–	–		15.06.14
	18.05.12	870.0p	–	–	135,678	271,356	–	–	–		18.05.15
										1,424,136	

Notes:

1. In line with the rules of the Experian North America Co-investment Plan, invested shares for Don Robert and Chris Callero were calculated with reference to their gross bonus. The matching share awards are based on the gross value of the bonus deferred.
2. Matching awards granted in June 2009 were subject to performance conditions measured over the three years ended 31 March 2012. As reported last year the outcome of these performance conditions was such that 100% of the awards vested. The vesting date was 18 June 2012 when the Experian share price was 933.5p. Cash dividend equivalents were paid to Don Robert and Chris Callero on their vested shares. They received US$464,534 and US$298,629 respectively.
3. Awards made to Don Robert and Chris Callero in June 2010, June 2011 and May 2012 under the Experian North America Co-investment Plan were based on the average share price for the three days prior to grant. The performance periods for these awards are 1 April 2010 to 31 March 2013, 1 April 2011 to 31 March 2014 and 1 April 2012 to 31 March 2015 respectively. Release of matching shares under these plans is subject to the achievement of performance conditions as detailed in the sections entitled 'Outcome of performance testing determined in the year ended 31 March 2013' (2010 awards) and 'CIP performance metrics' (2011 and 2012 awards), the retention of invested shares and continued employment.

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Performance Share Plan

Details of awards made to directors under the PSP are set out in the table below.

	Date of award	Experian share price on date of award	Plan shares held at 1 April 2012	Plan shares awarded during the year	Plan shares vested during the year	Plan shares lapsed during the year	Experian share price on date of vesting	Total plan shares at 31 March 2013	Normal vesting date
Don Robert	18.06.09	464.0p	552,453	–	552,453	–	933.5p		18.06.12
	03.06.10	636.0p	317,316	–	–	–	–		03.06.13
	15.06.11	785.0p	233,006	–	–	–	–		15.06.14
	18.05.12	870.0p	–	219,063	–	–	–		18.05.15
								769,385	
Brian Cassin	18.05.12	870.0p	–	101,275	–	–	–		18.05.15
	18.05.12 (3)	870.0p	–	30,663	30,663	–	1,090.0p		25.01.13
	18.05.12 (3)	870.0p	–	26,799	–	–	–		25.01.14
	18.05.12 (3)	870.0p	–	18,323	–	–	–		25.01.15
	18.05.12 (3)	870.0p	–	51,054	–	–	–		25.01.16
	18.05.12 (3)	870.0p	–	31,422	–	–	–		25.01.17
								228,873	
Chris Callero	18.06.09	464.0p	236,765	–	236,765	–	933.5p		18.06.12
	03.06.10	636.0p	203,519	–	–	–	–		03.06.13
	15.06.11	785.0p	149,124	–	–	–	–		15.06.14
	18.05.12	870.0p	–	139,918	–	–	–		18.05.15
								492,561	

Notes:

1. Awards granted in June 2009 were subject to performance conditions measured over the three years ended 31 March 2012. As reported last year the outcome of these performance conditions was such that 100% of the awards vested. The vesting date was 18 June 2012 when the Experian share price was 933.5p. Dividend equivalents were paid to Don Robert and Chris Callero on their vested shares. They received US$411,577 and US$176,390 respectively.
2. The performance period in respect of the PSP awards made in June 2010, June 2011 and May 2012 are 1 April 2010 to 31 March 2013, 1 April 2011 to 31 March 2014 and 1 April 2012 to 31 March 2015 respectively. The performance conditions attached to these awards are detailed in the sections entitled 'Outcome of performance testing determined in the year ended 31 March 2013' (2010 award) and 'PSP performance metrics' (2011 and 2012 awards). P82
3. As disclosed in last year's Report, Brian Cassin was granted recruitment awards to replace outstanding equity awards from his previous employer. The recruitment awards replicate Mr Cassin's previous awards as closely as possible and therefore vest in five tranches between January 2013 and January 2017, subject to his continued employment with Experian. Should he leave at any time during that period, other than for "good leaver" reasons, any unvested awards will lapse in full (subject to the rules of the PSP).

Report on directors' remuneration continued

Executive directors' pension arrangements

Don Robert is provided with benefits through a Supplementary Executive Retirement Plan ('SERP') which is a defined benefit arrangement in the US. The figures below are in respect of his SERP entitlement.

Brian Cassin participated in the UK defined contribution arrangement during the year and the employer contributions to this arrangement were £29,375.

Chris Callero participated in the US defined contribution arrangement (401k Plan) during the year and the employer contributions to this arrangement were US$10,249 (2012: US$7,104).

The pension entitlements in respect of benefits from non-registered defined benefit arrangements are detailed in the table below.

	Accrued pension at 31 March 2013 per annum (1) US$'000	Accrued pension at 31 March 2012 per annum (2) US$'000	Transfer value at 31 March 2013 (3) US$'000	Transfer value at 31 March 2012 (4) US$'000	Change in transfer value (less director's contributions) (5) US$'000	Additional pension earned to 31 March 2013 (net of inflation) per annum (6) US$'000	Transfer value of the increase (less director's contributions) (7) US$'000
Don Robert	611	543	14,389	11,749	2,640	54	1,276

Four former directors of Experian Finance plc (formerly GUS plc), received unfunded pensions during the year. Three of the former directors are paid under the SURBS. The total unfunded pensions paid to the former directors was £470,560 (2012: £473,153).

Notes:

Columns (1) and (2) represent the deferred pension to which Don Robert would have been entitled had he left the Group at 31 March 2013 and 2012 respectively.

Column (3) is the transfer value of the pension in column (1) calculated as at 31 March 2013 based on factors determined by the US government in accordance with the US pension-to-lump-sum actuarial basis.

Column (4) is the equivalent transfer value, but calculated as at 31 March 2012 on the assumption that Don Robert left service at that date.

Column (5) is the change in transfer value of accrued pension during the year net of contributions by Don Robert.

Column (6) is the increase in pension built up during the year, recognising (i) the accrual rate for the additional service based on the pensionable salary in force at the year end, and (ii) where appropriate the effect of pay changes in "real" (inflation adjusted) terms on the pension already earned at the start of the year.

Column (7) represents the transfer value of the pension in column (6).

The disclosures in columns (1) to (5) are equivalent to those required by the large and medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and those in columns (6) and (7) are those required by the UK Financial Services Authority Listing Rules.

Directors' interests

The interests of the directors (and their connected persons) in the ordinary shares of the Company are shown below. Share options granted to directors, awards under the PSP and the contingent interests in matching shares under the Co-investment Plans are shown in the relevant tables and included here. The directors have no interests in any debentures of the Group or in any shares or debentures of the Group's subsidiaries.

	Shares held in Experian plc at 31 March 2013[1]	Shares held in Experian plc at 31 March 2012	Matching awards under the Co-investment Plan				Awards under the Performance Share Plan				Vested but unexercised share options	Percentage of salary/ fees held in shares under shareholding guideline[2]	Guideline met as at 31 March 2013
			2010	2011	2012	Total	2010	2011	2012	Total			
Chairman													
Sir John Peace	1,263,340	1,483,340	–	–	–	–	–	–	–	–	–	3,841%	Yes
Executive directors													
Don Robert[3]	1,101,685	1,201,456	612,748	443,046	423,994	1,479,788	317,316	233,006	219,063	769,385	265,275	1,232%	Yes
Chris Callero[3]	474,712	539,456	393,908	284,160	271,356	949,424	203,519	149,124	139,918	492,561	–	831%	Yes
Brian Cassin	14,686	–	–	–	–	–	–	–	228,873	228,873	–	37%	No
Non-executive directors													
Fabiola Arredondo	20,000	20,000	–	–	–	–	–	–	–	–	–	216%	Yes
Roger Davis	60,000	60,000	–	–	–	–	–	–	–	–	–	533%	Yes
Alan Jebson	42,597	42,597	–	–	–	–	–	–	–	–	–	360%	Yes
Deirdre Mahlan	10,000	–	–	–	–	–	–	–	–	–	–	108%	Yes
George Rose	20,000	–	–	–	–	–	–	–	–	–	–	216%	Yes
Sir Alan Rudge	24,003	24,003	–	–	–	–	–	–	–	–	–	158%	Yes
Judith Sprieser	14,402	14,402	–	–	–	–	–	–	–	–	–	156%	Yes
Paul Walker	15,000	15,000	–	–	–	–	–	–	–	–	–	162%	Yes

Notes:

1. For regulatory purposes, as at 8 May 2013, there had been no changes in the above interests.
2. Shares included in this measure are the directors' interests in the Company plus the net value of any invested shares under the Co-investment Plans. Brian Cassin was appointed Chief Financial Officer in April 2012 and is building his shareholding up to the requisite level in line with the relevant guidelines.
3. The number of Experian shares held by Don Robert and Chris Callero at 31 March 2013 includes 739,894 and 474,712 shares respectively awarded to them under the Experian North America Co-investment Plan in lieu of annual bonus, as shown in the table which details these plans, in addition to any personal beneficial shareholding. Don Robert and Chris Callero have an unconditional right to receive these Experian shares at the end of the relevant three-year deferral period. These shares do not carry dividend or voting rights prior to receipt.

On behalf of the Remuneration Committee
Charles Brown
Company Secretary
8 May 2013

Directors' report

The directors present their report and the audited financial statements for the year ended 31 March 2013. The corporate governance report forms part of this directors' report.

Principal activities and business review

Experian provides data and analytical tools to organisations in North America, Latin America, UK and Ireland, EMEA and Asia Pacific. Clients use these to manage credit risk, prevent fraud, target marketing offers and automate decision-making. Experian also helps individuals to manage their credit relationships and protect against identity theft. Activities in the regions in which Experian operates are grouped into four global business lines: Credit Services, Decision Analytics, Marketing Services and Consumer Services.

The business overview and business review sections are incorporated into this directors' report by reference. They contain details of the development and performance of the Group's businesses during the year, an indication of the key performance indicators and information regarding principal risks and uncertainties, together with information equivalent to that required for a business review.

Research and development

Research and development plays a key role in supporting Experian's activities. Details of such activities are given in the business overview and business review sections.

Results and dividends

The Group income statement shows a profit for the financial year ended 31 March 2013 of US$406m (2012: US$718m). The directors have announced the payment of a second interim dividend in lieu of a final dividend of 24.00 US cents per ordinary share (2012: 21.75 US cents) to be paid on 19 July 2013 to shareholders on the register of members on 21 June 2013. An interim dividend of 10.75 US cents per ordinary share was paid on 1 February 2013 giving a total dividend for the year of 34.75 US cents per ordinary share (2012: 32.00 US cents).

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Directors

The names, biographical details and key skills and experience of the directors are shown in the biographies section. Brian Cassin was appointed as Chief Financial Officer on 30 April 2012. Deirdre Mahlan and George Rose were appointed as non-executive directors on 1 September 2012. David Tyler retired as a non-executive director on 31 December 2012.

Particulars of directors' remuneration, service contracts and interests in the ordinary shares of the Company are shown in the report on directors' remuneration. There have been no changes in the directors' interests in such ordinary shares between the end of the financial year and 8 May 2013.

In accordance with the UK Corporate Governance Code, all directors will retire at the annual general meeting in July 2013 and, being eligible, will offer themselves for election/re-election. An evaluation of Board performance and the performance of individual directors, as well as an evaluation of the performance of the principal Board committees, was carried out during the year ended 31 March 2013 and the Board is satisfied that all directors contribute effectively and demonstrate commitment to their roles. Further details regarding the evaluation process are contained in the corporate governance report.

Insurance and third party indemnification

During the year and up to the date of approval of this annual report, the Company maintained liability insurance and third party indemnification provisions for its directors.

Acquisitions and disposals

Information in respect of acquisitions and disposals made during the year are contained in the business review and in note 45 and note 47 respectively to the Group financial statements.

Post balance sheet events

Details of events occurring after the end of the reporting period are contained in note 52 to the Group financial statements.

Share capital

Details of the authorised and issued share capital of the Company and changes to the Company's share capital during the year ended 31 March 2013 are set out in note N to the parent company financial statements. The rights and obligations attaching to the ordinary and deferred shares are also set out in note N and the articles of association of the Company, a copy of which can be obtained from the Experian website www.experianplc.com.

Substantial shareholdings

Substantial shareholders are required to notify their interests in accordance with the Company's articles of association, which obliges shareholders to comply with the notification obligations to the Company contained in the UK Disclosure and Transparency Rules. As at 8 May 2013, the Company had been notified of the interests below in its issued ordinary share capital or voting rights.

Substantial shareholdings

Date of notification	Shareholder	Direct/indirect interest	Number of ordinary shares/voting rights	Percentage of issued share capital/voting rights
15 February 2011	Artisan Partners Limited Partnership	Indirect	50,901,871	4.98%
5 September 2012	The Capital Group Companies, Inc	Indirect	32,286,000	3.1979%
24 January 2013	BlackRock, Inc	Indirect	51,371,146	5.09%

ADR programme

The Company has a Level 1 American Depositary Receipt ('ADR') programme in the USA for which The Bank of New York Mellon acts as depositary. The ADRs are traded on the highest tier of the US over-the-counter market, OTCQX, where each ADR represents one Experian plc ordinary share. Further details are given in the shareholder information section.

Restrictions on transfers of shares and/or voting rights

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights and, apart from those matters described below, there are no restrictions on the transfer of ordinary shares in the capital of the Company and/or voting rights:

- Certain restrictions on transfers of shares may from time to time be imposed by, for example, insider dealing regulations. In accordance with the Listing Rules of the UK Financial Conduct Authority, directors are required to seek the approval of the Company to deal in its shares. Certain employees are also required to seek approval.
- Some of Experian's share-based employee incentive plans include restrictions on transfer of shares while the shares are subject to the plan.
- As described in the report on directors' remuneration, non-executive directors receive a proportion of fees in shares until their shareholding reaches one times their annual fee. These shares may not normally be transferred during their period of office.
- Where, under a share-based employee incentive plan operated by Experian, participants are the beneficial owners of the shares but not the registered owner, the voting rights are normally exercised by the registered owner at the direction of the participants.
- Shares held in treasury carry no voting rights for as long as they are held as treasury shares.
- The deferred shares in the Company carry no voting rights.
- No member shall, unless the directors otherwise determine, be entitled in respect of any share held by him/her to vote either personally or by proxy at a shareholders' meeting or to exercise any other right conferred by membership in relation to shareholders' meetings if any call or other sum presently payable by him/her to the Company in respect of that share remains unpaid.
- No member shall, unless the directors otherwise determine, be entitled to vote either personally or by proxy at a shareholders' meeting or to exercise any other right conferred by membership in relation to shareholders' meetings if he/she fails within the prescribed period to provide the Company with information concerning interests in those shares required to be provided after being duly served with a notice pursuant to the articles of association of the Company.
- In accordance with the articles of association of the Company and save for certain limited circumstances, if the number of shares in the Company beneficially owned by residents of the USA exceeds a defined permitted maximum and the directors give notice to the holder(s) of such shares, such shares shall not confer on the holder(s) thereof the right to receive notice of, attend or vote at general meetings of the Company.
- Details of deadlines in respect of voting for the 2013 annual general meeting are contained in the notice of meeting that has been circulated to shareholders and which can also be viewed at the Company's website.

Own shares

The existing authority for the Company to purchase its own shares, which expires at the end of this year's annual general meeting, was given at the annual general meeting held on 18 July 2012 and permitted the Company to purchase, in the market, 100,900,421 of its own shares. The Company did not utilise this authority during the year under review, or up to the date of approval of this annual report.

Details of the new authority being requested at the 2013 annual general meeting are contained in the circular to shareholders, which accompanies this annual report or is available on the Company's website at www.experianplc.com.

As at the date of approval of this annual report, the Company holds 20,000,000 (2012: 23,995,602) of its own shares as treasury shares. On 25 May 2012, 3,995,602 shares were transferred from treasury to RBC cees Trustee Limited for nil consideration, to be held under the terms of the Experian plc Employee Share Trust.

Details of the shares in the Company purchased by and held under the Experian plc Employee Share Trust and the Experian UK Approved All Employee Share Plan are set out in note O to the parent company's financial statements.

Directors' report continued

Significant agreements – change of control

There are a number of agreements to which the Group is party that take effect, alter or terminate, or have the potential to do so, upon a change of control of the Company following a takeover bid. Details of the agreements of this nature are:

- The Group's banking facilities contain provisions which, in the event of a change of control of the Company, could result in a renegotiation or withdrawal of such facilities.
- The £334m 5.625% Euronotes due 2013, the US$600m 2.375% Senior Notes due 2017, the £400m 4.75% Euronotes due 2018 and the €500m 4.75% Euronotes due 2020, issued by the Group, provide that holders may require repayment of the notes in the event that a rating agency re-rates the notes to below investment grade following a change of control of the Company.
- All of Experian's share-based employee incentive plans contain provisions relating to a change of control. Outstanding awards and options would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions at that time.
- The Group is party to a limited number of operational arrangements which can be terminated or altered upon a change of control of the Company, but these are not considered to be individually significant to the business of the Group as a whole or, in certain cases, it is considered that their disclosure would be seriously prejudicial to the Company.
- The provisions in directors' service contracts relating to a change of control of the Company are described in the report on directors' remuneration.

Contractual arrangements

The licences granted to Group companies by governmental entities in respect of the operation of its credit bureaux in key jurisdictions are essential to the Group's business. The Group also has several key agreements with its technology and data providers. Although the Group has numerous other third party contractual arrangements, none of these is considered essential to its business.

Appointment and removal of directors

Both the Company by ordinary resolution and the directors may elect any person to be a director, but the number of directors shall not exceed the maximum number fixed by the articles of association of the Company. Any person appointed by the directors shall only hold office until the next annual general meeting and shall then be eligible for election. The office of a director shall be vacated on the occurrence of any of the events listed in article 92 of the articles of association of the Company. The Company may, in accordance with its articles of association, remove any director from office and elect another person in place of a director so removed.

Articles of association

The articles of association of the Company may be amended by the passing of a special resolution.

Financial risk management, objectives and policies

Descriptions of the use of financial instruments and Experian's treasury and risk management objectives and policies are set out in the financial review within the business review section and also in note 8 to the Group financial statements.

Charitable donations

Experian has continued to support community initiatives and charitable causes worldwide in line with our strategy, which focuses on financial education and entrepreneurship. The total commitment, including cash support and employee time, during the year was US$5.3m (2012: US$3.5m, as re-presented).

Of this, in 2013, the Group's community investment in the UK totalled US$1.5m (2012: US$1.5m, as re-presented) and US$0.6m was made in financial donations and volunteering hours to charitable organisations. An amount of US$0.3m was given to fund significant partnership projects with The Princes Trust, Personal Finance Education Group and Teach First. A further US$0.2m was donated in small grants to a further 106 charities in support of employees' suggestions and fundraising efforts and through a small charities foundation.

Political donations

Experian did not make any EU political donations during the year ended 31 March 2013.

Employment of people with disabilities

People with disabilities have equal opportunities when applying for vacancies. In addition to complying with legislative requirements, procedures are in place to ensure that disabled employees are fairly treated and that their training and career development needs are carefully managed. The policies are considered to operate effectively. For those employees becoming disabled during the course of their employment, the Group is supportive, whether through re-training or re-deployment, so as to provide an opportunity for them to remain with the Group whenever possible.

Employee involvement

Experian is committed to employee involvement throughout the business and is intent on motivating and keeping staff informed on matters that concern them in the context of their employment and involving them through local consultative procedures. Where there are recognition agreements with trade unions, the consultation process is established through national and local trade union representatives and through joint consultation committees.

Employees are kept well informed on matters of interest and the financial and economic factors affecting the Group's performance through management channels, conferences, meetings, publications and intranet sites. More detail on employee engagement, together with information on diversity, succession planning and talent development, can be found in the our people section of the annual report.

Experian continues to support employee share ownership through the provision of Sharesave and other employee share plan arrangements which are intended to align the interests of employees with those of shareholders.

