

EQUIFAX

*We **change** the shape of global commerce.*

1998 ANNUAL REPORT

Changing the shape of global commerce isn't just a tagline. It's what we do. We improve the relationship between buyers and sellers. Around the world. In hundreds of different ways. Millions of times a day.

How do we measure that change?

The same way our customers do.

in hits

1110101110011001011. The digital you. Our new e-commerce initiatives are bringing security, transaction processing, and verification services to the Web. Providing buyers and sellers with digital certificates. Authenticating online identities. And making e-commerce more secure – for corporate procurement or shopping in a virtual mall.



in emerging markets

“Cartão de crédito**” From South America to the Pacific Rim, Equifax solidifies local economies – providing established and emerging markets a strong credit-based foundation. Card processing in India. Extensive consumer – and commercial – credit databases for Latin America. And more empowerment for consumers the world over.

edit car

03

* cr d

in swipes

VISA®, MasterCard®, or private label. Equifax handles 1.7 million card transactions a day, processing credit and debit card transactions for community banks in the U.S. And helping clients in 29 other countries manage more than 125 million card accounts a year. From St. Petersburg to Sydney, New York to New Delhi, Equifax gets the credit.



IN SPEED

We expedite commerce — speeding actionable knowledge and information to our clients. Shifting decision making from the back office to the point of sale. Transforming simple transactions into profitable cross-selling opportunities. Seamlessly handling card processing, check authorization, and credit reporting.

05

IN SECURITY ADDED

We lessen risks for buyers and sellers — using advanced database solutions to help identify risk and reduce losses in the financial, telecommunications, utility, and healthcare industries, among others. Safeguarding privacy on the Internet with digital signatures, privacy directories, and encryption. Providing banks, retailers, and other industries with total outsourced solutions in risk management.



in dial tones

It pays to know who's calling. Especially for telecommunications carriers. Equifax manages the nation's largest database on unpaid telephone and wireless subscribers. It's used to protect more than 60 telecommunications and wireless companies – minimizing their risk on new commercial and consumer accounts.



in buying power

350 million consumers. 350 million wallets. Golden opportunities for Equifax. We're giving consumers more control over their credit profiles. Providing access to the information they need to make better credit decisions. Opening up more choices. And more charge accounts, too.

in new neighbors

Equifax holds the key to millions of new homes. We touch nearly 7,000 mortgage applications every day – providing mortgage lenders with the knowledge-based information they need to qualify applicants more quickly. And more accurately. From the U.S. to Argentina, we're helping dream homes become reality.





in express lanes



Next. Equifax keeps checkout lines moving swiftly. It's a big part of what we do – providing bank and debit card transaction processing services at the point of sale. By the way, we also verify a few checks. About 262 million checks a year. Or 23 billion dollars worth.

IN KNOWLEDGE

We engineer new insights — helping companies better understand their customers and how they buy. Reinventing the marketing model. Analyzing databases for new opportunities. Predicting patterns of behavior. Strengthening retention and customer loyalty. Tailoring solutions to meet strategic goals.

IN CONVENIENCE ADDED

We simplify the transaction process — sending critical decision-support information to the exact point of customer interface. Introducing sellers to qualified buyers via the Internet. Enlightening consumers on their credit picture. Educating young people about financial responsibility. Creating more choices for everyone.

in SUVs

Looking for a new sports utility vehicle? Thanks to Equifax, buying it just got easier. In some markets, we verify odometer settings for buyers. In others, we deliver knowledge directly to the dealership – allowing credit decisions to be made at the point of purchase. For buyers that means quick approval right in the showroom. Of course, you'll still have to decide on the color.


RAY

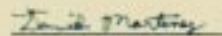
Tri-Cities Auto

THIS IS TO CERTIFY THAT
RAY PORTELLA

HAS BEEN NAMED
1998 SALES ASSOCIATE OF THE YEAR

AWARDED FOR
Outstanding Sales Performance
and Exemplary Customer Satisfaction


D.K. HERRING
PRESIDENT


CAROL HERRING
SALES MANAGER

in bargain shoppers

Equifax drives traffic to retailers – mining and analyzing their customer data. Developing knowledge-based analytic solutions to help them target the right marketing programs to the right customers at the right time. The result: more value for every marketing dollar. And a special on aisle five.





IN PRECISION

We use data as a compass — pinpointing strategic opportunities for our customers. Providing a wider base of information. Scoring their possibilities. Optimizing their marketing programs with analytics and knowledge engineering. Predicting the life cycle of customer relationships and loan portfolios. Managing risk.

