



Delivering strong and resilient growth

7am, 17 May 2023 — Experian plc, the global information services company, today issues its financial report for the year ended 31 March 2023.

Brian Cassin, Chief Executive Officer, commented:

“We delivered very strong results in FY23, reflecting a combination of new business wins, new products and expansion into higher growth markets. We saw growth in every region, in many cases outperforming our underlying markets substantially. Total revenue growth from ongoing activities was 6% at actual exchange rates and 8% at constant exchange rates, and organic revenue growth was 7%. Benchmark EBIT margin expansion was at the top end of our expectations, helping us to deliver Benchmark earnings per share up 9%.

“For the year ahead, we anticipate another year of growth due to the breadth and the resilience of our portfolio, and significant structural growth opportunities. Despite the uncertain economic climate, we expect to deliver organic revenue growth in the range of 4% to 6% and modest margin accretion, all at constant exchange rates and on an ongoing basis.”

Benchmark and Statutory financial highlights

	2023 US\$m	2022 US\$m	Actual rates growth %	Constant rates growth %	Organic growth % ²
Benchmark¹					
Revenue – ongoing activities ³	6,587	6,216	6	8	7
Benchmark EBIT – ongoing activities ^{3,4}	1,802	1,653	9	9	n/a
Total Benchmark EBIT	1,794	1,645	9	9	n/a
Benchmark EPS	USc135.1	USc124.5	9	9	n/a
Statutory					
Revenue	6,619	6,288	5	8	n/a
Operating profit	1,265	1,416	(11)	n/a	n/a
Profit before tax	1,174	1,447	(19)	n/a	n/a
Basic EPS	USc84.2	USc127.5	(34)	n/a	n/a
Total dividend	USc54.75	USc51.75	6	n/a	n/a

1. See Appendix 1 (page 14) and note 5 to the financial statements for definitions of non-GAAP measures.

2. Organic revenue growth is at constant currency.

3. Revenue and Benchmark EBIT for the year ended 31 March 2022 have been re-presented for the reclassification to exited business activities of certain Business-to-Business (B2B), detail is provided in notes 6(a) and 7 to the financial statements.

4. See page 15 for reconciliation of Benchmark EBIT from ongoing activities to Profit before tax.

Highlights

- A year of very strong progress. Q4 organic revenue growth was 7%, to give 7% for the year, taking total revenue growth from ongoing activities to 8% at constant exchange rates.
- Consumer Services organic revenue up 11%. We now serve 168 million free members, up 23 million year-on-year across an expanded range of products and services.
- B2B organic revenue growth of 6% driven by new business wins, superior data and new product performance.
- All regions contributed to organic growth, with significant expansion in Latin America, good performances across North America and the UK and Ireland (UK&I), and improvement in EMEA/Asia Pacific.
- Benchmark EBIT rose 9% to US\$1,802m.
- Benchmark EBIT margin uplift at the top end of our expectations. Ongoing Benchmark EBIT margin of 27.4%, compared to FY22 reported Benchmark EBIT margin of 26.2% and re-presented prior-year comparative margin of 26.6%. Benchmark EPS uplift of 9%, Benchmark operating cash flow conversion of 98% and Return on Capital employed of 16.5%.
- Statutory profit before tax of US\$1,174m down from US\$1,447m, predominantly due to a non-cash charge for the impairment of goodwill of US\$179m in EMEA, a decrease in net gain from associate disposals of US\$89m and an increase to the fair value of contingent consideration. Basic EPS decreased from USc127.5 to USc84.2 reflecting the lower profit before tax and an increased tax charge.
- Second interim dividend up 6% to USc37.75 per ordinary share.

Experian

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There will be a presentation today at 9.30am (UK time) to analysts and investors via webcast. To view the slides and listen in online please go to www.experianplc.com for the link.

Experian will update on first quarter trading for FY24 on 13 July 2023.

Roundings

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

Forward-looking statements

Certain statements made in this announcement are forward-looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results referred to in these forward-looking statements. See note 30 for further information on risks and uncertainties facing Experian.

Company website

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

About Experian

Experian is the world's leading global information services company. During life's big moments – from buying a home or a car, to sending a child to college, to growing a business by connecting with new customers – we empower consumers and our clients to manage their data with confidence. We help individuals to take financial control and access financial services, businesses to make smarter decisions and thrive, lenders to lend more responsibly, and organisations to prevent identity fraud and crime.

We have 22,000 people operating across 32 countries and every day we're investing in new technologies, talented people, and innovation to help all our clients maximise every opportunity. With corporate headquarters in Dublin, Ireland, we are listed on the London Stock Exchange (EXPN) and are a constituent of the FTSE 100 Index.

Learn more at www.experianplc.com or visit our global content hub at our global news blog for the latest news and insights from the Group.

Strategic report

Part 1 – Chief Executive Officer’s review

We delivered a very strong performance in FY23, despite a challenging economic backdrop in many of our markets. It was driven by growth across all of our regions. Our past investments in data, technology, new products, client service and talent have enhanced our competitive position, resulting in significant new business wins. At the same time, the expansion of our product portfolio has positioned many of our businesses to address higher growth opportunities and over the years we have expanded existing vertical markets and entered new segments. This is reflected in the strong organic growth we saw in FY23, despite deceleration in some of our volume-based businesses. This progress also reflects our focus on improving the foundations of our business, a very strong culture of innovation and a powerful social mission to help people thrive financially. It is also down to the hard work of our 22,000 people around the world who strive every day to make it happen. All of this has helped us to sustain our growth trajectory, offsetting the effects of the slower macroeconomic backdrop.

Very powerful structural growth trends drive our extensive growth opportunities. With large and growing addressable markets, we have many opportunities for long term growth. In the near term, businesses need to improve productivity, deliver better digital experiences and build stronger customer relations, at the same time as improving risk management, assuring compliance and fighting fraud. Despite short-term pressures, clients continue to invest in these areas. Advances in technology continue at pace and will accelerate this. The power of our unique, proprietary datasets, and the significant advances we have made in the range and sophistication of our products, has and will continue to allow us to develop new ways to help customers to achieve their goals, and we believe these trends will expand our opportunity set. Our progress is illustrated by our strong client Net Promoter Score performance in every region, best-in-class employee engagement, and an increasing number of awards recognising this, such as Fortune’s America’s Most Innovative Companies.

So, while the coming year will likely see headwinds in the global economy, we are very confident in the strategic position of our business, in the resilience of our portfolio, and we are excited about the opportunities ahead.

Full-year financial highlights

- Revenue growth was in line with our expected performance range. Total revenue growth from ongoing activities was 6% at actual exchange rates and 8% at constant currency. Organic revenue growth was 7%. Organic revenue growth is determined on a constant currency basis and for ongoing activities.
- All four of our regions contributed positively to our performance. Organic revenue growth was 7% in North America, 16% in Latin America and 5% in UK&I. EMEA/Asia Pacific organic revenue growth was 3%.
- By quarter, organic revenue growth was 8% in Q1, 8% in Q2, 6% in Q3 and 7% in Q4.
- B2B organic revenue growth was 6%. We saw strong client adoption of our data-centric products, powerful analytics and world-leading platforms as we help our clients with their shift to digital, to optimise profitability and better manage risk.
- In Consumer Services organic revenue was up 11% with growth driven by marketplaces and memberships. We now have 168 million free consumer members globally.
- We delivered strong Benchmark EBIT growth, up 9% at both constant and actual exchange rates.
- The underlying margin improvement was at the top end of our expectations, Benchmark EBIT margin for ongoing activities was 27.4%, compared to 26.2% in FY22 and a re-presented prior-year comparative margin of 26.6%. This represented 30 basis points underlying uplift, and a 50 basis points uplift from foreign exchange translation.
- We delivered strong growth in Benchmark earnings per share, which increased by 9%. Basic EPS was US\$84.2 (2022: US\$127.5), predominantly due to a goodwill impairment in EMEA of US\$179m due to higher interest rates and macroeconomic weakness in our European markets, and an increase to the fair value of contingent consideration.
- We had another year of strong cash flow conversion. We converted 98% Benchmark EBIT into Benchmark operating cash flow. Benchmark operating cash flow was US\$1.8bn.
- ROCE was 16.5%, up 80 basis points on the prior year.
- We ended the year with Net debt to Benchmark EBITDA at 1.8x, compared to our target range of 2.0-2.5x and we have no debt refinancing due until September 2024. Around 90% of our current debt is at fixed interest rates for the next two years.

Strategic highlights

Our performance in FY23 represented further progress on our strategic evolution. Our strategy is focused on enhancing the depth, breadth, quality and uniqueness of our datasets, to which we add advanced analytics and other sophisticated software solutions to address a range of client requirements, all built on the foundations of outstanding talent, great technology and world-class innovation. Our solutions address a wider range of client needs across identity, credit, fraud, compliance and marketing, and include capabilities such as strategy design, originations, ongoing customer management and collections. All of our new platforms are cloud-based and leverage advanced technologies to deliver the best outcomes for our clients and consumers. Increasingly, they are integrated capabilities that combine with our datasets. More and more of these solutions in the future will address end-to-end capabilities, for example being able to move seamlessly from initial strategy design to an executable credit decision in one platform. This brings together the power of our data, with our industry-leading platforms to create unique and differentiated solutions.

A key component of our strategy is to grow and deepen our relationships with consumers, and we are now well on our way to becoming an unrivalled platform for consumer finance.

These actions have positioned Experian to address large, growing markets which, we estimate at over US\$150bn in scale. Some notable data points in FY23 highlight the progress we are making:

- Over US\$1.0bn of Group revenue added from new product capability since FY18.
- We've added to the richness and extent of our data assets, with new expanded sources and user-permissioned data to help our clients manage credit risk, fraud prevention and transaction categorisation. For example, we have processed over 188 billion consumer-permissioned transactions in our global bureaux and are adding new sources of data such as buy-now-pay-later records.
- Ascend continues its growth trajectory, now with 491 clients globally and Total Contract Value of US\$471m. We are bringing more of our data and software platforms together and are further embedding analytics across Experian's broader products and services to deliver more solutions to clients which are uniquely Experian.
- Our expansion into Verifications and Employer Services is progressing well. North America has achieved revenues of over US\$160m and a record count of 47 million, and we have established access to records representing 77% of the UK PAYE workforce and have nascent positions in other markets.
- We continue to grow consumer memberships, deepen customer relations and deliver new products to both our free and premium members. Free memberships have grown to 168 million. On a like-for-like basis, consumer membership was 145 million, up 16% year-on-year, and our total now includes 13 million members from Spanish Latin America.
- The implementation of positive data and other regulatory reforms in Brazil are expanding the addressable market and enhancing growth opportunities. We now have c.200 positive data solutions in market and are delivering significant growth across data, scores, attributes, fraud, software platforms and much more.
- Consumer Services now addresses half the Brazilian adult population. It has moved into profitability, and we are extending our presence into new services such as e-wallet to add functionality.
- We are successfully repositioning Targeting to address the larger addressable market of digital identity resolution to support marketers. Nearly 60% of North America Targeting revenues now arise from digital products compared to 26% in FY19.
- We have further expanded our vertical market presence with strong growth in North America Automotive and Health, Agribusiness in Brazil, and as mentioned above, Verification and Employer Services.
- We have an extensive roadmap of new product introductions planned in the UK&I in FY24 to leverage our global capabilities and build on a strong year for B2B new business performance in the region.
- The first phase of our transformation in EMEA/Asia Pacific is on track with improving profitability. In the second phase, we are focused on improving growth with stronger, new product introductions.
- Our technology transformation is advancing rapidly, we have signed an agreement with Amazon Web Services (AWS) to be our preferred cloud provider globally, which will accelerate the rate of product innovation still further.

Other financial developments

Benchmark profit before tax (PBT) was US\$1,670m, up 9% at actual exchange rates, after a net interest expense of US\$124m (2022: US\$110m). Benchmark net finance expense increased modestly despite the large increase in market rates thanks to our forward rate fixing program meaning the average interest rate on our Net debt was broadly stable at around 3%. For FY24, we expect net interest expense to be in the range of US\$125-130m.

The Benchmark tax rate was 26.0% (2022: 25.7%). For FY24, we expect a rate of around 26-27%, taking into account expected profit mix for the year and an increase in the UK corporate tax rate.

Our Benchmark EPS was USc135.1c, an increase of 9% at both constant and actual exchange rates. For FY24, we expect weighted average number of ordinary shares (WANOS) of c.914m.

Foreign exchange translation was neutral to Benchmark EPS. For FY24, we expect a foreign exchange translation effect of c. 0% to +1% impact on revenue and Benchmark EBIT, assuming recent foreign exchange rates prevail.

Non-benchmark items:

- Statutory PBT was US\$1,174m, down US\$273m, as a result of increased non-benchmark costs.
- Macroeconomic conditions have contributed to a non-cash impairment of goodwill of US\$179m, partially offset by a gain on financing fair value remeasurements of US\$51m.
- We have incurred a charge of US\$45m for increased contingent consideration due to over-performance on prior acquisitions.
- We have also continued to execute on our plans to streamline our geographic and operational footprint in EMEA/Asia Pacific and associated global functions. In connection with this programme in FY23, we have provided for costs of US\$69m, including US\$53m of restructuring and US\$16m of onerous global support costs for exited businesses.

Reconciliation of statutory to Benchmark measures for the year ended 31 March 2023

	Statutory US\$m	Non-benchmark and other items					Benchmark US\$m	
		Investment-related items ¹ US\$m	Goodwill impairment US\$m	Amortisation of acquisition intangibles US\$m	Non-cash financing items US\$m	Exceptional items ² US\$m		
	6,587						6,587	Ongoing
	32						32	Exited
Revenue	6,619						6,619	Revenue
	1,273	92	179	192		66	1,802	Ongoing
	(8)						(8)	Exited
Operating profit	1,265	92	179	192		66	1,794	Benchmark EBIT
Profit before tax	1,174	109	179	192	(50)	66	1,670	Benchmark PBT
Basic EPS USc	84.2	10.2	19.7	15.4	(4.5)	10.1	135.1	Benchmark EPS USc

1. Investment-related items include the Group's share of continuing associates' Benchmark post-tax results.

2. Exceptional items are analysed in note 8 to the financial statements.

Capital allocation and liquidity

- Cash generation was strong with 98% conversion of Benchmark EBIT into Benchmark operating cash flow (2022: 109%). Benchmark operating cash flow was US\$1.8bn, down (3)% at actual exchange rates.
- We continued to invest in data, technology and new products through capital expenditure, which represented 9% of total revenue. We plan to sustain strong levels of investment to support our growth, and for FY24 we expect capital expenditure to represent c.9% of total revenue.
- We invested US\$480m in acquisitions and US\$15m in investments in support of our strategic initiatives. Acquisitions were principally in income verification and employee services, and included CIC Plus, Inc. (CIC Plus) in North America, and Pay Dashboard Ltd and the Work Report in UK&I.

- We are announcing a second interim dividend of US\$37.75 per share, up 6%. This will be paid on 21 July 2023 to shareholders on the register at the close of business on 23 June 2023. Taking our full-year dividend to US\$54.75 per share, up 6%.
- We have completed our FY23 share repurchase programme for a net cash consideration of US\$175m, which offsets deliveries under employee share plans. We are also announcing that we will commence a net US\$150m share repurchase programme in FY24, which will again offset deliveries under employee share plans.
- Our bonds, including derivatives, totalled US\$3.9bn as at 31 March 2023 and had an average remaining tenor of five years. Undrawn committed bank borrowing facilities were US\$2.4bn as at 31 March 2023 (2022: US\$2.6bn).
- At 31 March 2023, Net debt to Benchmark EBITDA was 1.8x, compared to our target leverage range of 2.0-2.5x. We have no refinancing commitments until September 2024. Around 90% of our current debt is at fixed interest rates for the next two years and 67% fixed for at least four years.

Environmental, Social and Governance (ESG)

The current cost pressures faced by consumers makes gaining access to fair, affordable credit all the more important. We are focused on our mission and purpose to encourage broader financial inclusion and to help people to take control of their finances. This is a defining ethos of our business, and we take great pride in it, doing what we can to make a positive difference to society.

- Around 13 million consumers have now connected to Experian Boost, empowering millions to improve their credit scores and improve their financial lives. Experian Go launched in the USA in January 2022, enabling 'credit invisibles' to establish their financial identity in minutes, and over 130,000 US consumers have since connected to the platform. We were delighted that Experian Go was recognised as a 2023 BIG Innovation Award winner.
- Since 2013, our social innovation products, specifically developed to deliver societal benefits and improve financial health, have reached 106 million people, exceeding our target of 100 million people two years early.
- Our United for Financial Health programme to improve financial education among disadvantaged communities has now connected with 113 million people since launch, exceeding our target of 100 million people a year early.
- We pride ourselves on our 'people first' culture. This year we were listed in Fortune's 2023 '100 Best Companies to Work For' for the fourth consecutive year, 95% of our employees agreed that Experian is committed to creating a diverse, equitable and inclusive culture, and we were ranked 21st in Equileap's 'Top 100 Globally for Gender Equality' for 2023.
- Following recent appointments to our Board, it is now 45% women and includes two ethnically diverse Board members. Our Board meets the recommendations of the FTSE Women Leaders Review on gender diversity and the Parker Review on ethnic diversity.
- As part of our journey to be carbon neutral by 2030 in our own operations, we have reduced our Scope 1 and 2 emissions by 38% this year, reaching a 65% reduction since our 2019 base year. 62% of our electricity is now renewable. In order to reduce our Scope 3 emissions, we are continuing to engage with our suppliers and have improved our emissions calculations methodology. We are pleased to be recognised again in the Financial Times' Europe Climate Leaders 2023 for our success in reducing our carbon emissions. Our commitment to help tackle climate change is also reflected in our CDP rating of 'A-', placing us in the Leadership category and among the top 24% of professional services companies. We are working to complete our Net Zero Transition Plan in line with the UK's Transition Plan Taskforce draft Disclosure Framework.