Creditor payment

For all trade creditors, it is Group policy to:

- Agree and confirm the terms of payment at the commencement of business with that supplier;
- Pay in accordance with any contract agreed with the supplier or as required by law; and
- Continually review payment procedures and liaise with suppliers as a means of eliminating difficulties and maintaining good working relationships.

Trade creditors of the Group at 31 March 2013 were 35 days based on the ratio of Group trade creditors at the end of the year to the amounts invoiced during the year by trade creditors. The Company has had no trade creditors throughout the current and prior year.

Going concern

Details of the adoption by the Group and the Company of the going concern basis in preparing the financial statements are set out in the financial review within the business review section and are incorporated into this report by reference.

Relevant audit information

As at 8 May 2013, so far as each director is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware and each director has taken all steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditors are aware of that information.

Annual general meeting

The 2013 annual general meeting of the Company will be held at The Merrion Hotel, Upper Merrion Street, Dublin 2, Ireland at 9.30am on Wednesday 17 July 2013. Shareholders who are unable to attend in person may submit questions beforehand via email to agmquestions@experianplc.com or on the prepaid card sent to shareholders with the notice of meeting. The questions will be addressed at the meeting, via the Company's website at www.experianplc.com or individually as appropriate. The notice of meeting has been circulated to shareholders and can also be viewed on the Company's website.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be re-appointed as auditors of the Company will be proposed at the annual general meeting.

Directors' report continued

Statement of directors' responsibilities

The directors are responsible for:

- preparing the annual report, the Group and parent company financial statements and the report on directors' remuneration in accordance with applicable law and regulations;
- preparing financial statements which give a true and fair view of the state of affairs at the balance sheet date, and the profit or loss for the period then ended of (a) the Group (in accordance with IFRSs as adopted for use in the European Union), and (b) the Company (in accordance with UK Accounting Standards);
- keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the Group and the Company and enable them to ensure that the Group financial statements comply with applicable law and Article 4 of the International Accounting Standards Regulation;
- taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group, and to prevent and detect fraud and other irregularities; and
- the maintenance and integrity of the statutory and audited information on the Company's website (Jersey legislation and UK regulation governing the preparation and dissemination of financial statements may differ from requirements in other jurisdictions).

In addition, the directors consider that, in preparing the financial statements:

- suitable accounting policies have been selected and applied consistently;
- judgments and estimates made have been reasonable and prudent;
- the Group financial statements comply with IFRSs as adopted for use in the European Union;
- all accounting standards which they consider applicable have been followed in preparing the parent company financial statements; and
- it is appropriate that the Group and parent company financial statements have been prepared on a going concern basis.

The directors confirm also that, to the best of their knowledge, the financial statements are prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the Group taken as a whole; and this directors' report contains a fair review of the development and performance of the business and the position of the Company and the Group taken as a whole, together with a description of the principal risks and uncertainties that they face.

By order of the Board

Charles Brown
Company Secretary
8 May 2013

Corporate headquarters:
Newenham House
Northern Cross
Malahide Road
Dublin 17
Ireland

Registered office:
22 Grenville Street
St Helier
Jersey
JE4 8PX

Report of the auditors: Group financial statements

Independent auditors' report to the members of Experian plc

We have audited the Group financial statements of Experian plc for the year ended 31 March 2013 which comprise the Group income statement, the Group statement of comprehensive income, the Group balance sheet, the Group statement of changes in total equity, the Group cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union.

Respective responsibilities of directors and auditors

As explained more fully in the statements of directors' responsibilities, the directors are responsible for the preparation of the Group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Group financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the Group financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 March 2013 and of the Group's profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Opinion on other matters

In our opinion:

- the information given in the Directors' report for the financial year for which the Group financial statements are prepared is consistent with the Group financial statements; and
- the information given in the Corporate governance statement with respect to internal control and risk management systems is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies (Jersey) Law 1991, we are required to report to you if, in our opinion, we have not received all the information and explanations we require for our audit.

Under the UK Listing Rules we are required to review:

- the directors' statement in relation to going concern as set out in the Directors' report;
- the part of the Corporate governance statement relating to the Company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review; and
- certain elements of the report to shareholders by the Board on directors' remuneration.

Other matter

We have reported separately on the parent company financial statements of Experian plc for the year ended 31 March 2013.

Ranjan Sriskandan
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Recognized Auditor
London, United Kingdom
8 May 2013

Group income statement

for the year ended 31 March 2013

	Notes	2013 US$m	2012 US$m
Revenue	9	**4,730**	4,487
Labour costs	11(a)	**(1,833)**	(1,699)
Data and information technology costs		**(453)**	(400)
Depreciation and amortisation	11(b)	**(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	15(a)	**(619)**	(361)
Share of post-tax loss of associates		**–**	(2)
Profit before tax	9	**440**	689
Group tax (charge)/credit	16	**(152)**	35
Profit after tax for the financial year from continuing operations		**288**	724
Profit/(loss) for the financial year from discontinued operations	17(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	19	**37.1**	66.2
Diluted	19	**36.4**	65.1
Earnings per share from continuing operations			
Basic	19	**25.2**	66.8
Diluted	19	**24.7**	65.7
Full year dividend per share	20	**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 18)	**(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	9	**440**	689
Exceptional items – within operating profit	13	**66**	(8)
Exceptional items – within net finance costs	13	**–**	(4)
Amortisation of acquisition intangibles	14	**123**	122
Acquisition expenses	14	**4**	9
Adjustment to the fair value of contingent consideration	14	**1**	(3)
Charges in respect of the demerger-related share incentive plans	14	**–**	5
Financing fair value remeasurements	14	**561**	318
Benchmark PBT – continuing operations	9	**1,195**	1,128

	Notes	US cents	US cents
Benchmark earnings per share from continuing operations			
Basic	19	**85.7**	78.9
Diluted	19	**83.9**	77.5

Group balance sheet

at 31 March 2013

	Notes	2013 US$m	2012 US$m
Non-current assets			
Goodwill	21	**4,057**	4,163
Other intangible assets	22	**1,474**	1,582
Property, plant and equipment	23	**478**	463
Investments in associates	24	**21**	13
Deferred tax assets	38(a)	**643**	320
Retirement benefit assets	36	**80**	130
Trade and other receivables	26	**10**	13
Available-for-sale financial assets	31	**41**	37
Other financial assets	32(a)	**156**	123
		6,960	6,844
Current assets			
Inventories	25	**7**	11
Trade and other receivables	26	**923**	910
Current tax assets	38(b)	**49**	10
Other financial assets	32(a)	**27**	7
Cash and cash equivalents	27	**229**	254
		1,235	1,192
Assets classified as held for sale	17(c)	**–**	118
		1,235	1,310
Current liabilities			
Trade and other payables	28	**(1,197)**	(1,210)
Borrowings	29(a)	**(635)**	(13)
Current tax liabilities	38(b)	**(41)**	(56)
Provisions	39	**(52)**	(38)
Other financial liabilities	32(a)	**(20)**	(1,098)
		(1,945)	(2,415)
Liabilities classified as held for sale	17(c)	**–**	(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	28	**(41)**	(43)
Borrowings	29(a)	**(2,626)**	(2,179)
Deferred tax liabilities	38(a)	**(222)**	(379)
Retirement benefit obligations	36	**(56)**	(53)
Provisions	39	**(1)**	(10)
Other financial liabilities	32(a)	**(80)**	(64)
		(3,026)	(2,728)
Net assets		**3,224**	2,931
Equity			
Called up share capital	40	**102**	102
Share premium account	40	**1,480**	1,471
Retained earnings	41	**17,849**	17,350
Other reserves	42	**(16,247)**	(16,151)
Attributable to owners of Experian plc		**3,184**	2,772
Non-controlling interests	43	**40**	159
Total equity		**3,224**	2,931

These financial statements were approved by the Board on 8 May 2013 and were signed on its behalf by:

Sir Alan Rudge
Director

Group statement of changes in total equity

for the year ended 31 March 2013

	Called up share capital (Note 40) US$m	Share premium account (Note 40) US$m	Retained earnings (Note 41) US$m	Other reserves (Note 42) US$m	**Attributable to owners of Experian plc US$m**	Non-controlling interests (Note 43) US$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**

	Called up share capital (Note 40) US$m	Share premium account (Note 40) US$m	Retained earnings (Note 41) US$m	Other reserves (Note 42) US$m	Attributable to owners of Experian plc US$m	Non-controlling interests (Note 43) US$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	44(a)	**1,602**	1,539
Interest paid		**(80)**	(79)
Interest received		**12**	22
Dividends received from associates		**1**	1
Tax paid	44(d)	**(162)**	(107)
Net cash inflow from operating activities – continuing operations		**1,373**	1,376
Net cash inflow from operating activities – discontinued operations	17(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	44(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	13	**–**	12
Acquisition of subsidiaries, net of cash acquired	44(f)	**(38)**	(746)
Disposal of subsidiaries – continuing operations	47(b)	**5**	–
Disposal of subsidiaries – discontinued operations	47(a)	**(8)**	–
Net cash flows used in investing activities – continuing operations		**(508)**	(1,185)
Net cash flows used in investing activities – discontinued operations	17(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	44(h)	**(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	44(i)	**226**	254

Notes to the Group financial statements

for the year ended 31 March 2013

1. Corporate information

Experian plc (the 'Company'), which is the ultimate parent company of the Experian group of companies ('Experian' or the 'Group'), is incorporated and registered in Jersey as a public company limited by shares and is resident in Ireland. The Company's registered office is at 22 Grenville Street, St Helier, Jersey JE4 8PX. The Company's ordinary shares are traded on the London Stock Exchange's Regulated Market (Premium Listing). Experian is the leading global information services group.

There has been no change in this information since the annual report for the year ended 31 March 2012.

2. Basis of preparation

These financial statements are:

- prepared in accordance with International Financial Reporting Standards ('IFRS' or 'IFRSs') as adopted for use in the European Union (the 'EU') and IFRS Interpretations Committee interpretations;
- 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;
- prepared using the principal exchange rates set out in note 10; and
- designed to include disclosures sufficient to comply with those parts of the UK Companies Act 2006 applicable to companies reporting under IFRS even though the Company is incorporated and registered in Jersey.

This requires the use of critical accounting estimates and management judgment in applying the accounting policies. Areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the Group financial statements, are given in note 6.

There has been no change in this information since the annual report for the year ended 31 March 2012. The financial statements of the Company are again prepared under UK accounting standards and set out on pages 160 to 169.

3. 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 9(b)) 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.

The above information represents a change since the annual report for the year ended 31 March 2012 but the impact is limited to note 9(b) in these financial statements.

4. 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 Group 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 36.

- 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';
- Amendments to IAS 19 (revised) 'Employee benefits'; and
- Amendment to IAS 32 'Financial instruments amendment on financial assets and liability offsetting'.

Notes to the Group financial statements continued

4. Recent accounting developments (continued)

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'.

5. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to both years presented. Accordingly there has been no significant change in this information since the annual report for the year ended 31 March 2012. For ease of reference, the material within this note is arranged as follows:

- Notes (a) to (d) – material of general applicability in the preparation of these financial statements;
- Notes (e) to (q) – balance sheet material to be read in conjunction with specific notes as indicated;
- Notes (r) to (x) – income statement material to be read in conjunction with specific notes as indicated; and
- Note (y) – the policy and presentation principles adopted for the disclosure of segment information in accordance with IFRS 8.

(a) Basis of consolidation

Subsidiaries

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date that the Group no longer has control. All business combinations are accounted for using the acquisition method.

Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of subsidiaries and segments are consistent with the policies adopted by the Group for the purposes of the Group's consolidation. The Group financial statements incorporate the financial statements of the Company and its subsidiary undertakings for the year ended 31 March 2013. A list of the significant subsidiaries is given in note T to the parent company financial statements.

Non-controlling interests

The non-controlling interests in the Group balance sheet represent the share of net assets of subsidiary undertakings held outside the Group. The movement in the year comprises the profit attributable to such interests together with any dividends paid, movements in respect of corporate transactions and related exchange differences.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Where put/call option agreements are in place in respect of shares held by non-controlling shareholders, the put element of the liability is stated at the net present value of the expected future payments. Such liabilities are shown as financial liabilities in the Group balance sheet. The change in the net present value of such options in the year is recognised in the Group income statement within net finance costs, whilst any change in that value attributable to exchange rate movements is recognised directly in other comprehensive income.

Associates

Associates are entities over which the Group has significant influence but not control, generally achieved by a shareholding of between 20% and 50% of the voting rights. The equity method is used to account for investments in associates and investments are initially recognised at cost.

The Group's share of net assets of its associates and loans made to associates are included in the Group balance sheet. The Group's share of post-acquisition profits or losses of associates is recognised in the Group income statement. The Group's share of post-acquisition movements in other comprehensive income in associates is recognised in other comprehensive income. These cumulative post-acquisition movements are adjusted against the carrying amount of the investment. The carrying amount of an investment in an associate is tested for impairment by comparing its recoverable amount to its carrying amount whenever there is an indication that the investment may be impaired.

(b) Foreign currency translation

Transactions and balances

Transactions in foreign currencies are recorded in the functional currency of the relevant Group undertaking at the exchange rate prevailing on the date of the transaction. At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate prevailing at the balance sheet date. Translation differences on monetary items are taken to the Group income statement except when recognised in other comprehensive income, as qualifying net investment hedges or cash flow hedges.

5. Significant accounting policies (continued)

Translation differences on non-monetary available-for-sale financial assets are reported as part of the fair value gains or losses in other comprehensive income.

Group undertakings

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 generally translated at the average exchange rate for the year. Where this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, 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.
- All resulting exchange differences are recognised in other comprehensive income and as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in Group undertakings whose functional currencies are not US dollars, and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income to the extent that such hedges are effective. Tax attributable to those exchange differences is taken directly to other comprehensive income. When such undertakings are sold, these exchange differences are recognised in the Group income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of such undertakings are treated as assets and liabilities of the entities and are translated into US dollars at the closing exchange rate.

(c) Fair value estimation

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

(d) Impairment of non-financial assets

Assets that are not subject to amortisation or depreciation are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment charge is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value-in-use. For the purposes of assessing impairment, assets are grouped into cash generating units ('CGUs'), determined by the lowest levels for which there are separately identifiable cash flows.

(e) Goodwill (note 21)

Goodwill is stated at cost less any accumulated impairment, where cost is the excess of the fair value of the consideration payable for an acquisition over the fair value at the date of acquisition of the Group's share of identifiable net assets of a subsidiary or associate acquired. Fair values are attributed to the identifiable assets, liabilities and contingent liabilities that existed at the date of acquisition, reflecting their condition at that date. Adjustments are made where necessary to align the accounting policies of acquired businesses with those of the Group. Goodwill is not amortised but is tested annually for impairment. An impairment charge is recognised for any amount by which the carrying value of goodwill exceeds its recoverable amount.

Goodwill on acquisitions of subsidiaries is separately recognised in the Group balance sheet. Goodwill on acquisitions of associates is included in the carrying amount of the investment. Goodwill is allocated to CGUs and monitored for internal management purposes by operating segment. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. Where the recoverable amount of the CGU is less than its carrying amount, including goodwill, an impairment charge is recognised in the Group income statement.

Gains and losses on the disposal of an undertaking include the carrying amount of goodwill relating to the undertaking sold, allocated where necessary on the basis of relative fair value.

(f) Other intangible assets (note 22)

Acquisition intangibles

Intangible assets acquired as part of a business combination are capitalised on acquisition at fair value separately from goodwill, if those assets are identifiable, separable or arise from legal rights and their fair value can be measured reliably. Such assets are referred to as 'acquisition intangibles' within these financial statements. Amortisation of such assets is charged on a straight line basis as follows:

- Customer and other relationships – over three to eighteen years based on management's estimates of the average lives of such relationships; and
- Acquired software development – over three to eight years based on the expected life of the asset.

Notes to the Group financial statements continued

5. Significant accounting policies (continued)

Marketing-related acquisition intangibles:

- Trademarks and licences – over their contractual lives up to a maximum period of twenty years; and
- Trade names – over three to fourteen years based on management's expectations to retain trade names within the business.

Other intangibles

Other intangibles are capitalised at cost. Certain costs incurred in the developmental phase of an internal project are capitalised provided that a number of criteria are satisfied. These include the technical feasibility of completing the asset so that it is available for use or sale, the availability of adequate resources to complete the development and to use or sell the asset, and how the asset will generate probable future economic benefit.

The cost of such assets with finite useful economic or contractual lives is amortised on a straight line basis over those lives. The carrying values are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If impaired, the carrying values are written down to the higher of fair value less costs to sell, and value-in-use which is determined by reference to projected future income streams using assumptions in respect of profitability and growth.

Further details on the capitalisation and amortisation policy for the key asset classifications within other intangibles are:

- Databases – capitalised databases, which comprise the data purchase and data capture costs of internally developed databases, are amortised over three to seven years.
- Computer software (internal use software) – computer software licences purchased for internal use are capitalised on the basis of the costs incurred to purchase and bring into use the specific software. These costs are amortised over three to ten years.
- Computer software (internally generated software) – costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will generate economic benefits beyond one year, are recognised as intangible assets. These costs are amortised over three to ten years.

Research expenditure, together with other costs associated with developing or maintaining computer software programmes, is recognised in the Group income statement as incurred.

(g) Property, plant and equipment (note 23)

Property, plant and equipment is held at cost less accumulated depreciation and any impairment in value. Cost includes the original purchase price of the asset and amounts attributable to bringing the asset to its working condition for its intended use.

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Such leases are capitalised at inception at the lower of the fair value of the leased asset and the present value of the minimum lease payments.

Depreciation is provided at rates calculated to depreciate the cost, less estimated residual value based on prices prevailing at the balance sheet date, of each asset evenly over its expected useful life as follows:

- Freehold properties – 50 years;
- Short leasehold properties – the remaining period of the lease;
- Finance leases – over the lower of the useful life of the equipment and period of the lease; and
- Other plant and equipment – three to ten years according to the estimated life of the asset. Technology based assets are typically depreciated over three to five years with other infrastructure assets depreciated over five to ten years.

(h) Trade receivables (note 26)

Trade receivables are initially recognised at fair value and subsequently measured at this value less any provision for impairment. Where the time value of money is material, receivables are then carried at amortised cost using the effective interest rate method, less any provision for impairment.

A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Such evidence is based primarily on the pattern of cash received compared to the terms upon which the receivable is contracted. The amount of the provision is the difference between the carrying amount and the value of estimated future cash flows. Any charges or credits in respect of such provisions and irrecoverable trade receivables are recognised in the Group income statement within other operating charges.

(i) Cash and cash equivalents (note 27)

Cash and cash equivalents include cash in hand, term and call deposits held with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the Group balance sheet. For the purposes of the Group cash flow statement, cash and cash equivalents are reported net of bank overdrafts.

5. Significant accounting policies (continued)

(j) Financial assets

The Group classifies its financial assets in the four categories set out below, with the classification determined at initial recognition and dependent on the purpose for which such assets are acquired.

Loans and receivables (note 32)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities more than one year after the balance sheet date which are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents.

Derivatives used for hedging (note 32)

Derivative financial assets used for hedging are included in current assets, except for maturities more than one year after the balance sheet date which are classified as non-current assets. Derivatives utilised by the Group include interest rate swaps, cross currency swaps, foreign exchange contracts and equity swaps.

Assets at fair value through profit and loss (note 32)

Assets at fair value through profit and loss comprise non-hedging derivative financial instruments.

Available-for-sale financial assets (note 31)

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or not classified in the other financial asset categories. They are carried at fair value and are included in non-current assets unless management intends to dispose of the assets within one year of the balance sheet date.

(k) Derivative financial instruments (note 32)

The Group uses derivative financial instruments to manage its exposures to fluctuations in foreign exchange rates, interest rates and certain obligations, including social security obligations, relating to share incentive plans. Such instruments utilised by the Group include interest rate swaps, cross currency swaps, foreign exchange contracts and equity swaps. These are recognised as assets or liabilities as appropriate and are classified as non-current unless they mature within one year after the balance sheet date.

