Equifax delivered strong Second Quarter results with reported revenue of $1.7 billion, up 11% on a reported basis and 10% in constant currency, and $5 million above our April guidance midpoint. Ex-FICO mortgage royalties, reported revenue was up about 7%. And we delivered outstanding margin performance, driving strong Adjusted EPS growth of 13%.

Organic Diversified Markets constant dollar revenue grew about 5.5% in the quarter, and better than our expectations, principally in Workforce Solutions benefitting from strong execution in Talent Solutions and Consumer Lending. USIS Diversified Markets revenue was slightly better than we expected, accelerating over 300 basis points sequentially and International revenue was slightly lower than we expected at up 4%, principally reflecting market weakness in Canada and the UK.

US Mortgage revenue was up 25% in the quarter, and up 7% ex FICO. This was consistent with our expectations, despite a weaker than expected US Mortgage Market from higher mortgage rates. During the second quarter, US Mortgage rates increased about 30 basis points, with current 30-year fixed rates at about 6.6% versus 6.3% at the time we gave Guidance in April. As a result, we saw overall industry transaction volumes run below our expectations.

Second quarter Adjusted EBITDA of $552 million was up about 10.5% with an Adjusted EBITDA Margin excluding FICO of almost 35%, up a very strong 120 basis points year to year and 40 basis points above the midpoint of our April framework. Adjusted EBITDA Margin expansion was driven by operating leverage and AI driven cost productivity principally in Operations. Equifax reported Adjusted EBITDA Margins including the impact of FICO were 32.5% in the quarter, flat to last year. Adjusted EPS at $2.25 per share was up a very strong 13% and $0.05 above our April guidance midpoint.

Equifax returned $366 million to shareholders, including repurchasing almost 1.8 million shares, or over 1% of shares outstanding, for $300 million. Over the last twelve months ended June 30th, Equifax has returned over $1.6 billion of cash to shareholders, or 100% of operating cash flow. With our financial capacity of over $1.5 billion in 2026, we can execute our recently announced Circulo de Credito acquisition while maintaining a strong balance sheet with debt leverage at under 3 times Adjusted EBITDA while continuing to repurchase shares in the Second Half but at a slower pace than the First Half.

The team continued to execute very well against our EFX 2028 strategic priorities in the quarter by further accelerating our implementation of AI and agentic capabilities across our global analytical, decisioning and operational platforms for new products. In the First Half of this year, we implemented 54 new products that leverage these EFX.AI capabilities. This includes the commercial launch of Ignite AI Advisor and Equifax IQ on our integrated Ignite Analytics and Interconnect Decisioning global platforms.

We are also rapidly expanding the implementation of AI and agentic-based solutions across our internal Equifax processes to improve operational speed, accuracy, and productivity. Agentic and AI assisted process improvement is occurring across product development, technology and operations, and support functions. As we continue to rapidly drive roll-outs and adoption of AI tools and Agents that are delivering meaningful process improvement, we now expect run-rate spending savings from these AI4EFX efforts to be about $150 million from 2026 to 2028, double the $75 million savings that we discussed with you in February. These AI efficiencies are expected to improve our financial performance, while providing increased capability to re-invest to further accelerate AI and Agentic adoption. The foundation for our rapid AI deployment is our new Equifax cloud-native architecture and our Agentic AI development and management platform. The pace of adoption is ramping very quickly and delivering big productivity lifts in every corner of EFX.

Two weeks ago, Equifax signed a definitive agreement to acquire Circulo de Crédito, the fastest growing credit bureau in Mexico, for an enterprise value of $750 million. This represents a 9.4 times Adjusted EBITDA Multiple at closing based on Circulo's expected 2026 Adjusted EBITDA with the addition of expected run-rate synergies, which is attractive and significantly below our current Adjusted EBITDA multiple. We expect the Circulo acquisition to be completed in the fourth quarter of 2026 subject to customary closing conditions and regulatory approvals and for the acquisition to be accretive in year 1.

Circulo is the second largest credit bureau in Mexico and the only credit bureau licensed to operate both consumer and commercial credit bureau services. This acquisition will offer Circulo de Crédito customers access to industry-leading Equifax cloud-native capabilities, decision and analytics capabilities, patented EFX.AI technology, and award-winning identity protection and fraud prevention offerings for the development of solutions designed to help customers grow and expand financial inclusion.

Circulo's unique market position has delivered very strong financial results with revenue growth for the twelve months ended June 30, 2026 of 31% led by their unique alternative credit data advantage enabled by deep relationships with FinTechs. Circulo also delivered very strong mid-40s Adjusted EBITDA margins in both 2025 and the last twelve months thru June 30, 2026. For the full year of 2026, Circulo revenue is expected to grow strong high double digits while maintaining very strong mid-40s Adjusted EBITDA margins. The acquisition fits perfectly in our balanced capital allocation framework, with our focus on highly accretive bolt-on acquisitions while continuing significant ongoing return of capital to shareholders and maintaining our strong investment grade balance sheet.