Part 2 - Regional highlights for the year ended 31 March 2023

	% of Group revenue ³	Year-on-year % change in organic ¹ revenue – for the twelve months ended 31 March 2023					Benchmark EBIT margin ²
		<i>Data</i>	<i>Decisioning</i>	B2B	Consumer Services	Total	Total
North America	67	4	7	5	11	7	33.1%
Latin America	15	12	16	13	32	16	31.0%
UK and Ireland	12	7	7	7	(4)	5	21.7%
EMEA/Asia Pacific	6	-	13	3	n/a	3	3.3%
Total global	100	5	8	6	11	7	27.4%

1. At constant exchange rates.

2. At actual exchange rates.

3. Percentage of Group revenue from ongoing activities calculated based on FY23 revenue at actual exchange rates.

North America

Growth in North America was good. Revenue was US\$4,432m, with total revenue growth at constant currency of 8% and organic revenue growth of 7%. Acquisition growth included CIC Plus, in employment services, and Gabi in Consumer Services.

In B2B, organic revenue growth was 5% driven by innovation, a diversified portfolio, and competitive outperformance.

Consumer and Business Information Services delivered low-single digit organic growth overall, and high-single digit organic growth when mortgage is excluded. This was despite mixed external conditions in the USA which caused some of our lending clients to adopt a more cautious stance by tightening their credit criteria. Our growth was due to strong new business outperformance in the year with our differentiated data assets, real-time data delivery capability, analytics and Experian Ascend major contributory factors. Ascend continues on a positive trajectory and we continue to expand the range of products on the platform. Ascend Ops is the latest innovation and will sustain momentum. Experian PowerCurve also had a good year, particularly in collections and analytics. We also made significant progress in Employer and Verification Services, adding to our data count, now at 47 million US individuals, and securing new clients across verification services and for Experian Verify.

We saw growth in automotive, where we have a range of products which combine Experian's credit and marketing capabilities, as the industry seeks to stimulate car purchases and auto lenders adjust to recessionary risk models. In Targeting, which had a very strong year, we are successfully delivering on our strategy to reposition towards digital marketing. We are serving higher growth segments of the market having expanded our position in digital identity and data connectivity and enablement. We also performed well in Health, despite a strong prior year comparable. We were delighted to be recognised as Best in KLAS, a US Health industry award, for our claims and contract management solutions.

Consumer Services delivered organic revenue growth of 11%. We are deepening and growing our member relationships by helping consumers to manage their financial health. This year we introduced a range of new features, including new ways to boost your credit score using rental information and bill negotiation to help with savings. We are proud that Experian is now a top 15 US finance app (in the Apple App Store) with a 4.8 star rating. Our membership base has grown to 62 million, up by ten million year-on-year. We now provide offers across several active verticals, which means more ways for consumers to engage with Experian in order to manage their finances. Marketplace delivered another strong year of growth, driven by cards and loans expansion, even as credit market conditions got somewhat tougher and lenders reduced credit market supply. New services for lenders have been an important factor in helping us to outperform in the current environment: Experian Activate enables lenders to target their offers more precisely and to help them secure higher conversion rates. We also benefit from the growing diversity of our business model. The contribution from our insurance vertical is growing rapidly, while premium membership and partner solutions also contributed positively.

Benchmark EBIT rose 6% to US\$1,467m. The Benchmark EBIT margin reduced 40 basis points to 33.1%. Margins reflected the mix of growth, investments in our verification services and our insurance marketplace and our innovations across our scaling verticals.

Latin America

Latin America delivered strongly, with revenue of US\$947m representing organic revenue growth of 16% and total revenue growth at constant currency of 18%. Acquisitions contributing to our performance included Sinacofi, our new bureau in Chile, and PagueVeloz in Consumer Services in Brazil.

In B2B, organic revenue growth was 13%.

Credit markets in Brazil continue to undergo significant change brought about by regulatory reforms, creating new opportunities for our business all driven by the expansion of the market. We have established over 200 sources of positive data, covering 82% of the credit active population, and are seeing strong demand for positive data solutions, including improved scores, more predictive analytics and sophisticated software platforms. Ascend is progressing well, with adoption by existing and new clients. PowerCurve performed well and we are growing strongly in fraud prevention. We are adding and growing relationships with small and medium enterprises, and our agribusiness vertical, which is still at an early stage of its development, grew very strongly.

Spanish Latin America delivered strong growth, reflecting bureau volume strength, uptake of new richer datasets and advanced analytics. We are also rolling out the Ascend platform and have benefited from good demand for our fraud and identity management products.

In Consumer Services, organic revenue growth was 32%. We continue to build our brand in Brazil with the ambition of becoming one of the most recognised financial services brands. We added 10 million consumer memberships year-on-year to take our total free membership base to 81 million. Our app now ranks at number two of Brazil's top financial services apps (per data.ai). We are enhancing our ecosystem of consumer offers to encourage engagement and enhance the value of our services to our consumer members. Revenue growth reflected further progress in our debt resolution service, Limpa Nome, as we added new partners and settled more debts on the platform, plus increased usage of our credit marketplace and premium services. We are also developing services for consumers more widely across Latin America and our membership count for Spanish Latin America has reached 13 million.

Benchmark EBIT in Latin America was US\$294m, up 30% at constant exchange rates. The Benchmark EBIT margin from ongoing activities at actual exchange rates was 31.0%, up by 280 basis points. While we continue to invest in developing new market opportunities, the margin uplift reflects revenue growth drop-through and improving margin in Consumer Services as the business scales.

UK and Ireland

The UK and Ireland delivered a good performance overall. Revenue was US\$784m, with both total and organic revenue growth at constant exchange rates of 5%.

In B2B, organic revenue was up 7%, a great performance in a year that included periods of extreme economic instability. Our market position in the UK has strengthened, driven by investments we have made to extend data superiority and to add new product capability. As a result, we secured new business wins across a broad range of industry segments including financial services, energy, utilities and telecommunications. While lenders have tightened credit criteria, affordability and eligibility products performed well, and we are helping our clients to cope with the cost-of-living crisis, as well as to meet new regulatory obligations under the Financial Conduct Authority's new Consumer Duty. Fraud and identity management also performed well, with strong win rates and new business bookings, while Targeting also contributed positively. While we expect economic conditions in the UK to remain fairly soft, we are confident we will emerge strongly when the economic cycle turns. Our confidence is underpinned by a compelling pipeline of new product introductions, which include new Ascend modules, products to support fairness in lending and new capabilities to conduct income and employment verification.

In Consumer Services, organic revenue was down (4)%. While consumer demand for credit held up relatively well, volumes in our credit marketplace were affected in the second half of the year by the reduction in credit supply. Our premium subscription services were also affected negatively as we lapped a strong prior year comparable. We are investing in new capabilities to attract and retain members, and introducing a new Credit Lock feature this year. We plan further new feature introductions in the months to come. Free memberships were 12 million.

Benchmark EBIT from ongoing activities was US\$170m, up 1% at constant exchange rates. The Benchmark EBIT margin from ongoing activities was 21.7% (2022: 22.2%). The reductions reflect start-up investment in our income and employment verification initiative, the commencement of the implementation phase of our UK&I technology migration plan and lower growth in Consumer Services.

EMEA/Asia Pacific

In EMEA/Asia Pacific, revenue from ongoing activities was US\$424m, with both total and organic growth at constant exchange rates of 3%.

The transformation of our EMEA/Asia Pacific operations is progressing well. We have reduced costs and are exiting from non-core activities. We are focused on realising our full potential in markets where we have scale by utilising our extensive data assets and leveraging Experian global platforms. We made progress this year despite macroeconomic headwinds in some markets.

- Australia & New Zealand – made good progress positioning Ascend and Experian One, with positive contributions in data.
- DACH (Germany, Austria and Switzerland) – delivered a weaker performance due to economic headwinds and lower volumes.
- India – delivered strongly with a strong contribution from our bureau.
- Italy – performed strongly due to new product innovations and higher bureau volumes from new business.
- South Africa – delivered well, with good progress in decisioning, despite macroeconomic headwinds.
- Spain – performed well despite a strong prior-year comparative, with strong growth from Consumer Information volumes and Open Banking.

Our actions have led to an improved Benchmark EBIT trajectory, which for ongoing activities was US\$14m, up 8%. The Benchmark EBIT margin for ongoing activities improved to 3.3% from 2.9%.

In the full year ended 31 March 2023, the non-core markets accounted for revenue of US\$32m and Benchmark EBIT of US\$(8)m. Due to higher interest rates and macroeconomic weakness in our European markets we have impaired goodwill in EMEA by US\$179m.

FY24 modelling considerations

Organic revenue growth	4-6%
Benchmark EBIT margin ¹	Modest margin improvement
Foreign exchange	c.0 to +1% on revenue and Benchmark EBIT
Net interest	c.US\$125-130m
Benchmark tax rate	26-27%
WANOS ²	c.914m
Capital expenditure	c.9% of revenue
OCF ³ conversion	>90%
Share repurchases	US\$150m

1. At constant exchange rates.

2. Weighted average number of shares.

3. Benchmark operating cash flow.

Group financial results

Business mix including % change in organic revenue year-on-year for the year ended 31 March 2023

Segment	Business unit	% of Group revenue ¹	Organic revenue growth % ²				
			Q1	Q2	Q3	Q4	FY
North America		67%	7%	8%	5%	7%	7%
Data	CI / BI bureaux	23%	3%	2%	(2)%	2%	1%
	– CI / BI bureaux, excluding mortgage	21%	11%	10%	5%	6%	8%
	– Mortgage	2%	(31)%	(38)%	(42)%	(21)%	(33)%
	Automotive	5%	4%	11%	7%	7%	7%
	Targeting	4%	11%	16%	14%	15%	14%
Decisioning	Health	8%	5%	8%	4%	10%	7%
	DA / Other	5%	7%	9%	7%	5%	7%
Consumer	Consumer Services	22%	13%	11%	9%	10%	11%
Latin America		15%	18%	18%	16%	13%	16%
Data	CI / BI bureaux	9%	14%	15%	11%	10%	12%
	Other	0%	5%	42%	(3)%	9%	12%
Decisioning	DA / Other	3%	20%	22%	14%	10%	16%
Consumer	Consumer Services	3%	42%	18%	40%	29%	32%
UK and Ireland		12%	5%	6%	6%	2%	5%
Data	CI / BI bureaux	5%	9%	10%	7%	3%	7%
	Targeting / Auto	1%	3%	3%	9%	11%	7%
Decisioning	DA / Other	3%	2%	6%	15%	4%	7%
Consumer	Consumer Services	3%	0%	0%	(8)%	(7)%	(4)%
EMEA/Asia Pacific³		6%	3%	4%	1%	5%	3%
Total global		100%	8%	8%	6%	7%	7%

1. Percentage of Group revenue from ongoing activities calculated based on FY23 revenue at actual exchange rates.

2. Ongoing activities, at constant exchange rates.

3. Organic growth rates for EMEA/Asia Pacific have been re-presented for the reclassification to exited business activities of certain B2B businesses.

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

Revenue by region

Year ended 31 March			Growth %		
			Total at actual exchange rates	Total at constant exchange rates	Organic at constant exchange rates
	2023 US\$m	2022 ¹ US\$m			
North America					
Data	2,142	2,033		5	4
Decisioning	837	784		7	7
Business-to-Business	2,979	2,817		6	5
Consumer Services	1,453	1,305		11	11
Total ongoing activities	4,432	4,122	8	8	7
Exited business activities	-	-			
Total North America	4,432	4,122			
Latin America					
Data	606	528		14	12
Decisioning	176	149		17	16
Business-to-Business	782	677		14	13
Consumer Services	165	114		42	32
Total ongoing activities	947	791	20	18	16
Exited business activities	-	-			
Total Latin America	947	791			
UK and Ireland					
Data	391	409		8	7
Decisioning	229	244		7	7
Business-to-Business	620	653		7	7
Consumer Services	164	194		(4)	(4)
Total ongoing activities	784	847	(7)	5	5
Exited business activities	-	-			
Total UK and Ireland	784	847			
EMEA/Asia Pacific					
Data	301	333		-	-
Decisioning	123	123		13	13
Total ongoing activities	424	456	(7)	3	3
Exited business activities	32	72			
Total EMEA/Asia Pacific	456	528			
Total revenue – ongoing activities	6,587	6,216	6	8	7
Total revenue – exited business activities	32	72			
Revenue	6,619	6,288	5	8	

1. The results for the year ended 31 March 2022 have been re-presented for the reclassification to exited business activities of certain B2B businesses, detail is provided in notes 6(a) and 7 to the financial statements.

See Appendix 1 (page 14) and note 5 to the financial statements for definitions of non-GAAP measures.

See Appendix 3 (page 15) for analyses of revenue, Benchmark EBIT and Benchmark EBIT margin from ongoing activities by business segment.

Income statement, earnings and Benchmark EBIT margin analysis

Year ended 31 March			Growth %	
	2023 US\$m	2022 ¹ US\$m	Total at actual exchange rates	Total at constant exchange rates
Benchmark EBIT by geography				
North America	1,467	1,381	6	6
Latin America	294	223	32	30
UK and Ireland	170	188	(10)	1
EMEA/Asia Pacific	14	13	8	8
Benchmark EBIT before Central Activities	1,945	1,805	8	9
Central Activities – central corporate costs	(143)	(152)		
Benchmark EBIT from ongoing activities	1,802	1,653	9	9
Exited business activities	(8)	(8)		
Benchmark EBIT	1,794	1,645	9	9
Net interest	(124)	(110)		
Benchmark PBT	1,670	1,535	9	9
Exceptional items	(66)	21		
Amortisation of acquisition intangibles	(192)	(174)		
Impairment of goodwill	(179)	-		
Acquisition and disposal expenses	(46)	(47)		
Adjustment to the fair value of contingent consideration	(45)	(26)		
Non-benchmark share of post-tax loss of associates	(18)	(31)		
Interest on uncertain tax provisions	(1)	1		
Financing fair value remeasurements	51	168		
Profit before tax	1,174	1,447	(19)	
Tax charge	(401)	(296)		
Profit after tax	773	1,151	(33)	
Benchmark earnings				
Benchmark PBT	1,670	1,535	9	9
Benchmark tax charge	(434)	(394)		
Total Benchmark earnings	1,236	1,141		
Owners of Experian plc	1,235	1,138	9	9
Non-controlling interests	1	3		
Benchmark EPS	USc135.1	USc124.5	9	9
Basic EPS	USc84.2	USc127.5	(34)	
Weighted average number of ordinary shares	914	914		
Benchmark EBIT margin – ongoing activities				
North America	33.1%	33.5%		
Latin America	31.0%	28.2%		
UK and Ireland	21.7%	22.2%		
EMEA/Asia Pacific	3.3%	2.9%		
Benchmark EBIT margin	27.4%	26.6%		

1. Benchmark results for the year ended 31 March 2022 have been re-presented for the reclassification to exited business activities of certain B2B, detail is provided in notes 6(a) and 7 to the financial statements.

See Appendix 1 (page 14) and note 5 to the financial statements for definitions of non-GAAP measures.

See Appendix 3 (page 15) for analyses of revenue, Benchmark EBIT and Benchmark EBIT margin from ongoing activities by business segment.

Group financial review

Key statutory measures

We achieved a strong performance in FY23. Growth was in line with our expectations notwithstanding a dampened global economy, reflecting the resilience of our business. Revenue increased by 5% to US\$6,619m (2022: US\$6,288m).

Operating profit for the year ended 31 March 2023 was US\$1,265m (2022: US\$1,416m). The decrease was predominantly from a non-cash charge of US\$179m (2022: US\$nil) for goodwill impairment, driven by increased discount rates and macroeconomic weakness in our European markets. The net gain from associate disposals of US\$1m (2022: US\$90m) was much reduced, and we incurred a charge of US\$45m (2022: US\$26m) for increased contingent consideration due to over-performance on prior acquisitions. The net loss on disposal of operations was US\$1m (2022: US\$43m). Restructuring and other exceptional costs totalled US\$66m (2022: US\$26m). The movements in Benchmark EBIT at constant currency are discussed in the Chief Executive Officer's review and Regional highlights on pages three to nine.

Net finance expense increased by US\$133m, largely from a decrease in financing fair value remeasurement credits of US\$117m. Profit before tax declined to US\$1,174m (2022: US\$1,447m), and the tax charge for the year increased to US\$401m (2022: US\$296m). The tax charge was impacted by the non-deductibility of the goodwill impairment and an increase in tax on other expenses not deductible of US\$46m. The impairment of associate investments, acquisition and disposal expenses and some financing fair value remeasurements are not allowable for tax purposes. The effective rate of tax based on profit before tax increased from 20.5% in the year ended 31 March 2022 to 34.2% in the current financial year.

Cash generated from operations increased to US\$2,358m (2022: US\$2,270m) reflecting performance and strong control of working capital. Tax payments increased to US\$525m (2022: US\$366m). Net borrowing inflows were US\$192m (2022: outflows of US\$12m). Acquisition spend reduced by US\$427m in the year, offset by increased payments for the settlement of put options of US\$129m. Cash outflows in respect of net share purchases totalled US\$175m (2022: US\$149m), and undrawn committed bank borrowing facilities were US\$2.4bn at 31 March 2023 (2022: US\$2.6bn).

Basic EPS decreased to 84.2 US cents (2022: 127.5 US cents). The reduction reflects a lower profit before tax, no repeat of the prior year profit from discontinued operations and an increased effective tax rate.

At 31 March 2023, net assets totalled US\$3,964m (2022: US\$4,007m). Capital employed, as defined in note 5(q) to the financial statements, was US\$8,102m (2022: US\$8,145m). Return on capital employed for the year ended 31 March 2023 increased to 16.5% (2022: 15.7%), reflecting Benchmark EBIT growth from revenue progression and our continued focus on operating efficiency.

There was a decrease in equity of US\$43m from US\$4,007m at 31 March 2022 with movements detailed in the Group statement of changes in equity on page 21.