IN EXPERTISE ADDED

We supply the competitive edge — complementing the core competencies of our customers. Supporting their operations from marketing to collections. Consulting across the entire credit life cycle. Scoring risk and profitability for better Go/No-Go decisions. Outsourcing collections for enhanced economies of scale. Leveraging our vast knowledge base.

IN EXPERIENCE ADDED

We bridge centuries – building on all we have learned. We started in 1899 in Atlanta, Georgia, offering simple credit reporting to local merchants. Now, 100 years later, we are celebrating our centennial. This in itself is a great accomplishment. To put this in perspective, about 38% of Fortune 500 companies have reached the age of 100. And only 45 of our 50 states have celebrated their centennials. But the important message here is not longevity. It is dependability. Because at Equifax, we feel 100 years is more a measure of our reliable performance than of our age. Since our founding in 1899, we have steadily changed the shape of commerce. Today, we affect transactions the world over, making them happen faster, easier, and better. Beyond today, we look to the new millennium. And another 100 years of creating change.

Operations

Information Services

At Equifax Information Services, we touch people's lives in many ways. Apply for cable service, check into a hospital, be pre-approved for a low-interest loan, get a wireless phone, take a one-month payment vacation from your charge card bill – Equifax Information Services helps you do it all.

Equifax is the premier brand for value-added information and related services that help organizations be the best at identifying, lending to, and transacting with commercial and consumer customers throughout the entire customer life cycle. In almost 50 countries – from Europe to North America, Asia to Latin America – Equifax is bringing buyers and sellers together in ways that benefit both.

For our customers, the need for information begins well before a credit decision is made and continues long after that decision. Credit decisions are not isolated events; they are part of the life cycle of our customers' customers, beginning with identifying new strategic market opportunities all the way through cross-selling additional services to existing customers and recovering delinquent loans. At Equifax, our information, marketing, and decisioning products and services are designed to support every aspect of that life cycle.

Credit Reporting is a significant part of what we do at Equifax Information Services. Every month, we gather information into our databases from multiple sources, updating the more than 350 million consumer profiles we have on file. This information is also used by our Marketing Services division to help companies and financial institutions identify strategic opportunities and reach credit-worthy, credit-active consumers. Based on our customer's parameters, we identify qualified prospects for "pre-approved" promotional mailings. In 1998, we put companies in touch with more than 16 billion prospects.

The tremendous growth in the telecommunications industry, including cable, and the large number of new entrants into these businesses has fueled a growing need for sophisticated risk management solutions. A case in point is the database of unpaid commercial telephone accounts that we developed and now manage for the National Telecommunications Data Exchange (NTDE) to identify fraudulent and problem applications. In 1998, the members of the NTDE, including AT&T, Sprint, MCI, and 50 others, extended our management contract through the year 2001. Concurrent with that, we launched the National Consumer Telecommunications Data Exchange (NCTDE), a consumer version built on the same proven platform as the NTDE.

By adding value to information, Equifax creates knowledge-based solutions that help businesses make smarter, more accurate decisions. Our Knowledge Engineering division analyzes customer databases and scores individual customers as to risk, opportunity, and marketing potential. With this knowledge, businesses are better able to manage their credit and collections activities. In some cases, Equifax makes the credit decision on behalf of the customer (based on the customer's parameters).

Highlights

03/98

ACQUIRED U.K. BASED
CCI GROUP, PLC

04/98

FORMED CARD PROCESSING
JOINT VENTURE IN THE U.K.

For example, in Argentina, Equifax facilitates more than 80% of the mortgage loan decisions for Banco Hipotecario National of Argentina, giving their branch managers more time to spend with customers.

We extended our risk management platform to the wireless and cable industries as well. Wireless carriers lose up to \$500 million a year to fraud. To combat that, we introduced FraudScanSM, an automated tool that helps identify and flag fraudulent applications. For the cable industry, we formed a two-year alliance with TCI Cable Management Corporation to offer cable operators a fully-integrated risk management program. This provides cable systems throughout the country with a more effective means of managing high-risk subscriber applications.

Equifax is also there on the back end of a credit decision – when it comes time to recover delinquent debt. Equifax's Risk Management Services provides a broad range of debt recovery solutions which are available on an as-needed or on a completely outsourced basis.

Equifax's technology helps improve people's lives even when there is no buyer or seller. A new information service from DICOM/Equifax in Chile protects the nearly five million inhabitants of Santiago from the risk of fire. In just seconds after an alarm sounds in the central control room, fire controllers can alert the nearest fire station – giving them the fastest route to take, along with one or two alternates and the locations of the nearest fire hydrants.