Derivatives are initially recognised at their fair value at the date a contract is entered into, and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the hedge relationship. The Group designates certain derivatives as:

- Fair value hedges – hedges of the fair value of a recognised asset or liability or a firm commitment; or
- Cash flow hedges – hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction; or
- Net investment hedges – hedges of a net investment in an operation whose functional currency is not US dollars.

The Group documents the relationship between hedging instruments and hedged items at the hedge inception, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment as to whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items. This effectiveness testing is performed at every reporting date throughout the life of the hedge to confirm that the hedge remains, and will continue to remain, highly effective. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting.

Amounts payable or receivable in respect of interest rate swaps are taken to net finance costs over the period of the contracts, together with the interest differentials reflected in foreign exchange contracts.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedging instruments are recognised in the Group income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The ineffective portion of a fair value hedge is recognised in net finance costs in the Group income statement.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in total operating expenses in the Group income statement.

Amounts accumulated in equity are reclassified in the Group income statement in the period when the hedged item impacts the Group income statement. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Notes to the Group financial statements continued

5. Significant accounting policies (continued)

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss included in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Group income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was included in equity is transferred immediately to the Group income statement.

Net investment hedges
Any gain or loss on the hedging instrument relating to the effective portion of the hedge of a net investment in an undertaking whose functional currency is not US dollars is recognised in other comprehensive income with the gain or loss relating to the ineffective portion recognised in net finance costs in the Group income statement. Gains and losses accumulated in equity are included in the Group income statement on the disposal of the undertaking.

Non-hedging derivatives
Changes in the fair value of such derivative instruments are recognised immediately in the Group income statement. Costs and income amounts in respect of derivatives entered into in connection with social security obligations on employee share incentive plans, other than amounts of a financing nature, are charged or credited within labour costs. Other costs and changes in fair value of such derivatives are charged or credited within financing fair value remeasurements in the Group income statement.

(l) Borrowings (note 29)
Borrowings are recognised initially at fair value, net of any transaction costs incurred. Borrowings are subsequently stated at amortised cost except where they are hedged by an effective fair value hedge, in which case the carrying value is adjusted to reflect the fair value movements associated with the hedged risk.

Borrowings are classified as non-current to the extent that the Group has an unconditional right to defer settlement of the liability for at least one year after the balance sheet date.

(m) Trade payables (note 28)
Trade payables are recognised initially at fair value. Where the time value of money is material, payables are then carried at amortised cost using the effective interest rate method.

(n) Retirement benefit assets and obligations (note 36)
Defined benefit pension arrangements – funded plans
The retirement benefit assets and obligations recognised in the Group balance sheet in respect of funded plans comprise the fair value of plan assets of funded plans less the present value of the related defined benefit obligation at the balance sheet date, together with adjustments for past service costs. The defined benefit obligation is calculated annually by independent qualified actuaries using the projected unit credit method. Under this method, and in view of the fact that the principal Experian funded plan is closed to new entrants, the current service cost increases as members approach retirement due to the ageing active membership of the plan.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields available at the assessment date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity consistent with the estimated average term of the related pension liability.

Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are recognised immediately in the Group statement of comprehensive income.

The pension cost recognised in the Group income statement comprises the cost of benefits accrued plus interest on the defined benefit obligation less the expected return on the plan assets over the year. Service costs and financing income and expenses are recognised separately in the Group income statement. Plan expenses are deducted from the expected return on the plan assets over the year.

Defined benefit pension arrangements – unfunded plans
Unfunded pension obligations are determined and accounted for in accordance with the principles used in respect of the funded arrangements.

Defined contribution pension arrangements
The assets of defined contribution plans are held separately from those of the Group in independently administered funds. The pension cost recognised in the Group income statement represents the contributions payable by the Group to these funds in respect of the year.

5. Significant accounting policies (continued)

Post-retirement healthcare obligations

Obligations in respect of post-retirement healthcare plans are calculated annually by independent qualified actuaries using an actuarial methodology similar to that for the funded defined benefit pension arrangements.

Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are recognised in the Group statement of comprehensive income. The pension cost recognised in the Group income statement only comprises interest on the obligation.

(o) Provisions (note 39)

Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

(p) Own shares (note 42)

Shares in the Company purchased in connection with any share buyback programme, and held as treasury shares, are shown as a deduction from total equity at cost.

The Group has a number of equity settled, share-based employee incentive plans and, in this connection, own shares are held by The Experian plc Employee Share Trust and the Experian UK Approved All-Employee Share Plan. The assets of the trusts mainly comprise shares in the Company and such shares are also shown as a deduction from total equity at cost.

(q) Assets and liabilities classified as held for sale (note 17)

Assets and liabilities are classified as held for sale when their carrying amounts are to be recovered or settled principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of the carrying amount and fair value less costs to sell.

(r) Revenue recognition

Revenue represents the fair value of consideration receivable on the sale of goods and services, net of value added tax and other sales taxes, rebates and discounts. Revenue includes the provision and processing of data, subscriptions to services, software and database customisation and development and the sale of software licences, maintenance and related consulting services.

Revenue in respect of the provision and processing of data is recognised in the year in which the service is provided. Subscription revenues, and revenues in respect of services to be provided by an indeterminate number of acts over a specified period of time, are recognised on a straight line basis over those periods. Customisation, development and consulting revenues are recognised by reference to the stage of completion of the work generally on the basis of costs incurred to date as a percentage of estimated total costs. Revenue from software licences is recognised upon delivery. Revenue from maintenance agreements is recognised on a straight line basis over the term of the maintenance period.

Where a single arrangement comprises a number of individual elements which are capable of operating independently of one another, the total revenues are allocated amongst the individual elements based on an estimate of the fair value of each element. Where the elements are not capable of operating independently, or reasonable measures of fair value for each element are not available, total revenues are recognised on a straight line basis over the contract period to reflect the timing of services performed.

Sales are generally invoiced in the geographic area in which the customer is located and accordingly the geographic location of the invoicing undertaking is used as the basis for attributing revenue to individual countries.

(s) Operating charges

Operating charges are reported by nature in the Group income statement as this reflects the composition of the Group's cost base and cost management globally.

Details of charges in respect of share incentive plans within labour costs are set out in note (v) below; those for pension and other post employment benefits are set out in note (n) above.

Details of the Group's depreciation and amortisation policy are given in notes (f) and (g) above.

Payments made under operating leases are charged in the Group income statement on a straight line basis over the period of the lease. Incentives from lessors are recognised as a systematic reduction of the charge over the period of the lease.

(t) Net finance costs (note 15)

Incremental transaction costs which are directly attributable to the issue of debt are capitalised and amortised over the expected life of the borrowing using the effective interest rate method. All other borrowing costs are charged in the Group income statement in the year in which they are incurred.

The interest element of finance lease payments is charged in the Group income statement over the lease period.

Notes to the Group financial statements continued

5. Significant accounting policies (continued)

Details of the nature of movements in the fair value of derivatives which are reported as financial fair value remeasurements are included in note (k) above. As indicated in note (a) above, the change in the year in the net present value of put/call option agreements in place in respect of shares held by non-controlling shareholders is recognised within net finance costs and reported therein as financial fair value remeasurements.

(u) Tax (note 16)

The tax charge or credit for the year is recognised in the Group income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In such cases the tax is recognised in other comprehensive income or directly in equity as appropriate. Current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates. Current tax assets and liabilities are offset where there is a legally enforceable right of offset.

Deferred tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Group financial statements. Deferred tax is not recognised on taxable temporary differences arising on the initial recognition of goodwill. Deferred tax that arises from the initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, is not accounted for. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised in respect of tax losses carried forward and other temporary differences to the extent that the realisation of the related tax benefit through future taxable profits is probable. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where they relate to the same tax authority.

(v) Share incentive plans (note 35)

The fair value of share awards and options granted in connection with the Group's equity settled, share-based employee incentive plans is recognised as an expense in the Group income statement on a straight line basis over the vesting period. Fair value is measured using whichever of the Black-Scholes model, Monte Carlo model and closing market price is most appropriate. The Group takes into account the best estimate of the number of awards and options expected to vest and such estimates are revised at each balance sheet date. Non-market performance conditions are included in the vesting estimates. Market-based performance conditions are included in the fair value measurement but are not revised for actual performance.

(w) Contingent consideration

The initially recorded cost of any acquisition includes a reasonable estimate of the fair value of any contingent amounts expected to be payable in the future. Any cost or benefit arising when such estimates are revised is recognised in the Group income statement (see note 14).

Where part or all of the amount of disposal consideration is contingent on future events, the disposal proceeds initially recorded include a reasonable estimate of the fair value of the contingent amounts expected to be receivable and payable in the future. The proceeds and profit or loss on disposal are adjusted when revised estimates are made, with corresponding adjustments made to debtors and creditors as appropriate, until the ultimate outcome is known and the related consideration received (see notes 17 and 47).

(x) Discontinued operations (note 17)

A discontinued operation is a component of the Group's business that represents a separate geographic area of operation or a separate major line of business. Classification as a discontinued operation occurs upon disposal or earlier, if the operation meets the criteria to be classified as held for sale under IFRS 5.

(y) Segment information policy and presentation principles (note 9)

Experian is organised into, and managed on a worldwide basis over, the following five operating segments, based on geographic areas, supported by its central functions:

- North America;
- Latin America;
- UK and Ireland;
- Europe, Middle East and Africa ('EMEA'); and
- Asia Pacific.

The chief operating decision maker assesses the performance of the above operating segments on the basis of EBIT, as defined in note 7.

The 'All other segments' category required to be disclosed has been captioned in these financial statements as EMEA/Asia Pacific. This combines information in respect of the EMEA and the Asia Pacific segments as, on the basis of their share of the Group's results and net assets, neither of these operating segments is individually reportable.

5. Significant accounting policies (continued)

Experian separately presents information equivalent to segment disclosures in respect of the costs of its central functions under the caption of 'Central Activities', as management believes that the reporting of this information is helpful to users of the financial statements. Information disclosed under Central Activities includes costs arising from finance, treasury and other global functions.

Inter-segment transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. There is no material impact from inter-segment transactions on the Group's results.

Segment assets consist primarily of property, plant and equipment, intangible assets including goodwill, inventories, derivatives designated as hedges of future commercial transactions, and receivables. They exclude tax assets, cash and cash equivalents and derivatives designated as hedges of borrowings. Segment liabilities comprise operating liabilities, including derivatives designated as hedges of future commercial transactions. They exclude tax liabilities, borrowings and related hedging derivatives. Capital employed is now defined as net assets excluding net debt and tax balances.

Capital expenditure comprises additions to property, plant and equipment and intangible assets, excluding additions resulting from acquisitions through business combinations.

Information required to be presented additionally includes analysis of the Group's revenues over groups of service lines. This is supplemented by voluntary disclosure of the profitability of those same groups of service lines and, for ease of reference, Experian continues to use the term 'business segments' when discussing the results of groups of service lines. The four business segments for Experian, details of which are given in the business overview section of this annual report, are:

- Credit Services;
- Decision Analytics;
- Marketing Services; and
- Consumer Services.

In the annual report for the year ended 31 March 2012, the 'Consumer Services' business segment was styled 'Interactive'. The North America and the UK and Ireland operating segments derive revenues from all of the Group's business segments. The Latin America, EMEA and Asia Pacific segments currently do not derive revenue from the Consumer Services business segment.

Reportable segment information for the full year provided to the chief operating decision maker is set out in note 9(a).

6. Critical accounting estimates and judgments

(a) Critical accounting estimates and assumptions

In preparing the Group financial statements, management is required to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. The resulting accounting estimates, which are based on management's best judgment at the date of the Group financial statements, will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarised below. There has been no change in this information since the annual report for the year ended 31 March 2012 and revenue recognition is accordingly again excluded from this summary on the grounds that the policy adopted in this area is sufficiently objective.

Tax (note 16)

The Group is subject to tax in numerous jurisdictions. Significant judgment is required in determining the related assets or provisions as there are transactions in the ordinary course of business and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities based on estimates of whether additional tax will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact on the results for the year and the respective income tax and deferred tax assets or provisions in the year in which such determination is made. The Group recognises tax assets based on forecasts of future profits against which those assets may be utilised.

Goodwill (note 21)

The Group tests goodwill for impairment annually or more frequently if events or changes in circumstances indicate that the goodwill may be impaired. The recoverable amount of each CGU is generally determined on the basis of value-in-use calculations which require the use of cash flow projections based on approved financial budgets, looking forward up to five years. Management determines budgeted gross margin based on past performance and its expectations for the market development. Cash flows are extrapolated using estimated growth rates beyond a five year period. The growth rates used do not exceed the long-term average growth rate for the markets in which the segment operates. The discount rates used reflect the segment's pre-tax weighted average cost of capital ('WACC').

Notes to the Group financial statements continued

6. Critical accounting estimates and judgments (continued)

Fair value of derivatives and other financial instruments (note 32)
The fair value of derivatives and other financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Group uses its judgment to select a variety of methods and makes assumptions, or uses observable market based inputs, that are mainly based on market conditions at each balance sheet date.

Share incentive plans (note 35)
The assumptions used in determining the amounts charged in the Group income statement include judgments in respect of performance conditions and length of service together with future share prices, dividend and interest yields and exercise patterns.

Pension benefits (note 36)
The present value of the defined benefit assets and obligations and net pension costs depend on factors that are determined on an actuarial basis using a number of assumptions. These include the expected rate of return on the plan assets and the discount rate. Any changes in these assumptions may impact on the amounts disclosed in the Group financial statements.

The expected return on plan assets is calculated by reference to the plan investments at the balance sheet date and is a weighted average of the expected returns on each main asset type based on market yields available on these asset types at the balance sheet date.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate used to calculate the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the discount rate, the Group has considered the prevailing market yields of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity consistent with the estimated average term of the related pension liability. Management has accordingly determined the appropriate discount rate by consideration of an AA rated corporate bond yield curve and the estimated future cash outflows.

Other key assumptions for defined benefit obligations and pension costs are based in part on market conditions at the relevant balance sheet dates and additional information is given in note 36.

(b) Critical judgments
Management has made judgments in the process of applying the Group's accounting policies that have a significant effect on the amounts recognised in the Group financial statements. These judgments include the classification of transactions between the Group income statement and the Group balance sheet.

The most significant of these judgments is in respect of intangible assets where certain costs incurred in the developmental phase of an internal project are capitalised if a number of criteria are met. Management has made judgments and assumptions when assessing whether a project meets these criteria, and on measuring the costs and the economic life attributed to such projects. On acquisition, specific intangible assets are identified and recognised separately from goodwill and then amortised over their estimated useful lives. These include such items as brand names and customer lists, to which value is first attributed at the time of acquisition. The capitalisation of these assets and the related amortisation charges are based on judgments about the value and economic life of such items. The economic lives for intangible assets are estimated at between three and ten years for internal projects, which include databases, internal use software and internally generated software, and between two and twenty years for acquisition intangibles. Further details of the amounts of, and movements in, such assets are given in note 22.

7. Use of non-GAAP measures in the Group financial statements

The Group has identified certain measures that it believes assist understanding of the performance of the business. 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. The only additions to this list of definitions since the annual report for the year ended 31 March 2012 are definitions of EBITDA, the Benchmark tax charge and rate, free cash flow and cash flow conversion. These definitions have been added for the sake of completeness.

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.

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

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 total 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 44(j).

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.

8. Financial risk management

(a) Financial risk factors
The Group's activities expose it to a variety of financial risks:

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

These risks are unchanged from those reported in the annual report for the year ended 31 March 2012 but the narrative below now excludes information in respect of the Serasa put option, as that was settled during the year ended 31 March 2013 (see note 33). The numeric disclosures in respect of financial risks are now included within later notes to the financial statements, rather than within this note as previously, so as to provide a more transparent linkage of financial risks and results.

Financial risks represent part of the Group's risks in relation to its strategy and business objectives and a full discussion of all such risks is contained within the separate protecting our business section of the annual report. The Group's financial risk management focuses on the unpredictability of financial markets and seeks to minimise potentially adverse effects on the Group's financial performance. The Group seeks to reduce its exposure to financial risks and uses derivative financial instruments to hedge certain risk exposures. The Group also ensures surplus funds are managed and controlled in a prudent manner which will protect capital sums invested and ensure adequate short-term liquidity.

Notes to the Group financial statements continued

8. Financial risk management (continued)

Market risk

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk from future commercial transactions, recognised assets and liabilities and investments in, and loans between, undertakings with different functional currencies. The Group manages such risk, primarily within undertakings whose functional currencies are US dollars, by borrowing in the relevant currencies and using forward foreign exchange contracts. The principal transaction exposures are to sterling and the euro and an indication of the sensitivity to foreign exchange risk is given in note 10.

Interest rate risk

The Group's interest rate risk arises principally from its net debt and the portions thereof at variable rates which expose the Group to such risk.

The Group has a policy of normally maintaining between 50% and 100% (previously between 30% and 70%) of net funding at rates that are fixed for more than six months. Net funding for this purpose is the total funding less freely available unrestricted cash. The Group's interest rate exposure is managed by the use of fixed and floating rate borrowings and by the use of interest rate swaps and cross currency interest rate swaps to adjust the balance of fixed and floating rate liabilities. The Group also mixes the duration of its borrowings to smooth the impact of interest rate fluctuations. Further information in respect of the Group's net finance costs for the year and an indication of the sensitivity to interest rate risk is given in note 15.

Price risk

The Group is exposed to price risk in connection with investments classified as available-for-sale financial assets and an indication of the sensitivity to price risk is given in note 31.

Credit risk

In the case of derivative financial instruments, deposits and trade receivables, the Group is exposed to credit risk from the non-performance of contractual agreements by the contracted party.

The credit risk for derivative financial instruments and deposits is minimised by a policy under which the Group only enters into such contracts with banks and financial institutions with strong credit ratings, within limits set for each organisation. Dealing and deposit activity is closely controlled and counterparty positions are monitored regularly. The general credit risk on derivative financial instruments utilised and deposits held by the Group is therefore not considered to be significant. The Group does not anticipate that any losses will arise from non-performance by these counterparties. Further information in respect of the Group's derivative financial instruments at the balance sheet dates is given in note 32 and information in respect of amounts recognised in the Group income statement is given in note 15. Further information in respect of the Group's deposits at the balance sheet dates is given in note 27.

In order to minimise credit risk for trade receivables, the Group has implemented policies that require appropriate credit checks on potential clients before granting credit. The maximum credit risk in respect of such financial assets is the carrying value of the assets. Further information in respect of the Group's trade receivables is given in note 26.

Liquidity risk

The Group maintains long-term committed borrowing facilities to ensure it has sufficient funds available for operations and planned expansions. The Group monitors rolling forecasts of projected cash flows to ensure that it will have adequate undrawn committed facilities available.

Details of the facilities available to the Group and their utilisation at the balance sheet date are given in note 29. The maturity analysis of financial liabilities is given in note 34.

(b) Capital risk management

The Group's definition and management of capital focuses on capital employed and the Group's capital employed is reported in the net assets summary table set out in the financial review and analysed further in note 9.

The Group's objectives in managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure and cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue or purchase shares or sell assets to reduce net debt.

As part of its internal reporting processes the Group monitors capital employed by operating segment. The Group manages its working capital and capital expenditure with the aim of converting at least 90% of EBIT into operating cash flow and has exceeded this target in the current and prior year.

