

| Reverse DCF Model - Experian plc (EXPN.L) | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|-------------|
| (£ in millions, except per share figures) | | Year 0 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| Revenue | | £7,097 | £6,542 | £6,030 | £5,558 | £5,123 | £4,723 |
| % Growth Rate | % 5-Year CAGR | (7.8%) | (7.8%) | (7.8%) | (7.8%) | (7.8%) | (7.8%) |
| EBIT | | £1,959 | £1,806 | £1,664 | £1,534 | £1,414 | £1,303 |
| % EBIT Margin | | 27.6% | 27.6% | 27.6% | 27.6% | 27.6% | 27.6% |
| Less: Taxes | % Tax Rate | (503) | (464) | (428) | (394) | (363) | (335) |
| NOPAT | | £1,455 | £1,342 | £1,237 | £1,140 | £1,051 | £968 |
| % NOPAT Margin | | 20.5% | 20.5% | 20.5% | 20.5% | 20.5% | 20.5% |
| Plus: D&A | % Revenue | 639 | 53 | 49 | 45 | 41 | 38 |
| Less: Capex | % Revenue | (639) | (589) | (543) | (500) | (461) | (425) |
| Less: Change in NWC | % Revenue | (305) | (281) | (259) | (239) | (220) | (203) |
| Free Cash Flow to Firm (FCFF) | | £1,150 | £524 | £483 | £446 | £411 | £379 |
| Discount Factor | % WACC | | 1.5 | 2.5 | 3.5 | 4.5 | 5.5 |
| Present Value of FCFF | | | £472 | £406 | £349 | £300 | £258 |

| Implied DCF Valuation | |
|-------------------------------------|---------------|
| Present Value of FCFFs | £1,784 |
| Long-Term Growth Rate | 1.4% |
| Final Year FCF × (1 + g) | £384 |
| Terminal Value in Final Year | £6,541 |
| Present Value of Terminal Value | £4,452 |
| Total Enterprise Value (TEV) | £6,236 |
| Less: Net Debt | (3,803) |
| Equity Value | £2,433 |

| Share Price Calculation | |
|---------------------------------|---------------|
| Diluted Shares Outstanding (mm) | 922 |
| Implied Share Price | £2.64 |
| Current Market Share Price | £2.64 |
| Implied Growth Rate | (7.8%) |

| WACC RATE - CAPM MODEL | | |
|--|----------------|---------------|
| Risk Free Rate (Rf) | A | 4.66% |
| Market Risk Premium (Rm-Rf) | B1 | 5.13% |
| Unlevered Beta (β) | | 0.77 |
| Relevered beta/Relative Risk of Asset Valued (β) | B2 | 1.30 |
| Premium above risk free rate (Rm-Rf)*β | B=B1*B2 | 6.69% |
| Company Specific and General uncertainty risk | | 0.00% |
| Cost of Equity (Ke) | D | 11.35% |
| Pre Tax Cost of debt | | 3.68% |

| | | |
|--------------------------|--|--------------|
| Tax Rate | | 25.00% |
| Cost of Debt (Kd) | | 2.76% |
| D/E ratio | | 0.91 |
| % of Equity | | 52% |
| % of Debt | | 48% |
| WACC | | 7.25% |

Company Specific and General uncertainty risk

| Size | Premium |
|---------------------------------------|---------|
| Large companies USD 3,322m < | 0.00% |
| Mid-cap companies USD 774m-USD 3,321m | 1.04% |
| Low-cap companies USD 202m-USD 773m | 1.75% |
| Micro-cap USD 201m < | 3.47% |

Long term Growth rate

| Year | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|-------------------------|--------------|-------|-------|-------|-------|-------|
| UK Real GDP Growth rate | 1.10% | 1.10% | 1.40% | 1.50% | 1.50% | 1.40% |
| LTGR | 1.38% | | | | | |