Key movements in equity during the year included:

- Profit for the financial year of US\$773m.
- Currency translation losses of US\$203m.
- Post-employment benefit remeasurement losses of US\$23m.
- A reduction in the fair value of investments revalued through Other comprehensive income (OCI) of US\$58m.
- Employee share awards and options cost of US\$129m.
- Ordinary dividends of US\$482m and a movement of US\$175m in connection with net share purchases.

The UK subsidiary undertaking responsible for distributing dividends under the Group's Income Access Share arrangements has significant distributable reserves, which at 31 March 2023 were US\$8.6bn (2022: US\$10.3bn).

Risks and uncertainties

The eight principal risks and uncertainties faced by the Group are summarised in note 30 to the financial statements.

Appendices

1. Non-GAAP financial information

We have identified and defined certain measures that we believe assist the understanding of our performance. These measures are not defined under IFRS and they may not be directly comparable with other companies' adjusted performance measures. These non-GAAP measures are not intended to be a substitute for any IFRS measures of performance, but we consider them to be key measures used within the business for assessing the underlying performance of our ongoing businesses.

As a result of our restructuring programme in EMEA/Asia Pacific we have refined the definition of Exceptional items, set out in note 5(l) to the financial statements, to include onerous global support costs associated with the closure of significant operations, to improve assessment of underlying operating performance as such costs are eliminated through restructuring activity.

The table below summarises our non-GAAP measures and there is a fuller explanation in note 5 to the financial statements.

Benchmark PBT	Profit before amortisation and impairment charges, acquisition expenses, Exceptional items, financing fair value remeasurements, tax (and interest thereon) and discontinued operations. It includes the Group's share of continuing associates' Benchmark post-tax results.
Benchmark EBIT	Benchmark PBT before net interest expense.
Benchmark EBITDA	Benchmark EBIT before depreciation and amortisation.
Exited business activities	The results of businesses sold, closed or identified for closure during a financial year.
Ongoing activities	The results of businesses that are not disclosed as exited business activities.
Constant exchange rates	Results and growth calculated after translating both years' performance at the prior year's average exchange rates.
Total growth	This is the year-on-year change in the performance of Experian's activities at actual exchange rates.
Organic revenue growth	This is the year-on-year change in the revenue of ongoing activities, translated at constant exchange rates, excluding acquisitions until the first anniversary of their consolidation.
Benchmark earnings	Benchmark PBT less attributable tax and non-controlling interests.
Total Benchmark earnings	Benchmark PBT less attributable tax.
Benchmark EPS	Benchmark earnings divided by the weighted average number of ordinary shares.
Exceptional items	Exceptional items include those arising from the profit or loss on disposal of businesses, closure costs of significant operations (including associated onerous global support costs), costs of significant restructuring programmes, and other financially significant one-off items.
Benchmark operating cash flow	Benchmark EBIT plus amortisation, depreciation and charges for share-based incentive plans, less net capital expenditure and adjusted for changes in working capital, principal lease payments and the Group's share of the Benchmark profit or loss retained in continuing associates.
Cash flow conversion	Benchmark operating cash flow expressed as a percentage of Benchmark EBIT.
Net debt and Net funding	Net debt is borrowings (and the fair value of derivatives hedging borrowings) excluding accrued interest, less cash and cash equivalents. Net funding is borrowings (and the fair value of the effective portion of derivatives hedging borrowings) excluding accrued interest, less cash held in Group Treasury.
Return on capital employed (ROCE)	Benchmark EBIT less tax at the Benchmark rate divided by average capital employed, in continuing operations, over the year. Capital employed is net assets less non-controlling interests and right-of-use assets, plus or minus the net tax liability or asset and plus Net debt.

Information on certain of our non-GAAP measures is set out in the further appendices. Reconciliations of Benchmark EBIT and Benchmark PBT to profit before tax, revenue from ongoing activities, and Benchmark EPS are set out in Appendix 3, and in notes 6(e) and 12 to the financial statements, respectively.

2. Foreign currency

Foreign exchange – average rates

The principal exchange rates used to translate revenue and Benchmark EBIT into the US dollar are shown in the table below.

	2023	2022	Movement against the US dollar
US dollar : Brazilian real	5.16	5.34	3%
Pound sterling : US dollar	1.20	1.37	(12)%
Euro : US dollar	1.04	1.16	(10)%
US dollar : Colombian peso	4,469	3,834	(17)%
US dollar : South African rand	17.00	14.85	(14)%

The impact of foreign currency movements on revenue from ongoing activities is set out in note 6(e) to the financial statements.

Appendices (continued)

2. Foreign currency (continued)

Foreign exchange – closing rates

The principal exchange rates used to translate assets and liabilities into the US dollar at the year-end dates are shown in the table below.

	2023	2022
US dollar : Brazilian real	5.08	4.78
Pound sterling : US dollar	1.24	1.31
Euro : US dollar	1.09	1.11
US dollar : Colombian peso	4,623	3,757
US dollar : South African rand	17.71	14.56

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

Year ended 31 March			Growth %	
			Total at constant exchange rates	Organic at constant exchange rates
	2023 US\$m	2022 ¹ US\$m		
Revenue				
Data	3,440	3,303	6	5
Decisioning	1,365	1,300	8	8
Business-to-Business	4,805	4,603	7	6
Consumer Services	1,782	1,613	12	11
Ongoing activities	6,587	6,216	8	7
Exited business activities	32	72	n/a	
Total	6,619	6,288	8	
Benchmark EBIT				
Business-to-Business	1,529	1,431	8	
Consumer Services	416	374	12	
Business segments	1,945	1,805	9	
Central Activities – central corporate costs	(143)	(152)	n/a	
Ongoing activities	1,802	1,653	9	
Exited business activities	(8)	(8)	n/a	
Total Benchmark EBIT	1,794	1,645	9	
Net interest expense	(124)	(110)	n/a	
Benchmark PBT	1,670	1,535		
Exceptional items (Appendix 4)	(66)	21	n/a	
Other adjustments made to derive Benchmark PBT ²	(430)	(109)	n/a	
Profit before tax	1,174	1,447	n/a	
Benchmark EBIT margin – ongoing activities				
Business-to-Business	31.8%	31.1%		
Consumer Services	23.3%	23.2%		
Total Benchmark EBIT margin³	27.4%	26.6%		

1. Revenue of US\$51m and Benchmark EBIT of US\$(13)m for FY22 have been re-presented for the reclassification to exited business activities of certain B2B businesses. See notes 6(a) and 7 to the financial statements.

2. See note 8 to the financial statements.

3. Benchmark EBIT margin for ongoing activities is calculated by dividing Benchmark EBIT for ongoing activities by revenue from ongoing activities.

Appendices (continued)

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

Year ended 31 March	2023 US\$m	2022 US\$m
Exceptional items:		
Net loss on disposal of operations	1	43
Net profit on disposal of associates	(1)	(90)
Restructuring costs	53	20
Onerous global support costs	16	-
Legal provisions movements	(3)	6
Net charge/(credit) for Exceptional items	66	(21)
Other adjustments made to derive Benchmark PBT:		
Amortisation of acquisition intangibles	192	174
Impairment of goodwill	179	-
Acquisition and disposal expenses	46	47
Adjustment to the fair value of contingent consideration	45	26
Non-benchmark share of post-tax loss of associates	18	31
Interest on uncertain tax provisions	1	(1)
Financing fair value remeasurements	(51)	(168)
Net charge for other adjustments made to derive Benchmark PBT	430	109
Net charge for Exceptional items and other adjustments made to derive Benchmark PBT	496	88

An explanation for the exclusion of such items from our definition of Benchmark PBT is given in note 5(a) to the financial statements.

5. Reconciliation of net investment

Year ended 31 March	2023 US\$m	2022 US\$m
Capital expenditure as reported in the Group cash flow statement	627	508
Disposal of property, plant and equipment	-	(23)
Profit on disposals of property, plant and equipment	-	4
Net capital expenditure	627	489
Acquisitions	480	781
Purchase of investments	15	32
Disposal of operations and investments	(3)	(23)
Distributions from investments	-	(2)
Repayment of promissory note and interest	-	(110)
Net investment	1,119	1,167

6. Cash tax reconciliation

Year ended 31 March	2023 %	2022 %
Tax charge on Benchmark PBT	26.0	25.7
Tax relief on goodwill amortisation	(2.0)	(2.4)
Timing differences on US innovation and development expenditure	2.5	-
Benefit of brought forward tax losses	-	(1.7)
Other ¹	4.9	2.2
Tax paid as a percentage of Benchmark PBT	31.4	23.8

1. 'Other' in FY23 includes tax due on fair value gains on the re-measurement of derivatives, and phasing of tax payments. 'Other' included the phasing of tax payments in FY22.

Appendices (continued)

7. Cash flow and Net debt summary¹

Year ended 31 March	2023 US\$m	2022 US\$m
Benchmark EBIT	1,794	1,645
Amortisation and depreciation charged to Benchmark EBIT	482	484
Benchmark EBITDA	2,276	2,129
Impairment of non-current assets charged to Benchmark EBIT	1	-
Net capital expenditure (Appendix 5)	(627)	(489)
Decrease in working capital	30	58
Principal lease payments	(57)	(57)
Benchmark loss retained in associates	1	10
Charge for share incentive plans	129	149
Benchmark operating cash flow²	1,753	1,800
Net interest paid	(118)	(121)
Tax paid	(525)	(366)
Dividends paid to non-controlling interests	(1)	(2)
Benchmark free cash flow	1,109	1,311
Acquisitions	(480)	(781)
Purchase of investments	(15)	(32)
Disposal of operations and investments – ongoing activities	3	23
Distributions from investments	-	2
Repayment of promissory note and interest	-	110
Movement in Exceptional and other non-benchmark items	(39)	(19)
Ordinary dividends paid	(482)	(444)
Net cash inflow – continuing operations	96	170
Net debt at 1 April	(3,950)	(4,026)
Discontinued operations	-	1
Net share purchases	(175)	(149)
Non-cash lease obligation additions and disposals	(29)	(35)
Principal lease payments	57	57
Foreign exchange and other movements	(29)	32
Net debt at 31 March	(4,030)	(3,950)

1. For Group cash flow statement see page 22.

2. A reconciliation of Cash generated from operations to Benchmark operating cash flow is provided in note 17(g) to the financial statements.

Group income statement

for the year ended 31 March 2023

	2023			2022		
	Benchmark ¹ US\$m	Non- benchmark ² US\$m	Total US\$m	Benchmark ¹ US\$m	Non- benchmark ² US\$m	Total US\$m
Revenue (note 6(a))	6,619	-	6,619	6,288	-	6,288
Labour costs	(2,341)	(40)	(2,381)	(2,302)	(11)	(2,313)
Data and information technology costs	(1,070)	-	(1,070)	(1,000)	-	(1,000)
Amortisation and depreciation charges	(482)	(192)	(674)	(484)	(174)	(658)
Marketing and customer acquisition costs	(570)	-	(570)	(503)	-	(503)
Other operating charges	(363)	(296)	(659)	(357)	(88)	(445)
Total operating expenses	(4,826)	(528)	(5,354)	(4,646)	(273)	(4,919)
Net profit on disposal of operations and associates	-	-	-	-	47	47
Operating profit/(loss)	1,793	(528)	1,265	1,642	(226)	1,416
Finance income	13	50	63	15	169	184
Finance expense	(137)	-	(137)	(125)	-	(125)
Net finance (expense)/income (note 9(a))	(124)	50	(74)	(110)	169	59
Share of post-tax (loss)/profit of associates	1	(18)	(17)	3	(31)	(28)
Profit/(loss) before tax (note 6(a))	1,670	(496)	1,174	1,535	(88)	1,447
Tax (charge)/credit (note 10(a))	(434)	33	(401)	(394)	98	(296)
Profit/(loss) for the financial year from continuing operations	1,236	(463)	773	1,141	10	1,151
Profit for the financial year from discontinued operations (note 11)	-	-	-	-	16	16
Profit/(loss) for the financial year	1,236	(463)	773	1,141	26	1,167
Attributable to:						
Owners of Experian plc	1,235	(465)	770	1,138	27	1,165
Non-controlling interests	1	2	3	3	(1)	2
Profit/(loss) for the financial year	1,236	(463)	773	1,141	26	1,167
Total Benchmark EBIT¹	1,794			1,645		
	US cents	US cents	US cents	US cents	US cents	US cents
Earnings/(loss) per share (note 12(a))						
Basic	135.1	(50.9)	84.2	124.5	3.0	127.5
Diluted	134.1	(50.5)	83.6	123.6	2.9	126.5
Earnings/(loss) per share from continuing operations (note 12(a))						
Basic	135.1	(50.9)	84.2	124.5	1.2	125.7
Diluted	134.1	(50.5)	83.6	123.6	1.2	124.8
Benchmark PBT per share ^{1,3}	182.7			167.9		
Full-year dividend per share¹			54.75			51.75

- Total Benchmark EBIT, Benchmark PBT per share and Full-year dividend per share are non-GAAP measures, defined in note 5 to the financial statements.
- The loss before tax for non-benchmark items of US\$496m (2022: US\$88m) comprises a net charge for Exceptional items of US\$66m (2022: net credit of US\$21m) and net charges for other adjustments made to derive Benchmark PBT of US\$430m (2022: US\$109m). Further information is given in note 8 to the financial statements.
- Benchmark PBT per share is calculated by dividing Benchmark PBT of US\$1,670m (2022: US\$1,535m) by the weighted average number of ordinary shares of 914 million (2022: 914 million). The amount is stated in US cents per share.

Group statement of comprehensive income

for the year ended 31 March 2023

	2023 US\$m	2022 US\$m
Profit for the financial year	773	1,167
Other comprehensive (expense)/income		
Items that will not be reclassified to profit or loss:		
Remeasurement of post-employment benefit assets and obligations (note 16(b))	(23)	121
Changes in the fair value of investments revalued through OCI	(58)	5
Deferred tax credit/(charge)	5	(22)
Items that will not be reclassified to profit or loss	(76)	104
Items that are or may be reclassified subsequently to profit or loss:		
Currency translation (losses)/gains	(203)	35
Cumulative currency translations in respect of divestments reclassified to profit or loss	-	14
Fair value loss on cash flow hedge	(38)	(24)
Hedging loss reclassified to profit or loss	30	26
Items that are or may be reclassified subsequently to profit or loss	(211)	51
Other comprehensive (expense)/income for the financial year¹	(287)	155
Total comprehensive income for the financial year	486	1,322
Attributable to:		
Owners of Experian plc	489	1,320
Non-controlling interests	(3)	2
Total comprehensive income for the financial year	486	1,322

1. Amounts reported within Other comprehensive income (OCI) are in respect of continuing operations and, except as reported for post-employment benefit assets and obligations and changes in the fair value of investments revalued through OCI, there is no associated tax. Currency translation items, not reclassified to profit or loss, are recognised in the hedging or translation reserve within other reserves and in non-controlling interests. Other items within OCI are recognised in retained earnings.

Group balance sheet

at 31 March 2023

	Notes	2023 US\$m	2022 US\$m
Non-current assets			
Goodwill	14	5,575	5,737
Other intangible assets	15	2,289	2,214
Property, plant and equipment	15	382	415
Investments in associates		12	4
Deferred tax assets		37	46
Post-employment benefit assets	16(a)	174	216
Trade and other receivables		140	133
Financial assets revalued through OCI		313	375
Other financial assets		148	81
		9,070	9,221
Current assets			
Trade and other receivables		1,519	1,409
Current tax assets		50	37
Other financial assets		7	7
Cash and cash equivalents - excluding bank overdrafts	17(f)	202	179
		1,778	1,632
Assets classified as held-for-sale	24	16	41
		1,794	1,673
Current liabilities			
Trade and other payables		(1,955)	(1,744)
Borrowings		(156)	(57)
Current tax liabilities		(135)	(109)
Provisions		(56)	(33)
Other financial liabilities		(6)	(22)
		(2,308)	(1,965)
Liabilities classified as held-for-sale	24	(3)	-
		(2,311)	(1,965)
Net current liabilities		(517)	(292)
Total assets less current liabilities		8,553	8,929
Non-current liabilities			
Trade and other payables		(186)	(248)
Borrowings		(3,943)	(4,039)
Deferred tax liabilities		(223)	(353)
Post-employment benefit obligations	16(a)	(39)	(52)
Provisions		(3)	(4)
Financial liabilities revalued through OCI		(24)	-
Other financial liabilities		(171)	(226)
		(4,589)	(4,922)
Net assets		3,964	4,007
Equity			
Called-up share capital	20	96	96
Share premium account	20	1,799	1,780
Retained earnings		20,447	20,157
Other reserves		(18,413)	(18,064)
Attributable to owners of Experian plc		3,929	3,969
Non-controlling interests		35	38
Total equity		3,964	4,007

Group statement of changes in equity

for the year ended 31 March 2023

	Called-up share capital (Note 20) US\$m	Share premium account (Note 20) US\$m	Retained earnings US\$m	Other reserves US\$m	Attributable to owners of Experian plc US\$m	Non- controlling interests US\$m	Total equity US\$m
At 1 April 2022	96	1,780	20,157	(18,064)	3,969	38	4,007
Comprehensive income:							
Profit for the financial year	-	-	770	-	770	3	773
Other comprehensive expense for the financial year	-	-	(76)	(205)	(281)	(6)	(287)
Total comprehensive income/(expense)	-	-	694	(205)	489	(3)	486
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	-	-	129	-	129	-	129
- shares issued on vesting	-	19	-	-	19	-	19
- purchase of shares by employee trusts	-	-	-	(45)	(45)	-	(45)
- other vesting of awards and exercises of share options	-	-	(36)	50	14	-	14
- related tax charge	-	-	(9)	-	(9)	-	(9)
- other payments	-	-	(5)	-	(5)	-	(5)
Purchase of shares held as treasury shares	-	-	-	(149)	(149)	-	(149)
Transactions with non-controlling interests	-	-	(1)	-	(1)	1	-
Dividends paid	-	-	(482)	-	(482)	(1)	(483)
Transactions with owners	-	19	(404)	(144)	(529)	-	(529)
At 31 March 2023	96	1,799	20,447	(18,413)	3,929	35	3,964