9. Segment information

(a) IFRS 8 disclosures

(i) Income statement

Year ended 31 March 2013	Continuing operations[2] North America US$m	Latin America US$m	UK & Ireland US$m	EMEA/ Asia Pacific US$m	**Total operating segments US$m**	Central Activities US$m	**Total continuing operations US$m**
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 15(b))	–	–	–	–	**–**	(58)	**(58)**
Benchmark PBT	718	346	246	24	**1,334**	(139)	**1,195**
Exceptional items (note 13)	(23)	(1)	(9)	(33)	**(66)**	–	**(66)**
Amortisation of acquisition intangibles (note 14)	(32)	(53)	(21)	(17)	**(123)**	–	**(123)**
Acquisition expenses (note 14)	(1)	(1)	(1)	(1)	**(4)**	–	**(4)**
Adjustment to the fair value of contingent consideration (note 14)	–	–	–	(1)	**(1)**	–	**(1)**
Financing fair value remeasurements (note 15(c))	–	–	–	–	**–**	(561)	**(561)**
Profit/(loss) before tax	662	291	215	(28)	**1,140**	(700)	**440**

Year ended 31 March 2012	Continuing operations[2] North America US$m	Latin America US$m	UK & Ireland US$m	EMEA/ Asia Pacific US$m	Total operating segments US$m	Central Activities US$m	Total continuing operations US$m
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 15(b))	–	–	–	–	–	(47)	(47)
Benchmark PBT	658	320	227	44	1,249	(121)	1,128
Exceptional items (note 13)	–	–	6	2	8	4	12
Amortisation of acquisition intangibles (note 14)	(32)	(52)	(18)	(20)	(122)	–	(122)
Acquisition expenses (note 14)	(1)	(3)	(2)	(3)	(9)	–	(9)
Adjustment to the fair value of contingent consideration (note 14)	–	3	–	–	3	–	3
Charges in respect of the demerger-related share incentive plans	(2)	–	(2)	–	(4)	(1)	(5)
Financing fair value remeasurements (note 15(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 within note 9(b).
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 17.

Notes to the Group financial statements continued

9. Segment information (continued)

(ii) Balance sheet

Net assets/(liabilities)

At 31 March 2013	North America US$m	Latin America US$m	UK & Ireland US$m	EMEA/ Asia Pacific US$m	**Segment assets/ (liabilities) US$m**	Central Activities and other[1] US$m	**Total Group US$m**
Goodwill	1,810	1,214	660	373	**4,057**	–	**4,057**
Investments in associates	2	10	–	9	**21**	–	**21**
Other assets	1,074	837	535	391	**2,837**	1,280	**4,117**
Total assets	2,886	2,061	1,195	773	**6,915**	1,280	**8,195**
Total liabilities	(487)	(219)	(324)	(277)	**(1,307)**	(3,664)	**(4,971)**
Net assets/(liabilities)	2,399	1,842	871	496	**5,608**	(2,384)	**3,224**

At 31 March 2012	North America US$m	Latin America US$m	UK & Ireland US$m	EMEA/ Asia Pacific US$m	Segment assets/ (liabilities) US$m	Central Activities and other[1] US$m	Total Group US$m
Goodwill	1,778	1,322	686	377	4,163	–	4,163
Investments in associates	2	10	–	1	13	–	13
Other assets	1,061	895	600	452	3,008	970	3,978
Total assets	2,841	2,227	1,286	830	7,184	970	8,154
Total liabilities	(485)	(244)	(328)	(275)	(1,332)	(3,891)	(5,223)
Net assets/(liabilities)	2,356	1,983	958	555	5,852	(2,921)	2,931

Central Activities and other comprise:

	2013			2012		
	Assets US$m	**Liabilities US$m**	**Net assets/ (liabilities) US$m**	Assets US$m	Liabilities US$m	Net assets/ (liabilities) US$m
Central Activities[1]	**285**	**(160)**	**125**	277	(150)	127
Net present value of Serasa put option[2]	**–**	**–**	**–**	–	(1,092)	(1,092)
Net debt	**303**	**(3,241)**	**(2,938)**	358	(2,176)	(1,818)
Tax	**692**	**(263)**	**429**	335	(473)	(138)
Central Activities and other	**1,280**	**(3,664)**	**(2,384)**	970	(3,891)	(2,921)

1. Net assets for Central Activities comprise corporate head office balances including retirement benefit assets and obligations and derivative assets and liabilities.
2. The put option in respect of the non-controlling interest in Serasa was settled in connection with the acquisition of this interest in the year ended 31 March 2013.
3. The tax liability at 31 March 2012 included a net liability of US$33m classified as held for sale (note 17). Other assets and liabilities classified as held for sale at 31 March 2012 were principally reported in the North America operating segment.

9. Segment information (continued)

Capital employed

	2013 US$m	2012 US$m
North America	**2,399**	2,356
Latin America	**1,842**	1,983
UK and Ireland	**871**	958
EMEA/Asia Pacific	**496**	555
Total operating segments	**5,608**	5,852
Central Activities	**125**	127
Total Group	**5,733**	5,979

(iii) Capital expenditure, depreciation and amortisation

	Capital expenditure		Depreciation		Amortisation	
	2013 US$m	2012 US$m	2013 US$m	2012 US$m	2013 US$m	2012 US$m
North America	**181**	159	**36**	31	**97**	96
Latin America	**116**	141	**15**	16	**69**	66
UK and Ireland	**78**	74	**18**	16	**33**	33
EMEA/Asia Pacific	**58**	60	**10**	10	**34**	32
Total operating segments	**433**	434	**79**	73	**233**	227
Central Activities	**27**	30	**2**	2	**15**	8
	460	464	**81**	75	**248**	235

1. Capital expenditure is stated before receipts in the form of landlord incentives (see note 44(j)).
2. Depreciation and amortisation within the above analysis only include amounts charged to Benchmark PBT.
3. Additional capital expenditure of US$nil (2012: US$3m), depreciation of US$nil (2012: US$4m) and amortisation of US$nil (2012: US$2m) arose in respect of discontinued operations in the North America segment. Further information on such operations is given in note 17.

(iv) 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.

(v) Non-current assets by country

	2013 US$m	2012 US$m
USA	**2,638**	2,494
Brazil	**1,450**	1,617
UK	**985**	1,070
Colombia	**425**	447
Other	**607**	643
Segment non-current assets by country	**6,105**	6,271
Central Activities[1]	**212**	253
Deferred tax[1]	**643**	320
	6,960	6,844

1. Non-current assets for Central Activities, which include derivative financial assets, and deferred tax have been excluded from the analysis by country to add clarity to the presentation of this information.
2. The Group has no significant non-current assets located in Ireland.

Notes to the Group financial statements continued

9. Segment information (continued)

(b) Information on business segments (including non-GAAP disclosures)

Year ended 31 March 2013	Continuing operations[2]						
	Credit Services US$m	Decision Analytics US$m	Marketing Services US$m	Consumer Services US$m	**Total business segments US$m**	Central Activities US$m	**Total continuing operations US$m**
Revenue from external customers[1]	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 15(b))	–	–	–	–	**–**	(58)	**(58)**
Benchmark PBT	768	109	146	311	**1,334**	(139)	**1,195**
Exceptional items (note 13)	(29)	(14)	(20)	(3)	**(66)**	–	**(66)**
Amortisation of acquisition intangibles (note 14)	(71)	(5)	(28)	(19)	**(123)**	–	**(123)**
Acquisition expenses (note 14)	(2)	(1)	(1)	–	**(4)**	–	**(4)**
Adjustment to the fair value of contingent consideration (note 14)	–	–	(1)	–	**(1)**	–	**(1)**
Financing fair value remeasurements (note 15(c))	–	–	–	–	**–**	(561)	**(561)**
Profit/(loss) before tax	666	89	96	289	**1,140**	(700)	**440**

Year ended 31 March 2012	Continuing operations[2]						
	Credit Services US$m	Decision Analytics US$m	Marketing Services US$m	Consumer Services US$m	Total business segments US$m	Central Activities US$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 15(b))	–	–	–	–	–	(47)	(47)
Benchmark PBT	721	114	146	268	1,249	(121)	1,128
Exceptional items (note 13)	–	2	6	–	8	4	12
Amortisation of acquisition intangibles (note 14)	(72)	(4)	(31)	(15)	(122)	–	(122)
Acquisition expenses (note 14)	(4)	(1)	(3)	(1)	(9)	–	(9)
Adjustment to the fair value of contingent consideration (note 14)	–	–	3	–	3	–	3
Charges in respect of the demerger-related share incentive plans	–	–	–	–	–	(5)	(5)
Financing fair value remeasurements (note 15(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 17. As indicated in note 3, 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.

10. Foreign currency

(a) Principal exchange rates used

	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

(b) Foreign exchange risk

The following table quantifies the Group's sensitivity to foreign exchange risk on the basis of the profile of foreign exchange transaction exposures, and an assessment of reasonably possible changes in such exposures. In making this assessment, the Group has considered data on movements in relevant currencies.

Foreign exchange exposure

	2013 US$m	2012 US$m
Effect of sterling strengthening/weakening by 3% (2012: 9%) against US dollar:		
On profit for the financial year	**–**	–
On other comprehensive income and other components of equity	**–**	–
Effect of euro strengthening/weakening by 6% (2012: 8%) against US dollar:		
On profit for the financial year	**–**	1
On other comprehensive income and other components of equity	**–**	–

The Group has investments in undertakings with functional currencies other than the US dollar, whose net assets are exposed to foreign exchange translation risk. To reduce the impact of currency fluctuations on the value of such entities, the Group has a policy of borrowing in sterling and euros, as well as in US dollars, and of entering into forward foreign exchange contracts in the relevant currencies. The sensitivity reported above in respect of sterling against the US dollar is wholly attributable to such net exposures. Otherwise the analysis excludes the impact of foreign exchange risk on the translation of the net assets of such undertakings.

11. Total operating expenses

(a) Labour costs – continuing operations

	2013 US$m	2012 US$m
Wages and salaries	**1,302**	1,222
Social security costs	**212**	194
Share incentive plans (note 35)	**78**	65
Pension costs – defined benefit plans (note 36)	**7**	9
Pension costs – defined contribution plans	**45**	45
Employee benefit costs	**1,644**	1,535
Other labour costs	**189**	164
	1,833	1,699

Other labour costs include costs in respect of external contractors, outsourcing costs and costs relating to the recruitment, development and training of employees. The definition, and analysis of the remuneration, of key management personnel is given in note 51.

(b) Depreciation and amortisation – continuing operations

	2013 US$m	2012 US$m
Depreciation of property, plant and equipment	**81**	75
Amortisation of intangible assets (including exceptional asset write-offs of US$13m (2012: US$nil))	**384**	359
	465	434

Notes to the Group financial statements continued

11. Total operating expenses (continued)

(c) Fees payable to the Company's auditor

	2013 US$m	2012 US$m
Audit of the parent company and Group financial statements	**0.5**	0.5
Audit of the financial statements of the parent company's subsidiaries	**3.3**	3.2
Tax compliance services	**0.4**	0.4
Tax advisory services	**1.8**	1.2
Services relating to corporate finance transactions	**0.2**	–
Other assurance services	**1.0**	1.6
Total fees payable to the Company's auditor and its associates	**7.2**	6.9
Summary of fees by nature:		
Fees for audit and assurance services	**4.8**	5.3
Fees for other services	**2.4**	1.6
Total fees payable to the Company's auditor and its associates	**7.2**	6.9

The guidelines covering the use of the Company's auditor for non-audit services are set out in the corporate governance report and in the year ended 31 March 2013 fees payable for such services were 50% (2012: 30%) of fees payable for audit and assurance services. All such fees are included within other operating charges.

12. Average monthly number of employees (including executive directors) – continuing operations

	2013			2012		
	Full time	Part time	Full time equivalent	Full time	Part time	Full time equivalent
North America	**5,879**	**66**	**5,912**	5,493	86	5,536
Latin America	**3,428**	**118**	**3,487**	2,915	130	2,980
UK and Ireland	**3,445**	**287**	**3,588**	3,386	262	3,517
EMEA/Asia Pacific	**3,951**	**111**	**4,007**	3,838	88	3,882
Total operating segments	**16,703**	**582**	**16,994**	15,632	566	15,915
Central Activities	**120**	**9**	**125**	105	11	110
Total continuing operations	**16,823**	**591**	**17,119**	15,737	577	16,025

13. 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 44(c).

Notes to the Group financial statements continued

14. 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 15(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 but excluded from the 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.

15. Net finance costs

(a) Net finance costs included in Profit before tax

	2013 US$m	2012 US$m
Interest income:		
Bank deposits, short-term investments and loan notes	(16)	(18)
Expected return on pension plan assets	(52)	(57)
Interest income before interest on legacy tax balances	(68)	(75)
Interest income arising on legacy tax balances	–	(4)
Interest income	(68)	(79)
Finance expense:		
Bank loans and overdrafts	6	3
Eurobonds and notes	103	95
Commitment and facility fees	10	8
Unwinding of discount on provisions (note 39)	–	1
Interest differentials on derivatives	(37)	(31)
Interest expense on pension plan liabilities	44	46
Interest expense	126	122
Charge in respect of financing fair value remeasurements (note 15(c))	561	318
Finance expense	687	440
Net finance costs included in Profit before tax	**619**	361

15. Net finance costs (continued)

(b) Net interest expense included in Benchmark PBT

	2013 US$m	2012 US$m
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 charge in respect of financing fair value remeasurements

	2013 US$m	2012 US$m
Fair value losses on borrowings – attributable to interest rate risk	**32**	135
Fair value gains on borrowings – attributable to currency risk	**(60)**	(53)
Losses on interest rate swaps – fair value hedges	**12**	3
Losses/(gains) on cross currency swaps – fair value hedges	**9**	(101)
Fair value losses on non-hedging derivatives	**10**	4
Foreign exchange (gains)/losses on financing activities	**(5)**	16
Increase in fair value of Serasa put option	**558**	325
Increase/(decrease) in fair value of other options	**5**	(11)
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.

(d) Interest rate risk

The following table quantifies the Group's sensitivity to interest rate risk on the basis of the profile of net debt at the balance sheet dates and an assessment of reasonably possible changes in the principal interest rates, with all other variables held constant. In making this assessment, the Group has considered movements in relevant interest rates over the most recent three-year period.

Interest rate exposure

	2013 US$m	2012 US$m
Effect of an increase of 0.1% (2012: 0.7%) on US dollar denominated net debt:		
On profit for the financial year[1]	**4**	14
Effect of an increase of 0.1% (2012: 1.4%) on sterling denominated net debt:		
On profit for the financial year[2]	**(3)**	(1)
Effect of an increase of 2.4% (2012: 2.3%) on Brazilian real denominated net debt:		
On profit for the financial year[3]	**2**	3
Effect of an increase of 0.6% (2012: 1.4%) on euro denominated net debt:		
On profit for the financial year[2]	**(3)**	(7)

1. Primarily due to fair value gains on interest rate swaps offset by higher interest expense on floating rate borrowings.
2. Primarily due to the revaluation of borrowings and related derivatives.
3. Primarily due to higher interest income on cash and cash equivalents.

Notes to the Group financial statements continued

16. Tax charge/(credit) in the Group income statement

(a) Analysis of Group tax charge/(credit)

	2013 US$m	2012 US$m
Current tax:		
Tax on income for the year	**224**	120
Adjustments in respect of prior years	**(40)**	(71)
Total current tax charge	**184**	49
Deferred tax:		
Origination and reversal of temporary differences	**(46)**	(82)
Adjustments in respect of prior years	**14**	(2)
Total deferred tax credit	**(32)**	(84)
Group tax charge/(credit)	**152**	(35)
The Group tax charge/(credit) comprises:		
UK tax	**5**	(241)
Non-UK tax	**147**	206
Group tax charge/(credit)	**152**	(35)

(b) Tax reconciliations

(i) Reconciliation of the Group tax charge/(credit)

	2013 US$m	2012 US$m
Profit before tax	**440**	689
Profit before tax multiplied by the main rate of UK corporation tax of 24% (2012: 26%)	**106**	179
Effects of:		
Adjustments in respect of prior years	**(26)**	(73)
Exceptional items	**5**	4
Other income not taxable	**(27)**	(46)
Increase in fair value of Serasa put option not deductible	**134**	85
Other expenses not deductible	**67**	54
Adjustment in respect of previously unrecognised tax losses	**(3)**	(217)
Adjustment in respect of tax benefits recognised on corporate transactions	**(98)**	–
Reduction in future rate of UK corporation tax	**12**	9
Different effective tax rates in non-UK businesses	**(18)**	(30)
Group tax charge/(credit)	**152**	(35)
Effective rate of tax based on Profit before tax	**34.5%**	(5.1%)

16. Tax charge/(credit) in the Group income statement (continued)

(ii) Reconciliation of the Group tax charge/(credit) 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%

In 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.

(c) Factors that affect tax charges

The effective tax rates for both years are lower than the main rate of UK corporation tax with the differences explained above. The Group's tax charge in the future will continue to be influenced by the profile of profits earned in the different countries in which the Group's businesses operate and could be affected by changes in tax law.

In the UK, the main rate of corporation tax was reduced to 24% with effect from 1 April 2012 and to 23% from 1 April 2013. Further proposed reductions will reduce it to 21% from 1 April 2014 and 20% from 1 April 2015. The further proposed reductions have not yet been substantively enacted and are therefore not recognised in these financial statements. The effect of these further reductions is expected to be to increase the tax charge by US$18m in the financial year ending 31 March 2014 due to the effect of the rate reductions on deferred tax balances.

(d) Other information in respect of tax

Tax recognised in other comprehensive income and directly in equity is detailed in notes 18 and 41. Details of the tax position in the Group balance sheet are given in note 38 and an analysis of the cash outflow in respect of tax is given in note 44(d).

17. 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 47)	–	–
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)

Notes to the Group financial statements continued

17. Discontinued operations – comparison shopping and lead generation businesses (continued)

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 for the year ended 31 March 2013 reported for discontinued operations in note 9 comprises the loss before tax of US$5m and a profit on disposal of US$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

18. Other comprehensive income

	2013			2012		
	Income before tax US$m	Deferred tax credit US$m	Income after tax US$m	Income before tax US$m	Deferred tax charge US$m	Income after tax US$m
Actuarial (losses)/gains recognised on defined benefit pension plans	(62)	14	(48)	9	(2)	7
Fair value gains recognised on available-for-sale financial assets	3	–	3	–	–	–
Currency translation differences	(39)	–	(39)	(64)	–	(64)
Other comprehensive income	(98)	14	(84)	(55)	(2)	(57)

Other comprehensive income includes items of income and expense not recognised within the Group income statement. All of these amounts are in respect of continuing operations.

Further details in respect of actuarial gains and losses recognised on defined benefit pension plans are given in note 36 with details in respect of fair value gains recognised on available-for-sale financial assets in note 31. As the above currency differences arise on translation only, there is no related tax. Currency translation differences are taken directly to the translation reserve with other items taken directly to retained earnings.

19. 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 Group financial statements continued

20. 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.

21. Goodwill

(a) Movements in goodwill

	2013 US$m	2012 US$m
At 1 April	**4,163**	3,761
Differences on exchange	**(158)**	(115)
Additions through business combinations (note 45)	**27**	553
Adjustments to consideration on prior year acquisitions	**3**	(3)
Additions through business combinations – total	**30**	550
Transfer in respect of assets held for sale	**22**	(33)
At 31 March	**4,057**	4,163

There have been no impairments of goodwill in the current or prior years.

(b) Analysis of allocation of goodwill by CGUs

	2013 US$m	2012 US$m
North America	**1,810**	1,778
Latin America	**1,214**	1,322
UK and Ireland	**660**	686
EMEA	**255**	262
Asia Pacific	**118**	115
At 31 March	**4,057**	4,163

(c) Key assumptions for value-in-use calculations by CGUs

	2013		2012	
	Pre-tax WACC %	Long-term growth rate %	Pre-tax WACC %	Long-term growth rate %
North America	**11.4**	**2.3**	11.3	2.3
Latin America	**12.4**	**4.7**	14.8	7.0
UK and Ireland	**9.0**	**2.3**	9.1	2.3
EMEA	**10.7**	**3.1**	11.4	4.3
Asia Pacific	**11.6**	**5.3**	11.6	5.3

Further details of the principles used in determining the basis of allocation by CGU and annual impairment testing are given in note 6.