Latin America represents an enormous market for Information Services. Brazil, alone, is the second largest economy in the Western Hemisphere and the largest in Latin America. In 1998, Equifax acquired a majority interest in one of Brazil's leading financial information companies. We also increased our ownership in Peru's largest credit information company to 51%. We established the first online credit information company in El Salvador. And we increased our ownership in Argentina's largest credit information company to two-thirds.

In Canada, we continued to strengthen our already preeminent position with the acquisition of the Credit Bureau of Vancouver, a significant affiliate. We are the market leader in consumer and commercial credit reporting in Canada.

Decision support. Risk management. Marketing services. When it comes to information, Equifax is the value-add that global business needs.

Payment Services

Charge an item in New Delhi or write a check in London, and chances are Equifax will have something to do with it. Equifax is the nation's premier, full-service card processor for independent financial institutions, and the world's largest check risk management provider.

Equifax is the card processing solution of choice for independent community banks and credit unions. In fact, with about 5,500 current institutional customers, we are the leading supplier of turnkey card processing services to this market. The reason: No competitor can match our range of third-party services and support. We handle everything from

05/98

INCREASED OWNERSHIP
OF ASNEF-EQUIFAX
OF SPAIN TO 58%

06/98

ALIGNED WITH IBM TO
ISSUE ELECTRONIC
DIGITAL CERTIFICATES

06/98

COMPLETED SUCCESSFUL
\$400 MILLION DEBT
OFFERING

06/98

LAUNCHED NATIONAL
CONSUMER
TELECOMMUNICATIONS DATA
EXCHANGE

07/98

ACQUIRED THINK-TANK
DECISIONEERING GROUP

card issuance and data processing to technical support and account collections. Thanks to Equifax, even the smallest institution can offer its customers credit and debit card services.

Beyond card processing, Equifax Payment Services offers financial institutions a variety of other banking services – programs designed to support every facet of the customer life cycle. Our portfolio management services provide financial institutions with a complete outsourcing alternative for card services, even down to determining credit limits based on their parameters. Falcon®, our new modeling program developed in partnership with HNC, uses neural-network technology to alert financial institutions to suspicious transactions which reduces losses and improves portfolio profitability. Our loyalty programs, such as frequent flyer programs, bonus programs, and other promotional programs, give independent financial institutions a competitive edge in a market otherwise dominated by large national and regional players.

In 1998, we enhanced that edge further with a turnkey electronic (online) banking solution, allowing institutions to provide convenient Internet PC Banking services to their customers.

Also in 1998, we completed the conversion of all of our customers to our Card Solutions software – an advanced data-based banking system platform that provides card issuing, merchant processing, and collections processing capabilities. Our Card Solutions software is a key component of our global expansion strategy as well. Through joint ventures and with our Card Solutions software, we have established centers of activity in India, Brazil, and the U.K. Future growth will expand outward from those three strategic hubs.

A recent joint venture with Groupe Cofinoga and Banque Nationale de Paris in the United Kingdom underscores our focus on international expansion. Equifax will provide third-party management of bankcard, retail, debit, and travel and entertainment programs in the U.K. and Ireland. This will add more than 1.5 million consumer credit card accounts to our account base.

Check risk management services accounts for almost one-third of Equifax's Payment Services business. Equifax provides both guarantee and check authorization services through our powerful risk management platform.

Check guarantee is just what the name implies; Equifax guarantees payment of the check. Our current global initiative targets national and mid-sized retailers in the U.S. and Europe for this service. In addition to our check guarantee services, Equifax provides a broad range of check authorization services enabling national retailers, such as Federated Department Stores, to make their own check approval decisions based on Equifax's extensive check database and superior risk management systems.

In 1998, in partnership with Neuristics Corporation, we introduced a leading edge check authorization risk model based on advanced neural-network artificial-intelligence (AI) technology. The AI model

07/98

SIGNED MASTER GLOBAL TECHNOLOGY OUTSOURCING CONTRACT WITH IBM

08/98

ACQUIRED 80% INTEREST IN ONE OF BRAZIL'S LEADING FINANCIAL INFORMATION COMPANIES

09/98

ACQUIRED 59% OWNERSHIP IN BRAZILIAN CARD PROCESSING COMPANY

10/98

INTRODUCED FRAUDSCANSM FOR THE WIRELESS INDUSTRY

11/98

ESTABLISHED TCI CABLE EXCHANGE

makes smarter decisions without the need for human intervention. Since its incorporation into our check authorization risk management platform, we have seen a 17% increase in dollar value of approved check transactions (indicating increased sales to the retailer) with a corresponding 3% reduction in the dollar value of returned checks and a 40% gain in check collectibility values. In addition, we have reduced processing time by 15%, resulting in a quicker, more efficient check approval process.

