



During today's Q1 2022 investor call, we reported Equifax's ninth consecutive quarter of double-digit revenue growth. Our 1Q revenue of \$1.363 billion was the highest quarterly revenue in our history, up 12% despite the 24.5% decline in the U.S. mortgage market.

Despite our very strong first quarter, we felt it was prudent to de-risk the year and adjust our full-year 2022 guidance principally to reflect the impact of the large and rapid increase in US mortgage rates over the last several months, with rates now at a 10-year high.

Our revised guidance reflects an expectation that the US mortgage market, as measured by mortgage market credit inquiries, will decline by 37.5% over the remainder of 2022 and exit the year at a run-rate down 40%, which is approaching 25% below the average levels of mortgage market credit inquiries prior to 2020. This rate of decline would result in a full year decline in US mortgage market credit inquiries of 33.5%, 12 percentage points weaker than the 21.5% included in our February guidance. This decline in the US mortgage market would negatively impact our guidance for 2022 revenue growth by over 350 basis points, or \$175 million, at the midpoint of our guidance, but given our strong 1Q, we are expecting higher non-mortgage revenue growth to offset just under half of this impact, by about 150 basis points, or \$75 million. The net impact is a \$100 million reduction in our guidance for 2022 revenue growth, with a resulting midpoint in our guidance for 2022 revenue of \$5.200 billion. This revenue reduction, and the elimination of income from our non-controlling interest in a Russian joint venture, results in a reduction in our guidance for 2022 Adjusted EPS of \$0.50 per share, with a resulting midpoint in our 2022 Adjusted EPS guidance of \$8.15 per share.

Even facing the macro mortgage market headwinds, we are energized by our strong start to 2022. Equifax has strong momentum and is delivering the strongest results in the last 5-10 years. Our strong and broad-based first quarter results demonstrate the strength of the New Equifax and our EFX2023 growth strategy. Highlights from 1Q22 include:

- Workforce Solutions had another exceptional quarter, delivering revenue of \$649 million, the business unit's first quarter above \$600 million. Revenue growth was up 33% with organic revenue growth of 20%, despite the significant decline in the US mortgage market.
- Workforce Solutions core revenue growth was a very strong 45% in 1Q with core organic revenue growth of 34%. Non-mortgage revenue is now 60% of Workforce Solutions Revenue delivering organic growth of over 30%.
- USIS revenue of \$433 million was down 6% compared to 1Q 2021. The decline was driven by the reduction in USIS mortgage revenue, which at \$140 million is about 32% of total USIS revenue, and was down 21% in the quarter. Positively, this was about 300 bps stronger than the overall mortgage market decline of 24.5%.
- USIS delivered their fifth consecutive quarter of growth in B2B non-mortgage revenue at \$242 million, which represents over 55% of total USIS revenue, and was up 4% with organic revenue growth of 2%.
- International revenue was \$281 million, up a very strong 10% on a local currency basis.
- Revising Full Year Guidance to reflect expected significant acceleration in the decline of the US mortgage market from higher rates.

1Q 2022 was also a substantial period of New Product Innovation. Leveraging our new EFX Cloud infrastructure, we have released about 30 new products YTD, continuing the momentum from 2021 where we launched a record 151 new products. In the quarter, our Vitality Index, defined as revenue from new products introduced in the last three years, exceeded 12% – the highest level in over 10 years. By leveraging our EFX Cloud capabilities to drive new product roll-outs we expect to deliver a Vitality Index in 2022 of over 11%, up 100 bps from our prior guidance, which equates to over \$550 million of new product revenue this year

The New Equifax is increasingly much more than a credit bureau and is focused on faster growing Identity & Fraud, talent, employer and government verticals. The strategic bolt-on acquisitions executed in 2021, as well as the acquisitions of Efficient Hire and Data-Crédito in 1Q 2022, are all aligned with our strategy and in faster growing markets. In 2022, over 50% of Equifax revenue is expected to be outside our traditional consumer and commercial credit bureau market segments.

We are truly a New Equifax that is a more resilient, more diverse, higher growth, and higher margin company. The Equifax Cloud, our differentiated data assets in our new single data fabric, and our market-leading businesses will deliver higher growth and expanded margins and free cash flow in the future. We are just getting started!

To read more about our 1Q 2022 financial results and 2Q 2022 and 2022 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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