	Called-up share capital (Note 20) US\$m	Share premium account (Note 20) US\$m	Retained earnings US\$m	Other reserves US\$m	Attributable to owners of Experian plc US\$m	Non- controlling interests US\$m	Total equity US\$m
At 1 April 2021	96	1,756	19,207	(17,978)	3,081	38	3,119
Comprehensive income:							
Profit for the financial year	-	-	1,165	-	1,165	2	1,167
Other comprehensive income for the financial year	-	-	118	37	155	-	155
Total comprehensive income	-	-	1,283	37	1,320	2	1,322
Transactions with owners:							
Employee share incentive plans:							
- value of employee services	-	-	149	-	149	-	149
- shares issued on vesting	-	24	-	-	24	-	24
- purchase of shares by employee trusts	-	-	-	(61)	(61)	-	(61)
- other vesting of awards and exercises of share options	-	-	(40)	49	9	-	9
- other payments	-	-	(4)	-	(4)	-	(4)
Purchase of shares held as treasury shares	-	-	-	(111)	(111)	-	(111)
Transactions with non-controlling interests	-	-	6	-	6	-	6
Dividends paid	-	-	(444)	-	(444)	(2)	(446)
Transactions with owners	-	24	(333)	(123)	(432)	(2)	(434)
At 31 March 2022	96	1,780	20,157	(18,064)	3,969	38	4,007

Group cash flow statement

for the year ended 31 March 2023

	Notes	2023 US\$m	2022 US\$m
Cash flows from operating activities			
Cash generated from operations	17(a)	2,358	2,270
Interest paid		(126)	(127)
Interest received		8	6
Dividends received from associates		2	13
Tax paid		(525)	(366)
Net cash inflow from operating activities – continuing operations		1,717	1,796
Net cash inflow from operating activities – discontinued operations	11	-	1
Net cash inflow from operating activities		1,717	1,797
Cash flows from investing activities			
Purchase of other intangible assets	17(c)	(563)	(445)
Purchase of property, plant and equipment		(64)	(63)
Sale of property, plant and equipment		-	23
Purchase of other financial assets		(15)	(32)
Sale of other financial assets		3	12
Distributions received on financial assets held as investments		-	2
Acquisition of subsidiaries, net of cash acquired	17(d)	(309)	(736)
Disposal of investment in associates	8(c)	1	12
Repayment of promissory note and interest by associate		-	110
Disposal of operations		(1)	(1)
Net cash flows used in investing activities		(948)	(1,118)
Cash flows from financing activities			
Cash inflow in respect of shares issued	17(e)	19	24
Cash outflow in respect of share purchases	17(e)	(194)	(173)
Other payments on vesting of share awards		(5)	(4)
Settlement of put options held over shares in subsidiaries	17(d)	(133)	(4)
Transactions in respect of non-controlling interests	17(d)	-	(1)
New borrowings		193	571
Repayment of borrowings		(1)	(583)
Principal lease payments		(57)	(57)
Net payments for cross-currency swaps and foreign exchange contracts		(61)	(16)
Net receipts from equity swaps		-	2
Dividends paid		(483)	(446)
Net cash flows used in financing activities		(722)	(687)
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at 1 April		176	170
Exchange movements on cash and cash equivalents		(25)	14
Cash and cash equivalents at 31 March	17(f)	198	176

Notes to the financial statements

for the year ended 31 March 2023

1. Corporate information

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

2. Basis of preparation

The financial information set out in this preliminary announcement does not constitute the Group's statutory financial statements, which comprise the Annual Report and audited financial statements for the years ended 31 March 2023 and 31 March 2022, but is derived from the statutory financial statements for the year ended 31 March 2023. The Group's statutory financial statements for the year ended 31 March 2023 will be made available to shareholders in June 2023 and delivered to the Jersey Registrar of Companies in due course. The auditor has reported on those financial statements and has given an unqualified report which does not contain a statement under Article 113B(3) or Article 113B(6) of the Companies (Jersey) Law 1991. The Group's statutory financial statements for the year ended 31 March 2022 have been delivered to the Jersey Registrar of Companies. The auditor reported on those financial statements and gave an unqualified report which did not contain a statement under Article 113B(3) or Article 113B(6) of the Companies (Jersey) Law 1991.

The Group's statutory financial statements for the year ended 31 March 2023 have been:

- prepared in accordance with the Companies (Jersey) Law 1991 and both UK-adopted International Accounting Standards (UK-IFRS) and International Financial Reporting Standards (IFRS or IFRSs) as adopted for use in the European Union (the EU) and IFRS Interpretations Committee interpretations (together EU-IFRS). The financial statements also comply with IFRS as issued by the International Accounting Standards Board (IASB). UK-IFRS, EU-IFRS and IFRS as issued by the IASB all differ in certain respects from each other, however the differences have no material impact for the periods presented;
- prepared on the going concern basis and under the historical cost convention, as modified for the revaluation of certain financial assets and financial liabilities;
- presented in US dollars, the most representative currency of the Group's operations, and generally rounded to the nearest million;
- prepared using the principal exchange rates set out on pages 14 and 15; and
- designed to voluntarily include disclosures in line with those parts of the UK Companies Act 2006 applicable to companies reporting under that law.

Other than those disclosed in this preliminary announcement, no significant events impacting the Group have occurred between 31 March 2023 and 16 May 2023 when this preliminary announcement was approved for issue.

This preliminary announcement has been prepared in accordance with the Listing Rules of the UK Financial Conduct Authority, using the accounting policies applied in the preparation of the Group's statutory financial statements for the year ended 31 March 2023. Those policies were published in full in the Group's statutory financial statements for the year ended 31 March 2022 and are available on the corporate website, at www.experianplc.com.

Going concern

Our going concern assessment focuses on immediately available sources of liquidity to fund our anticipated trading pattern, plus anticipated acquisition spend, returns to shareholders and capital investment, ensuring we always maintain a comfortable margin of headroom in case of the unexpected. We also perform a review of indicators typical of emerging going concern issues, and have identified none.

The directors believe that the Group and the Company are well placed to manage their financing and other business risks satisfactorily, and have a reasonable expectation that the Group and the Company will have adequate resources to continue their operational existence for at least 12 months from the date of signing these financial statements. The directors therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. In reaching this conclusion, the directors noted the Group's strong cash performance in the year, and its resilience in the face of a viability reverse stress-test scenario.

Notes to the financial statements (continued)

for the year ended 31 March 2023

3. Climate-related matters

As an information services business, our main environmental impact is the carbon footprint generated from our operations and value chain. The majority of our footprint is made up of greenhouse gas emissions from purchased goods and services, upstream leased assets including third-party data centres and capital goods, with emissions from our direct operations making up approximately 5%.

We are committed to reducing our carbon emissions and to becoming carbon neutral in our own operations by 2030. We continue to develop our plans to decarbonise our business further and reduce energy consumption at our data centres and across the Group. We have reduced our Scope 1 and 2 emissions by 65% since 2019.

We recognise the importance of identifying and effectively managing the physical and transitional risks that climate change poses to our operations and consider the impact of climate-related matters, including legislation, on our business. The climate change scenario analyses undertaken this year in line with Task Force on Climate-related Financial Disclosures (TCFD) recommendations did not identify any material impact on the Group's financial results or on going concern or viability.

4. Recent accounting developments

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

There are a number of new standards and amendments to existing standards applicable for Experian from 1 April 2023 with earlier application permitted; however, the Group has elected not to adopt them early in preparing these financial statements. Accounting developments are routinely reviewed by the Group and its financial reporting systems are adapted as appropriate.

5. Use of non-GAAP measures in the financial statements

As detailed below, the Group has identified and defined certain measures that it uses to understand and manage its performance. The measures are not defined under IFRS and they may not be directly comparable with other companies' adjusted performance measures. These non-GAAP measures are not intended to be a substitute for any IFRS measures of performance but management considers them to be key measures used within the business for assessing the underlying performance of the Group's ongoing businesses.

Management no longer uses Benchmark PBT per share as a measure for assessing underlying performance; this definition has therefore been removed from our non-GAAP measures.

As a result of our restructuring programme in EMEA/Asia Pacific we have refined the definition of Exceptional items to include onerous global support costs associated with the closure of significant operations, to aid assessment of underlying operating performance as such costs are eliminated through restructuring activity.

(a) Benchmark profit before tax (Benchmark PBT) (note 6(a))

Benchmark PBT is disclosed to indicate the Group's underlying profitability. It is defined as profit before amortisation and impairment of acquisition intangibles, impairment of goodwill, acquisition expenses, adjustments to contingent consideration, Exceptional items, financing fair value remeasurements, tax (and interest thereon) and discontinued operations. It includes the Group's share of continuing associates' Benchmark post-tax results.

An explanation of the basis on which we report Exceptional items is provided below. Other adjustments, in addition to Exceptional items, made to derive Benchmark PBT are explained as follows:

- Charges for the amortisation and impairment of acquisition intangibles are excluded from the calculation of Benchmark PBT because these charges are based on judgments about their value and economic life and bear no relation to the Group's underlying ongoing performance. Impairment of goodwill is similarly excluded from the calculation of Benchmark PBT.
- Acquisition and disposal expenses (representing the incidental costs of acquisitions and disposals, one-time integration costs and other corporate transaction expenses) relating to successful, active or aborted acquisitions and disposals are excluded from the definition of Benchmark PBT as they bear no relation to the Group's underlying ongoing performance or to the performance of any acquired businesses. Adjustments to contingent consideration are similarly excluded from the definition of Benchmark PBT.
- Charges and credits for financing fair value remeasurements within finance expense in the Group income statement are excluded from the definition of Benchmark PBT. These include retranslation of intra-Group funding, and that element of the Group's derivatives that is ineligible for hedge accounting, together with gains and losses on put options in respect of acquisitions. Amounts recognised generally arise from market movements and accordingly bear no direct relation to the Group's underlying performance.

Notes to the financial statements (continued)

for the year ended 31 March 2023

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

(b) Benchmark earnings before interest and tax (Benchmark EBIT) and margin (Benchmark EBIT margin) (note 6(a))

Benchmark EBIT is defined as Benchmark PBT before the net interest expense charged therein and accordingly excludes Exceptional items as defined below. Benchmark EBIT margin is Benchmark EBIT from ongoing activities expressed as a percentage of revenue from ongoing activities.

(c) Benchmark earnings before interest, tax, depreciation and amortisation (Benchmark EBITDA)

Benchmark EBITDA is defined as Benchmark EBIT before the depreciation and amortisation charged therein.

(d) Exited business activities

Exited business activities are businesses sold, closed or identified for closure during a financial year. These are treated as exited business activities for both revenue and Benchmark EBIT purposes. The results of exited business activities are disclosed separately with the results of the prior period re-presented in the segmental analyses as appropriate. This measure differs from the definition of discontinued operations in IFRS 5.

(e) Ongoing activities

The results of businesses trading at 31 March 2023, that are not disclosed as exited business activities, are reported as ongoing activities.

(f) Constant exchange rates

To highlight our organic performance, we discuss our results in terms of growth at constant exchange rates, unless otherwise stated. This represents growth calculated after translating both years' performance at the prior year's average exchange rates.

(g) Total growth (note 6(e))

This is the year-on-year change in the performance of our activities at actual exchange rates. Total growth at constant exchange rates removes the translational foreign exchange effects arising on the consolidation of our activities and comprises one of our measures of performance at constant exchange rates.

(h) Organic revenue growth (note 6(e))

This is the year-on-year change in the revenue of ongoing activities, translated at constant exchange rates, excluding acquisitions until the first anniversary of their consolidation.

(i) Benchmark earnings and Total Benchmark earnings (note 12)

Benchmark earnings comprises Benchmark PBT less attributable tax and non-controlling interests. The attributable tax for this purpose excludes significant tax credits and charges arising in the year which, in view of their size or nature, are not comparable with previous years, together with tax arising on Exceptional items and on other adjustments made to derive Benchmark PBT. Benchmark PBT less attributable tax is designated as Total Benchmark earnings.

(j) Benchmark earnings per share (Benchmark EPS) (note 12(a))

Benchmark EPS comprises Benchmark earnings divided by the weighted average number of issued ordinary shares, as adjusted for own shares held.

(k) Benchmark tax charge and rate (note 10(b))

The Benchmark tax charge is the tax charge applicable to Benchmark PBT. It differs from the tax charge by tax attributable to Exceptional items and other adjustments made to derive Benchmark PBT, and exceptional tax charges. A reconciliation is provided in note 10(b) to these financial statements. The Benchmark effective rate of tax is calculated by dividing the Benchmark tax charge by Benchmark PBT.

(l) Exceptional items (note 8(a))

The separate reporting of Exceptional items gives an indication of the Group's underlying performance. Exceptional items include those arising from the profit or loss on disposal of businesses, closure costs of significant operations (including onerous global support costs associated with these operations), costs of significant restructuring programmes and other financially significant one-off items. All other restructuring costs are charged against Benchmark EBIT, in the segments in which they are incurred.

(m) Full-year dividend per share (note 13(a))

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

Notes to the financial statements (continued)

for the year ended 31 March 2023

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

(n) Benchmark operating and Benchmark free cash flow

Benchmark operating cash flow is Benchmark EBIT plus amortisation, depreciation and charges in respect of share-based incentive plans, less capital expenditure net of disposal proceeds and adjusted for changes in working capital, principal lease payments and the Group's share of the Benchmark profit or loss retained in continuing associates. Benchmark free cash flow is derived from Benchmark operating cash flow by excluding net interest, tax paid in respect of continuing operations and dividends paid to non-controlling interests.

(o) Cash flow conversion

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

(p) Net debt and Net funding (note 18)

Net debt is borrowings (and the fair value of derivatives hedging borrowings) excluding accrued interest, less cash and cash equivalents and other highly liquid bank deposits with original maturities greater than three months. Net funding is borrowings (and the fair value of the effective portion of derivatives hedging borrowings) excluding accrued interest, less cash held in Group Treasury.

(q) Return on capital employed (ROCE)

ROCE is defined as Benchmark EBIT less tax at the Benchmark rate divided by a three-point average of capital employed, in continuing operations, over the year. Capital employed is net assets less non-controlling interests and right-of-use assets, further adjusted to add or deduct the net tax liability or asset and to add Net debt.

Notes to the financial statements (continued)

for the year ended 31 March 2023

6. Segment information

(a) Income statement

	North America	Latin America	UK and Ireland	EMEA/Asia Pacific ¹	Total operating segments	Central Activities	Total continuing operations
Year ended 31 March 2023	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Revenue from external customers							
Ongoing activities	4,432	947	784	424	6,587	-	6,587
Exited business activities	-	-	-	32	32	-	32
Total	4,432	947	784	456	6,619	-	6,619
Reconciliation from Benchmark EBIT to profit/(loss) before tax							
Benchmark EBIT							
Ongoing activities before transfer pricing and other adjustments	1,497	294	158	(6)	1,943	(141)	1,802
Transfer pricing and other allocation adjustments	(30)	-	12	20	2	(2)	-
Ongoing activities	1,467	294	170	14	1,945	(143)	1,802
Exited business activities	-	-	-	(8)	(8)	-	(8)
Total	1,467	294	170	6	1,937	(143)	1,794
Net interest expense included in Benchmark PBT (note 9(b))	(4)	(1)	(1)	(1)	(7)	(117)	(124)
Benchmark PBT	1,463	293	169	5	1,930	(260)	1,670
Exceptional items (note 8(a))	4	-	-	(70)	(66)	-	(66)
Impairment of goodwill (note 14)	-	-	-	(179)	(179)	-	(179)
Amortisation of acquisition intangibles	(124)	(21)	(8)	(39)	(192)	-	(192)
Acquisition and disposal expenses	(18)	(4)	(7)	(17)	(46)	-	(46)
Adjustment to the fair value of contingent consideration	(48)	(5)	8	-	(45)	-	(45)
Non-benchmark share of post-tax loss of associates	-	-	(18)	-	(18)	-	(18)
Interest on uncertain tax provisions	-	-	-	-	-	(1)	(1)
Financing fair value remeasurements	-	-	-	-	-	51	51
Profit/(loss) before tax	1,277	263	144	(300)	1,384	(210)	1,174
Year ended 31 March 2022²	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Revenue from external customers							
Ongoing activities	4,122	791	847	456	6,216	-	6,216
Exited business activities	-	-	-	72	72	-	72
Total	4,122	791	847	528	6,288	-	6,288
Reconciliation from Benchmark EBIT to profit/(loss) before tax							
Benchmark EBIT							
Ongoing activities before transfer pricing and other adjustments	1,418	221	179	(10)	1,808	(155)	1,653
Transfer pricing and other allocation adjustments	(37)	2	9	23	(3)	3	-
Ongoing activities	1,381	223	188	13	1,805	(152)	1,653
Exited business activities	-	-	(4)	(4)	(8)	-	(8)
Total	1,381	223	184	9	1,797	(152)	1,645
Net interest expense included in Benchmark PBT (note 9(b))	(4)	(1)	(1)	(2)	(8)	(102)	(110)
Benchmark PBT	1,377	222	183	7	1,789	(254)	1,535
Exceptional items (note 8(a))	6	-	-	(80)	(74)	95	21
Amortisation of acquisition intangibles	(110)	(23)	(7)	(34)	(174)	-	(174)
Acquisition and disposal expenses	(21)	(7)	(1)	(18)	(47)	-	(47)
Adjustment to the fair value of contingent consideration	(8)	(20)	4	(2)	(26)	-	(26)
Non-benchmark share of post-tax loss of associates	-	-	(26)	-	(26)	(5)	(31)
Interest on uncertain tax provisions	-	-	-	-	-	1	1
Financing fair value remeasurements	-	-	-	-	-	168	168
Profit/(loss) before tax	1,244	172	153	(127)	1,442	5	1,447

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

2. Revenue of US\$51m and Benchmark EBIT of US\$(13)m for the year ended 31 March 2022 have been re-presented for the reclassification to exited business activities of certain B2B businesses.

Additional information by operating segment, including that on total and organic growth at constant exchange rates, is provided within pages 3 to 12.

