

EQUIFAX
CONSOLIDATED STATEMENTS OF INCOME

	Twelve Months Ended December 31,	
	2016	2015
<i>(In millions, except per share amounts)</i>		
Operating revenue	\$ 3,144.9	\$ 2,663.6
Operating expenses:		
Cost of services (exclusive of depreciation and amortization below)	1,113.4	887.4
Selling, general and administrative expenses	948.2	884.3
Depreciation and amortization	265.4	198.0
Total operating expenses	2,327.0	1,969.7
Operating income	817.9	693.9
Interest expense	(92.1)	(63.8)
Other income, net	2.4	6.5
Consolidated income before income taxes	728.2	636.6
Provision for income taxes	(233.1)	(201.8)
Consolidated net income	495.1	434.8
Less: Net income attributable to noncontrolling interests	(6.3)	(5.7)
Net income attributable to Equifax	\$ 488.8	\$ 429.1
Basic earnings per share attributable to Equifax	\$ 4.10	\$ 3.61
Weighted-average shares used in computing basic earnings per share	119.3	118.7
Diluted earnings per share attributable to Equifax	\$ 4.04	\$ 3.55
Weighted-average shares used in computing diluted earnings per share	121.1	120.9
Dividends per share	\$ 1.32	\$ 1.16

EQUIFAX
CONDENSED CONSOLIDATED BALANCE SHEET

	<u>December 31,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>
<i>(In millions, except par values)</i>		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 129.3	\$ 93.3
Trade accounts receivable, net of allowance for doubtful accounts of \$7.8 and \$7.5 at December 31, 2016 and December 31, 2015, respectively	433.3	349.8
Prepaid expenses	60.2	39.3
Other current assets	50.1	79.2
Total current assets	<u>672.9</u>	<u>561.6</u>
Property and equipment:		
Capitalized internal-use software and system costs	307.0	212.5
Data processing equipment and furniture	273.2	247.8
Land, buildings and improvements	203.8	194.6
Total property and equipment	<u>784.0</u>	<u>654.9</u>
Less accumulated depreciation and amortization	(317.1)	(288.1)
Total property and equipment, net	<u>466.9</u>	<u>366.8</u>
Goodwill	3,974.3	2,571.0
Indefinite-lived intangible assets	94.8	94.7
Purchased intangible assets, net	1,323.8	827.9
Other assets, net	131.3	79.5
Total assets	<u>\$ 6,664.0</u>	<u>\$ 4,501.5</u>
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term debt and current maturities of long-term debt	\$ 585.4	\$ 49.3
Accounts payable	81.0	40.6
Accrued expenses	149.3	112.7
Accrued salaries and bonuses	158.8	139.2
Deferred revenue	110.7	96.8
Other current liabilities	174.4	165.2
Total current liabilities	<u>1,259.6</u>	<u>603.8</u>
Long-term debt	2,086.8	1,138.4
Deferred income tax liabilities, net	325.4	205.5
Long-term pension and other postretirement benefit liabilities	184.4	146.4
Other long-term liabilities	86.5	57.0
Total liabilities	<u>3,942.7</u>	<u>2,151.1</u>
Equifax shareholders' equity:		
Preferred stock, \$0.01 par value: Authorized shares - 10.0; Issued shares - none	—	—
Common stock, \$1.25 par value: Authorized shares - 300.0; Issued shares - 189.3 at December 31, 2016 and December 31, 2015;		
Outstanding shares - 119.9 and 118.7 at December 31, 2016 and December 31, 2015, respectively	236.6	236.6
Paid-in capital	1,313.3	1,260.5
Retained earnings	4,153.2	3,834.4
Accumulated other comprehensive loss	(528.9)	(484.8)
Treasury stock, at cost, 68.8 shares and 70.0 shares at December 31, 2016 and December 31, 2015, respectively	(2,505.6)	(2,529.9)
Stock held by employee benefits trusts, at cost, 0.6 shares at December 31, 2016 and December 31, 2015, respectively	(5.9)	(5.9)
Total Equifax shareholders' equity	<u>2,662.7</u>	<u>2,310.9</u>
Noncontrolling interests	58.6	39.5
Total equity	<u>2,721.3</u>	<u>2,350.4</u>
Total liabilities and equity	<u>\$ 6,664.0</u>	<u>\$ 4,501.5</u>

EQUIFAX
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Twelve Months Ended December 31,	
	2016	2015
<i>(In millions)</i>		
Operating activities:		
Consolidated net income	495.1	\$ 434.8
Adjustments to reconcile consolidated net income to net cash provided by operating activities:		
Impairment of cost method investment	—	14.8
Depreciation and amortization	268.7	200.0
Stock-based compensation expense	37.1	38.4
Excess tax benefits from stock-based compensation plans	(35.9)	(30.0)
Deferred income taxes	(17.8)	(28.7)
Changes in assets and liabilities, excluding effects of acquisitions:		
Accounts receivable, net	(55.7)	(26.9)
Other assets, current and long-term	(6.2)	15.9
Other liabilities, current and long-term, excluding debt	99.2	123.8
Cash provided by operating activities	784.5	742.1
Investing activities:		
Capital expenditures	(167.0)	(146.2)
Acquisitions, net of cash acquired	(1,791.6)	(4.4)
Cash received from divestitures	—	2.9
Economic hedges	(10.8)	—
Investment in unconsolidated affiliates, net	—	(0.1)
Cash used in investing activities	(1,969.4)	(147.8)
Financing activities:		
Net short-term borrowings (repayments)	73.0	(331.0)
Payments on long-term debt	(350.0)	—
Proceeds from issuance of long-term debt	1,574.7	—
Treasury stock purchases	—	(196.3)
Dividends paid to Equifax shareholders	(157.6)	(137.8)
Dividends paid to noncontrolling interests	(5.8)	(6.4)
Proceeds from exercise of stock options	31.5	34.4
Excess tax benefits from stock-based compensation plans	35.9	30.0
Payment of contingent consideration	(4.4)	—
Purchase of redeemable noncontrolling interest	(3.6)	—
Debt issuance costs	(6.2)	(4.9)
Cash provided by (used in) financing activities	1,187.5	(612.0)
Effect of foreign currency exchange rates on cash and cash equivalents	33.4	(17.3)
Increase (decrease) in cash and cash equivalents	36.0	(35.0)
Cash and cash equivalents, beginning of period	93.3	128.3
Cash and cash equivalents, end of period	\$ 129.3	\$ 93.3