At 31 March 2013, the recoverable amount of the Asia Pacific CGU exceeds the carrying value by approximately US$34m and an increase in the pre-tax WACC of 1.0% or a reduction in the long-term growth rate of 1.3% would reduce the value-in-use of its goodwill to an amount equal to its carrying value. A reduction of 0.9% in the forecast margin would reduce the value-in-use of its goodwill to an amount equal to its carrying value. Management determined the Asia Pacific margin based upon its past performance and its expectations of market development over a five year period. The Asia Pacific margin is forecast to improve to a high single-digit margin in the terminal period. This is below management's expectations for a mature region.

The recoverable amount of the other CGUs exceed their carrying value on the basis of the above assumptions and any reasonably possible changes thereof.

Notes to the Group financial statements continued

22. Other intangible assets

	Acquisition intangibles: Customer and other relationships	Acquisition intangibles: Acquired software development	Acquisition intangibles: Marketing-related assets	Databases	Internal use software	Internally generated software	**Total**
	US$m	US$m	US$m	US$m	US$m	US$m	**US$m**
Cost							
At 1 April 2012	925	224	167	1,140	257	322	**3,035**
Differences on exchange	(46)	(14)	(8)	(52)	(9)	(11)	**(140)**
Additions through business combinations (note 45)	4	6	–	–	–	–	**10**
Other additions	–	–	–	211	57	77	**345**
Disposal of subsidiaries	–	–	–	(21)	(2)	–	**(23)**
Other disposals	(10)	(4)	–	(185)	(14)	(36)	**(249)**
At 31 March 2013	873	212	159	1,093	289	352	**2,978**
Accumulated amortisation and impairment							
At 1 April 2012	347	119	62	682	127	116	**1,453**
Differences on exchange	(17)	(9)	(3)	(32)	(4)	(5)	**(70)**
Charge for the year	75	35	13	168	38	55	**384**
Disposal of subsidiaries	–	–	–	(13)	(2)	–	**(15)**
Other disposals	(10)	(4)	–	(184)	(14)	(36)	**(248)**
At 31 March 2013	395	141	72	621	145	130	**1,504**
Net book amount at 31 March 2012	578	105	105	458	130	206	**1,582**
Net book amount at 31 March 2013	**478**	**71**	**87**	**472**	**144**	**222**	**1,474**

	Acquisition intangibles: Customer and other relationships (Restated)	Acquisition intangibles: Acquired software development (Restated)	Acquisition intangibles: Marketing-related assets (Restated)	Databases	Internal use software	Internally generated software	Total
	US$m	US$m	US$m	US$m	US$m	US$m	US$m
Cost							
At 1 April 2011	928	198	182	1,039	228	256	2,831
Differences on exchange	(33)	(10)	(8)	(46)	(7)	(3)	(107)
Additions through business combinations	236	67	7	3	2	2	317
Other additions	–	–	–	218	55	97	370
Disposals	(18)	(8)	–	(74)	(15)	(27)	(142)
Transfer in respect of assets held for sale	(188)	(23)	(14)	–	(6)	(3)	(234)
At 31 March 2012	925	224	167	1,140	257	322	3,035
Accumulated amortisation and impairment							
At 1 April 2011	434	122	64	611	118	108	1,457
Differences on exchange	(11)	(7)	(4)	(24)	(4)	(1)	(51)
Charge for the year	101	33	16	169	32	36	387
Disposals	(18)	(8)	–	(74)	(15)	(26)	(141)
Transfer in respect of assets held for sale	(159)	(21)	(14)	–	(4)	(1)	(199)
At 31 March 2012	347	119	62	682	127	116	1,453
Net book amount at 31 March 2011	494	76	118	428	110	148	1,374
Net book amount at 31 March 2012	578	105	105	458	130	206	1,582

Acquisition intangibles were previously reported in two categories only, with customer and other relationships forming one category and all other acquisition intangibles reported in aggregate. In order to provide further understanding of the asset profile, this second category has been further analysed in the year ended 31 March 2013 with comparative figures restated accordingly. Assets with a net book amount of US$26m at 31 March 2012 are now excluded from customer and other relationships and reported in the other categories.

23. Property, plant and equipment

	Freehold properties US$m	Short leasehold properties US$m	Plant and equipment US$m	**Total US$m**
Cost				
At 1 April 2012	253	137	494	**884**
Differences on exchange	(13)	–	(14)	**(27)**
Additions	1	12	102	**115**
Disposal of subsidiaries	–	–	(3)	**(3)**
Other disposals	(1)	–	(47)	**(48)**
At 31 March 2013	240	149	532	**921**
Accumulated depreciation				
At 1 April 2012	68	40	313	**421**
Differences on exchange	(4)	–	(6)	**(10)**
Charge for the year	6	9	66	**81**
Disposal of subsidiaries	–	–	(3)	**(3)**
Other disposals	(1)	–	(45)	**(46)**
At 31 March 2013	69	49	325	**443**
Net book amount at 31 March 2012	185	97	181	**463**
Net book amount at 31 March 2013	**171**	**100**	**207**	**478**

	Freehold properties US$m	Short leasehold properties US$m	Plant and equipment US$m	Total US$m
Cost				
At 1 April 2011	254	132	492	878
Differences on exchange	(6)	–	(8)	(14)
Additions through business combinations	9	–	7	16
Other additions	–	10	87	97
Disposals	(4)	(4)	(67)	(75)
Transfer in respect of assets held for sale	–	(1)	(17)	(18)
At 31 March 2012	253	137	494	884
Accumulated depreciation				
At 1 April 2011	63	38	327	428
Differences on exchange	(1)	–	(6)	(7)
Charge for the year	7	7	65	79
Disposals	(1)	(4)	(64)	(69)
Transfer in respect of assets held for sale	–	(1)	(9)	(10)
At 31 March 2012	68	40	313	421
Net book amount at 31 March 2011	191	94	165	450
Net book amount at 31 March 2012	185	97	181	463

The net book amount of assets held under finance lease agreements and capitalised in plant and equipment is US$6m (2012: US$8m). At the end of such agreements the Group has the option to purchase the equipment at a beneficial price. Further leased assets of US$9m (2012: US$nil) are capitalised in other intangible assets.

Notes to the Group financial statements continued

24. Investments in associates

	2013 US$m	2012 US$m
Cost		
At 1 April	**13**	27
Additions through business combinations	–	11
Other additions	**8**	–
Share of loss after tax	–	(2)
Dividends received	**(1)**	(1)
Acquisition of controlling stake in associate	–	(22)
Interest in associate arising on a business disposal	**1**	–
At 31 March	**21**	13

25. Inventories

	2013 US$m	2012 US$m
Work in progress	**3**	2
Finished goods	**4**	9
	7	11

26. Trade and other receivables

(a) Analysis of trade and other receivables by type and maturity

	2013		2012	
	Current US$m	Non-current US$m	Current US$m	Non-current US$m
Trade receivables	**710**	–	684	–
Credit note provision	**(16)**	–	(25)	–
Trade receivables – net of provision for credit notes	**694**	–	659	–
Provision for impairment of trade receivables	**(40)**	–	(37)	–
Trade receivables – net	**654**	–	622	–
Amounts owed by associates	**3**	–	7	–
VAT recoverable	**3**	–	2	–
Other prepayments and accrued income	**263**	**10**	279	13
	923	**10**	910	13

There is no material difference between the fair value of trade and other receivables and the book value stated above. All non-current receivables are due within five years. The only impaired assets are within trade receivables.

Trade receivables with financial institutions accounted for some 33% (2012: 25%) of such receivables in Brazil, some 28% (2012: 28%) in the UK and some 21% (2012: 27%) in the USA. Together these represent some 22% (2012: 21%) of trade receivables. The remaining balances are distributed across multiple industries and geographies.

(b) Analysis of total trade and other receivables by nature

	2013 US$m	2012 US$m
Financial instruments	**710**	698
Items not regarded as financial instruments:		
VAT recoverable	**3**	2
Amounts within other prepayments and accrued income	**220**	223
Items not regarded as financial instruments	**223**	225
	933	923

26. Trade and other receivables (continued)

(c) Analysis of trade and other receivables by denomination of currency

	2013		2012	
	Current US$m	**Non-current US$m**	Current US$m	Non-current US$m
US dollar	**338**	**6**	310	6
Sterling	**229**	**–**	236	–
Brazilian real	**155**	**2**	135	3
Euro	**79**	**–**	101	–
Other	**122**	**2**	128	4
	923	**10**	910	13

(d) Analysis of trade receivables – net of provision for credit notes

	2013 US$m	2012 US$m
Neither past due nor impaired (note 26(e))	**471**	410
Past due but not considered impaired (note 26(f))	**174**	208
Considered partially impaired and provided for (note 26(g))	**49**	41
	694	659

(e) Analysis of trade receivables neither past due nor impaired

	2013 US$m	2012 US$m
New customers (of less than six months' standing)	**37**	37
Existing customers (of more than six months' standing) with no defaults in the past	**434**	373
	471	410

None of these trade receivables has been renegotiated in either year. There is no evidence of impairment in respect of the above amounts.

(f) Analysis of trade receivables past due but not considered impaired

	2013 US$m	2012 US$m
Up to three months past due	**151**	175
Three to six months past due	**13**	21
Over six months past due	**10**	12
	174	208

Of the above amounts, no trade receivables have been renegotiated in either year. There is no evidence of impairment in respect of the above amounts.

(g) Analysis of trade receivables considered partially impaired and provided for

	2013 US$m	2012 US$m
Up to three months past due	**12**	7
Three to six months past due	**5**	3
Over six months past due	**32**	31
	49	41
Impairment provision (note 26(h))	**(40)**	(37)
	9	4

Notes to the Group financial statements continued

26. Trade and other receivables (continued)

(h) Movements in the impairment provision

	2013 US$m	2012 US$m
At 1 April	**37**	47
Differences on exchange	**(3)**	(4)
Provision for impairment	**32**	24
Provision utilised in respect of debts written off	**(15)**	(18)
Unused amounts reversed	**(11)**	(12)
At 31 March	**40**	37

27. Cash and cash equivalents

(a) Analysis of cash and cash equivalents by nature

	2013 US$m	2012 US$m
Cash at bank and in hand	**139**	130
Short-term investments	**90**	124
	229	254

The effective interest rate for cash and cash equivalents at 31 March 2013 is 3.7% (2012: 4.7%). There is no material difference between the fair value of cash and cash equivalents and the book value stated above.

(b) Analysis of cash and cash equivalents by external credit rating

	2013 US$m	2012 US$m
Counterparty holding of more than US$2m:		
A rated	**125**	144
B rated	**79**	80
Counterparty holding of more than US$2m	**204**	224
Counterparty holding of less than US$2m	**25**	30
	229	254

28. Trade and other payables

(a) Analysis of trade and other payables by type and maturity

	2013		2012	
	Current US$m	Non-current US$m	Current US$m	Non-current US$m
Trade payables	**184**	**1**	159	2
VAT and other equivalent taxes payable	**43**	**–**	41	–
Social security costs	**85**	**–**	85	–
Accruals and deferred income	**773**	**40**	807	40
Other payables	**112**	**–**	118	1
	1,197	**41**	1,210	43

There is no material difference between the fair value of trade and other payables and the book value stated above. All non-current payables are due within five years.

28. Trade and other payables (continued)

(b) Analysis of total trade and other payables by nature

	2013 US$m	2012 (Restated) US$m
Financial instruments	**463**	465
Items not regarded as financial instruments:		
VAT and other equivalent taxes payable	**43**	41
Social security costs	**85**	85
Amounts within accruals and deferred income	**647**	662
Items not regarded as financial instruments	**775**	788
Total trade and other payables	**1,238**	1,253

As obligations under employee benefit plans are accounted for under IAS 19, they are now all excluded from financial instruments. At 31 March 2012, an amount of US$72m in respect of such items had previously been classified as a financial instrument. Contractual undiscounted cash flows in respect of financial instruments are shown in note 34.

29. Borrowings

(a) Analysis of borrowings by carrying amounts

	2013		2012	
	Current US$m	Non-current US$m	Current US$m	Non-current US$m
£334m 5.625% Euronotes 2013	**529**	**–**	–	571
US$600m 2.375% notes 2017	**–**	**602**	–	–
£400m 4.75% Euronotes 2018	**–**	**693**	–	709
€500m 4.75% Euronotes 2020	**–**	**729**	–	729
Bank loans	**100**	**590**	12	170
Bank overdrafts	**3**	**–**	–	–
Finance lease obligations	**3**	**12**	1	–
	635	**2,626**	13	2,179

The effective interest rates for bonds approximate to the coupon rates indicated above. There is no material difference between the carrying values of the loans and borrowings and their fair values. Other than finance lease obligations, the borrowings are unsecured.

(b) Analysis of borrowings by currency

	2013 US$m	2012 (Restated) US$m
US dollar	**2,557**	1,657
Sterling	**542**	392
Euro	**46**	85
Other	**116**	58
	3,261	2,192

The above analysis takes account of the effect of cross currency swaps and forward foreign exchange contracts, and reflects the manner in which the Group manages relevant exposures. The analysis presented in 2012 only took account of the effect of cross currency swaps.

Notes to the Group financial statements continued

29. Borrowings (continued)

(c) Committed bank borrowing facilities

	2013		2012	
	Drawn US$m	Undrawn US$m	Drawn US$m	Undrawn US$m
Facilities expiring in:				
Under one year	**100**	**–**	–	–
One to two years	**100**	**114**	100	–
Two to three years	**490**	**1,510**	50	167
Three to four years	**–**	**–**	20	1,980
	690	**1,624**	170	2,147

These facilities are at floating interest rates and expire at various dates. They are for general corporate purposes, including the financing of acquisitions.

(d) Covenants and gearing ratio

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

30. Net debt (non-GAAP measure)

(a) Analysis of net debt

	2013 US$m	2012 US$m
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)

(b) Analysis of net debt by balance sheet caption

	2013 US$m	2012 (Restated) US$m
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.

30. Analysis of net debt (non-GAAP measure) (continued)

(c) Analysis of changes in net debt

	Cash and cash equivalents US$m	Borrowings (current) US$m	Borrowings (non-current) US$m	**Net debt by balance sheet caption US$m**	Bank deposits within financial assets US$m	Accrued interest excluded from net debt US$m	Derivatives hedging loans and borrowings US$m	**Net debt US$m**
At 1 April 2012	254	(13)	(2,179)	**(1,938)**	–	17	103	**(1,818)**
Cash outflow	(888)	–	–	**(888)**	–	–	–	**(888)**
Borrowings cash flow	1,123	(91)	(1,032)	**–**	–	–	–	**–**
Reclassification of borrowings	–	(571)	571	**–**	–	–	–	**–**
Net interest paid	(68)	–	–	**(68)**	–	–	–	**(68)**
Movement on accrued interest	–	–	–	**–**	–	2	–	**2**
Net cash inflow/(outflow)	167	(662)	(461)	**(956)**	–	2	–	**(954)**
Net share purchases	(180)	–	–	**(180)**	–	–	–	**(180)**
Fair value gains and losses	–	15	(47)	**(32)**	–	–	44	**12**
Exchange and other movements	(12)	25	61	**74**	–	–	(72)	**2**
At 31 March 2013	**229**	**(635)**	**(2,626)**	**(3,032)**	**–**	**19**	**75**	**(2,938)**

	Cash and cash equivalents US$m	Borrowings (current) US$m	Borrowings (non-current) US$m	Net debt by balance sheet caption US$m	Bank deposits within financial assets US$m	Accrued interest excluded from net debt US$m	Derivatives hedging loans and borrowings US$m	Net debt US$m
At 1 April 2011	408	(6)	(1,921)	(1,519)	14	10	(6)	(1,501)
Cash outflow	(114)	–	–	(114)	(14)	–	–	(128)
Borrowings cash flow	175	(7)	(168)	–	–	–	–	–
Net interest paid	(57)	–	–	(57)	–	–	–	(57)
Movement on accrued interest	–	–	(4)	(4)	–	7	–	3
Net cash inflow/(outflow)	4	(7)	(172)	(175)	(14)	7	–	(182)
Net share purchases	(167)	–	–	(167)	–	–	–	(167)
Fair value gains and losses	–	–	(139)	(139)	–	–	162	23
Exchange and other movements	9	–	53	62	–	–	(53)	9
At 31 March 2012	254	(13)	(2,179)	(1,938)	–	17	103	(1,818)

31. Available-for-sale financial assets

Available-for-sale financial assets comprise listed investments of US$38m (2012: US$35m) held to secure unfunded UK pension arrangements (see note 37) and investments held overseas of US$3m (2012: US$2m). Movements are analysed below.

At 31 March 2013, if the relevant stock market and other indices had been 10% higher/lower with all other variables held constant, further fair value gains/losses of US$4m would have been recognised in the Group statement of comprehensive income. In making its assessment of reasonably possible changes, the Group has used the movements in relevant stock market and other indices for the year ended 31 March 2013. The listed investments in the UK are managed by independent fund managers who seek to mitigate such risk by diversification of the portfolio.

	2013 US$m	2012 US$m
At 1 April	**37**	42
Additions	**–**	1
Reclassification	**1**	–
Fair value gains	**3**	–
Disposals	**–**	(6)
At 31 March	**41**	37

Notes to the Group financial statements continued

32. Other financial assets and liabilities

(a) Summary of other financial assets and liabilities

	2013			2012		
Assets	Current US$m	Non-current US$m	Total US$m	Current US$m	Non-current US$m	Total US$m
Loans and receivables	–	79	79	–	–	–
Derivative financial instruments:						
Fair value hedge of borrowings (cross currency swaps)	–	70	70	–	80	80
Fair value hedge of borrowings (interest rate swaps)	18	4	22	–	33	33
Derivatives used for hedging	18	74	92	–	113	113
Non-hedging derivatives (equity swaps)	5	3	8	–	4	4
Non-hedging derivatives (foreign exchange contracts)	4	–	4	7	–	7
Assets at fair value through profit and loss	9	3	12	7	4	11
Derivative financial instruments	27	77	104	7	117	124
Other derivatives	–	–	–	–	6	6
Total other financial assets	27	156	183	7	123	130

	2013			2012		
Liabilities	Current US$m	Non-current US$m	Total US$m	Current US$m	Non-current US$m	Total US$m
Derivative financial instruments:						
Derivatives used for hedging	–	–	–	–	–	–
Non-hedging derivatives (foreign exchange contracts)	3	–	3	3	–	3
Non-hedging derivatives (interest rate swaps)	2	40	42	3	32	35
Liabilities at fair value through profit and loss	5	40	45	6	32	38
Derivative financial instruments	5	40	45	6	32	38
Put option in respect of Serasa non-controlling interest	–	–	–	1,092	–	1,092
Options in respect of other non-controlling interests	15	40	55	–	32	32
Options in respect of non-controlling interests	15	40	55	1,092	32	1,124
Total other financial liabilities	20	80	100	1,098	64	1,162

Amounts recognised in the Group income statement in connection with the Group's hedging instruments are disclosed in note 15. There is no material difference between the fair values and the book values stated above.