Notes to the financial statements (continued)

for the year ended 31 March 2023

6. Segment information (continued)

(b) Revenue by country - continuing operations

	2023 US\$m	2022 US\$m
USA	4,429	4,121
Brazil	839	692
UK	780	843
Other	571	632
	6,619	6,288

Revenue is primarily attributable to countries other than Ireland. No single client accounted for 10% or more of revenue in the current or prior year. Revenue from the USA, Brazil and the UK in aggregate comprises 91% (2022: 90%) of Group revenue. Other comprises a number of other countries, none of which have revenue that is individually material.

(c) Disaggregation of revenue from contracts with customers

Year ended 31 March 2023	North America US\$m	Latin America US\$m	UK and Ireland US\$m	EMEA/ Asia Pacific US\$m	Total operating segments US\$m
Revenue from external customers					
Data	2,142	606	391	301	3,440
Decisioning	837	176	229	123	1,365
Business-to-Business	2,979	782	620	424	4,805
Consumer Services	1,453	165	164	-	1,782
Total ongoing activities	4,432	947	784	424	6,587

Year ended 31 March 2022 ¹	North America US\$m	Latin America US\$m	UK and Ireland US\$m	EMEA/ Asia Pacific US\$m	Total operating segments US\$m
Revenue from external customers					
Data	2,033	528	409	333	3,303
Decisioning	784	149	244	123	1,300
Business-to-Business	2,817	677	653	456	4,603
Consumer Services	1,305	114	194	-	1,613
Total ongoing activities	4,122	791	847	456	6,216

1. Revenue for the year ended 31 March 2022 of US\$51m has been re-presented for the reclassification to exited business activities of certain B2B businesses.

Total revenue comprises revenue from ongoing activities as well as revenue from exited business activities. Revenue in respect of exited business activities of US\$32m (2022: US\$72m) comprised EMEA/Asia Pacific Data and Decisioning revenue of US\$7m (2022: US\$18m) and US\$25m (2022: US\$54m) respectively.

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

Decisioning revenue is derived from:

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

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

Notes to the financial statements (continued)

for the year ended 31 March 2023

6. Segment information (continued)

(d) Revenue by business segment

The additional analysis of revenue from external customers provided to the chief operating decision-maker and accordingly reportable under IFRS 8 'Operating Segments' is given within note 7. This is supplemented by voluntary disclosure of the profitability of groups of service lines. For ease of reference, we continue to use the term 'business segments' when discussing the results of groups of service lines.

(e) Reconciliation of revenue from ongoing activities

	North America	Latin America	UK and Ireland	EMEA/ Asia Pacific	Total ongoing activities
	US\$m	US\$m	US\$m	US\$m	US\$m
Revenue for the year ended 31 March 2022¹	4,122	791	847	456	6,216
Adjustment to constant exchange rates	-	(3)	3	2	2
Revenue at constant exchange rates for the year ended 31 March 2022	4,122	788	850	458	6,218
Organic revenue growth	272	125	39	15	451
Revenue from acquisitions	38	19	3	-	60
Revenue at constant exchange rates for the year ended 31 March 2023	4,432	932	892	473	6,729
Adjustment to actual exchange rates	-	15	(108)	(49)	(142)
Revenue for the year ended 31 March 2023	4,432	947	784	424	6,587
Organic revenue growth at constant exchange rates	7%	16%	5%	3%	7%
Revenue growth at constant exchange rates	8%	18%	5%	3%	8%

1. Revenue of US\$51m for the year ended 31 March 2022 has been re-presented for the reclassification to exited business activities of certain B2B businesses.

The table above demonstrates the application of the methodology set out in note 5 in determining organic and total revenue growth at constant exchange rates. Revenue at constant exchange rates is reported for both years using the average exchange rates applicable for the year ended 31 March 2022.

(f) Balance sheet

(i) Net assets/(liabilities)	North America	Latin America	UK and Ireland	EMEA/ Asia Pacific	Total operating segments	Central Activities and other	Total Group
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
At 31 March 2023							
Goodwill	3,662	724	700	489	5,575	-	5,575
Investments in associates	3	-	9	-	12	-	12
Right-of-use assets	72	16	14	20	122	6	128
Assets classified as held-for-sale	-	-	-	4	4	12	16
Other assets	2,406	686	530	505	4,127	1,006	5,133
Total assets	6,143	1,426	1,253	1,018	9,840	1,024	10,864
Lease obligations	(89)	(19)	(14)	(21)	(143)	(5)	(148)
Liabilities classified as held-for-sale	-	-	-	(3)	(3)	-	(3)
Other liabilities	(1,307)	(327)	(304)	(189)	(2,127)	(4,622)	(6,749)
Total liabilities	(1,396)	(346)	(318)	(213)	(2,273)	(4,627)	(6,900)
Net assets/(liabilities)	4,747	1,080	935	805	7,567	(3,603)	3,964
At 31 March 2022							
Goodwill	3,546	760	694	737	5,737	-	5,737
Investments in associates	4	-	-	-	4	-	4
Right-of-use assets	83	14	24	27	148	5	153
Assets classified as held-for-sale	-	-	29	-	29	12	41
Other assets	2,191	674	528	619	4,012	947	4,959
Total assets	5,824	1,448	1,275	1,383	9,930	964	10,894
Lease obligations	(105)	(17)	(25)	(30)	(177)	(3)	(180)
Other liabilities	(1,129)	(327)	(300)	(364)	(2,120)	(4,587)	(6,707)
Total liabilities	(1,234)	(344)	(325)	(394)	(2,297)	(4,590)	(6,887)
Net assets/(liabilities)	4,590	1,104	950	989	7,633	(3,626)	4,007

Notes to the financial statements (continued)

for the year ended 31 March 2023

6. Segment information (continued)

(f) Balance sheet (continued)

(ii) Central Activities and other comprises:

	2023			2022		
	Assets	Liabilities	Net assets/ (liabilities)	Assets	Liabilities	Net assets/ (liabilities)
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Central Activities	731	(175)	556	682	(155)	527
Net debt ¹	206	(4,094)	(3,888)	199	(3,973)	(3,774)
Tax	87	(358)	(271)	83	(462)	(379)
	1,024	(4,627)	(3,603)	964	(4,590)	(3,626)

1. Net debt comprises amounts reported within Central Activities plus lease obligations in operating segments, net of interest of US\$142m (2022: US\$176m).

(iii) Capital employed

	2023 US\$m	2022 US\$m
North America	4,747	4,590
Latin America	1,080	1,104
UK and Ireland	935	950
EMEA/Asia Pacific	805	989
Total operating segments	7,567	7,633
Central Activities	556	527
Add: lease obligations in operating segments	143	177
Less: accrued interest on lease obligations in operating segments	(1)	(1)
Less: right-of-use assets	(128)	(153)
Less: non-controlling interests	(35)	(38)
Capital employed attributable to owners	8,102	8,145

The three-point average capital employed figure of US\$8,060m (2022: US\$7,774m), used in our calculation of ROCE, is determined by calculating the arithmetic average of capital employed at 31 March 2023, 30 September 2022 and 31 March 2022.

Notes to the financial statements (continued)

for the year ended 31 March 2023

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

	Business-to-Business	Consumer Services	Total business segments	Central Activities	Total continuing operations
Year ended 31 March 2023	US\$m	US\$m	US\$m	US\$m	US\$m
Revenue from external customers					
Ongoing activities	4,805	1,782	6,587	-	6,587
Exited business activities	32	-	32	-	32
Total	4,837	1,782	6,619	-	6,619
Reconciliation from Benchmark EBIT to profit/(loss) before tax					
Benchmark EBIT					
Ongoing activities before transfer pricing and other adjustments	1,517	426	1,943	(141)	1,802
Transfer pricing and other allocation adjustments	12	(10)	2	(2)	-
Ongoing activities	1,529	416	1,945	(143)	1,802
Exited business activities	(8)	-	(8)	-	(8)
Total	1,521	416	1,937	(143)	1,794
Net interest expense included in Benchmark PBT (note 9(b))	(5)	(2)	(7)	(117)	(124)
Benchmark PBT	1,516	414	1,930	(260)	1,670
Exceptional items (note 8(a))	(66)	-	(66)	-	(66)
Impairment of goodwill (note 14)	(179)	-	(179)	-	(179)
Amortisation of acquisition intangibles	(159)	(33)	(192)	-	(192)
Acquisition and disposal expenses	(23)	(23)	(46)	-	(46)
Adjustment to the fair value of contingent consideration	(45)	-	(45)	-	(45)
Non-benchmark share of post-tax loss of associates	-	(18)	(18)	-	(18)
Interest on uncertain tax provisions	-	-	-	(1)	(1)
Financing fair value remeasurements	-	-	-	51	51
Profit/(loss) before tax	1,044	340	1,384	(210)	1,174

	Business-to-Business	Consumer Services	Total business segments	Central Activities	Total continuing operations
Year ended 31 March 2022 ¹	US\$m	US\$m	US\$m	US\$m	US\$m
Revenue from external customers					
Ongoing activities	4,603	1,613	6,216	-	6,216
Exited business activities	72	-	72	-	72
Total	4,675	1,613	6,288	-	6,288
Reconciliation from Benchmark EBIT to profit before tax					
Benchmark EBIT					
Ongoing activities before transfer pricing and other adjustments	1,422	386	1,808	(155)	1,653
Transfer pricing and other allocation adjustments	9	(12)	(3)	3	-
Ongoing activities	1,431	374	1,805	(152)	1,653
Exited business activities	(5)	(3)	(8)	-	(8)
Total	1,426	371	1,797	(152)	1,645
Net interest expense included in Benchmark PBT (note 9(b))	(6)	(2)	(8)	(102)	(110)
Benchmark PBT	1,420	369	1,789	(254)	1,535
Exceptional items (note 8(a))	(74)	-	(74)	95	21
Amortisation of acquisition intangibles	(145)	(29)	(174)	-	(174)
Acquisition and disposal expenses	(34)	(13)	(47)	-	(47)
Adjustment to the fair value of contingent consideration	(26)	-	(26)	-	(26)
Non-benchmark share of post-tax loss of associates	-	(26)	(26)	(5)	(31)
Interest on uncertain tax provisions	-	-	-	1	1
Financing fair value remeasurements	-	-	-	168	168
Profit before tax	1,141	301	1,442	5	1,447

1. Revenue of US\$51m and Benchmark EBIT of US\$(13)m for the year ended 31 March 2022 have been re-presented for the reclassification to exited business activities of certain B2B businesses.

Additional information by business segment, including that on total and organic growth at constant exchange rates, is provided within pages 3 to 12 and within Appendix 3 on page 15.

Notes to the financial statements (continued)

for the year ended 31 March 2023

8. Exceptional items and other adjustments made to derive Benchmark PBT – continuing operations

(a) Net charge for Exceptional items and other adjustments made to derive Benchmark PBT

	Notes	2023 US\$m	2022 US\$m
Exceptional items:			
Net loss on disposal of operations	8(b), 14(a), 23	1	43
Net profit on disposal of associates	8(c)	(1)	(90)
Restructuring costs	8(d)	53	20
Onerous global support costs ¹	8(e)	16	-
Legal provisions movements ¹	8(f)	(3)	6
Net charge/(credit) for Exceptional items		66	(21)
Other adjustments made to derive Benchmark PBT:			
Amortisation of acquisition intangibles		192	174
Impairment of goodwill ¹	14	179	-
Acquisition and disposal expenses ²		46	47
Adjustment to the fair value of contingent consideration ¹	25(c)	45	26
Non-benchmark share of post-tax loss of associates ³		18	31
Interest on uncertain tax provisions	9(c)	1	(1)
Financing fair value remeasurements	9(c)	(51)	(168)
Net charge for other adjustments made to derive Benchmark PBT		430	109
Net charge for Exceptional items and other adjustments made to derive Benchmark PBT		496	88
By income statement caption:			
Labour costs		40	11
Amortisation and depreciation charges		192	174
Other operating charges		296	88
Loss on disposal of operations		1	43
Net profit on disposal of associates		(1)	(90)
Within operating profit		528	226
Within share of post-tax loss of associates		18	31
Within finance expense		(50)	(169)
Net charge for Exceptional items and other adjustments made to derive Benchmark PBT		496	88

- Included in other operating charges.
- Acquisition and disposal expenses represent professional fees and expenses associated with completed, ongoing and terminated acquisition and disposal processes, as well as the integration and separation costs associated with completed deals. Of the total, US\$7m (2022: US\$9m) is recorded within labour costs in the Group income statement, and US\$39m (2022: US\$38m) is included within other operating charges.
- Includes impairment of investment in associate.

(b) Net loss on disposal of operations

The net loss on disposal of operations comprises costs incurred following the cessation of our activities in Russia in the year ended 31 March 2022 of US\$3m (2022: US\$43m) and a gain of US\$2m (2022: US\$nil) on the disposal of interests in two small subsidiaries in EMEA/Asia Pacific.

(c) Net profit on disposal of associates

On 18 November 2020, the Group disposed of its 18.6% interest in Finicity Corporation. During the year further consideration of US\$1m (2022: US\$12m) was received in respect of earnout arrangements, the payout of which was not anticipated at 31 March 2021.

On 4 February 2022, Vector CM Holdings (Cayman) L.P., an associate undertaking, completed a merger with the CM Group involving its Cheetah Digital business. As a result of the merger, the Group no longer has significant influence over Vector and accordingly our interest in this company was recognised as a trade investment from that date. We recorded a fair value gain on the disposal in FY22 of US\$95m, and the promissory note and associated interest due to Experian of US\$110m were also repaid.

In the year ended 31 March 2022, we recognised a disposal of our Russian associate, United Credit Bureau, and wrote off the investment, recording a loss of US\$17m.

Notes to the financial statements (continued)

for the year ended 31 March 2023

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

(d) Restructuring costs

Costs of US\$53m (2022: US\$20m) were recognised in the year associated with a strategic review and restructuring, primarily in EMEA/Asia Pacific. We continue to execute on our strategy to concentrate on strategic markets where we can drive scale while also enhancing operating efficiency.

The charge includes a loss on disposal and asset write-downs and impairments of US\$23m (2022: US\$nil), and US\$21m (2022: US\$2m) is labour related. The associated cash outflow was US\$20m (2022: US\$14m).

(e) Onerous global support costs

The charge in the year comprises costs that are directly attributable to exited businesses or incurred solely to support sub-scale, multi-country markets, and will be removed as we complete restructuring activity in EMEA/Asia Pacific.

(f) Legal provisions movements

Movements have occurred in provisions held for a number of historical legal claims, some of which are in the process of being settled. The credit in the year ended 31 March 2023 reflects legal costs in North America of US\$26m, offset by insurance recoveries of US\$29m.

Notes to the financial statements (continued)

for the year ended 31 March 2023

9. Net finance expense/(income)

(a) Net finance expense/(income) included in profit before tax

	2023 US\$m	2022 US\$m
Interest income:		
Bank deposits, short-term investments and loan notes	(9)	(14)
Interest on pension plan assets	(4)	(1)
Interest income	(13)	(15)
Net non-benchmark finance income (note 9(c))	(50)	(169)
Finance income	(63)	(184)
Finance expense:		
Interest expense	137	125
Net finance expense/(income) included in profit before tax	74	(59)

(b) Net interest expense included in Benchmark PBT

	2023 US\$m	2022 US\$m
Interest income	(13)	(15)
Interest expense	137	125
Net interest expense included in Benchmark PBT	124	110

(c) Analysis of net non-benchmark finance income

	2023 US\$m	2022 US\$m
Foreign exchange losses/(gains) on Brazilian real intra-Group funding ¹	16	(43)
Foreign currency losses on cross-currency swaps designated as a cash flow hedge – transfer from OCI	30	26
Other financing fair value gains ²	(97)	(151)
Interest on uncertain tax provisions	1	(1)
	(50)	(169)

1. A Group company whose functional currency is not the Brazilian real provides Brazilian real intra-Group funding to Serasa S.A.. Foreign exchange gains or losses on this funding are recognised in the Group income statement.
2. Other financing fair value gains primarily relate to our portfolio of interest rate swaps used for managing the proportion of fixed rate debt, as well as US\$30m (2022: US\$26m) of fair value gains on borrowings which are in a cash flow hedge relationship.

10. Tax – ongoing activities

(a) Tax charge and effective rate of tax

	2023 US\$m	2022 US\$m
Tax charge ¹	401	296
Profit before tax	1,174	1,447
Effective rate of tax based on profit before tax	34.2%	20.5%

1. The tax charge comprises a current tax charge of US\$521m (2022: US\$314m) and a deferred tax credit of US\$120m (2022: US\$18m).

In the normal course of business, the Group has a number of open tax returns with various tax authorities with whom it is in active dialogue. At 31 March 2023, the Group held current and deferred tax liabilities of US\$102m (2022: US\$293m) in respect of uncertain tax positions.

During the current and prior year, Experian was in discussions with the US Internal Revenue Service and His Majesty's Revenue and Customs in the UK to seek clarity on transfer pricing and financing related issues. The net decrease in recognised provisions during the year was driven by the agreement of the Group's most significant uncertain tax position. In the year ended 31 March 2022, the net decrease in recognised provisions followed the agreement of open tax issues in North America, and adjustments made to provisions on the utilisation of historical UK tax losses.

Liabilities relating to these open and judgmental matters are based on an assessment as to whether additional taxes will be due, after taking into account external advice where appropriate. While the timing of developments in resolving these matters is inherently uncertain, the Group does not expect to materially increase its uncertain tax provisions in the next 12 months. However if an opportunity arose to resolve the matters for less than the amounts provided, a settlement may be made with a corresponding reduction in the provision.

Notes to the financial statements (continued)

for the year ended 31 March 2023

10. Tax – ongoing activities (continued)

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

	2023 US\$m	2022 US\$m
Tax charge	401	296
Tax relief on Exceptional items and other adjustments made to derive Benchmark PBT	33	98
Benchmark tax charge	434	394
Benchmark PBT	1,670	1,535
Benchmark tax rate	26.0%	25.7%

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

Other comprehensive expense of US\$287m (2022: income of US\$155m) is stated after a deferred tax credit of US\$5m (2022: charge of US\$22m), relating to remeasurement gains on post-employment benefit assets and obligations, and changes in the fair value of investments revalued through OCI.

