

Interim Results Conference Call

21 November 2006

Paul Brooks, Chief Financial Officer

1. Overview

Good afternoon everybody and welcome to our first interim results as an independent company. With me today are Fay Dodds and Peg Smith, who I think you all know. I will start with a few words and then open it for questions and answers.

We are very pleased with the progress that we have made in the first half of this fiscal year. We have delivered another half year of strong financial performance, building on a very strong track record.

Our sales are up by 17% to \$1.6 billion, and Earnings before interest and tax (EBIT) from our managed business increased by 22%, or 16% if you include the contribution from the FARES joint venture, which gives us a total EBIT of \$388 million. The EBIT margin for our direct businesses grew by 90 basis points to 21.9%.

We have continued to execute well on our growth plans in all regions and in all principal activities.

2. Dividend Payment

We have also announced today that we will be paying a dividend, and this is based on a dividend policy of cover of at least three times benchmark earnings. That interim dividend will be 5.5 US cents per share.

3. Organic Growth and Acquisitions

Let us now look at the progress of our business. To remind you, we have four highly-effective levers we can use to drive organic growth: first, deeper client relationships; second, geographic expansion; third, product innovation; and fourth, vertical expansion.

Organic growth is the most important type of growth at Experian but we do also accelerate this by making complementary acquisitions that fit our overall plan. I would also like to point out that operating leverage is a key performance measure for our leadership team. As revenues continue to grow, we aim to maintain or improve margins each year, while still investing through the Profit and Loss (P&L) in our businesses for the future.

4. Key Business Activities

I would now like to touch on each of our four activities and how they performed in the half-year to 30 September, starting with our largest segment, credit services.

Credit Services

We are pleased with the Americas' performance here, given the exceptional comparatives we faced. Last year, this business grew by 18% in the first half in very favourable market conditions.

In the UK and Ireland, growth was a respectable 4%, driven by vertical market expansion and by cross-selling to our existing customers. In Europe, Middle East and Africa (EMEA)/Asia Pacific, there was strong growth in the 10 consumer credit bureaus, but the overall 2% reflects marginal growth in the French transaction processing business, which represents about half of our credit services business in EMEA/Asia Pacific.

Our margin improved from 26% to 27.1% as a result of tight cost management, in anticipation of challenging market conditions, and also with some benefit from last year's affiliate credit bureau acquisitions.

The FARES performance reflects the US mortgage slowdown. Mortgage originations were down by 20% in the six months. The impact of this on sales was partially offset by actions on cost; these cost initiatives should provide some support to the FARES's performance in the second half, compared to the same period last year.

Decision Analytics

I will now move on to Decision Analytics, which is perhaps the highest value-add segment from our clients' perspective. This business saw excellent growth in all three of our regions. There was very strong performance in the Americas on the back of the quality of our product suite and our sales and delivery effort. We achieved 8% organic growth in UK and Ireland, which is a much more mature market for us. There was a great progress in EMEA/Asia Pacific, particularly in the emerging markets of Eastern Europe and Asia. Overall, we had organic growth of 27% in EMEA/Asia Pacific.

Marketing Solutions

Looking now at Marketing Solutions, you will recall that this is a business undergoing transformation from supporting direct-mail mass marketing to an increasing focus on multi-channel targeted marketing.

In the US, digital and research services' organic growth was in excess of 20%, reflecting market growth and the strength of our offering. However, we saw double-digit decline in the traditional consumer data and list processing activities. These trends netted out to an underlying performance that was down marginally on last year. In the UK, we saw solid organic growth.

There have been four acquisitions in the past twelve months: ClarityBlue, FootFall, Catalyst and more recently Eiger Systems, all of which are progressing well. Again, our margin improved here from 7.5% to 8.7%, from action on costs in the traditional activities and from the impressive acquisitions.

Interactive

Turning to Interactive, we were very pleased with the performance here. Overall sales were up 57% and EBIT up 59%. Underlying revenue growth was 27%, comprising principally Consumer Direct and LowerMyBills, which annualised in our first quarter. The acquisition contribution came mainly from PriceGrabber, which annualises in December. We saw continued strong growth in Consumer Direct in the US, helped by increased marketing spend and stronger customer retention. The UK business is also now developing real scale.

LowerMyBills' pro-forma sales growth slowed in the first half, reflecting contraction by one of our major clients, Ameriquest, following their high-profile difficulties, as well as the slower mortgage market. In the face of this, we drove strong profit growth in the business by more effective marketing spend. PriceGrabber is performing well, and set to deliver its buy plan numbers this year.

5. Acquisitions

Before I finish, I would like to briefly discuss acquisitions, which contributed 10% to sales growth in the first half, and we anticipate will contribute low- to mid-single digits to our sales in our second half. As previously disclosed, the acquisitions made in the three years to March 2005 together delivered double-digit post-tax returns in the year to March 2006. This performance continued in the first six months of this fiscal year. The more recent acquisitions are together trading to plan.

During the first half of this year we spent \$80 million on acquisitions. This has included Eiger Systems, which standardises bank account information on direct debit instructions, and two credit bureaus in Canada and Estonia. Spend in the first half is below our average historical spend but we continue to evaluate opportunities in many geographies for each of our business sections. We remain committed to the strategic and financial hurdles that have led to our successful Mergers and Acquisitions (M&A) track record.

6. Summary

In closing, I would like to simply advertise the following points.

- Our first-half performance is balanced: it came from all our primary geographies and from all our principal businesses.
- Certainly from an internal point of view, we are delighted with this set of results; it is right in line with our plan and our expectations.
- Finally, we are pleased to say that we remain confident that the outcome for the

full year is very much on track.

I would like to open the discussion up for questions.

Questions and Answers

Neil Wagner, Stephens Inc.

Could you give us a quick update on VantageScore, particularly the product update and when you may see revenues begin to show up?

Peg Smith, Executive Vice President

VantageScore is performing exactly as we thought it would when we developed it jointly with TransUnion and Equifax. We have over 400 clients either purchasing or testing the scores and we are obviously continuing to promote the score very aggressively in the market.

We are learning from test results that it is a highly-predictive score; clients seem truly pleased with the results. That being said, as you know, scores are embedded in customer processes and so it takes a long time to switch. We do not expect immediate revenue to be material inside the US for some time, but we are very pleased with the sales progress and with the client reaction.

Neil Wagner

To follow up, in terms of your actions in winding down the traditional consumer business in your marketing areas, what kind of cost savings might you see from that wind down?

Peg Smith

I am a little confused with the question.

Paul Brooks

Are you referring to the more traditional solutions within Marketing Solutions, list processing and data?

Neil Wagner

Yes, exactly.

Paul Brooks

We certainly do not see this business disappearing, although it is clearly suffering at the moment. It still represents over half of our business in the US, hence its impact

on the first-half-year's numbers. We expect a similar sort of decline in the second half-year, maybe slightly less. We do see this business over time beginning to level off. It will remain a core part of the business. We think that we see it stabilising over the next 12-18 months, and as a result we expect to see an improvement in growth and in margins within our overall Marketing Solutions business over time.

Neil Wagner

Thank you.

Closing Remarks

Paul Brooks

Thank you all for listening and I look forward to speaking to you with the full year's numbers in May.