At the business unit level, Workforce Solutions revenue was up 7%. Verifier Diversified Markets revenue growth of 7% was driven by outstanding performance in Talent Solutions and Consumer Lending, both up high double digits in the quarter. Talent Solutions continues to outperform the white collar labor market with strong growth in employment based solutions and increased product penetration across our incarceration and education data assets, new solutions built co-innovating with background screeners, and pricing. EWS Mortgage revenue was up 8% in the quarter and continues to outperform underlying volumes by high single digits from record growth, new products and pricing.

The EWS Government team delivered an outstanding quarter converting our large commercial pipeline with renewals, extending existing relationships, and adding new, principally State government customers. In the last four months, EWS signed agreements with state agencies for the provisioning of income & employment data supporting CMS and SNAP totaling about $300 million in annual contract value, including about $100 million in new business and $200 million in renewals - an extremely strong result that will benefit EWS in late 2026 but principally in 2027. These substantial contract signings along with our current deal pipelines, up about 2X versus last year, reinforces our confidence in the medium and long term growth opportunities for EWS Government, at the Federal level and supporting states in meeting the new OB3 federal requirements regarding accuracy and frequency of income validation in Medicaid and SNAP. The EWS team is clearly on offense supporting states with their social service program requirements and has significant opportunities for long-term revenue growth supporting government programs in their big $5 billion TAM.

USIS second quarter revenue was up a strong 17% and up 6% excluding FICO and consistent with their LT Framework. This performance was delivered despite a weaker than expected US mortgage market. Diversified Markets revenue grew 6%, accelerating over 300 basis points sequentially. B2B revenue was up 5% and also up over 300 basis points sequentially. Within Online, we saw high single digit growth in FI from stronger volumes, new business and pricing and high single digit growth in Auto from pricing and new business wins. Within our Consumer Direct business, we saw continued strength with revenue up a very strong 11%. USIS Mortgage revenue was up 40% and up mid single digits excluding FICO. Mortgage rates were up from the levels we saw in April throughout most of the quarter, and as a result mortgage origination activity was lower in the second quarter than the levels we expected when we gave Guidance. USIS Adjusted EBITDA Margins were 32.8% in the quarter. Excluding FICO, USIS Adjusted EBITDA Margins were 40.5% and up over 140 basis points versus last year, a very strong performance.

In April, the FHFA activated the use of VantageScore for over 20 mortgage lenders underwriting Agency loans in a new pilot program. While the vast majority of these mortgage lenders have begun using VantageScore, we have also seen a groundswell of VantageScore adoption with about 1,200 additional mortgage lenders pulling a free VantageScore alongside a paid FICO score and about 100 mortgage lenders, principally smaller non-GSE lenders and lenders underwriting HELOCs, who have moved to exclusively pulling a VantageScore at our $1 price. We continue to expect strong adoption of VantageScore given the substantial $1 billion annual savings opportunity for mortgage originators and consumers. Equifax plans to maintain the $1 VantageScore price through the end of 2027 to continue driving adoption of Vantage Score. The FHFA’s decision last July to allow Mortgage score choice between Vantage and FICO is a win for consumers and the industry.

International revenue was up 4% in constant currency. International saw high single digit revenue growth in Asia Pacific and mid single digit growth in Canada. Latam and Europe delivered low single digit revenue growth in the quarter. International saw market headwinds in both Canada and the UK which impacted overall growth rates. In Latam, we saw solid mid to high single digit growth in our largest markets like Brazil, Chile and Argentina with lower growth in some of our smaller markets. International EBITDA margins were 27.6% in the quarter, up a strong 120 basis points versus second quarter 2025. Adjusted EBITDA margin improvements were driven by technology savings as final stages of tech transformation complete and good cost management.

We are holding our full year 2026 financial Guidance on a reported basis to be unchanged from our April Guidance. On a constant currency basis, we raised our Guidance consistent with our second quarter revenue and EPS beat. We expect to deliver revenue growth of 7.2% to 8.4% excluding the impact of FICO Mortgage Royalties in 2026, within our Long Term Financial Framework. We continue to expect Diversified Markets revenue to be up high single digits and Mortgage revenue growth of over 20%. We also expect to deliver strong full year margin expansion excluding FICO of 75 basis points from operating leverage off strong top line growth, higher margin new products, and AI driven productivity.

Looking to the third quarter, we expect total Equifax constant dollar revenue growth at the midpoint to be up almost 9.5%. Excluding the impact of FICO mortgage royalties, third quarter reported revenue is expected to be up about 7% at the midpoint. Equifax third quarter Adjusted EBITDA dollars are expected to be up about 10% at the midpoint with Adjusted EBITDA margins excluding FICO up over 90 basis points at the midpoint from 3Q25 on the same basis. EPS in the third quarter is expected to be up about 8% versus 3Q25 at the midpoint.

Our Second Quarter financial results are an excellent proof point on the broad based Equifax operating model, including the strong 120 basis points of Adjusted EBITDA margin expansion in the quarter. The First Half of this year was about the future of the new Equifax. EWS signed agreements principally with state agencies with a total ACV of about $300 million, we signed the highly accretive Circulo de Credito acquisition, and we doubled our AI4EFX productivity goal from $75 million to $150 million. Our strong execution and momentum in 2026 sets us up for 2027 and beyond.

To read more about our second quarter financial results and 2026 Guidance, please see our press release and investor presentation. You may also reach out to me or Molly Clegg with any questions you may have. Thanks as always for your time and attention.

Best regards,

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