A tax charge relating to employee share incentive plans of US\$9m (2022: US\$nil) is recognised in equity and reported as appropriate within transactions with owners. This amount comprised a current tax charge of US\$5m (2022: US\$1m) and a deferred tax charge of US\$4m (2022: credit of US\$1m).

11. Discontinued operations

There have been no material divestments of subsidiaries during the year ended 31 March 2023. The profit from discontinued operations in the year ended 31 March 2022 of US\$16m comprised the release of historical tax provisions relating to the disposal of the Group's comparison shopping and lead generation businesses in FY13, and our email/cross-channel marketing business (CCM) in FY18.

The cash inflow from operating activities of US\$nil (2022: US\$1m) relates to the disposal of CCM.

12. Earnings per share disclosures

(a) Earnings per share (EPS)

	Basic		Diluted	
	2023 US cents	2022 US cents	2023 US cents	2022 US cents
Continuing and discontinued operations	84.2	127.5	83.6	126.5
Less: profit from discontinued operations	-	(1.8)	-	(1.7)
Continuing operations	84.2	125.7	83.6	124.8
Add/(deduct): Exceptional items and other adjustments made to derive Benchmark PBT, net of related tax	50.9	(1.2)	50.5	(1.2)
Benchmark EPS (non-GAAP measure)	135.1	124.5	134.1	123.6

(b) Analysis of earnings

(i) Attributable to owners of Experian plc

	2023 US\$m	2022 US\$m
Continuing and discontinued operations	770	1,165
Less: profit from discontinued operations	-	(16)
Continuing operations	770	1,149
Add/(deduct): Exceptional items and other adjustments made to derive Benchmark PBT, net of related tax	465	(11)
Benchmark earnings attributable to owners of Experian plc (non-GAAP measure)	1,235	1,138

(ii) Attributable to non-controlling interests

	2023 US\$m	2022 US\$m
Profit for the financial year attributable to non-controlling interests	3	2
(Deduct)/add: Exceptional items and other adjustments made to derive Benchmark PBT, net of related tax	(2)	1
Benchmark earnings attributable to non-controlling interests (non-GAAP measure)	1	3

Notes to the financial statements (continued)

for the year ended 31 March 2023

12. Earnings per share disclosures (continued)

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

	2023 US\$m	2022 US\$m
Total Benchmark earnings (non-GAAP measure)	1,236	1,141
Profit from discontinued operations	-	16
Exceptional items and other adjustments made to derive Benchmark PBT, net of related tax:		
- attributable to owners of Experian plc	(465)	11
- attributable to non-controlling interests	2	(1)
Profit for the financial year	773	1,167

(d) Weighted average number of ordinary shares

	2023 million	2022 million
Weighted average number of ordinary shares	914	914
Add: dilutive effect of share incentive awards, options and share purchases	7	7
Diluted weighted average number of ordinary shares	921	921

13. Dividends on ordinary shares

(a) Dividend information

	2023		2022	
	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 2023 (2022: February 2022)	17.00	155	16.00	147
Second interim – paid in July 2022 (2022: July 2021)	35.75	327	32.50	297
Dividends paid on ordinary shares	52.75	482	48.50	444
Full-year dividend for the financial year	54.75	499	51.75	474

A second interim dividend in respect of the year ended 31 March 2023 of 37.75 US cents per ordinary share will be paid on 21 July 2023, to shareholders on the register at the close of business on 23 June 2023. Unless shareholders elect by 23 June 2023 to receive US dollars, their dividends will be paid in pounds sterling at a rate per share calculated on the basis of the exchange rate from US dollars to pounds sterling on 30 June 2023.

This dividend is not included as a liability in these financial statements. This second interim dividend and the first interim dividend paid in February 2023 comprise the full-year dividend for the financial year of 54.75 US cents per ordinary share. Dividend amounts are quoted gross.

In the year ended 31 March 2023, the employee trusts waived their entitlements to dividends of US\$4m (2022: US\$4m). There is no entitlement to dividends in respect of own shares held as treasury shares.

(b) Income Access Share (IAS) arrangements

As its ordinary shares are listed on the London Stock Exchange, the Company has a large number of UK resident shareholders. In order that shareholders may receive Experian dividends from a UK source, should they wish, the IAS arrangements have been put in place. The purpose of the IAS arrangements is to preserve the tax treatment of dividends paid to Experian shareholders in the UK, in respect of dividends paid by the Company. Shareholders who elect, or are deemed to elect, to receive their dividends via the IAS arrangements will receive their dividends from a UK source (rather than directly from the Company) for UK tax purposes.

Shareholders who hold 50,000 or fewer Experian plc shares on the first dividend record date after they become shareholders, unless they elect otherwise, will be deemed to have elected to receive their dividends under the IAS arrangements.

Shareholders who hold more than 50,000 shares and who wish to receive their dividends from a UK source must make an election to receive dividends via the IAS arrangements. All elections remain in force indefinitely unless revoked.

Unless shareholders have made an election to receive dividends via the IAS arrangements, or are deemed to have made such an election, dividends will be received from an Irish source and will be taxed accordingly. The final date for submission of elections to receive UK sourced dividends via the IAS arrangements is 23 June 2023. The Company offers a Dividend Reinvestment Plan (DRIP) to shareholders who receive their dividends under the IAS arrangements, and the final date for submission of DRIP elections is also 23 June 2023. Shareholders should contact the registrars for further details.

Notes to the financial statements (continued)

for the year ended 31 March 2023

14. Goodwill

(a) Movements in goodwill

	2023 US\$m	2022 US\$m
Cost		
At 1 April	5,790	5,314
Differences on exchange	(149)	40
Additions through business combinations (note 22)	180	469
Disposal of business (note 23)	-	(33)
At 31 March	5,821	5,790
Accumulated impairment		
At 1 April	53	53
Differences on exchange	14	-
Impairment charge	179	-
At 31 March	246	53
Net book amount at 1 April	5,737	5,261
Net book amount at 31 March	5,575	5,737

(b) Goodwill by cash-generating unit (CGU)

	2023 US\$m	2022 US\$m
North America	3,662	3,546
Latin America	724	760
UK and Ireland	700	694
EMEA	409	649
Asia Pacific	80	88
At 31 March	5,575	5,737

(c) Key assumptions for value-in-use calculations by CGU

	2023		2022	
	Discount rate % p.a.	Long-term growth rate % p.a.	Discount rate % p.a.	Long-term growth rate % p.a.
North America	11.2	2.3	9.3	2.3
Latin America	15.8	4.7	13.5	4.7
UK and Ireland	10.9	2.3	9.1	2.3
EMEA	12.6	3.9	10.6	3.9
Asia Pacific	11.2	5.3	8.6	5.3

As indicated in note 5(a) of the Group's statutory financial statements for the year ended 31 March 2022, value-in-use calculations are underpinned by financial forecasts looking forward up to five years, which continue to reflect our current assessment of the impact of climate change and associated commitments the Group has made.

Management's key assumptions in setting the financial budgets for the initial five-year period were as follows:

- forecast revenue growth rates were based on past experience, adjusted for the strategic opportunities within each CGU; the forecasts used average nominal growth rates of up to 14%, with high-single-digit average nominal growth rates in EMEA and Asia Pacific;
- Benchmark EBIT was forecast based on historical margins. These were expected to improve modestly throughout the period in the mature CGUs and improve annually by a mid-single-digit amount in EMEA and Asia Pacific; and
- forecast Benchmark operating cash flow conversion rates were based on historical experience and performance expectations with rates of up to 93% unless a Benchmark EBIT loss was forecast. In these circumstances, cash outflows were forecast to exceed the Benchmark EBIT loss.

Further details of the principles used in determining the basis of allocation by CGU and annual impairment testing are given in note 5(a) of the Group's statutory financial statements for the year ended 31 March 2022.

Notes to the financial statements (continued)

for the year ended 31 March 2023

14. Goodwill (continued)

(d) Results of annual impairment review as at 31 March 2023

As a result of increased discount rate assumptions used in the value-in-use calculation, driven by increases in underlying risk-free interest rates, combined with ongoing challenging market conditions, the carrying value of the EMEA CGU has been reduced to its recoverable amount through recognition of an impairment charge of US\$179m. This charge is recognised within total operating expenses in the Group income statement. Any additional adverse movement in the key assumptions at the balance sheet date would lead to a further impairment of goodwill. The sensitivities can be summarised as follows:

- an absolute increase of 1.0 percentage points in the discount rate would lead to a further impairment of US\$80m; or
- an absolute reduction in the long-term growth rate of 1.0 percentage points would lead to a further impairment of US\$60m; or
- an absolute reduction of 2.0 or 4.0 percentage points in the forecast FY28 profit margin of 22.2% would lead to an additional impairment of US\$53m or US\$106m respectively; or
- a 10% or 20% reduction in the forecast FY28 profit would lead to an additional impairment of US\$58m or US\$117m respectively.

The review for the Asia Pacific CGU indicated that the recoverable amount exceeded the carrying value by US\$120m and that any decline in the estimated value-in-use in excess of that amount would result in the recognition of an impairment charge. The sensitivities, which result in the recoverable amount being equal to the carrying value, can be summarised as follows:

- an absolute increase of 3.9 percentage points in the discount rate, from 11.2% to 15.1%; or
- an absolute reduction of 5.4 percentage points in the long-term growth rate, from growth of 5.3% to a decline of 0.1%; or
- a reduction of 5.4 percentage points in the forecast FY28 profit margin, from 14.4% to 9.0%. A reduction in the annual margin improvement of approximately 1.1 percentage points per year over the five-year forecast period would also reduce the recoverable amount to the carrying value; or
- an absolute reduction of 38% in the forecast FY28 profit.

The recoverable amount of all other CGUs exceeded their carrying value, on the basis of the assumptions set out in note 14(c) and any reasonably possible changes thereof.

The impairment review considered the potential impact of climate change by considering the results of the scenario analysis performed consistent with the recommendations of the TCFD. There was no impact on the reported amounts of goodwill as a result of this review.

15. Capital expenditure, disposals and capital commitments

(a) Additions

	2023 US\$m	2022 US\$m
Capital expenditure	627	508
Right-of-use-assets	39	39
	666	547

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

The book value of other intangible fixed assets and property, plant and equipment disposed of in the year was US\$17m (2022: US\$24m), of which US\$9m (2022: US\$5m) related to the disposal of right-of-use assets. A loss of US\$7m (2022: US\$nil) on the disposal of internally generated software is reported within non-benchmark items in the Group income statement, as it relates to assets developed for markets in which we no longer operate as a result of restructuring activity (note 8(d)). There was no material sublease income in the current or prior year.

Notes to the financial statements (continued)

for the year ended 31 March 2023

15. Capital expenditure, disposals and capital commitments (continued)

(c) Capital commitments

	2023 US\$m	2022 US\$m
Capital expenditure for which contracts have been placed:		
Other intangible assets	56	64
Property, plant and equipment	12	17
	68	81

Capital commitments at 31 March 2023 included US\$3m (2022: US\$2m) in respect of right-of-use assets. Capital commitments at 31 March 2023 included commitments of US\$46m not expected to be incurred before 31 March 2024. Capital commitments at 31 March 2022 included commitments of US\$56m not then expected to be incurred before 31 March 2023.

16. Post-employment benefits – IAS 19 information

(a) Balance sheet assets/(obligations)

	2023 US\$m	2022 US\$m
Retirement benefit assets/(obligations) - funded defined benefit plans:		
Fair value of funded plans' assets	866	1,214
Present value of funded plans' obligations	(692)	(998)
Assets in the Group balance sheet for funded defined benefit pensions	174	216
Obligations for unfunded post-employment benefits:		
Present value of defined benefit pensions - unfunded plans	(36)	(48)
Present value of post-employment medical benefits	(3)	(4)
Liabilities in the Group balance sheet	(39)	(52)
Net post-employment benefit assets	135	164

Pension assets are deemed to be recoverable and there are no adjustments in respect of minimum funding requirements as, under the rules of the UK Experian Pension Scheme, future economic benefits are available to the Group in the form of reductions in future contributions or refunds of surplus.

The latest full actuarial valuation of the Experian Pension Scheme was carried out as at 31 March 2022. The valuation has been agreed, and there was a moderate funding surplus. The next full valuation will be carried out as at 31 March 2025.

(b) Movements in net post-employment benefit assets recognised in the Group balance sheet

	2023 US\$m	2022 US\$m
At 1 April	164	47
Differences on exchange	(10)	(7)
Credit/(charge) to the Group income statement	2	(7)
Remeasurement (losses)/gains recognised within OCI	(23)	121
Contributions paid by the Group and employees	2	10
At 31 March	135	164

Contributions paid in the year ended 31 March 2023 relate to unfunded post-employment benefits. Contributions paid in the year ended 31 March 2022 included a final additional contribution of US\$4m to the Experian Pension Scheme to correct a previous funding deficit.

The funded defined benefit pension plans hold a range of assets including equities, index-linked gilts, global corporate bonds, secured credit, and a Liability Driven Investment strategy which is used to hedge against interest fluctuations and inflation. The primary drivers of the reductions in the fair value of the plans' funded assets and obligations are an increase in pound sterling interest rates and the retranslation of assets and obligations into US dollars.

The Experian Pension Scheme was closed to the future accrual of new benefits from 1 April 2022 and consequently no further assumption is required for future pensionable salary growth. Active member benefits were crystallised as deferred pensions from that date. No material impact on the Group's net post-employment benefit assets resulted from this change.

Notes to the financial statements (continued)

for the year ended 31 March 2023

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

(c) Income statement charge

	2023 US\$m	2022 US\$m
By nature of expense:		
Current service cost	-	5
Administration expenses	2	3
Charge within labour costs and operating profit	2	8
Interest income	(4)	(1)
Total net (credit)/charge to the Group income statement	(2)	7

The income statement charge relates to defined benefit pension plans. There is no current service cost in the year ended 31 March 2023, due to the closure of the Experian Pension Scheme to future accrual from 1 April 2022. Of the remeasurement recognised in the Statement of comprehensive income, a gain of US\$1m (2022: US\$nil) is in respect of post-employment medical benefits, with the balance relating to defined benefit pension plans.

(d) Financial actuarial assumptions

	2023 % p.a.	2022 % p.a.
Discount rate	4.9	2.8
Inflation rate – based on the UK Retail Prices Index (the RPI)	3.3	3.8
Inflation rate – based on the UK Consumer Prices Index (the CPI)	2.9	3.3
Increase for pensions in payment – element based on the RPI (where cap is 5%)	3.1	3.4
Increase for pensions in payment – element based on the CPI (where cap is 2.5%)	1.9	2.0
Increase for pensions in payment – element based on the CPI (where cap is 3%)	2.1	2.3
Increase for pensions in deferment	2.9	3.3
Inflation in medical costs	6.3	6.8

The assumed margin between RPI and CPI has been reduced to 45 basis points (50 basis points in the year ended 31 March 2022), consistent with a 100 basis point margin assumed to 2030, with a ten basis point margin assumed thereafter. The single equivalent differential is expected to reduce over time towards 2030. This results in an increase in retirement benefit obligations at 31 March 2023 of approximately US\$2m or 0.25%.

The principal financial assumption is the real discount rate, which is 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 a currency and term appropriate to the defined benefit obligations. The criteria used to set the discount rate are unchanged from the year ended 31 March 2022. The increase in the discount rate at the balance sheet date reflects the significant increase in UK bond yields during the year. The Experian Pension Scheme obligations are in pounds sterling and have a maturity on average of 13 years.

If the real discount rate increased/decreased by 0.25%, the defined benefit obligations at 31 March 2023 would decrease/increase by approximately US\$22m and the fair value of plan assets would decrease/increase by approximately US\$27m. The discount rate sensitivity has been updated to 0.25% from 0.1% to reflect an increase in both the range of reasonably possible rates and the estimation uncertainty for discount rates, given the increase in UK discount rates and their volatility observed during the year.

The rates of increase for pensions in payment reflect the separate arrangements applying to different groups of Experian's pensioners. If the inflation rate underlying the pension increases (both in payment and in deferment) increased/decreased by 0.1%, the defined benefit obligations at 31 March 2023 would increase/decrease by approximately US\$5m.

The mortality and early retirement assumptions have been updated to reflect the latest analysis undertaken as part of the full actuarial funding valuation at 31 March 2022. The accounting valuation assumes that mortality will be in line with standard tables adjusted to reflect the expected experience of the Experian Pension Scheme membership, based on analysis carried out for the 2022 actuarial valuation. A specific allowance for anticipated future improvements in life expectancy is also incorporated. The perpetuation of excess deaths during 2022 is expected to be reflected in the standard UK model for projected improvements in life expectancy, due to be published later this calendar year. The Group has therefore applied a 4% scaling factor to its mortality assumptions to allow for this impact on member mortality. This reduced retirement benefit obligations at 31 March 2023 by approximately US\$8m.

The Group has also considered the potential impact of climate change and, at the present time, we do not believe that there is sufficient evidence to require a change in the long-term mortality assumptions. We will continue to monitor any potential future impact on the mortality assumptions used.

The other methods and assumptions used are consistent with those used in the prior year.

Notes to the financial statements (continued)

for the year ended 31 March 2023

17. Notes to the Group cash flow statement

(a) Cash generated from operations

	2023 US\$m	2022 US\$m
Profit before tax	1,174	1,447
Share of post-tax loss of associates	17	28
Net finance expense/(income)	74	(59)
Operating profit	1,265	1,416
Profit on disposal of property, plant and equipment	-	(4)
Net loss on disposal of operations	1	43
Net profit on disposal of associates	(1)	(90)
Impairment of goodwill	179	-
Impairment of other intangible assets ¹	1	-
Amortisation and depreciation ²	674	658
Charge in respect of share incentive plans	129	149
Decrease in working capital (note 17(b))	30	58
Acquisition expenses – difference between income statement charge and amount paid	8	7
Adjustment to the fair value of contingent consideration	45	26
Movement in Exceptional and other non-benchmark items included in working capital	15	7
Movement in Exceptional items included in other intangible assets	12	-
Cash generated from operations	2,358	2,270

1. US\$8m of the charge for impairment of internally generated software assets is recorded as exceptional as it relates to restructuring activity.
2. Amortisation and depreciation includes amortisation of acquisition intangibles of US\$192m (2022: US\$174m) which is excluded from Benchmark PBT.