(b) Fair value and notional principal amounts of derivative financial instruments

	2013				2012			
	Assets		Liabilities		Assets		Liabilities	
	Fair value US$m	Notional US$m	Fair value US$m	Notional US$m	Fair value US$m	Notional US$m	Fair value US$m	Notional US$m
Cross currency swaps	70	1,347	–	–	80	1,347	–	–
Interest rate swaps	22	858	42	2,087	33	759	35	1,315
Equity swaps	8	17	–	–	4	21	–	–
Foreign exchange contracts	4	203	3	171	7	497	3	256
	104	2,425	45	2,258	124	2,624	38	1,571

33. Analysis by level of financial assets and liabilities measured at fair value

(a) Analysis by level

	2013				2012			
	Level 1 US$m	Level 2 US$m	Level 3 US$m	Total US$m	Level 1 US$m	Level 2 US$m	Level 3 US$m	Total US$m
Financial assets:								
Derivatives used for hedging	–	92	–	92	–	113	–	113
Financial assets at fair value through profit and loss	–	12	–	12	–	11	6	17
Amounts reported as other financial assets (note 32)	–	104	–	104	–	124	6	130
Available-for-sale (note 31)	38	–	3	41	37	–	–	37
	38	104	3	145	37	124	6	167
Financial liabilities:								
Derivatives used for hedging	–	–	–	–	–	–	–	–
Financial liabilities at fair value through profit and loss	–	(45)	(55)	(100)	–	(38)	(1,124)	(1,162)
	–	(45)	(55)	(100)	–	(38)	(1,124)	(1,162)
Net financial assets/(liabilities)	38	59	(52)	45	37	86	(1,118)	(995)

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

(b) Analysis of movements in Level 3 assets and liabilities

	Year ended 31 March 2013				Year ended 31 March 2012			
	Available-for-sale US$m	Serasa put option US$m	Other US$m	Total US$m	Available-for-sale US$m	Serasa put option US$m	Other US$m	Total US$m
At 1 April	–	(1,092)	(26)	(1,118)	–	(870)	(28)	(898)
Additions and reclassifications	3	–	(24)	(21)	–	–	(9)	(9)
Valuation (losses)/gains recognised in Group income statement	–	(558)	(5)	(563)	–	(325)	11	(314)
Currency translation gains recognised directly in other comprehensive income	–	163	–	163	–	103	–	103
Derecognition of put option liability directly in equity	–	1,487	–	1,487	–	–	–	–
At 31 March	3	–	(55)	(52)	–	(1,092)	(26)	(1,118)

This table presents an analysis of the changes in financial assets and liabilities classified as Level 3 which principally comprise put and call options associated with corporate transactions.

There would be no material effect from any reasonably possible change in inputs at 31 March 2013.

Notes to the Group financial statements continued

34. Maturity profile of financial liabilities – contractual undiscounted cash flows

(a) Contractual undiscounted cash flows for financial liabilities

From 31 March 2013	Less than one year US$m	One to two years US$m	Two to three years US$m	Three to four years US$m	Four to five years US$m	Over five years US$m	Total US$m
Borrowings	716	177	567	77	669	1,339	3,545
Net settled derivative financial instruments	20	16	12	8	3	1	60
Gross settled derivative financial instruments	3	–	–	–	–	–	3
Options in respect of non-controlling interests	17	–	15	–	41	–	73
Trade and other payables (note 28(b))	448	3	2	2	2	6	463
Cash outflows	1,204	196	596	87	715	1,346	4,144

From 31 March 2012	Less than one year (Restated) US$m	One to two years (Restated) US$m	Two to three years (Restated) US$m	Three to four years (Restated) US$m	Four to five years (Restated) US$m	Over five years (Restated) US$m	Total (Restated) US$m
Borrowings	105	727	132	62	62	1,462	2,550
Net settled derivative financial instruments	16	12	9	6	2	1	46
Gross settled derivative financial instruments	2	–	–	–	–	–	2
Put options in respect of Serasa and other non-controlling interests	1,092	23	–	9	–	–	1,124
Trade and other payables (note 28(b))	446	5	3	2	3	6	465
Cash outflows	1,661	767	144	79	67	1,469	4,187

The table above analyses financial liabilities into maturity groupings based on the period from the balance sheet date to the contractual maturity date. As the amounts disclosed are the contractual undiscounted cash flows, they differ from the carrying values and fair values.

Borrowings at 31 March 2012 of US$170m, which were previously reported in the less than one year category, are now included within later categories to provide a more accurate presentation of the cash flows. As indicated in note 28(b), the analysis for trade and other payables is restricted to items therein which are regarded as financial instruments, with prior year numbers re-presented in respect of obligations under employee benefit plans.

(b) Contractual undiscounted cash flows for derivative financial liabilities

From 31 March 2013	Less than one year US$m	One to two years US$m	Two to three years US$m	Three to four years US$m	Four to five years US$m	Over five years US$m	Total US$m
Settled on a net basis – interest rate swaps	20	16	12	8	3	1	60
Settled on a gross basis:							
Outflows for foreign exchange contracts	234	–	–	–	–	–	234
Inflows for foreign exchange contracts	(231)	–	–	–	–	–	(231)
Settled on a gross basis	3	–	–	–	–	–	3
Cash outflows	23	16	12	8	3	1	63

From 31 March 2012	Less than one year US$m	One to two years US$m	Two to three years US$m	Three to four years US$m	Four to five years US$m	Over five years US$m	Total US$m
Settled on a net basis – interest rate swaps	16	12	9	6	2	1	46
Settled on a gross basis:							
Outflows for foreign exchange contracts	281	–	–	–	–	–	281
Inflows for foreign exchange contracts	(279)	–	–	–	–	–	(279)
Settled on a gross basis	2	–	–	–	–	–	2
Cash outflows	18	12	9	6	2	1	48

The table above analyses the derivative financial liabilities into maturity groupings based on the period from the balance sheet date to the contractual maturity date. As the amounts disclosed are the contractual undiscounted cash flows, they differ from the carrying values and fair values.

35. Share incentive plans

(a) Cost of share-based compensation

	2013 US$m	2012 US$m
Share awards	73	56
Share options	5	9
Total expense recognised in Group income statement	**78**	65
Reported within employee benefit costs as follows:		
Within Benchmark PBT	78	60
Charge in respect of demerger-related share incentive plans (excluded from Benchmark PBT)	–	5
Total expense recognised in Group income statement	**78**	65

The Group has a number of equity settled, share-based employee incentive plans. Details of the arrangements under which awards are made and options granted are given below, together with information on award valuation. The price of the Company's ordinary shares is quoted in sterling and accordingly award, option and share prices are disclosed in sterling.

(b) Share awards

(i) Summary of arrangements and performance conditions

There are three plans under which share awards are granted – the two Experian Co-Investment Plans (the 'Experian CIPs') and the Experian Performance Share Plan (the 'Experian PSP').

Awards take the form of a grant of shares and vest over a service period of three years with a maximum term of the same length. The method of settlement for the awards is by share distribution. The assumption at grant date for employee departures prior to vesting is between 5% and 10% for conditional awards and 20% for the unconditional awards which are only made under the Experian PSP. Other details in respect of conditional awards are given below.

	Performance conditions for vesting	Assumed outcome at grant date
Experian CIPs	50% – Benchmark profit performance of Group assessed against specified targets	Benchmark profit – 82% to 100%
	50% – Cumulative operating cash flow of Group	Cumulative operating cash flow – 100%
Experian PSP	75% – Benchmark profit performance of Group assessed against specified targets	Benchmark profit – 82% to 100%
	25% – Distribution percentage determined by ranking Total Shareholder Return ('TSR') relative to a comparator group	TSR – Range from 45% to 52%

Experian CIPs

The grant date for these plans is the start of the financial year in which performance is assessed. This is before the number of shares to be awarded is determined but the underlying value of the award is known, subject to the outcome of the performance condition. The value of awarded shares reflects the performance outcome assumed at the date of their issue to participants and is recognised over a four-year period.

The range of performance conditions for awards under this plan are set out below. The Benchmark profit performance condition (the 'profit condition') requires Benchmark PBT growth at the stated percentages over a three-year period. The cumulative operating cash flow performance condition (the 'cash flow condition') is based on cumulative operating cash flow over a three-year period.

	Profit condition		Cash flow condition	
Year of award	Target	Maximum	Target	Maximum
Year ended 31 March 2013	7% per annum	14% per annum	US$3.7bn	US$4.1bn
Year ended 31 March 2012	7% per annum	14% per annum	US$3.0bn	US$3.4bn
Year ended 31 March 2011	5% per annum	11% per annum	US$2.9bn	US$3.3bn

The period of assessment commences at the beginning of the financial year of grant. These are not market-based performance conditions as defined by IFRS 2.

Notes to the Group financial statements continued

35. Share incentive plans (continued)

Experian PSP

The range of Benchmark profit performance conditions for conditional awards under this plan are set out below and require Benchmark PBT growth at the stated percentages over a three-year period.

Year of award	Target	Maximum
Year ended 31 March 2013	7% per annum	14% per annum
Year ended 31 March 2012	7% per annum	14% per annum
Year ended 31 March 2011	5% per annum	11% per annum

The TSR performance condition is considered a market-based performance condition as defined by IFRS 2. In valuing the awarded shares, TSR is evaluated using a Monte Carlo simulation with historic volatilities and correlations for comparator companies measured over the three-year period preceding valuation and an implied volatility for Experian plc ordinary shares.

(ii) Information on share grant valuation techniques

Share grants are valued by reference to the market price on the day of award with no modification made for dividend distributions or other factors as participants are entitled to dividend distributions on awarded shares. Market-based performance conditions are included in the fair value measurement on grant date and are not revised for actual performance.

(iii) Movement in and analysis of number of share awards outstanding

	2013 million	2012 million
At 1 April	**18.3**	20.9
Grants	**6.9**	7.4
Forfeitures	**(0.5)**	(2.3)
Vesting	**(4.8)**	(7.7)
At 31 March	**19.9**	18.3
Analysis by plan:		
Experian CIPs	**7.3**	6.8
Experian PSP – conditional awards	**6.8**	6.7
Experian PSP – unconditional awards	**5.8**	4.8
At 31 March	**19.9**	18.3

The fair values of share awards are calculated using the assumptions, and adjusted for the performance conditions, noted above. Awards granted in the year had a weighted average fair value of £8.91 (2012: £7.91).

35. Share incentive plans (continued)

(c) Share options

(i) Summary of arrangements

The only options granted in the current and prior year have been in respect of Experian Sharesave Plans and the amounts involved are not significant. Accordingly disclosures relating to the application of valuation techniques, inputs into valuation models and fair values of options granted have again been omitted. Although there have been no grants of options under the Experian Share Option Plan and equivalent legacy plans in the current and prior year, options remain outstanding under such plans.

(ii) Movement in number of options and weighted average exercise price

	Number 2013 million	Price 2013 £	Number 2012 million	Price 2012 £
Options outstanding at 1 April	15.0	4.63	24.8	4.27
Grants	0.8	7.13	1.1	6.16
Forfeitures and cancellations[1]	(0.4)	4.99	(0.9)	4.74
Exercises[2]	(9.0)	4.55	(9.9)	3.87
Expiries	(0.2)	4.90	(0.1)	4.85
Options outstanding at 31 March	6.2	5.02	15.0	4.63
Options exercisable at 31 March	3.4	4.70	3.8	4.54

1. For Experian Sharesave Plans, forfeitures include non-leavers who have not completed the savings requirement.
2. The weighted average market price of Experian shares in respect of option exercises during the year was £9.79 (2012: £7.84).
3. Options outstanding at 31 March 2013 include 2.9 million shares (2012: 2.9 million shares) in respect of Experian Sharesave Plans and 3.3 million shares (2012: 12.1 million shares) in respect of the Experian Share Option Plan and equivalent legacy plans.
4. Options exercisable at 31 March 2013 include 0.1 million shares (2012: 0.1 million shares) in respect of Experian Sharesave Plans and 3.3 million shares (2012: 3.7 million shares) in respect of the Experian Share Option Plan and equivalent legacy plans. The 2012 numbers were previously reported as 3.7 million shares in respect of Experian Sharesave Plans and 0.1 million shares in respect of the Experian Share Option Plan.

(iii) Details of options outstanding

	At 31 March 2013				At 31 March 2012			
	Number of options	Weighted average exercise price	Weighted average remaining lives		Number of options	Weighted average exercise price	Weighted average remaining lives	
Range of exercise prices	million	£	Expected years	Contractual years	million	£	Expected years	Contractual years
£2 to £3	0.6	2.91	0.5	0.9	0.7	2.91	1.3	1.7
£3 to £4	0.4	3.35	0.5	4.1	1.6	3.36	0.4	6.3
£4 to £5	2.9	4.69	0.3	4.4	9.8	4.66	1.1	9.1
£5 to £6	0.7	5.39	–	3.2	1.9	5.39	0.1	6.6
£6 to £7	0.9	6.18	1.8	2.2	1.0	6.18	2.7	3.3
£7 to £8	0.7	7.13	2.9	3.3	–	–	–	–
	6.2	5.00			15.0	4.63		

Notes to the Group financial statements continued

36. Retirement benefit assets and obligations

The disclosures required by IAS 19, which relate to the Group's defined benefit pension arrangements and post-retirement healthcare obligations only, are set out below. An overview of the Group's retirement benefit arrangements is given in note 37. Experian is adopting IAS 19 (revised) with effect from 1 April 2013 and 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.

(a) Retirement benefit assets/(obligations) recognised in the Group balance sheet

	2013 US$m	2012 US$m
Retirement benefit assets/(obligations) – 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 post-retirement healthcare obligations	(11)	(12)
Retirement benefit obligations – unfunded plans	(56)	(53)
Net retirement benefit assets	**24**	77

(b) Movements in net retirement benefit assets recognised in the Group balance sheet

	2013 US$m	2012 US$m
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

(c) Present value of the total defined benefit obligations

(i) Movements in the year

	2013 US$m	2012 US$m
At 1 April	880	858
Differences on exchange	(49)	(3)
Current service cost	8	9
Interest on plans' liabilities	44	46
Settlement or curtailment	(1)	–
Actuarial losses on liabilities	128	7
Contributions paid by employees	3	4
Benefits paid	(43)	(41)
At 31 March	**970**	880

(ii) Analysis of the present value of the total defined benefit obligations

	2013 US$m	2012 US$m
Funded arrangements	914	827
Unfunded arrangements	56	53
At 31 March	**970**	880

36. Retirement benefit assets and obligations (continued)

(d) Movements in the fair value of the plans' assets

	2013 US$m	2012 US$m
At 1 April	**957**	913
Differences on exchange	**(52)**	(3)
Expected return on plans' assets	**52**	57
Actuarial gains on assets	**66**	16
Actual return on plans' assets	**118**	73
Contributions paid by the Group	**11**	11
Contributions paid by employees	**3**	4
Benefits paid	**(43)**	(41)
At 31 March	**994**	957

(e) Amounts recognised in the Group statement of comprehensive income

	2013 US$m	2012 US$m
Service cost	**(8)**	(9)
Curtailment gain	**1**	–
Charge within labour costs	**(7)**	(9)
Finance income/(expense):		
Expected return on plans' assets	**52**	57
Interest on plans' liabilities	**(44)**	(46)
Net finance income	**8**	11
Total credit to Group income statement	**1**	2
Actuarial (losses)/gains recognised within other comprehensive income:		
Losses on liabilities	**(128)**	(7)
Gains on assets	**66**	16
Actuarial (losses)/gains recognised within other comprehensive income	**(62)**	9
Total (charge)/credit recognised in the Group statement of comprehensive income	**(61)**	11

(f) Cumulative actuarial gains and losses recognised in the Group retained earnings reserve

	2013 US$m	2012 US$m
Losses/(gains) in Experian plans	**34**	(28)
Losses in Home Retail Group plans recognised prior to the demerger	**81**	81
Total charge to the Group retained earnings reserve	**115**	53

(g) Future contributions

As there was a surplus at the date of the 2010 full actuarial valuation of the Experian Pension Scheme, no deficit repayment contributions are currently required. The next full valuation of the plan will be carried out as at 31 March 2013.

Contributions currently expected to be paid to the Experian Pension Scheme during the year ending 31 March 2014 are US$8m by the Group and US$3m by its employees.

Notes to the Group financial statements continued

36. Retirement benefit assets and obligations (continued)

(h) Actuarial assumptions and sensitivities

The valuations used at 31 March 2013 have been based on the most recent actuarial valuations, updated by Towers Watson Limited to take account of the requirements of IAS 19. The assumptions for discount rate, salary increases and mortality, used to calculate the present value of the defined benefit obligations, all have a significant effect on the accounting valuation. Changes to these assumptions in the light of prevailing conditions may have a significant impact on future valuations.

(i) Principal financial 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 for medical costs	**6.9**	6.8
Expected return on plan assets	**n/a**	5.7

The principal financial assumption is the real discount rate, being the excess of the discount rate over the rate of inflation. The discount rate is based on the market yields on high quality corporate bonds of appropriate currency and term to the defined benefit obligations. In the case of the Experian Pension Scheme, the obligations are primarily in sterling and have a maturity of some 18 years. If the discount rate increased/decreased by 0.1%, the defined benefit obligations would decrease/increase by approximately US$19m and the annual current service cost would remain unchanged.

The rates of increase for pensions in payment reflect the separate arrangements applying to different groups of Experian's pensioners.

The expected return on plan assets at 31 March 2012 that has been used in the year ended 31 March 2013 was determined by considering the mix of returns anticipated on the assets held in accordance with the investment policy. Expected yields on fixed interest securities were generally based on gross redemption yields. Expected returns on equities and other assets reflected the long-term real rates of return experienced in the respective markets. 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 such rate is disclosed at 31 March 2013.

(ii) Mortality assumptions – average life expectation on retirement at age 65 in normal health:

	2013 years	2012 years
For a male currently aged 65	**22.5**	22.5
For a female currently aged 65	**23.7**	23.6
For a male currently aged 50	**23.6**	23.5
For a female currently aged 50	**24.8**	24.8

The valuation assumes that mortality will be in line with the standard SAPS S1 All tables based on each member's year of birth, with a 95% adjustment factor applied to the underlying mortality rates for males and a 106% adjustment factor for females and projected in accordance with the Continuous Mortality Investigation ('CMI') 2009 Core Projection Model with a long-term improvement rate of 1% per annum. This includes a specific allowance for anticipated future improvements in life expectancy (CMI projections). An increase in assumed life expectancy of 0.1 years would increase the defined benefit obligations at 31 March 2013 by approximately US$4m.

(iii) Post-retirement healthcare

The valuation in respect of post-retirement healthcare benefits additionally assumes a rate of increase for medical costs. If this rate increased/decreased by 1.0% per annum, the obligation would increase/decrease by US$1m and the finance expense would remain unchanged.

36. Retirement benefit assets and obligations (continued)

(i) Assets of the Group's defined benefit plans at fair value

	2013		2012	
	US$m	%	US$m	%
Equities	**440**	**44**	457	48
Fixed interest securities	**449**	**45**	444	46
Other	**105**	**11**	56	6
	994	**100**	957	100

(j) Historical information

	2013 US$m	2012 US$m	2011 US$m	2010 US$m	2009 US$m
Fair value of plans' assets	**994**	957	913	822	595
Present value of defined benefit obligations	**(970)**	(880)	(858)	(910)	(653)
Net pension assets/(obligations)	**24**	77	55	(88)	(58)
Experience adjustment on plans' assets – (gains)/losses	**(66)**	(16)	(10)	(178)	236
Experience adjustment on defined benefit obligations – (gains)/losses	**–**	(2)	(57)	(1)	1

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

37. Retirement benefit arrangements

The disclosures required by IAS 19, which relate to the Group's defined benefit pension arrangements and post-retirement healthcare obligations only, are set out in note 36. An overview of these arrangements is given below.

(a) Funded pension arrangements

The Group operates defined benefit and defined contribution pension plans in a number of countries. A defined benefit pension plan defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution pension plan defines the amount of contributions that are paid by the Group into an independently administered fund.

The Group's principal defined benefit plan is the Experian Pension Scheme which provides benefits for certain UK employees but was closed to new entrants in the year ended 31 March 2009. The Group provides a defined contribution plan, the Experian Retirement Savings Plan, to other eligible UK employees. Both plans are governed by trust deeds which ensure that their finances and governance are independent from those of the Group. Employees in the USA and Brazil have the option to join locally provided defined contribution plans. There are no other material funded pension arrangements.

The Experian Pension Scheme has rules which specify the benefits to be paid and is financed accordingly. A full actuarial funding valuation of this plan is carried out every three years with interim reviews in the intervening years. The latest full valuation was carried out as at 31 March 2010 by independent, qualified actuaries, Towers Watson Limited, using the projected unit credit method. There was a surplus at the date of the 2010 full actuarial valuation and the next full valuation will be carried out as at 31 March 2013.

