

SearchAmerica Acquired by Experian

Press releases

Acquisition of SearchAmerica

10 December 2008

Experian, the global information services company, announces that it has completed the acquisition of SearchAmerica, a leading provider of payment prediction data and analytics to the US healthcare industry. The purchase price is approximately \$90m and will be funded from Experian's existing cash resources.

Experian has a successful track record of extending its core data and analytics into new vertical markets, having established significant, growing businesses in telecommunications, utilities and the UK public sector. The acquisition of SearchAmerica is a natural extension of Experian's Credit Services and Decision Analytics activities in North America. It positions Experian to use its data and analytics to help healthcare providers manage their billings and cash flows, an area of growth driven by increased responsibility of US consumers for their healthcare costs. The acquisition will also realise significant synergies for Experian.

Founded in 1994, SearchAmerica is a leading provider of data, scoring and analytical software tools to the US healthcare industry. SearchAmerica provides payment prediction services, collections software and address verification data. Its services are used by healthcare providers to predict likelihood of payment, reduce bad debt and verify patient eligibility for financial aid. The business has nearly 200 clients across over 500 hospital facilities, including many of the largest healthcare systems in the US.

SearchAmerica has an attractive financial model, with high levels of recurring revenue. Compound annual revenue growth over the past three years has been in excess of 20%, driven by new business wins, upselling and cross-selling to existing clients and new product innovation.

In the year to 31 March 2010, Experian expects revenue for SearchAmerica to be in excess of \$20m. EBIT (before amortisation of acquisition intangibles) is expected to be US\$8-9m, before integration costs.

SearchAmerica was acquired from its founding shareholders and will form part of Experian's North America Credit Services activities.

All financial information is based on unaudited management accounts. 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.

Source: Experian Web Site 2008-12-21 <http://www.experiangroup.com/corporate/news/releases/2008/2008-12-10/>