(b) Decrease in working capital

	2023 US\$m	2022 US\$m
Trade and other receivables	(171)	(143)
Trade and other payables	201	201
Decrease in working capital	30	58

(c) Purchase of other intangible assets

	2023 US\$m	2022 US\$m
Databases	190	180
Internally generated software	335	236
Internal use software	38	29
Purchase of other intangible assets	563	445

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

	2023 US\$m	2022 US\$m
Purchase of subsidiaries (note 22(a))	268	706
Less: net cash acquired with subsidiaries (note 22(a))	(5)	(17)
Settlement of deferred and contingent consideration	46	47
As reported in the Group cash flow statement	309	736
Acquisition expenses paid	38	40
Settlement of put options held over shares in subsidiaries	133	4
Transactions in respect of non-controlling interests	-	1
Cash outflow for acquisitions (non-GAAP measure)	480	781

Notes to the financial statements (continued)

for the year ended 31 March 2023

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

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

	2023 US\$m	2022 US\$m
Issue of ordinary shares	(19)	(24)
Purchase of shares by employee trusts	45	61
Purchase of shares held as treasury shares	149	109
Purchase of shares for Co-investment Plan delivery	-	3
Cash outflow in respect of net share purchases (non-GAAP measure)	175	149
As reported in the Group cash flow statement:		
Cash inflow in respect of shares issued	(19)	(24)
Cash outflow in respect of share purchases	194	173
Cash outflow in respect of net share purchases (non-GAAP measure)	175	149

(f) Analysis of cash and cash equivalents

	2023 US\$m	2022 US\$m
Cash and cash equivalents in the Group balance sheet	202	179
Bank overdrafts	(4)	(3)
Cash and cash equivalents in the Group cash flow statement	198	176

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

	2023 US\$m	2022 US\$m
Cash generated from operations (note 17(a))	2,358	2,270
Purchase of other intangible assets (note 17(c))	(563)	(445)
Purchase of property, plant and equipment	(64)	(63)
Sale of property, plant and equipment	-	23
Principal lease payments	(57)	(57)
Acquisition expenses paid	38	40
Dividends received from associates	2	13
Cash flows in respect of Exceptional and other non-benchmark items	39	19
Benchmark operating cash flow (non-GAAP measure)	1,753	1,800

Cash flow conversion for the year ended 31 March 2023 was 98% (2022: 109%). Benchmark free cash flow for the year ended 31 March 2023 was US\$1,109m (2022: US\$1,311m).

Notes to the financial statements (continued)

for the year ended 31 March 2023

18. Net debt (non-GAAP measure)

(a) Analysis by nature

	2023 US\$m	2022 US\$m
Cash and cash equivalents (net of overdrafts)	198	176
Debt due within one year – commercial paper	(109)	-
Debt due within one year – lease obligations	(42)	(53)
Debt due after more than one year – bonds and notes	(3,733)	(3,903)
Debt due after more than one year – bank loans	(85)	(2)
Debt due after more than one year – lease obligations	(105)	(126)
Derivatives hedging loans and borrowings	(154)	(42)
	(4,030)	(3,950)

(b) Analysis by balance sheet caption

	2023 US\$m	2022 US\$m
Cash and cash equivalents	202	179
Current borrowings	(156)	(57)
Non-current borrowings	(3,943)	(4,039)
Borrowings	(4,099)	(4,096)
Total of Group balance sheet line items	(3,897)	(3,917)
Accrued interest reported within borrowings excluded from Net debt	21	9
Derivatives reported within Other financial assets	4	20
Derivatives reported within Other financial liabilities	(158)	(62)
	(4,030)	(3,950)

At 31 March 2023, the fair value of borrowings was US\$3,826m (2022: US\$4,089m) and includes lease obligations of US\$148m (2022: US\$180m) recognised in respect of right-of-use assets.

(c) Analysis of movements in Net debt

	1 April 2022	Movements in the year ended 31 March 2023						31 March 2023
		Net cash flow	Non-cash lease obligation movements ¹	Principal lease payments	Net share purchases	Fair value gains/ (losses)	Exchange and other movements	
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Derivatives hedging loans and borrowings	(42)	61	-	-	-	(76)	(97)	(154)
Borrowings	(4,096)	(147)	(29)	-	-	29	144	(4,099)
Liabilities from financing activities	(4,138)	(86)	(29)	-	-	(47)	47	(4,253)
Accrued interest	9	12	-	-	-	-	-	21
Cash and cash equivalents	179	170	-	57	(175)	-	(29)	202
Net debt	(3,950)	96	(29)	57	(175)	(47)	18	(4,030)

1. Non-cash lease obligation movements include additions of US\$39m and disposals of US\$10m.

Notes to the financial statements (continued)

for the year ended 31 March 2023

19. Undrawn committed bank borrowing facilities

	2023 US\$m	2022 US\$m
Facilities expiring in:		
One to two years	365	400
Two to three years	2,050	250
Three to four years	-	1,950
	2,415	2,600

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

20. Called-up share capital and share premium account

	Number of shares million	Called-up share capital US\$m	Share premium account US\$m
At 1 April 2021	969.6	96	1,756
Shares issued under employee share incentive plans	1.0	-	24
At 31 March 2022	970.6	96	1,780
Shares issued under employee share incentive plans	0.8	-	19
At 31 March 2023	971.4	96	1,799

21. Own shares held

	Number of shares million	Cost of shares US\$m
At 1 April 2021	56.0	1,006
Purchase of shares held as treasury shares	2.7	111
Purchase of shares by employee trusts	1.7	61
Other vesting of awards and exercises of share options	(3.7)	(49)
At 31 March 2022	56.7	1,129
Purchase of shares held as treasury shares	4.8	149
Purchase of shares by employee trusts	1.5	45
Other vesting of awards and exercises of share options	(4.0)	(50)
At 31 March 2023	59.0	1,273

Own shares held at 31 March 2023 included 52.3 million shares (2022: 48.5 million) held as treasury shares and 6.7 million (2022: 8.2 million) shares held by employee trusts.

During the year ended 31 March 2022, 6.0 million shares held as treasury shares were transferred to an employee trust.

The total cost of own shares held at 31 March 2023 of US\$1,273m (2022: US\$1,129m) is deducted from Other reserves in the Group balance sheet.

Notes to the financial statements (continued)

for the year ended 31 March 2023

22. Acquisitions

(a) Acquisitions in the year

The Group made six acquisitions during the year ended 31 March 2023, including the acquisition on 4 April 2022 of the entire share capital of CIC Plus, LLC and its affiliate Tayvah, LLC (together CIC Plus), a leading provider of employer compliance management solutions, for a cash consideration of US\$188m. Goodwill of US\$108m was recognised based on the fair value of the net assets acquired of US\$80m. This investment supplements our employer services offering in the USA.

We also purchased the remaining 40% interest in the Arvato Financial Solutions Risk Management Division, acquired in FY21, for US\$133m (note 17(d)).

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

	CIC Plus US\$m	Other US\$m	Total US\$m
Intangible assets:			
Customer and other relationships	51	19	70
Software development	20	35	55
Marketing-related acquisition intangibles	1	-	1
Other non-acquisition intangibles	4	-	4
Intangible assets	76	54	130
Property, plant and equipment	-	1	1
Trade and other receivables	9	4	13
Cash and cash equivalents (note 17(d))	3	2	5
Trade and other payables	(8)	(3)	(11)
Deferred tax liabilities	-	(4)	(4)
Total identifiable net assets	80	54	134
Goodwill	108	72	180
Total	188	126	314
Satisfied by:			
Cash and cash equivalents (note 17(d))	188	80	268
Put options	-	11	11
Contingent consideration	-	35	35
Total	188	126	314

These fair values are determined by using established estimation techniques including discounted cash flow and option valuation models, such as the multi-period excess earnings method for customer and other relationships and the relief-from-royalty method for software development. The most significant assumption is related to the proportion of earnings attributable to customer and other relationships and software development. For significant acquisitions, we engage with third-party valuation experts to assist with this process.

Fair values on the acquisition of CIC Plus have been finalised, other amounts are provisional and will be finalised no later than one year after the date of acquisition. Provisional amounts; predominantly for intangible assets, have been included at 31 March 2023, as a consequence of the timing and complexity of the acquisitions.

Goodwill represents the synergies, assembled workforces and future growth potential of the acquired businesses. The goodwill in relation to CIC Plus and one other acquisition is currently deductible for tax purposes, and consequently no deferred tax liability has been recognised for these acquisitions.

There have been no other material gains, losses, corrections or other adjustments recognised in the year ended 31 March 2023 that relate to acquisitions in the current or earlier years.

Notes to the financial statements (continued)

for the year ended 31 March 2023

22. Acquisitions (continued)

(b) Additional information

(i) Current year acquisitions

	CIC Plus US\$m	Other US\$m	Total US\$m
Increase/(decrease) in book value of net assets from provisional fair value adjustments:			
Intangible assets	76	54	130
Trade and other payables	(3)	(1)	(4)
Deferred tax liabilities	-	(4)	(4)
Increase in book value of net assets from provisional fair value adjustments	73	49	122
Gross contractual amounts receivable in respect of trade and other receivables	9	4	13
Pro-forma revenue from 1 April 2022 to date of acquisition	-	6	6
Revenue from date of acquisition to 31 March 2023	32	5	37
Profit before tax from date of acquisition to 31 March 2023	2	1	3

At the dates of acquisition, the gross contractual amounts receivable in respect of trade and other receivables of US\$13m were expected to be collected in full.

If the transactions had occurred on the first day of the financial year, the estimated additional contribution to profit before tax would have been US\$1m.

(ii) Prior years' acquisitions

US\$39m of contingent consideration was settled in the year in respect of acquisitions made in FY22. These cash flows principally relate to the acquisitions of Tax Credit Co, LLC (TCC) and Gabi Personal Insurance Agency, Inc. (Gabi). In addition, deferred consideration of US\$4m was settled in the year in respect of the FY22 acquisition of Employment Tax Servicing, LLC. In the year ended 31 March 2022, US\$43m was settled in respect of acquisitions made in earlier years, principally in relation to the FY21 and FY20 acquisitions of Axesor businesses and Look Who's Charging Pty Ltd.

The Group made six acquisitions in the year ended 31 March 2022, which included Gabi and TCC, both in the USA. A cash outflow of US\$689m was reported in the Group cash flow statement for that year, after deduction of US\$17m in respect of net cash acquired.

(iii) Post balance sheet acquisitions

On 20 April 2023, we agreed to acquire Flexpag Tecnologia e Instituição de Pagamento S.A. (Flexpag) for R\$250m (c.US\$49m), and contingent consideration based on Flexpag's profits in calendar year 2025, the fair value of which is yet to be determined. Completion is expected in the year ending 31 March 2024. Flexpag is a Brazilian FinTech specialising in digital payment solutions, connecting payment systems to utilities to offer consumers a broad range of payment methods.

The fair values of goodwill, software development, customer relationships and other assets and liabilities in respect of these acquisitions will be reported in the 2024 Experian Annual Report & Accounts, following completion of the initial accounting.

Notes to the financial statements (continued)

for the year ended 31 March 2023

23. Disposal

During the year we disposed of interests in two small subsidiary undertakings in EMEA/Asia Pacific, realising a gain on disposal of US\$2m. In addition, further costs of US\$3m were incurred following the cessation of our operations in Russia in the year ended 31 March 2022.

24. Assets and liabilities classified as held-for-sale

During the year we classified two small subsidiaries in the EMEA region, and one subsidiary in the Asia Pacific region as held-for-sale. In the year ended 31 March 2022 the Group recorded a UK associate as held-for-sale. It is not now anticipated that the UK transaction will complete within 12 months and accordingly the investment has been reclassified as an associate at 31 March 2023.

The Group continues to market part of its UK property portfolio and it is anticipated that this transaction will be completed in the year ending 31 March 2024. Any gain or loss on disposal will be recognised in that year.

	2023 US\$m	2022 US\$m
Assets classified as held-for-sale:		
Investment in associate	-	29
Property, plant and equipment	12	12
Trade and other receivables	4	-
Assets classified as held-for-sale	16	41
Liabilities classified as held-for-sale:		
Trade and other payables	(3)	-
Liabilities classified as held-for-sale	(3)	-

25. Financial risk management

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks. These are market risk, including foreign exchange risk and interest rate risk, credit risk and liquidity risk. The nature of these risks and the policies adopted by way of mitigation are unchanged from those reported in the Annual Report and Group financial statements for the year ended 31 March 2022. Full information and disclosures were contained in that document.

(b) Analysis by valuation method for put options and items measured at fair value

(i) At 31 March 2023

	Level 1 US\$m	Level 2 US\$m	Level 3 US\$m	Total US\$m
Financial assets:				
Non-hedging derivatives	-	139	-	139
Other financial assets at fair value through profit or loss (FVPL)	-	-	16	16
Financial assets at fair value through profit or loss	-	139	16	155
Listed and trade investments ¹	61	-	252	313
	61	139	268	468
Financial liabilities:				
Derivatives used for hedging - fair value hedges ²	-	(124)	-	(124)
Non-hedging derivatives	-	(20)	-	(20)
Other liabilities at fair value through profit or loss	-	-	(139)	(139)
Financial liabilities at fair value through profit or loss	-	(144)	(139)	(283)
Derivatives used for hedging – cash flow hedge ^{1,2}	-	(24)	-	(24)
Options in respect of non-controlling interests	-	-	(33)	(33)
	-	(168)	(172)	(340)
Net financial assets/(liabilities)	61	(29)	96	128

- Listed and trade investments, and derivatives designated as a cash flow hedge, which are in a documented hedge accounting relationship, are revalued through OCI.
- Derivatives used for hedging are in documented hedge accounting relationships.

Notes to the financial statements (continued)

for the year ended 31 March 2023

25. Financial risk management (continued)

(b) Analysis by valuation method for put options and items measured at fair value (continued)

(ii) At 31 March 2022

	Level 1 US\$m	Level 2 US\$m	Level 3 US\$m	Total US\$m
Financial assets:				
Non-hedging derivatives	-	69	-	69
Other financial assets at fair value through profit or loss	-	-	18	18
Financial assets at fair value through profit or loss	-	69	18	87
Derivatives used for hedging – cash flow hedge ¹	-	13	-	13
Listed and trade investments	67	-	295	362
Financial assets revalued through OCI	67	13	295	375
	67	82	313	462
Financial liabilities:				
Derivatives used for hedging - fair value hedges ¹	-	(34)	-	(34)
Non-hedging derivatives	-	(24)	-	(24)
Other liabilities at fair value through profit or loss	-	-	(107)	(107)
Financial liabilities at fair value through profit or loss	-	(58)	(107)	(165)
Options in respect of non-controlling interests	-	-	(190)	(190)
	-	(58)	(297)	(355)
Net financial assets	67	24	16	107

1. Derivatives used for hedging are in documented hedge accounting relationships.

Financial assets at fair value through profit or loss are reported within Other financial assets in the Group balance sheet. Other financial assets include financial assets held at amortised cost of US\$nil (2022: US\$1m).

Contingent consideration is reported within trade and other payables in the Group balance sheet. Put options and other financial liabilities at fair value through profit or loss are reported within Other financial liabilities in the Group balance sheet.

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. There have been no changes in valuation techniques during the year under review.

The levels used in the above tables are defined in IFRS 13 'Fair Value Measurement' and are summarised here for completeness:

- 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; and
- assets and liabilities whose valuations are derived from inputs not based on observable market data are classified as Level 3.

Level 3 items principally comprise minority shareholdings in unlisted businesses, trade investments, contingent consideration and put options associated with corporate transactions.

Unlisted equity investments, initially measured at cost, are revalued where sufficient indicators are identified that a change in the fair value has occurred. The inputs to any subsequent valuations are based on a combination of observable evidence from external transactions in the investee's equity and estimated discounted cash flows that will arise from the investment. Valuations of material contingent consideration, and put options associated with corporate transactions, are based on Monte Carlo simulations using the most recent management expectations of relevant business performance, reflecting the different contractual arrangements in place.

There would be no material effect on the amounts stated from any reasonably possible change in such inputs at 31 March 2023. There were no transfers between levels during the year. In the year ended 31 March 2022 a Level 3 investment was reclassified to Level 1. Further details are provided in note 25(c).