(b) Unfunded pension arrangements

The Group has had unfunded pension arrangements in place for a number of years designed to ensure that certain directors and senior managers in the UK who are affected by the earnings cap are placed in broadly the same position as those who are not. Additionally there are unfunded arrangements for one current director of the Company and certain former directors and employees of Experian Finance plc. Certain of these unfunded arrangements in the UK have been secured by the grant of charges to an independent trustee over an independently managed portfolio of marketable securities owned by the Group. The amount of assets so charged is adjusted periodically to keep the ratio of assets charged to the discounted value of the accrued benefits secured close to the corresponding ratio in the Experian Pension Scheme. The value of such assets at 31 March 2013 was US$38m (2012: US$35m) and these are reported as available-for-sale financial assets (note 31). Further details of the pension arrangements for directors appear in the audited part of the report on directors' remuneration.

(c) Post-retirement healthcare arrangements

The Group operates plans which provide post-retirement healthcare benefits to certain retired employees and their dependant relatives. The principal plan relates to former employees in the UK and, under this plan, the Group has undertaken to meet the cost of post-retirement healthcare for all eligible former employees who retired prior to 1 April 1994 and their dependants.

Notes to the Group financial statements continued

38. Deferred and current tax

(a) Deferred tax

(i) Net deferred tax assets/(liabilities)

	2013 US$m	2012 US$m
At 1 April	**(59)**	(121)
Differences on exchange	**29**	14
Tax credit in the Group income statement – continuing operations (note 16)	**32**	84
Tax charge in the Group income statement – discontinued operations (note 17)	**(13)**	(2)
Business combinations (note 45)	**(3)**	(73)
Tax recognised within other comprehensive income (note 18)	**14**	(2)
Tax recognised directly in equity on transactions with owners (note 41)	**456**	5
Transfer in respect of liabilities held for sale	**(36)**	38
Other transfers	**1**	(2)
At 31 March	**421**	(59)
Net deferred tax assets/(liabilities) are presented in the Group balance sheet as:		
Deferred tax assets	**643**	320
Deferred tax liabilities	**(222)**	(379)
At 31 March	**421**	(59)

(ii) Gross deferred tax assets

Movements in gross deferred tax assets, without taking into consideration the offsetting of assets and liabilities within the same tax jurisdiction, comprise:

	Accelerated depreciation US$m	Intangibles US$m	Share incentive plans US$m	Tax losses US$m	Other temporary differences US$m	**Total US$m**
At 1 April 2012	24	24	58	300	140	**546**
Differences on exchange	–	–	–	–	3	**3**
Tax (charge)/credit in the Group income statement – continuing operations	(2)	133	1	(74)	4	**62**
Tax credit in the Group income statement – discontinued operations	–	–	–	77	10	**87**
Tax recognised within other comprehensive income	–	–	–	–	14	**14**
Tax recognised directly in equity on transactions with owners	–	462	(6)	–	–	**456**
Other transfers	–	–	–	–	1	**1**
At 31 March 2013	**22**	**619**	**53**	**303**	**172**	**1,169**

	Accelerated depreciation US$m	Intangibles US$m	Share incentive plans US$m	Tax losses US$m	Other temporary differences US$m	Total US$m
At 1 April 2011	8	26	56	117	161	368
Differences on exchange	–	–	–	–	22	22
Tax credit/(charge) in the Group income statement	16	(2)	(3)	183	(64)	130
Business combinations	–	–	–	–	26	26
Tax recognised directly in equity on transactions with owners	–	–	5	–	–	5
Other transfers	–	–	–	–	(5)	(5)
At 31 March 2012	24	24	58	300	140	546

The Group has not recognised deferred tax assets of US$106m (2012: US$123m) in respect of losses that can be carried forward against future taxable income and deferred tax assets of US$13m (2012: US$15m) in respect of capital losses that can be carried forward against future taxable gains. These losses are available indefinitely. At the balance sheet date there were deferred tax assets expected to reverse within the next year of US$186m (2012: US$90m).

38. Deferred and current tax (continued)

(iii) Gross deferred tax liabilities

Movements in gross deferred tax liabilities, without taking into consideration the offsetting of liabilities and assets within the same tax jurisdiction, comprise:

	Accelerated tax depreciation US$m	Intangibles US$m	Other temporary differences US$m	**Total US$m**
At 1 April 2012	48	531	26	**605**
Differences on exchange	–	(28)	2	**(26)**
Tax (credit)/charge in the Group income statement – continuing operations	(16)	42	4	**30**
Tax charge in the Group income statement – discontinued operations	–	100	–	**100**
Business combinations	–	3	–	**3**
Transfer in respect of liabilities held for sale	–	36	–	**36**
Other transfers	–	(1)	1	**–**
At 31 March 2013	**32**	**683**	**33**	**748**

	Accelerated tax depreciation US$m	Intangibles US$m	Other temporary differences US$m	Total US$m
At 1 April 2011	33	437	19	489
Differences on exchange	–	4	4	8
Tax charge in the Group income statement	15	32	1	48
Business combinations	–	99	–	99
Tax recognised within other comprehensive income	–	–	2	2
Transfer in respect of liabilities held for sale	–	(38)	–	(38)
Other transfers	–	(3)	–	(3)
At 31 March 2012	48	531	26	605

There are retained earnings of US$11,364m (2012: US$10,684m) in subsidiary undertakings which would be subject to tax at prevailing rates if remitted to Experian plc. Given the mix of countries and tax rates, it is not practicable to determine the tax impact in the event of such remittance.

At the balance sheet date there were deferred tax liabilities expected to reverse within the next year of US$41m (2012: US$41m).

(iv) UK deferred tax

The main rate of UK corporation tax has been reduced to 23% with effect from 1 April 2013. Deferred tax arising in the UK has therefore been provided at 23%. Further proposed reductions to this rate will reduce it to 21% from 1 April 2014 and 20% from 1 April 2015 but have not yet been substantively enacted and are therefore not recognised in these financial statements. A deferred tax provision rate of 24% was used at 31 March 2012.

Notes to the Group financial statements continued

38. Deferred and current tax (continued)

(b) Net current tax assets/(liabilities)

	2013 US$m	2012 US$m
At 1 April	(46)	(124)
Differences on exchange	–	(1)
Tax charge in the Group income statement – continuing operations (note 16)	(184)	(49)
Tax credit in the Group income statement – discontinued operations (note 17)	136	5
Tax recognised directly in equity on transactions with owners (note 41)	21	15
Tax paid (note 44(d))	75	116
Business combinations	–	(5)
Transfer in respect of assets held for sale	5	(5)
Other transfers	1	2
At 31 March	8	(46)
Net current tax assets/(liabilities) are presented in the Group balance sheet as:		
Current tax assets	49	10
Current tax liabilities	(41)	(56)
At 31 March	8	(46)

39. Provisions

	2013			2012		
	Restructuring costs US$m	Other liabilities US$m	Total US$m	Restructuring costs US$m	Other liabilities US$m	Total US$m
At 1 April	3	45	48	11	55	66
Differences on exchange	–	(5)	(5)	–	(6)	(6)
Business combinations	–	–	–	–	3	3
Amount charged in the year	21	11	32	–	8	8
Utilised	(6)	(16)	(22)	(8)	(16)	(24)
Unwinding of discount (note 15)	–	–	–	–	1	1
At 31 March	18	35	53	3	45	48
Disclosed within current liabilities	17	35	52	2	36	38
Disclosed within non-current liabilities	1	–	1	1	9	10
At 31 March	18	35	53	3	45	48

Restructuring costs in the year ended 31 March 2013 and the provision at that date principally comprise liabilities in connection with the cost efficiency programme and the amounts recognised and the timing of the related outflows are based on current expectations in respect of this programme. It is anticipated that the programme will be completed by December 2014.

Other liabilities principally comprise liabilities of Serasa, in connection with local legal and tax issues, which were primarily recognised on the acquisition of that company in 2007. Adjustments to such amounts are made as the exposures are concluded.

40. Called up share capital and share premium account

Called up share capital of US$102m (2012: US$102m) comprises the nominal value of the Company's issued share capital. Further details relating to the share capital at the balance sheet dates, together with details of ordinary shares issued during the year and since 31 March 2013, are contained in note N to the parent company financial statements.

The share premium account of US$1,480m (2012: US$1,471m) comprises the amount received in excess of the nominal value of the shares issued by way of (i) the share offer in October 2006, net of expenses, and (ii) the subsequent issue of ordinary shares in connection with employee share incentive plans. Movements in the current and prior year are summarised in the Group statement of changes in total equity.

The difference between the amounts shown in the Group and parent company financial statements in respect of called up share capital and the share premium account arose due to the translation of the sterling amounts into US dollars at the different exchange rates on the different translation dates. The differences for share capital and the share premium account, with the larger numbers being reported in the Group financial statements, are US$23m and US$329m respectively at both balance sheet dates.

41. Retained earnings

Retained earnings comprise net profits retained in the Group after the payment of equity dividends. There are no significant statutory, contractual or exchange control restrictions on distributions by Group undertakings.

The movements in retained earnings in the year ended 31 March 2013 include the following amounts recognised directly as other comprehensive income. These items are net of related tax with a full analysis of the pre-tax and post-tax amounts given in note 18.

	2013 US$m	2012 US$m
Actuarial (losses)/gains on defined benefit pension plans	**(48)**	7
Fair value gains on available-for-sale financial assets	**3**	–
	(45)	7

As indicated in the Group statement of changes in total equity, in the year ended 31 March 2013, a tax credit of US$15m (2012: US$20m) was recognised directly in equity within the retained earnings reserve on transactions with owners. This relates to employee share incentive plans and 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.

42. Other reserves

(a) Movements in other reserves

	Merger reserve US$m	Hedging reserve US$m	Translation reserve US$m	Own shares reserve US$m	**Total other reserves US$m**
At 1 April 2012	(15,682)	11	12	(492)	**(16,151)**
Purchase of own shares by employee trusts	–	–	–	(221)	**(221)**
Exercise of share awards and options	–	–	–	148	**148**
Currency translation losses recognised in other comprehensive income	–	–	(23)	–	**(23)**
At 31 March 2013	**(15,682)**	**11**	**(11)**	**(565)**	**(16,247)**

	Merger reserve US$m	Hedging reserve US$m	Translation reserve US$m	Own shares reserve US$m	Total other reserves US$m
At 1 April 2011	(15,682)	11	60	(434)	(16,045)
Purchase of own shares by employee trusts	–	–	–	(224)	(224)
Exercise of share awards and options	–	–	–	166	166
Currency translation losses recognised in other comprehensive income	–	–	(48)	–	(48)
At 31 March 2012	(15,682)	11	12	(492)	(16,151)

Notes to the Group financial statements continued

42. Other reserves (continued)

(b) Nature of other reserves

The merger reserve arose on the demerger in October 2006 and represents the difference between the share capital and share premium of GUS plc and the nominal value of the share capital of the Company before the share offer in October 2006 and subsequent share issues. GUS plc changed its name to Experian Finance plc after the demerger and remains a subsidiary undertaking.

Movements on the hedging reserve and the position at the balance sheet date reflect hedging transactions which are not charged or credited to the Group income statement, net of related tax.

Movements on the translation reserve and the position at the balance sheet date reflect foreign currency translations since 1 April 2004 which are not charged or credited to the Group income statement, net of related tax. The movement in the year ended 31 March 2013 comprises currency translation losses of US$23m (2012: US$48m) recognised directly in other comprehensive income.

The balance on the own shares reserve represents the cost of ordinary shares in the Company and further details are given in note (c) below. The difference between the amounts shown in the Group and parent company financial statements in respect of the own shares reserve arose due to the translation of the sterling amounts into US dollars at the different exchange rates on the different translation dates. The difference is US$32m at both balance sheet dates, with the larger number being reported in the Group financial statements.

(c) Movements in own shares held and own share reserve

	Number of own shares held			Cost of own shares held		
	Treasury million	Trusts million	Total million	Treasury US$m	Trusts US$m	Total US$m
At 1 April 2012	**24**	**16**	**40**	**274**	**218**	**492**
Purchase of own shares	**–**	**14**	**14**	**–**	**221**	**221**
Exercise of share options and awards	**–**	**(12)**	**(12)**	**–**	**(148)**	**(148)**
Transfers	**(4)**	**4**	**–**	**(40)**	**40**	**–**
At 31 March 2013	**20**	**22**	**42**	**234**	**331**	**565**

	Number of own shares held			Cost of own shares held		
	Treasury million	Trusts million	Total million	Treasury US$m	Trusts US$m	Total US$m
At 1 April 2011	30	8	38	334	100	434
Purchase of own shares	–	18	18	–	224	224
Exercise of share options and awards	–	(16)	(16)	–	(166)	(166)
Transfers	(6)	6	–	(60)	60	–
At 31 March 2012	24	16	40	274	218	492

43. Non-controlling interests

Non-controlling interests of US$40m (2012: US$159m) represents the share of net assets of subsidiary undertakings held outside the Group and, at 31 March 2012, principally related to the 30% stake in Serasa which was acquired in the year ended 31 March 2013. Movements in non-controlling interests in the current and prior year are summarised in the Group statement of changes in total equity and include currency translation losses of US$16m (2012: US$16m) recognised directly in other comprehensive income. Further details of movements arising as a results of transactions with non-controlling interests are given in note 46.

Obligations for options in respect of non-controlling interests are reported within other financial liabilities (note 32(a)).

44. Notes to the Group cash flow statement

(a) Cash generated from operations

	2013 US$m	2012 US$m
Profit after tax	**288**	724
Adjustments for:		
Group tax charge/(credit)	**152**	(35)
Share of post-tax loss of associates	**–**	2
Net finance costs	**619**	361
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 44(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

	2013 US$m	2012 US$m
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

	2013 US$m	2012 US$m
Total exceptional items (note 13)	**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

	2013 US$m	2012 US$m
Tax paid – continuing operations	**162**	107
Tax (received)/paid – discontinued operations (note 17(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

	2013 US$m	2012 US$m
Databases	**211**	218
Internal use software	**57**	55
Internally generated software	**77**	96
Purchase of other intangible assets	**345**	369

Notes to the Group financial statements continued

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

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

	2013 US$m	2012 US$m
Purchase of subsidiaries (note 45)	**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 44(h))	**1,507**	12
Net cash outflow for acquisitions (non-GAAP measure)	**1,549**	787

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

	2013 US$m	2012 US$m
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 – for employee share incentive plans	**250**	232
Cash outflow in respect of net share purchases (non-GAAP measure)	**180**	167

(h) Payments to acquire non-controlling interests

	2013 US$m	2012 US$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**	–
Other payments to acquire non-controlling interests	**7**	12
Payments to acquire non-controlling interests	**1,507**	12

(i) Analysis of cash and cash equivalents

	2013 US$m	2012 US$m
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

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

	2013 US$m	2012 US$m
Cash generated from operations (note 44(a))	**1,602**	1,539
Acquisition expenses paid	**4**	29
Purchase of property, plant and equipment	**(115)**	(84)
Purchase of other intangible assets (note 44(e))	**(345)**	(369)
Sale of property, plant and equipment	**1**	3
Dividends received from associates	**1**	1
Cash outflow in respect of exceptional items (note 44(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.

45. 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 was 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 after 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 Group financial statements continued

46. 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.

47. 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	–

47. 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 17, 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 17.

(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.

48. Operating lease commitments – minimum lease payments

	2013 US$m	2012 US$m
Commitments under non-cancellable operating leases are payable:		
In less than one year	73	63
Between one and five years	149	138
In more than five years	51	67
	273	268

The Group leases offices and technology under non-cancellable operating lease agreements with varying terms, escalation clauses and renewal rights and the charge for the year was US$71m (2012: US$69m).

49. Capital commitments

	2013 US$m	2012 US$m
Capital expenditure for which contracts have been placed:		
Intangible assets	106	128
Property, plant and equipment	13	34
	119	162

Capital commitments at 31 March 2013 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.

50. 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.

Notes to the Group financial statements continued

51. Related party transactions

(a) Subsidiary undertakings and associates

Significant subsidiary undertakings at 31 March 2013 are shown in note T to the parent company financial statements. There were no individually material associates during the current or prior year and accordingly no related party transactions are reported with such entities.

(b) Remuneration of key management personnel

	2013 US$m	2012 US$m
Salaries and short-term employee benefits	**9**	12
Retirement benefits	**1**	1
Share incentive plans	**15**	18
	25	31

Key management personnel comprises the executive directors and their remuneration is charged to labour costs. The amount included in respect of share incentive plans includes costs in respect of demerger-related share incentive plans in the year ended 31 March 2012. Further details of directors' remuneration are given in the audited part of the report on directors' remuneration. Other than remuneration, there were no material transactions or balances between the Group and its key management personnel or members of their close families in either the current or previous year.

52. 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 20.

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.

Report of the auditors: parent company financial statements

Independent auditors' report to the members of Experian plc

We have audited the parent company financial statements of Experian plc for the year ended 31 March 2013 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards.

Respective responsibilities of directors and auditors

As explained more fully in the statements of directors' responsibilities, the directors are responsible for the preparation of the parent company financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the parent company financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with the terms of our engagement and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the parent company financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2013 and of its loss for the year then ended; and
- have been properly prepared in accordance with United Kingdom Accounting Standards.

Opinion on other matter

In our opinion the information given in the Directors' report for the financial year for which the parent company financial statements are prepared is consistent with the parent company financial statements.

Other matter

We have reported separately on the Group financial statements of Experian plc for the year ended 31 March 2013.

Ranjan Sriskandan
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants
London, United Kingdom
8 May 2013

Profit and loss account

for the year ended 31 March 2013

Continuing operations	Notes	2013 US$m	2012 US$m
Staff costs	D	**(4.0)**	(3.6)
Depreciation		**(0.2)**	(0.2)
Other operating charges	E	**(37.0)**	(32.2)
Operating loss		**(41.2)**	(36.0)
Interest payable and similar charges	F	**(9.8)**	(16.6)
Loss on ordinary activities before tax		**(51.0)**	(52.6)
Tax on loss on ordinary activities	G	**–**	–
Loss for the financial year	O	**(51.0)**	(52.6)

There is no material difference between the loss on ordinary activities before tax and the loss for the financial year stated above and their historical cost equivalents.

The Company has no recognised gains and losses other than those included in the profit and loss account, and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet

at 31 March 2013

	Notes	2013 US$m	2012 US$m
Fixed assets			
Tangible assets	I	**0.9**	1.1
Investments – shares in Group undertakings	J	**5,825.7**	5,748.2
		5,826.6	5,749.3
Current assets			
Debtors – amounts falling due within one year	K	**1,968.5**	2,246.3
Cash at bank and in hand		**0.2**	5.2
		1,968.7	2,251.5
Current liabilities			
Creditors – amounts falling due within one year	L	**(81.1)**	(114.5)
Net current assets		**1,887.6**	2,137.0
Net assets		**7,714.2**	7,886.3
Capital and reserves			
Called up share capital	N	**79.0**	78.9
Share premium account	N	**1,150.5**	1,141.6
Profit and loss account	O	**6,484.7**	6,665.8
Total shareholders' funds	P	**7,714.2**	7,886.3

These financial statements were approved by the Board on 8 May 2013 and were signed on its behalf by:

Sir Alan Rudge
Director

Notes to the parent company financial statements

for the year ended 31 March 2013

A. Corporate information

Experian plc (the 'Company') is incorporated and registered in Jersey as a public company limited by shares and is resident in Ireland. The principal legislation under which the Company operates is the Companies (Jersey) Law 1991, as amended, and regulations made thereunder. The Company's registered office is at 22 Grenville Street, St Helier, Jersey JE4 8PX.

The Company is the ultimate holding company of the Experian group of companies (the 'Group') and its ordinary shares are traded on the London Stock Exchange's Regulated Market (Premium Listing). Experian is the leading global information services group.

There has been no change in this information since the annual report for the year ended 31 March 2012.

