

# FICO and Equifax Will Bring Forward-Looking Scores to UK Market

## Joint development underway on breakthrough scoring solutions from new partnership

LONDON, Sept. 28, 2011 /PRNewswire/ -- Global information solutions leader Equifax and FICO, the leading provider of predictive analytics and decision management technology, today announced their agreement to develop new analytics for the UK market. The first two of these analytics will assess the capacity of consumers to handle additional credit, and show how individuals' risk would change under different macroeconomic conditions. These analytics will complement Equifax's RN4 suite of risk scores, further helping credit granters reduce losses while extending more credit based on a comprehensive evaluation of each consumer's risk.

(Logo: <https://photos.prnewswire.com/prnh/20060224/CLF037LOGO> )

FICO will develop UK-specific versions of its FICO® Credit Capacity Index™ and FICO® Economic Impact Index, both based on robust data from Equifax. Worldwide, the two companies deliver a combined volume of scores greater than any other company.

This new initiative has been welcomed by financial institutions looking for powerful new tools to grow profitability while complying with industry regulations, as Mark Thundercliffe, chief credit officer for HSBC in the UK, explained.

"We have reviewed FICO and Equifax's plans and we are excited about the concept of this kind of approach to risk scoring," said Thundercliffe. "New scores such as these will help us continue to drive high credit quality standards, growing our business profitably and in compliance with industry regulation. We are committed to working with our suppliers to test these concepts and help them develop the most powerful solutions for a dynamic economic market."

Both of the scores in development bring new insights to credit evaluation:

- **The FICO® Credit Capacity™ Index** goes beyond traditional income-based measures of assessing consumer debt capacity, using a patented analytic approach. The score will analyze Equifax consumer credit information to provide a consistent, objective, and accurate measure of how taking on additional debt would affect a consumer's credit risk. The combination of the FICO Credit Capacity Index and Equifax RN4 scorecards will enable lenders to offer credit to customers who can manage it, supporting growth strategies while ensuring the fulfillment of the "Treating Customers Fairly" requirements to assess affordability.
- **The FICO® Economic Impact Index** will help lenders understand how future economic fluctuations may affect a consumer's Equifax RN4 credit score. The patent-

pending analytic will indicate the projected positive/negative impact on a specific Equifax RN4 score range based on selected economic forecasts. With this information, lenders can make informed decisions about modifying score cutoffs for account originations and portfolio management decisions, and improve their risk management through different economic cycles.

"The sluggish economic recovery has put additional pressure on British consumers and their debt obligations," said Mike Gordon, vice president and managing director of Europe, the Middle East and Africa for FICO. "We are working with Equifax to develop scoring solutions that enable healthy lending growth that benefits consumers, lenders and the economy. FICO and Equifax have consistently led the way in scoring innovation, and we are breaking new ground in the UK with these new developments."

"A core goal of the Equifax/FICO alliance is to enable lenders to build greater understanding of risk into their customer acquisition, retention and management strategies," noted Shawn Holtzclaw, managing director, Equifax UK. "Since we announced our new partnership with FICO, scores have been at the top of the agenda for our teams and our clients. The new scores will be a breakthrough for the UK, facilitating responsible lending and helping lenders to sustain profitable growth."

Equifax and FICO announced their new partnership for the UK in May. In June they announced their first joint offering, combining Equifax's Single Customer Insights offering with FICO™ TRIAD® Customer Manager. More information on the Equifax- FICO partnership in the UK is available at [www.efxfico.com](http://www.efxfico.com).

### **About Equifax ([www.equifax.com](http://www.equifax.com))**

Equifax empowers businesses and consumers with information they can trust. A global leader in information solutions, we leverage one of the largest sources of consumer and commercial data, along with advanced analytics and proprietary technology, to create customized insights that enrich both the performance of businesses and the lives of consumers.

With a strong heritage of innovation and leadership, Equifax continuously delivers innovative solutions with the highest integrity and reliability. Businesses – large and small – rely on us for consumer and business credit intelligence, portfolio management, fraud detection, decisioning technology, marketing tools, and much more. We empower individual consumers to manage their personal credit information, protect their identity, and maximize their financial well-being.

Headquartered in Atlanta, Georgia, Equifax Inc. operates in the U.S. and 15 other countries throughout North America, Latin America and Europe. Equifax is a member of Standard & Poor's (S&P) 500® Index. Our common stock is traded on the New York Stock Exchange under the symbol EFX.

### **About FICO**

FICO (NYSE:FICO) delivers superior predictive analytics solutions that drive smarter

decisions. The company's groundbreaking use of mathematics to predict consumer behavior has transformed entire industries and revolutionized the way risk is managed and products are marketed. FICO's innovative solutions include the industry-leading solutions for measuring credit risk, managing credit accounts, identifying and minimizing the impact of fraud, and customizing consumer offers with pinpoint accuracy. Most of the world's top banks, as well as leading insurers, retailers, pharmaceutical companies and government agencies, rely on FICO solutions to accelerate growth, control risk, boost profits and meet regulatory and competitive demands. Learn more at [www.fico.com](http://www.fico.com). FICO: Make every decision count™.

## **Statements Concerning Forward-Looking Information**

### **EQUIFAX**

Equifax management believes certain statements in this earnings release that relate to Equifax or its business may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements regarding risk management solutions product performance, customer acceptance of the new products, competitors' products, and the timing of future product launches by the Equifax and FICO risk management solutions partnership in the U.K. These statements are made on the basis of Equifax management's views and assumptions regarding future events and business performance as of the time the statements are made. Equifax management does not undertake any obligation to update any forward-looking statements. Actual results may differ materially from those expressed or implied. Such differences may result from actions taken by Equifax, including our ability to develop new products and services as anticipated and to respond to pricing and other competitive pressures, as well as from developments beyond Equifax's control including, but not limited to, changes in U.K. and worldwide economic conditions that materially impact consumer spending, consumer debt and employment and the demand for Equifax's products and services, and changes in U.K. and other laws and regulations governing our business. Certain additional factors are set forth in Equifax's Annual Report on Form 10-K for the year ended December 31, 2010 under Item 1A, "Risk Factors", and our other filings with the U.S. Securities and Exchange Commission.

### **FICO**

Except for historical information contained herein, the statements contained in this news release that relate to FICO or its business are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including the success of the Company's Decision Management strategy and reengineering plan, the maintenance of its existing relationships and ability to create new relationships with customers and key alliance partners, its ability to continue to develop new and enhanced products and services, its ability to recruit and retain key technical and managerial personnel, competition, regulatory changes applicable to the use of consumer credit and other data, the failure to realize the anticipated benefits of any acquisitions, continuing material adverse developments in global economic conditions, and other risks described from time to time in FICO's SEC reports, including its Annual Report on Form 10-K for the year ended September 30, 2010 and its last quarterly report on Form 10-Q for the period ended June 30, 2011. If any of these risks or uncertainties materializes, FICO's results could differ materially from its expectations. FICO disclaims any intent or

obligation to update these forward-looking statements.

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