Equifax had a strong third quarter with revenue of $1.54 billion, up over 7% in constant currency and reported dollars. Revenue was $25 million above the mid-point of our July Guidance driven by outperformance in US Mortgage and EWS and USIS Non-Mortgage. About two-thirds of the revenue overperformance was in USIS Mortgage from stronger market volumes later in the quarter on lower mortgage rates. Mortgage hard credit inquiries were down about 7% but better than our expectations of down over 12% with the 30-year mortgage rate dropping just below 6.5% in September.

Adjusted EPS of $2.04 per share was $0.12 above the mid-point of our July Guidance reflecting stronger revenue growth and solid operating leverage. Adjusted EBITDA margin of 32.7% was up 20 basis points sequentially.

Given our strong third quarter results, we are raising our full year revenue guidance by $40 million and Adjusted EPS by $0.12 per share. With our strong operating performance, we are also increasing our free cash flow guidance to $950 million to $975 million, up from the $900 million we provided in July, with a cash conversion in excess of 100%, up from our 95%+ framework for the year. Equifax Adjusted EBITDA Margins are expected to be about 32%. This is down slightly from the levels we discussed in July, principally due to a higher mix of mortgage revenue and higher variable compensation reflecting stronger revenue and operating earnings. We have positive momentum from the strong third quarter as we move into the fourth quarter and 2026.

At the business unit level, Workforce Solutions revenue was up 5% and stronger than expected driven principally by Government performance, which was up high single digits in the quarter, and better than our expectations of mid single digit growth from State penetration and OB3 momentum, which is positive as we move past the impact from 2024 CMS funding changes.

We continue to engage in Washington and at the state level around the big focus on the estimated $160 billion of improper Social Service and Tax payments which is a positive medium and long term macro for EWS. In the second quarter, the President signed the OB3 legislation that provides strong future growth opportunities for the EWS Government business from the increased focus on program integrity and the new requirements from OB3. Our discussions in Washington and with state agencies are ramping rapidly post OB3 given the strong value proposition from TWN on speed of social service delivery, case worker productivity, and accuracy of income verifications, which drives a reduction in improper payments. We are uniquely positioned with our differentiated data assets to help support state agencies meet these new requirements, which we expect to be a big positive for our EWS Government business as we move through 2026 and 2027. EWS has significant opportunities for medium and long-term revenue growth supporting government programs, and we remain confident in our medium and long-term Government vertical revenue growth framework at above the EWS long term revenue growth framework of 13 - 15%, as we grow in the large $5 billion Government TAM.

Talent Solutions revenue was up low single digits in the quarter and below our expectations from weaker hiring. Overall US Hiring, particularly white collar hiring, continued to be relatively weak in the third quarter with overall BLS data down about 4% in July and August compared to last year. Underlying Talent Employment Verification revenue continued to perform well in the third quarter driven by new products, penetration, pricing and records growth.

EWS mortgage revenue was up 2% against a market as measured by USIS hard inquiries that was down about 7% and was also slightly better than our expectations. EWS mortgage revenue continues to benefit from record growth and pricing.

Workforce Solutions Adjusted EBITDA margins of 51.2% were strong and slightly better than expected driven by both higher than expected revenue growth and operating leverage.

TWN record additions were strong again in the third quarter with 199 million Active records, up 9%, and 113 million Current records which were up 6%. TWN database growth continues to add significant value for verifiers and contributors from higher hit rates. We added 5 new partnerships this year on top of the 10 added in the second half of last year and expect those new TWN Partnerships to contribute to record growth in the fourth quarter and 2026. As a reminder, our 100 million Current SSNs are a great indicator of the long runway for TWN growth towards 250 million income producing Americans.

USIS had a very strong quarter with revenue up 11%, and much better than our expectations principally led by Mortgage revenue. B2B Non-mortgage revenue was up about 5% in the quarter and up over 150 basis points sequentially, as we continued to see a stable lending environment, although continuing at levels below longer term norms. We saw low double digit revenue growth in Auto and mid single digit revenue growth in FI. All other B2B verticals in aggregate were up low single digits.

Mortgage revenue in the quarter was up a very strong 26% and above our expectations. This strong growth was driven by mortgage volumes later in the quarter from a small decrease in rates, the benefit of FICO pass through, and the performance of our new Mortgage PreApproval products. We continue to see strong interest in our Preapproval products with the TWN Indicator. For perspective, at current run-rates and using Mortgage Hard Credit Inquiries as a proxy, in 2026 the US Mortgage Market would be up low single digits versus 2025.

USIS Adjusted EBITDA margin at 35.2% was up 130 basis points compared to last year. We are seeing the benefits of cost savings from our cloud migration, which we completed in the second half of last year as well as operating leverage from revenue growth in the quarter.

