

Experian

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Experian expects good second half as Q2 data improves

Experian PLC (LON:EXPN) tweaked its full-year outlook after the consumer credit group's revenue growth accelerated in recent months, particularly in North America.

The FTSE 100 group reported revenue of US\$2.5bn for the six months to 30 September, up 6% on last year or 7% on an 'organic' basis.

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This was an improvement on the 4% reported growth and 6% organic in the first quarter, leading to management guiding to 7-8% organic growth for the full year, the upper range of previous guidance.

Statutory profit before tax was up 2% to US\$480m while underlying profits (EBIT) from ongoing activities were up 4% to US\$670m.

The acceleration in the second quarter "reflects successful execution on big new addressable market opportunities, the global roll out of our innovative platforms and considerable momentum in consumer services as we invest in Experian Boost", said chief executive Brian Cassin, referring to the new service that claims to help people to boost their credit rating.

As well as tightening revenue targets, he said the company continues to expect EBIT growth "at or above" revenue growth and "strong progress" in benchmark earnings per share, with operating cash conversion of around 90%.

As well as an ongoing share buyback scheme, the interim dividend was lifted 4% to 14.5 US cents per ordinary share.

Broker Shore Capital noted that core North America data growth rate at 9% was stronger than anticipated, with Consumer at +13% against its anticipated +9%.

B2B services in the UK and Ireland were down 1% but with Consumer accelerating as anticipated back to +3%, while Latin America B2B services saw underlying growth at +10% and expected to strengthen further in the second half.

"Overall, the underlying performance looks pleasing to us, with plenty to be confident about going forward as data services growth continues to permeate economies globally."

Experian shares were up 2% to 2,432p on Tuesday morning.

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Price: 2650

Market Cap: £24.07 billion

1 Year Share Price Graph



Share Information

Code: EXPN

Listing: LSE

52 week High Low
2702 1868

Sector: Financial Services

Website: www.experiangroup.com

Company Synopsis:

Experian is a global leader in providing information, analytical tools and marketing services to organisations and consumers to help manage the risk and reward of commercial and financial decisions.

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