

CONSOLIDATED STATEMENTS OF (LOSS) INCOME

	Twelve Months Ended December 31,		
	2019	2018	2017
<i>(In millions, except per share amounts)</i>			
Operating revenue	\$ 3,507.6	\$ 3,412.1	\$ 3,362.2
Operating expenses:			
Cost of services (exclusive of depreciation and amortization below)	1,521.7	1,440.4	1,210.7
Selling, general and administrative expenses	1,990.2	1,213.3	1,032.0
Depreciation and amortization	331.1	310.4	287.8
Total operating expenses	3,843.0	2,964.1	2,530.5
Operating (loss) income	(335.4)	448.0	831.7
Interest expense	(111.7)	(103.5)	(92.8)
Other income, net	14.1	11.8	7.7
Consolidated (loss) income before income taxes	(433.0)	356.3	746.6
Benefit (provision) for income taxes	40.2	(50.0)	(148.6)
Consolidated net (loss) income	(392.8)	306.3	598.0
Less: Net income attributable to noncontrolling interests including redeemable noncontrolling interests	(6.0)	(6.5)	(10.7)
Net (loss) income attributable to Equifax	\$ (398.8)	\$ 299.8	\$ 587.3
Basic earnings per common share:			
Net (loss) income attributable to Equifax	\$ (3.30)	\$ 2.49	\$ 4.89
Weighted-average shares used in computing basic earnings per share	120.9	120.4	120.1
Diluted earnings per common share:			
Net (loss) income attributable to Equifax	\$ (3.27)	\$ 2.47	\$ 4.83
Weighted-average shares used in computing diluted earnings per share	122.0	121.4	121.5
Dividends per common share	\$ 1.56	\$ 1.56	\$ 1.56

See Notes to Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEETS

	December 31,	
	2019	2018
<i>(In millions, except par values)</i>		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 401.3	\$ 223.6
Trade accounts receivable, net of allowance for doubtful accounts of \$11.2 and \$10.9 at December 31, 2019 and 2018, respectively	532.1	469.1
Prepaid expenses	88.1	100.0
Other current assets	187.9	109.6
Total current assets	1,209.4	902.3
Property and equipment:		
Capitalized internal-use software and system costs	979.4	684.1
Data processing equipment and furniture	325.1	344.6
Land, buildings and improvements	236.3	216.1
Total property and equipment	1,540.8	1,244.8
Less accumulated depreciation and amortization	(593.2)	(480.0)
Total property and equipment, net	947.6	764.8
Goodwill	4,308.3	4,129.7
Indefinite-lived intangible assets	94.9	94.8
Purchased intangible assets, net	1,044.6	1,099.2
Other assets, net	304.2	162.4
Total assets	\$ 7,909.0	\$ 7,153.2
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term debt and current maturities of long-term debt	\$ 3.1	\$ 4.9
Accounts payable	148.3	175.7
Accrued expenses	163.5	213.2
Accrued salaries and bonuses	156.1	131.0
Deferred revenue	104.0	98.0
Other current liabilities	784.1	204.0
Total current liabilities	1,359.1	826.8
Long-term debt	3,379.5	2,630.6
Deferred income tax liabilities, net	248.0	316.2
Long-term pension and other postretirement benefit liabilities	118.9	139.3
Other long-term liabilities	180.6	84.6
Total liabilities	5,286.1	3,997.5
Commitments and Contingencies (see Note 6)		
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, 2019 and 2018; Outstanding shares -121.2 and 120.6 at December 31, 2019 and 2018, respectively	236.6	236.6
Paid-in capital	1,405.1	1,356.6
Retained earnings	4,131.8	4,717.8
Accumulated other comprehensive loss	(631.6)	(626.3)
Treasury stock, at cost, 67.5 shares and 68.1 shares at December 31, 2019 and 2018, respectively	(2,557.4)	(2,571.0)
Stock held by employee benefits trusts, at cost, 0.6 shares at December 31, 2019 and 2018, respectively	(5.9)	(5.9)
Total Equifax shareholders' equity	2,578.6	3,107.8
Noncontrolling interests including redeemable noncontrolling interests	44.3	47.9
Total shareholders' equity	2,622.9	3,155.7
Total liabilities and equity	\$ 7,909.0	\$ 7,153.2

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Twelve Months Ended December 31,		
	2019	2018	2017
<i>(In millions)</i>			
Operating activities:			
Consolidated net (loss) income	\$ (392.8)	\$ 306.3	\$ 598.0
Adjustments to reconcile consolidated net income to net cash provided by operating activities:			
Depreciation and amortization	337.3	315.9	290.9
Stock-based compensation expense	49.7	42.5	38.3
Deferred income taxes	(87.2)	(2.3)	(44.1)
Changes in assets and liabilities, excluding effects of acquisitions:			
Accounts receivable, net	(61.3)	(37.4)	(1.3)
Other assets, current and long-term	(78.8)	(15.4)	(120.1)
Current and long-term liabilities, excluding debt	546.9	62.6	54.3
Cash provided by operating activities	313.8	672.2	816.0
Investing activities:			
Capital expenditures	(399.6)	(321.9)	(218.2)
Acquisitions, net of cash acquired	(272.9)	(138.3)	(139.9)
Cash received from sale of asset	—	5.6	8.6
Investment in unconsolidated affiliates, net	(25.0)	(6.9)	—
Cash used in investing activities	(697.5)	(461.5)	(349.5)
Financing activities:			
Net short-term (repayments) borrowings	(1.8)	(959.2)	252.4
Payments on long-term debt	(250.0)	(100.0)	(322.5)
Proceeds from issuance of long-term debt	998.3	994.5	100.0
Treasury stock purchases	—	—	(77.1)
Dividends paid to Equifax shareholders	(188.7)	(187.9)	(187.4)
Dividends paid to noncontrolling interests	(6.6)	(10.3)	(8.4)
Proceeds from exercise of stock options	22.3	11.8	19.2
Payment of taxes related to settlement of equity awards	(10.5)	(19.7)	(33.5)
Payment of contingent consideration	—	(1.5)	(3.5)
Purchase of redeemable noncontrolling interests	—	(30.9)	(2.6)
Debt issuance costs	(5.1)	(7.8)	(0.3)
Cash provided by (used in) financing activities	557.9	(311.0)	(263.7)
Effect of foreign currency exchange rates on cash and cash equivalents	3.5	(12.5)	4.3
Increase (decrease) in cash and cash equivalents	177.7	(112.8)	207.1
Cash and cash equivalents, beginning of period	223.6	336.4	129.3
Cash and cash equivalents, end of period	\$ 401.3	\$ 223.6	\$ 336.4

See Notes to Consolidated Financial Statements.