Two weeks ago Equifax announced we are expanding our VantageScore 4.0 mortgage credit score offerings in response to FICO’s price actions. Importantly, we detailed steps to drive competition in the mortgage credit scoring market, drive conversion to VantageScore 4.0, and deliver over $100 to $200 million of savings to our mortgage customers and consumers. Specifically…

VantageScore 4.0 for mortgage will be priced at $4.50 to accelerate conversions to the higher performing, lower cost VantageScore 4.0. We will hold the $4.50 price through the end of 2027;

In 2026, the Equifax credit file with VantageScore 4.0 used in a Mortgage hard inquiry is expected to be priced in line with the 2025 Equifax trended credit file with a FICO score; and

We will make free VantageScores available through the end of 2026 to all mortgage, auto, card, and consumer finance customers who purchase FICO scores to drive customer acceptance and conversion.

We believe these are significant steps to drive competition in the scores market while also differentiating Equifax mortgage credit products. Following FICO's increase in their score pricing and Equifax's move to deliver 50% savings, we have seen a groundswell of interest from the industry and mortgage resellers on using VantageScore 4.0 and have many direct mortgage customers either in production with VantageScore, in the contracting stage, or expressing a strong interest in VantageScore.

We believe that the Equifax Mortgage Pricing structure for 2026 will result in lower combined cost of credit data and scores for customers that elect to use VantageScore. We also believe this pricing structure will result in improved dollar profitability for Equifax should customers elect to use a FICO score, purchasing either from Equifax or through a Mortgage tri-merge reseller. And for customers that chose the higher performing, lower cost VantageScore, Equifax dollar profitability is further enhanced as we have no COGS on VantageScore.

International revenue was up 7% in constant currency with broad based revenue growth across all regions. Canada revenue was up 11% in the quarter, which is very strong sequential growth as the team is leveraging their cloud transformation to drive innovation and customer growth. Latin America revenue was up 9% led by double digit growth in Argentina and Brazil. And, Europe and Asia Pacific both had nice performances up 4% in the quarter. International Adjusted EBITDA margin of 31.3% was up a very strong 360 basis points versus last year from revenue growth and cost improvements from our cloud migrations.

In the third quarter, we delivered a Vitality Index of 16% which was 600 basis points above our 10% LT goal and a quarterly record. We saw strong double digit VI across all business units as we leverage our differentiated data, EFX.AI and new technology stack in a post-Cloud environment. Given our strong NPI performance, we are raising our full year Vitality Index another 100 basis points to 13% … our third VI raise in 2025. We are excited by our post-cloud completion momentum in innovation and new products.

The next chapter of product innovation is deploying EFX.AI along with our Cloud native technology, our Ignite analytics platform, and our proprietary data to deliver higher performing EFX.AI powered scores, models, and products for our customers.

Our strategy is to expand from being a provider of data and analytics to being an essential partner for AI-powered decision intelligence. Driving EFX.AI with customers and inside EFX is a big priority for 2026 and beyond.

We are also seeing a very positive customer response to our TWN Indicator roll-outs that we expect to drive share gains for the USIS credit file. The ability to deliver information to our customers from The Work Number, alongside a credit report, provides value only Equifax can deliver. Understanding a consumer's employment status along with their credit file adds valuable information in the marketing process to tailor application strategies that drive higher approval rates and speed and efficiencies for our customers. As a reminder, we are delivering the TWN indicator alongside our credit file at no incremental cost in all verticals in order to differentiate our credit file and drive incremental growth and share gains.

As we look forward, and consistent with our discussions at our Investor Day in June and in our July earnings outlook, we expect to deliver financial results consistent with our Long Term Financial Framework of 7 - 10% Organic Revenue Growth and 50 basis points of EBITDA margin expansion under normal market conditions. As a reminder, our long-term financial framework assumes overall economic growth, including growth in the US Mortgage market, at about 2 - 3% per year.

We are entering the next chapter of the NewEFX with our Cloud transformation substantially behind us as we pivot our entire team to leveraging the EFX Cloud for innovation, new products, and growth. We are using our new Cloud capabilities, single Data Fabric, EFX.AI, and Ignite, our analytics platform, to develop new credit solutions leveraging our scale and unique data assets. We are accelerating multi-data asset solutions including those that combine traditional credit, alternative credit assets, and TWN income and employment indicators in verticals like Mortgage, Auto, Card and P-Loan that Only Equifax can deliver that will drive share gains and growth.

This is an exciting time to be at the New Equifax.

To read more about our 3Q results and full-year 2025 financial 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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