Equifax delivered a strong first quarter 2023 with revenue of $1.302 billion, 10% non-mortgage constant currency revenue growth, continued strong new product performance with a Vitality Index of 13% and solid execution of our $200 million 2023 spending reduction plan. These revenue and Adjusted EPS performances were above the high-end of our February guidance and were driven by broad based strength across Equifax – including continued strong new product roll-outs.

All three business units delivered strong non-mortgage revenue growth with Workforce Solutions up 11%, International up 10% in constant currency and USIS up 8%.

Highlights from 1Q23 include:

- Workforce Solutions delivered revenue of $596 million, a 8% decrease compared to 1Q22, and in-line with our expectations.
- Workforce Solutions Verification Services revenue of $456 million was down 11% due to an unprecedented 58% decline in US mortgage originations. Non-mortgage Verification Services revenue grew 16%, with Government revenue up 33% and Talent revenue up 10% - over 15% better than the weaker hiring market.
- USIS revenue of $422 million was down about 2.5% compared to 1Q22 and much better than our expectations. USIS mortgage revenue was down 25%, 19% better than the 44% decline in US mortgage inquiries. USIS B2B non-mortgage revenue of $261 million, representing 60% of total USIS revenue, was up 8% with organic revenue growth of over 3%. B2B non-mortgage Online revenue grew 9% with organic revenue growth of over 3%, driven by double digit growth in Commercial, Auto, Identity & Fraud, and Insurance.

- International revenue was $284 million, up 9% in constant currency with strong 32% constant currency growth in Latin America, 11% growth in Asia Pacific and 8% growth in Canada.

New Product Introductions leveraging our differentiated data and new EFX cloud are central to our EFX2025 growth strategy. In the first quarter, we launched over 30 new products and delivered a Vitality Index, defined as revenue from new products introduced in the last three years, of 13% which continues to be at record levels. In 1Q23, over 80% of new product revenue came from non-mortgage products leveraging the new EFX Cloud. NPI revenues are a key focus for Equifax and will drive revenue growth and margin expansion.

In the first quarter, we added an incremental 4 million records to the The Work Number™ database in the U.S., ending the quarter with 156 million current records, up 15% year over year, with 117 million unique records, up 12%, and 618M total records, up 14%.

Also in March, USIS launched OneScore, a new consumer credit scoring model that combines alternative data insights with the power of the Equifax Cloud. OneScore is unique to the industry because it is the first single score to combine traditional Equifax credit history with telecommunications, pay TV, and utility payment data on over 191 million consumers, as well as Equifax DataX and Teletrack speciality finance data on about 80 million consumers - including payment history from non-traditional banks and lenders - potentially increasing credit scores up to 25 points and the scorable population by more than 20%. These new solutions are a testament to the power of the Equifax Cloud in driving innovation. Continued emphasis on the creation of new solutions that drive financial opportunity for businesses and consumers will be a focus for Todd Horvath, announced as our new USIS President effective March 31.

Additionally, in February we announced that we signed an agreement to acquire Boa Vista Serviços, the second largest credit bureau in Brazil, which will expand Equifax's capabilities in the large and fast growing Brazilian market and add $160M in run-rate revenue.

Given our strong performance in the first quarter, our ability to continue to outperform our underlying markets, and deliver on our planned 2023 spending reductions, we are re-affirming our 2023 guidance for Revenue of $5.275 to $5.375 billion and Adjusted EPS of $7.05 to $7.35 per share.

For 2Q23, we expected total Equifax revenue to be between $1.310 and $1.330 billion with revenue flat at the midpoint with non-mortgage constant currency revenue growth of about 7-8%, partially offset by mortgage revenue declines moderating to down about 14%. We are expecting Adjusted EPS in 2Q23 to be between $1.60 to $1.70 per share.

We are also tracking well to the plans that we laid out in February to reduce expenses by $120 million and are committed to meeting these targets as we grow Adjusted EBITDA margins to 36% in the Fourth Quarter. As a reminder, the bulk of the spending reductions benefit the Second Half and we have $50 million of carry-over benefit in 2024 from our actions this year.

This is an exciting time for Equifax. I am energized by our strong above market performance, but even more energized about the New Equifax in 2023 and in the future. We are convinced that our new EFX Cloud technology, differentiated data assets in our new single data fabric, and market leading businesses will deliver higher growth, expanded margins and free cash flow in the future.

To read more about our 1Q 2023 financial results and 2023 Guidance, please see our press release and investor presentation. You may also reach out to Sam or me with any questions you may have. Thanks as always for your time and attention.

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