B. Basis of preparation

The separate financial statements of the Company are presented voluntarily and:

- prepared on a going concern basis and under the historical cost convention, modified by the revaluation of certain financial instruments, and in accordance with UK accounting standards;
- presented in US dollars, the Company's functional currency; and
- designed to include disclosures sufficient to comply with those parts of the UK Companies Act 2006 applicable to companies reporting under UK accounting standards even though the Company is incorporated and registered in Jersey.

The Experian plc Group financial statements for the year ended 31 March 2013 contain financial instrument disclosures required by IFRS 7 and these would also comply with the disclosures required by FRS 29. Accordingly, the Company has taken advantage of the exemption in FRS 29 and has not presented separate financial instrument disclosures. Under the terms of FRS 8, the Company is exempt from disclosing transactions with its wholly-owned subsidiary undertakings.

There has been no change in this information since the annual report for the year ended 31 March 2012.

C. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to both years presented. Accordingly there has been no significant change in this information since the annual report for the year ended 31 March 2012.

Foreign currency

Transactions in foreign currencies are recorded at the rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. All differences are taken to the profit and loss account in the year in which they arise.

Tangible fixed assets

Leasehold improvements are held at cost less accumulated depreciation. Cost includes the original purchase price and amounts attributable to bringing the asset to its working condition for its intended use. Depreciation is charged so as to write off such assets on a straight line basis over ten years, being the shorter of their estimated life and the remaining period of the lease.

Investments – shares in Group undertakings

Investments in Group undertakings are stated at cost less any provisions necessary for impairment.

The fair value of share incentives issued by the Company to employees of subsidiary undertakings is accounted for as a capital contribution and recognised as an increase in the Company's investment in Group undertakings with a corresponding increase in total shareholders' funds.

Impairment of fixed assets

Where there is an indication of impairment, fixed assets are subject to review for impairment in accordance with FRS 11. Any impairment is recognised in the year in which it occurs.

Debtors and creditors

Debtors are initially recognised at fair value and subsequently measured at this value. Where the time value of money is material, they are then carried at amortised cost using the effective interest rate method. Creditors are initially recognised at fair value. Where the time value of money is material, they are then carried at amortised cost using the effective interest rate method.

Cash at bank and in hand

Cash at bank includes deposits held at call with banks and other short-term highly liquid investments.

C. Significant accounting policies (continued)

Accounting for derivative financial instruments

The Company uses forward foreign exchange contracts to manage its exposures to fluctuations in foreign exchange rates. The interest differential reflected in forward foreign exchange contracts is taken to interest receivable and similar income or interest payable and similar charges. Forward foreign exchange contracts are recognised at fair value, based on forward foreign exchange market rates at the balance sheet date. Gains or losses on forward foreign exchange contracts are taken to the profit and loss account in the year in which they arise.

Deferred tax

Deferred tax is provided in respect of timing differences that have originated but not reversed at the balance sheet date and is determined using the tax rates that are expected to apply when the timing differences reverse. Deferred tax assets are recognised only to the extent that they are expected to be recoverable.

Own shares

Shares in the Company purchased in connection with any share buyback programme, and held as treasury shares, are shown as a deduction from total shareholders' funds at cost.

The Group has a number of equity settled, share-based employee incentive plans and, in connection with these plans, shares in the Company are held by The Experian plc Employee Share Trust and the Experian UK Approved All-Employee Share Plan. The assets, liabilities and expenses of these separately administered trusts are included in the Company's financial statements as if they were the Company's own. The assets of the trusts mainly comprise shares in the Company and such shares are also shown as a deduction from total shareholders' funds at cost.

Contractual obligations to purchase own shares are recognised at the net present value of expected future payments. Gains and losses in connection with such obligations are recognised in the profit and loss account.

Profit and loss account format

Charges are reported by nature in the profit and loss account as this reflects the composition of the Company's cost base.

Share incentive plans

The fair value of awards and options granted to employees of the Company in connection with share-based employee incentive plans Is recognised over the vesting period. Fair value is measured at the date of grant using whichever of the Black-Scholes model, Monte Carlo model and closing market price is most appropriate. The Company takes into account the best estimate of the number of awards and options expected to vest and revises such estimates at each balance sheet date. Non-market performance conditions are included in the vesting estimates. Market-based performance conditions are included in the fair value measurement on grant date but are not revised for actual performance.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases and not capitalised. Payments made under operating leases are charged in the profit and loss account on a straight line basis over the period of the lease.

D. Staff costs

	2013 US$m	2012 US$m
Directors' fees	**2.5**	2.2
Wages and salaries	**1.1**	1.2
Social security costs	**0.3**	0.1
Other pension costs	**0.1**	0.1
	4.0	3.6

Executive directors of the Company are employed by other Group undertakings and details of their remuneration, together with that of the non-executive directors, are given in the audited part of the report on directors' remuneration. The Company had two employees throughout both years.

Notes to the parent company financial statements continued

E. Other operating charges

Other operating charges of US$37.0m (2012: US$32.2m) principally comprise charges from other Group undertakings in respect of services provided to the Company during the year and include the following fees payable to the Company's auditor and its associates.

	2013 US$m	2012 US$m
Audit of the Group financial statements	**0.4**	0.4
Audit of the Company financial statements	**0.1**	0.1
	0.5	0.5

F. Interest payable and similar charges

	2013 US$m	2012 US$m
Interest on amounts owed to Group undertakings	**0.6**	0.8
Foreign exchange losses	**9.2**	15.8
	9.8	16.6

G. Tax on loss on ordinary activities

(i) Reconciliation of tax charge for the year

	2013 US$m	2012 US$m
Loss on ordinary activities before tax	**51.0**	52.6
Loss on ordinary activities multiplied by the applicable rate of tax of 25% (2012: 25%)	**12.8**	13.2
Effects of:		
Expenses not deductible for tax purposes	**(3.2)**	(4.4)
Tax losses not utilised	**(9.6)**	(8.8)
Current tax charge for the year	**–**	–

(ii) Factors that may affect future tax charges

The Company's tax charge will continue to be influenced by the nature of its income and expenditure and prevailing Irish and Jersey tax law.

(iii) Deferred tax

The Company has no recognised deferred tax (2012: US$nil) and has not recognised a deferred tax asset of US$47m (2012: US$37m) in respect of tax losses.

H. Dividends

The Company paid interim dividends during the year of US$18.7m (2012: US$21.2m) to those shareholders who did not elect to receive dividends under the Income Access Share ('IAS') arrangements. Total dividends of US$321.4m (2012: US$289.9m) were paid to Experian shareholders during the year with the balance of US$302.7m (2012: US$268.7m) paid by a subsidiary undertaking under the IAS arrangements.

Since the balance sheet date, the directors have announced a second interim dividend of 24.00 US cents per ordinary share for the year ended 31 March 2013. No part of this dividend is included as a liability in these financial statements.

Further details of dividends and payment arrangements are given in note 20 to the Group financial statements.

I. Tangible assets – short leasehold properties

	2013 US$m	2012 US$m
Cost		
At 1 April and 31 March	**2.2**	2.2
Accumulated depreciation		
At 1 April	**1.1**	0.9
Charge for the year	**0.2**	0.2
At 31 March	**1.3**	1.1
Net book amount at beginning of year	**1.1**	1.3
Net book amount at end of year	**0.9**	1.1

J. Investments – shares in Group undertakings

	2013 US$m	2012 US$m
Cost and net book amount		
At 1 April	**5,748.2**	5,682.7
Additions	**77.5**	65.5
At 31 March	**5,825.7**	5,748.2

Additions comprise the fair value of the share incentives issued to employees of subsidiary undertakings during the year.

A list of the Company's principal subsidiary undertakings is given in note T. The Company holds directly its interests in the whole of the issued share capital of the following undertakings.

Company	Principal activity	Country of incorporation
Experian Investment Holdings Limited	Holding company	England and Wales
Experian Finance Holdings Limited	Finance company	Ireland
Experian Group Services Limited	Administrative services	Ireland
Experian Holdings Ireland Limited	Holding company	Ireland
Experian Ireland Investments Limited	Finance company	Ireland

K. Debtors – amounts falling due within one year

	2013 US$m	2012 US$m
Amounts owed by Group undertakings	**1,968.1**	2,245.9
Other debtors	**0.4**	0.4
	1,968.5	2,246.3

Amounts owed by Group undertakings are primarily unsecured, interest free and have no fixed date for repayment.

Notes to the parent company financial statements continued

L. Creditors – amounts falling due within one year

	2013 US$m	2012 US$m
Amounts owed to Group undertakings	**79.7**	109.7
Tax and social security	**0.4**	0.3
Other creditors	**–**	3.4
Accruals and deferred income	**1.0**	1.1
	81.1	114.5

Amounts owed to Group undertakings are primarily unsecured, interest free and have no fixed date for repayment.

M. Undrawn committed bank borrowing facilities

	2013 US$m	2012 US$m
Undrawn committed bank borrowing facilities expire in:		
One to two years	**114**	–
Two to three years	**1,510**	167
Three to four years	**–**	1,980
	1,624	2,147

These facilities are at floating interest rates and expire on various dates. They are for general corporate purposes, including the financing of acquisitions. There were borrowings by a subsidiary undertaking under these facilities at 31 March 2013 and 31 March 2012, with no such borrowings by the Company at either date.

N. Called up share capital and share premium account

	Year ended 31 March 2013			Year ended 31 March 2012		
	Number of shares million	Called up share capital US$m	Share premium account US$m	Number of shares million	Called up share capital US$m	Share premium account US$m
At 1 April	**1,029.0**	**78.9**	**1,141.6**	1,027.1	78.8	1,131.2
Shares issued under employee share incentive plans	**1.1**	**0.1**	**8.9**	1.9	0.1	10.4
At 31 March	**1,030.1**	**79.0**	**1,150.5**	1,029.0	78.9	1,141.6

At 31 March 2013 and 31 March 2012, the authorised share capital of the Company was US$200m, divided into 1,999,999,980 ordinary shares of 10 US cents each and 20 deferred shares of 10 US cents each. The ordinary shares carry the right to dividend, the right to attend or vote at general meetings of the Company and the right to participate in the assets of the Company beyond repayment of the amounts paid up or credited as paid up on them. The deferred shares carry no such rights.

At 31 March 2013, 1,030,112,099 (2012: 1,028,997,238) ordinary shares and 20 (2012: 20) deferred shares had been allotted, called up and fully paid. During the year then ended, 1,114,861 (2012: 1,881,563) ordinary shares were issued with a further 30,024 ordinary shares issued since 31 March 2013. Issues of ordinary shares are in connection with the Group's share incentive arrangements, details of which are given in note 35 to the Group financial statements.

The Company's share premium account is not available for distribution.

O. Reserves

(a) Movements in reserves

	Year ended 31 March 2013			Year ended 31 March 2012		
	Profit and loss account US$m	Own shares reserve US$m	Total profit and loss account reserve US$m	Profit and loss account US$m	Own shares reserve US$m	Total profit and loss account reserve US$m
At 1 April	**7,125.8**	**(460.0)**	**6,665.8**	7,254.0	(401.5)	6,852.5
Loss for the financial year	**(51.0)**	**–**	**(51.0)**	(52.6)	–	(52.6)
Dividends paid during the financial year	**(18.7)**	**–**	**(18.7)**	(21.2)	–	(21.2)
Purchase of own shares by employee trusts	**(29.3)**	**(220.8)**	**(250.1)**	(8.4)	(224.3)	(232.7)
Exercise of share awards and options	**(86.3)**	**147.5**	**61.2**	(111.5)	165.8	54.3
Credit in respect of employee share incentive plans	**77.5**	**–**	**77.5**	65.5	–	65.5
At 31 March	**7,018.0**	**(533.3)**	**6,484.7**	7,125.8	(460.0)	6,665.8

The balance on the profit and loss account comprises charges and credits taken directly to the profit and loss account in respect of employee share incentive plans and other net profits retained by the Company after the payment of dividends. The balance on the own shares reserve represents the cost of ordinary shares in the Company and further details are given in note (b) below.

(b) Movements in own shares held and own share reserve

	Number of own shares held			Cost of own shares held		
	Treasury million	Trusts million	Total million	Treasury US$m	Trusts US$m	Total US$m
At 1 April 2012	**24.0**	**16.3**	**40.3**	**273.6**	**186.4**	**460.0**
Purchase of own shares by employee trusts	**–**	**14.5**	**14.5**	**–**	**220.8**	**220.8**
Exercise of share awards and options	**–**	**(12.4)**	**(12.4)**	**–**	**(147.5)**	**(147.5)**
Transfers	**(4.0)**	**4.0**	**–**	**(40.1)**	**40.1**	**–**
At 31 March 2013	**20.0**	**22.4**	**42.4**	**233.5**	**299.8**	**533.3**

	Number of own shares held			Cost of own shares held		
	Treasury million	Trusts million	Total million	Treasury US$m	Trusts US$m	Total US$m
At 1 April 2011	30.0	8.3	38.3	334.4	67.1	401.5
Purchase of own shares by employee trusts	–	17.9	17.9	–	224.3	224.3
Exercise of share awards and options	–	(15.9)	(15.9)	–	(165.8)	(165.8)
Transfers	(6.0)	6.0	–	(60.8)	60.8	–
At 31 March 2012	24.0	16.3	40.3	273.6	186.4	460.0

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.

P. Reconciliation of movements in total shareholders' funds

	2013 US$m	2012 US$m
Loss for the financial year	**(51.0)**	(52.6)
Dividends paid during the financial year	**(18.7)**	(21.2)
Purchase of own shares by employee trusts	**(250.1)**	(232.7)
Shares issued under share incentive plans	**70.2**	64.8
Credit in respect of employee share incentive plans	**77.5**	65.5
Net decrease in total shareholders' funds	**(172.1)**	(176.2)
Opening total shareholders' funds	**7,886.3**	8,062.5
Closing total shareholders' funds	**7,714.2**	7,886.3

Notes to the parent company financial statements continued

Q. Commitments

The Company has an annual operating lease commitment and related annual cost of US$0.5m (2012: US$0.6m) in respect of the corporate headquarters in Dublin and this commitment expires in April 2017. The Company has no significant capital commitments.

R. Contingencies

The Company has guaranteed:

- borrowings of Group undertakings of US$2,637m (2012: US$1,531m);
- the liabilities of The Experian plc Employee Share Trust and the Experian UK Approved All-Employee Share Plan;
- retirement benefit obligations of Group undertakings that participate in the Experian Pension Scheme; and
- the retirement benefit obligations of a Group undertaking that participates in a small UK defined benefit pension plan.

The Company has also issued a small number of other guarantees in connection with the performance of operational business contracts by Group undertakings.

S. Share awards and options

Details of awards and options in respect of the ordinary shares of the Company are given in note 35 to the Group financial statements together with a summary of the total cost of share-based compensation in respect of such plans. Such details in respect of the two employees of the Company are not separately disclosed within these financial statements as the amounts involved are not material. Details of awards and options in respect of directors of the Company are given in the audited part of the report on directors' remuneration.

T. Principal subsidiary undertakings at 31 March 2013

Company	Principal activity	Country of incorporation
Experian Finance plc	Holding company and administrative services	England and Wales
Experian Holdings Limited	Holding company	England and Wales
Experian Limited	Information services	England and Wales
Motorfile Limited	Information services	England and Wales
Hitwise Pty Ltd	Marketing services	Australia
Serasa SA	Information services	Brazil
Experian Computec S.A.	Information services	Colombia
Experian Holdings Ireland Limited	Holding company	Ireland
Experian Ireland Investments Limited	Finance company	Ireland
ConsumerInfo.com Inc.	Consumer services	USA
Experian Holdings, Inc.	Holding company	USA
Experian Information Solutions Inc.	Information services	USA
Experian Marketing Solutions Inc.	Marketing services	USA
Experian Services Corporation	Administrative services	USA

The results of the above undertakings are included in the Group financial statements.

The Company holds direct or indirect interests in the whole of the issued ordinary shares of these undertakings apart from Serasa SA, in which its interest is 99.6%. The only undertakings listed that are held directly by the Company are Experian Holdings Ireland Limited and Experian Ireland Investments Limited.

The Company had no transactions in either year with Group undertakings which require disclosure under FRS 8.

Shareholder information

Analysis of ordinary shareholdings

By size of shareholding

	Shareholdings		Ordinary shares	
	Number	%	Number	%
Over 1,000,000	139	0.4	833,603,377	80.9
100,001 - 1,000,000	384	1.2	133,332,642	12.9
10,001 - 100,000	853	2.7	27,933,099	2.7
5,001 - 10,000	984	3.1	6,736,579	0.7
2,001 - 5,000	3,760	11.8	11,429,653	1.1
1 - 2,000	25,662	80.8	17,076,749	1.7
Total	**31,782**	**100.0**	**1,030,112,099**	**100.0**

By nature of shareholding

	Shareholdings		Ordinary shares	
	Number	%	Number	%
Corporates	6,307	19.8	975,439,407	94.7
Individuals	25,474	80.2	34,672,692	3.4
Treasury shares	1	–	20,000,000	1.9
Total	**31,782**	**100.0**	**1,030,112,099**	**100.0**

Company website

A full range of investor information is available at www.experianplc.com. Details of the 2013 annual general meeting ('AGM'), to be held at The Merrion Hotel, Upper Merrion Street, Dublin 2, Ireland at 9.30am on Wednesday, 17 July 2013, are given on the website and in the notice of meeting.

Electronic shareholder communication

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

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

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

Dividend Reinvestment Plan ('DRIP')

The DRIP enables those shareholders who receive their dividends under the Income Access Share arrangements to use their cash dividends to purchase Experian shares. Shareholders who wish to participate in the DRIP for the first time, in respect of the second interim dividend for the year ended 31 March 2013 to be paid on 19 July 2013, should return a completed and signed DRIP mandate form to be received by the registrars by no later than 21 June 2013. Shareholders should contact the registrars for further details.

Capital Gains Tax ('CGT') base cost for UK shareholders

On 10 October 2006, GUS plc separated its Experian business from its Home Retail Group business by way of demerger. Following the demerger, GUS plc shareholders at 4.30pm on 6 October 2006 were entitled to receive one share in Experian plc and one share in Home Retail Group plc for every share they held in GUS plc at that time.

The base cost of any GUS plc shares held at 4.30pm on 6 October 2006 is apportioned for UK CGT purposes in the ratio 58.235% to Experian plc shares and 41.765% to Home Retail Group plc shares. This is based on the closing prices of the respective shares on their first day of trading after their admission to the Official List of the London Stock Exchange on 11 October 2006.

For GUS plc shares acquired prior to the demerger of Burberry on 13 December 2005 which are affected by both the Burberry demerger and the subsequent separation of Experian and Home Retail Group, the original CGT base cost is apportioned 50.604% to Experian plc shares, 36.293% to Home Retail Group plc shares and 13.103% to Burberry Group plc shares.

Shareholder security

Shareholders are advised to be wary of any unsolicited advice, offers to buy shares at a discount or offers of free reports about the Company. More detailed information on such matters can be found at www.moneyadviceservice.org.uk. Details of any share dealing facilities that the Company endorses will be included on the Company's website or in Company mailings.

The Unclaimed Assets Register

Experian owns and participates in The Unclaimed Assets Register, which provides a search facility for shareholdings and other financial assets that may have been forgotten. For further information, please contact The Unclaimed Assets Register, PO Box 9501, Nottingham, NG80 1WD, United Kingdom (T +44 (0) 844 481 8180, E uarenquiries@uk.experian.com) or visit www.uar.co.uk.

American Depositary Receipts ('ADR')

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

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Shareholder information continued

Financial calendar

Second interim dividend record date	21 June 2013
Interim management statement, first quarter	12 July 2013
Annual general meeting	17 July 2013
Second interim dividend to be paid	19 July 2013
Half-yearly financial report	6 November 2013
Interim management statement, third quarter	January 2014
Preliminary announcement of results	May 2014

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A world of insight

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www.experianplc.com/annualreport

Corporate Responsibility Report 2013
www.experianplc.com/crreport

About Experian
www.experianplc.com/aboutexperian

Company website
www.experianplc.com