Notes to the financial statements (continued)

for the year ended 31 March 2023

25. Financial risk management (continued)

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

(i) Year ended 31 March 2023

	Financial assets revalued through OCI US\$m	Other financial assets at FVPL US\$m	Contingent consideration US\$m	Put options US\$m	Total US\$m
At 1 April 2022	295	18	(107)	(190)	16
Additions ^{1,2}	14	1	(35)	(11)	(31)
Disposals ⁴	(6)	-	-	-	(6)
Settlement of contingent consideration	-	-	40	-	40
Cash payment on exercise of put options ⁵	-	-	-	133	133
Adjustment to the fair value of contingent consideration ²	-	-	(45)	-	(45)
Valuation gains/(losses) recognised in the Group income statement ⁶	-	(2)	-	26	24
Valuation losses recognised in OCI	(52)	-	-	-	(52)
Currency translation gains recognised directly in OCI	-	-	4	9	13
Other	1	(1)	4	-	4
At 31 March 2023	252	16	(139)	(33)	96

(ii) Year ended 31 March 2022

	Financial assets revalued through OCI US\$m	Other financial assets at FVPL US\$m	Contingent consideration US\$m	Put options US\$m	Total US\$m
At 1 April 2021	164	12	(66)	(220)	(110)
Additions ^{1,2}	24	8	(46)	(11)	(25)
Reclassification of associate to trade investment	138	-	-	-	138
Reclassification of Level 3 investment to Level 1 ³	(30)	-	-	-	(30)
Disposals	(12)	-	-	-	(12)
Settlement of contingent consideration	-	-	36	-	36
Cash payment on exercise of put options	-	-	-	4	4
Adjustment to the fair value of contingent consideration ²	-	-	(26)	-	(26)
Valuation gains recognised in the Group income statement ⁶	-	-	-	29	29
Valuation gains recognised in OCI	10	-	-	-	10
Currency translation gains/(losses) recognised directly in OCI	(2)	-	(6)	8	-
Other	3	(2)	1	-	2
At 31 March 2022	295	18	(107)	(190)	16

- Additions to put options in the year ended 31 March 2023 comprised US\$11m in respect of the acquisition of APC Buró, and in the year ended 31 March 2022 included US\$13m in respect of the acquisition of Servicios de Información Avanzada Comercial Y Financiera S.A. (Sinacofi Buró).
- Additions to contingent consideration comprised US\$35m (2022: US\$46m) in respect of acquisitions. Contingent consideration in relation to the acquisition of TCC in FY22 increased by US\$49m following fair value adjustments recognised in the year, which are determined by revenue and profit performance up to and including FY25. This was offset by a reduction in the fair value of contingent consideration on other acquisitions of US\$4m. There are limits in place for contingent consideration payments, including up to US\$80m in respect of TCC. Contingent liabilities are revalued at each reporting date based on current projections of their associated targets, with any fair value remeasurements recognised as a non-benchmark item in the Group income statement (note 8(a)).
- Our investment in Grab Holdings Limited was reclassified as a Level 1 investment following Nasdaq listing in the year ended 31 March 2022.
- During the year ended 31 March 2023, we disposed of a trade investment valued at US\$6m, US\$3m of the consideration is deferred.
- The cash payment on exercise of put options in the year ended 31 March 2023, relates to the purchase of the remaining 40% stake in the Arvato Financial Solutions Risk Management Division.
- Movements in the present value of expected future payments for put options are unrealised and are recognised in financing fair value remeasurements in the Group income statement.

Notes to the financial statements (continued)

for the year ended 31 March 2023

25. Financial risk management (continued)

(d) Fair value methodology

Information in respect of the carrying amounts and the fair value of borrowings is included in note 18(b). There are no material differences between the carrying value of the Group's other financial assets and liabilities not measured at fair value and their estimated fair values. The following assumptions and methods are used to estimate the fair values:

- the fair values of receivables, payables and cash and cash equivalents are considered to approximate to the carrying amounts;
- the fair values of short-term borrowings, other than bonds, are considered to approximate to the carrying amounts due to the short maturity terms of such instruments;
- the fair value of that portion of bonds carried at amortised cost is based on quoted market prices, employing a valuation methodology falling within Level 1 of the IFRS 13 fair value hierarchy;
- the fair value of listed investments is based on quoted market prices, employing a valuation methodology falling within Level 1 of the IFRS 13 fair value hierarchy;
- the fair values of long-term variable rate bank loans and lease obligations are considered to approximate to the carrying amount; and
- the fair values of other financial assets and liabilities are calculated based on a discounted cash flow analysis, using a valuation methodology falling within Level 2 of the IFRS 13 fair value hierarchy, apart from the fair value of trade investments and contingent consideration which use a valuation methodology falling within Level 3 of the IFRS 13 fair value hierarchy.

The Group considers the impact of climate-related matters, including legislation, on the fair value measurement of assets and liabilities. At present, the impact of climate-related matters is not material to the financial statements.

(e) Carrying value of financial assets and liabilities

There have been no unusual changes in business circumstances that have affected the carrying value of the Group's financial assets and liabilities at 31 March 2023. Changes in global interest rates in the year have significantly impacted the fair values of derivatives and borrowings and a credit of US\$51m is included in the Group income statement in respect of financing fair value remeasurements (note 9(c)). The fair values of investments revalued through OCI and net post-employment benefit assets have also been impacted by macro-economic factors, and losses of US\$58m and US\$23m respectively are recognised in the Group statement of comprehensive income.

26. Related party transactions

The Group's related parties were disclosed in the Group's statutory financial statements for the year ended 31 March 2022 and there have been no material changes during the year ended 31 March 2023.

Following the divestment of CCM in the year ended 31 March 2018, the Group owns 23.0% of the issued share capital of Vector CM Holdings (Cayman), L.P. (Vector). Vector completed a merger with the CM Group involving its Cheetah Digital business on 4 February 2022. The Group no longer has significant influence over Vector and accordingly our interest in this company was recognised as a trade investment from that date. In the year ended 31 March 2022, a promissory note and associated interest due to Experian of US\$110m were repaid in full as a result of the merger. Interest income of US\$8m was recognised on the promissory note in that year.

Transactions with associates are made on normal market terms and in the year ended 31 March 2023 comprised the provision and receipt of services to other associates of US\$nil (2022: US\$10m) and US\$7m (2022: US\$7m) respectively. At 31 March 2023 and 31 March 2022, no amounts were owed from or to associates.

The Group transacts with a number of related undertakings in connection with the operation of its share incentive plans, pension arrangements in the UK, the USA, Brazil, South Africa, Germany and Ireland, and the provision of medical cover in the UK.

The assets, liabilities and expenses of the Experian UK Approved All-Employee Share Plan and The Experian plc Employee Share Trust are included in these financial statements.

During the year ended 31 March 2023, US\$33m (2022: US\$56m) was paid by the Group to related undertakings, in connection with the provision of post-employment pensions benefits. US\$3m (2022: US\$3m) was paid to Experian Medical Plan Limited, in connection with the provision of healthcare benefits.

There were no other material transactions or balances with these related undertakings during the current or prior year.

Notes to the financial statements (continued)

for the year ended 31 March 2023

27. Contingencies

(a) Latin America tax

As previously indicated, Serasa S.A. has been advised that the Brazilian tax authorities are challenging the deduction for tax purposes of goodwill amortisation arising from its acquisition by Experian in 2007. The Brazilian courts have ultimately upheld Experian's position in respect of the tax years from 2007 to 2012 with no further right of appeal. The Brazilian tax authorities have raised similar assessments in respect of the 2013 to 2018 tax years, in which approximately US\$198m was claimed by Experian, and may raise similar claims in respect of other years. The possibility of this resulting in a liability to the Group is considered to be remote, based on the advice of external legal counsel, success in cases to date and other factors in respect of the claim.

A similar challenge has been raised in Colombia in respect of the 2014 and 2016 tax years, in which approximately US\$4m was claimed, and similar claims in respect of other years may be raised. We are contesting these on the basis of external legal advice.

(b) UK marketing services regulation

We successfully appealed to the First Tier Tribunal a final enforcement notice from the UK Information Commissioner's Office (ICO) with respect to a 2018 audit of several companies on the use of data for marketing purposes under the EU General Data Protection Regulation (GDPR), which relates to our marketing services activities in the UK. The ICO has subsequently applied for permission to appeal to the Upper Tier Tribunal, during which time all requirements will be stayed. At this stage we do not know what the final outcome will be, but if the First Tier Tribunal judgment is overturned, it may require significant changes to business processes in our UK marketing services business. This business represents approximately 1% of our global revenues and we do not expect this to result in a materially adverse financial outcome for the Group.

(c) Other litigation and claims

There continue to be an increasing number of pending and threatened claims and regulatory actions involving the Group across all its major geographies which are in various stages of investigation or enforcement, and which are being vigorously defended, including from the Consumer Financial Protection Bureau and Federal Trade Commission in the USA. The directors do not believe that the outcome of any individual enforcement notice will have a materially adverse effect on the Group's financial position. However, as is inherent in legal, regulatory and administrative proceedings, there is a risk of outcomes that may be unfavourable to the Group. In the case of unfavourable outcomes, the Group may benefit from applicable insurance recoveries.

28. Events occurring after the end of the reporting period

Details of the second interim dividend announced since the end of the reporting period are given in note 13(a).

On 20 April 2023, we agreed to acquire Flexpag. Further details are provided in note 22(b)(iii).

29. Company website

A full range of investor information is available at www.experianplc.com. Details of the 2023 Annual General Meeting (AGM), to be held in Dublin, Ireland on Wednesday, 19 July 2023, will be given on the website and in the notice of meeting. Information on the Company's share price is available on the website.

30. Risks and uncertainties

Identifying and managing risk is key to our purpose and the delivery of our strategy and objectives. All colleagues play a crucial role in managing risks, and doing so helps us create long-term shareholder value and protect our business, people, assets, capital and reputation.

The Board is responsible for maintaining and reviewing the effectiveness of our risk management activities from a strategic, financial, regulatory and operational perspective. These activities are designed to identify and manage, rather than eliminate, the risk of failing to achieve business objectives or strategy. The risk management process is designed to identify, assess, respond to, report on and monitor the risks that threaten our ability to do this, within our risk appetite.

Our risk landscape continues to change as both business and regulatory environments evolve. In addition to known principal risks, which are summarised below, we continue to identify and analyse emerging ones, and discuss as appropriate in different forums.

Notes to the financial statements (continued)

for the year ended 31 March 2023

30. Risks and uncertainties (continued)

(a) Risk area – Data Loss/Misuse

Description

We hold and manage sensitive business, customer and consumer information that increases our exposure and susceptibility to cyber attacks or other unauthorised access to data, either directly through our online systems or indirectly through our partners or third-party suppliers.

Potential impact

Loss or unauthorised access to sensitive business, customer or consumer data could cause problems for consumers, result in material loss of business, substantial legal liability, regulatory enforcement or significant harm to our reputation. The impact of this risk, if it materialised, would typically be felt in the short term.

Examples of control mitigation

- We deploy physical and technological security measures, combined with monitoring and alerting for suspicious activities.
- We maintain an information security programme with strong governance for identifying, protecting against, detecting and responding to cyber security risks and recovering from cyber security incidents.
- We impose contractual security requirements on our partners and other third parties that use our data, complemented by periodic reviews of third-party controls.
- We maintain insurance coverage, where feasible and appropriate.

(b) Risk area – Macroeconomic

Description

We operate globally and our results could be affected by global, regional or national changes in fiscal or monetary policies.

A substantial change in credit markets in the USA, Brazil or the UK could harm our financial performance and growth potential in those countries.

A substantial or sustained rise in US, EU or UK interest rates could impact lending and consumer spending. It could also increase our future cost of borrowings.

We present our Group financial statements in US dollars. However, we transact business in a number of currencies. Changes in other currencies relative to the US dollar affect our financial results.

Potential impact

The US, Brazil and UK markets are significant contributors to our revenue. A reduction in one or more of these markets for consumer and business credit services could reduce our revenue and profit.

We benefit from the strengthening of currencies relative to the US dollar and are adversely affected by currencies weakening relative to it.

We have outstanding debt denominated principally in euros, pounds sterling and US dollars. As this debt matures, we may need to replace it with borrowings at higher interest rates.

The impact of this risk, if it materialised, would typically be felt in the short to long term.

Examples of control mitigation

- We have a diverse portfolio by region, product, sector and client. We provide cyclical and counter-cyclical products and services.
- We convert cash balances in foreign currencies into US dollars.
- We fix the interest rates on a proportion of our borrowings.
- We review contingency plans in our key markets for specific potential responses to evolving financial conditions.

Notes to the financial statements (continued)

for the year ended 31 March 2023

30. Risks and uncertainties (continued)

(c) Risk area – Legislative/regulatory change and compliance

Description

We hold and manage sensitive consumer information and we must comply with many complex privacy and consumer protection laws, regulations and contractual obligations.

New laws, new or novel interpretations of existing laws, changes to existing regulations and heightened regulatory scrutiny, will also affect how we operate. For example, regulatory interpretation of complex, principles-based privacy regulations could affect how we collect and process information for marketing, risk management and fraud detection.

Potential impact

Non-compliance may result in material litigation, including class actions, as well as regulatory actions. These could result in civil or criminal liability or penalties, damage to our reputation or significant changes to parts of our business. We may also suffer increased costs or reduced revenue resulting from modified business practices, adopting new procedures, self-regulation or litigation or regulatory actions resulting in liability, fines or changes in our business practices. The impact of this risk, if it materialised, would typically be felt in the short to long term.

Examples of control mitigation

- We maintain a compliance management framework that includes defined policies, procedures and controls for Experian employees, business processes, and third parties such as our data resellers.
- Our global Compliance team has region-specific regulatory expertise and works with our businesses to identify and adopt balanced compliance strategies.
- We assess the appropriateness of using data in new and changing products and services.
- We operate a horizon scanning process to identify potential changes in laws and regulation and assess their impact.
- Our Government Affairs strategic plan and policy-influencing activity seeks to respond to legislative proposals and influence their outcome to mitigate impacts on Experian strategy.
- We vigorously defend all pending and threatened claims, employing internal and external counsel to manage and conclude such proceedings effectively.

(d) Risk area – Resiliency

Description

Delivery of our products and services depends on a number of key IT systems and processes that expose our clients, consumers and businesses to serious disruption in the event of systems or operational failures.

Potential impact

Failure to manage service availability and enterprise resiliency and its impact on clients and / or consumers within established risk tolerance levels could have a materially adverse effect on our business, financial performance, financial condition and reputation. The impact of this risk, if it materialised, would typically be felt in the short term.

Examples of control mitigation

- Our operations are designed to avoid material and sustained disruption to our businesses, clients and consumers.
- We design applications to be resilient and with a balance between longevity, sustainability and speed.
- We maintain a global integrated business continuity framework that includes industry-appropriate policies, procedures and controls for all our systems and related processes, as well as ongoing review, monitoring and escalation activities.
- We maintain back-up data centres.

(e) Risk area – Business conduct

Description

At Experian, we place the utmost importance on operating with honesty, integrity and high ethical standards. And we are committed to maintaining the highest level of professionalism in the conduct of our business.

Potential impact

Failure to conduct our business operations in an appropriate manner could adversely affect our clients, consumers or counterparties. The impact of this risk, if it materialised, would typically be felt in the short term.

Notes to the financial statements (continued)

for the year ended 31 March 2023

30. Risks and uncertainties (continued)

(e) Risk area – Business conduct (continued)

Examples of control mitigation

- We enforce our Global Code of Conduct, Anti-Corruption Policy, and Gifts and Hospitality Policy. If we believe employees or suppliers are not following our conduct standards, we will investigate thoroughly and take disciplinary action where appropriate.
- Experian operates a Confidential Helpline for anyone who needs to raise a concern about our conduct. The hotline is managed by Global Internal Audit.

(f) Risk area – Talent acquisition and retention

Description

Our success depends on our ability to attract, motivate and retain key talent while also building future leadership.

Potential impact

Not having the right people could materially affect our ability to innovate our products, service our clients and grow our business. The impact of this risk, if it materialised, would typically be felt in the medium term.

Examples of control mitigation

- In every region, we have ongoing programmes for recruitment, personal and career development, and talent identification and development.
- As part of our strategy, we conduct periodic employee surveys. We track progress on our action plans.
- We offer competitive compensation and benefits, and review them regularly.
- We monitor attrition rates, with a focus on individuals designated as high talent or in strategically important roles.

(g) Risk area – Competition

Description

We operate in dynamic markets such as business and consumer credit information, decisioning software, fraud, marketing, and consumer services. Our competitive landscape is still evolving, with traditional players reinventing themselves, emerging players investing heavily and new entrants making commitments in new technologies or approaches to our markets. There is a risk that we will not respond adequately to such disruptions, or that our products and services will fail to meet changing client and consumer preferences.

Potential impact

Price reductions may reduce our margins and financial results. Increased competition may reduce our market share, harm our ability to obtain new clients or retain existing ones, affect our ability to recruit talent, and influence our investment decisions. We might also be unable to support changes in the way our businesses and clients use and purchase information, affecting our operating results. The impact of this risk, if it materialised, would typically be felt in the long term.

Examples of control mitigation

- We continue to research and invest in new data sources, analytics, technology, capabilities and talent to pursue our strategic plan.
- We continue to develop innovative products that use our scale and expertise and allow us to deploy capabilities in new and existing markets and geographies.
- We use rigorous processes to identify and select our development investments, so we can efficiently and effectively introduce new products and solutions to the market.
- Where appropriate, and available, we make acquisitions, minority investments and enter into strategic alliances to acquire new capabilities and enter into new markets.

Notes to the financial statements (continued)

for the year ended 31 March 2023

30. Risks and uncertainties (continued)

(h) Risk area – Investment outcomes

Description

We critically evaluate, and may invest in, equity investments and other growth opportunities, including internal performance improvement programmes. To the extent invested, any of these may not produce the desired financial or operating results.

Potential impact

Failure to successfully implement our key business strategies could have a materially adverse effect on our ability to achieve our growth targets.

Poorly executed business acquisitions or partnerships could result in material loss of business, increased costs, reduced revenue, substantial legal liability, regulatory enforcement actions and significant harm to our reputation.

The impact of this risk, if it materialised, would typically be felt in the long term.

Examples of control mitigation

- We carry out comprehensive business reviews.
- We perform comprehensive due diligence and post-investment reviews on acquisitions and investments.
- We prioritise our activities within integration plans to ensure we target first the most significant gaps to Experian policy.
- We employ a robust capital allocation framework.
- We design our incentive programmes to optimise shareholder value through delivery of balanced, sustainable returns and a sound risk profile over the long term.

Statement of directors' responsibilities

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

The names and functions of the directors of Experian plc in office as at 17 May 2022 were listed in the Experian Annual Report 2022. On 21 July 2022, Kerry Williams, George Rose and Deirdre Mahlan retired as directors of Experian plc, in accordance with the previously announced intention. Craig Boundy was appointed as a director of Experian plc on that date. Dr Ruba Borno stepped down as a director of Experian plc on 31 January 2023.

Kathleen DeRose, Louise Pentland and Esther Lee were appointed as new independent non-executive directors of Experian plc on 1 November 2022, 1 November 2022 and 31 March 2023 respectively.

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

By order of the Board

Charles Brown

Company Secretary

16 May 2023