Equifax's Check Solutions does not stop with the check itself. We offer risk consulting, which improves the accuracy of a retailer's own check approval system. We offer turnkey collections services. And we offer database marketing services that help retailers target customers based on their purchasing patterns.

At Equifax Payment Services, we make the transaction possible. Across a counter. Across the world. On the telephone. Or on the Internet.

Knowledge Engineering

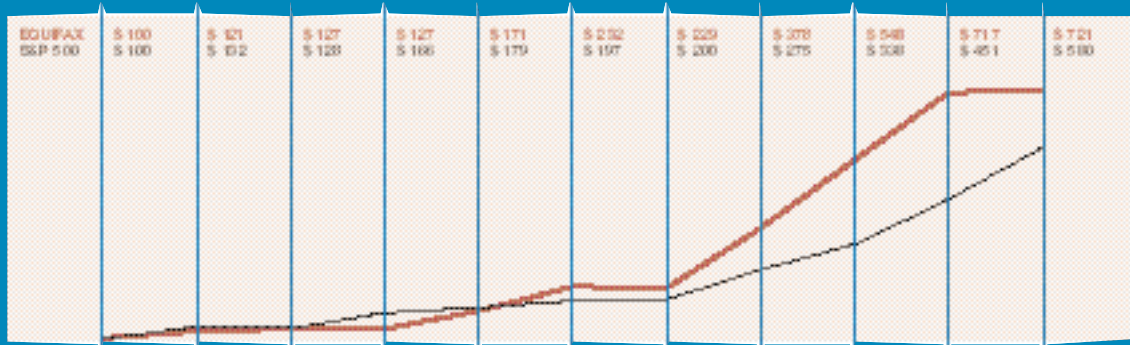
Equifax does more than bring buyers and sellers together. We keep them together – through a process we call Knowledge Engineering, creating the next level of value-add for our customers around the globe. It was developed by our Analytics and Consulting business and is built on a knowledge base of best practices. Knowledge Engineering combines time-series analytics with data from our customers, Equifax, and external sources to develop new tools for sales and marketing. And better ways to optimize relationships with customers and prospects.

Most marketing tactics today emphasize acquiring new customers. We add to that a strategic focus on the retention and growth of existing customers to enhance the buyer-seller relationship. Through a variety of new analytical tools, such as our XprtTM micro-segmentation application and our advanced Wallet Navigator, we are helping clients reinvent their sales, marketing, and customer relationship management processes through fact-based decisioning and the application of enabling technology.

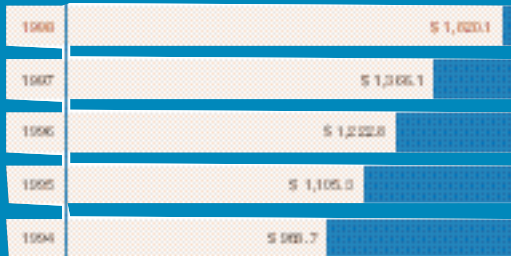
Equifax Knowledge Engineering's analytics and models help card issuers and financial institutions develop powerful cross-selling techniques, customer retention, and product affinity penetration strategies. Our Loyalty Analytics provide retailers, telecommunications, and energy companies with the insight they need to forge stronger relationships with their customers. Our Loyalty EngineeringTM initiative helps our clients understand, predict, and leverage consumer behavior for relationship development and customer care activities.

Equifax Knowledge Engineering. We turn information into insight. Insight into knowledge. Knowledge into action.

Comparison with S&P 500 of Ten Year Cumulative Total Return



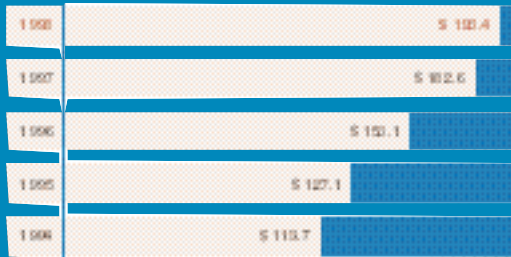
Operating Revenue (in millions)



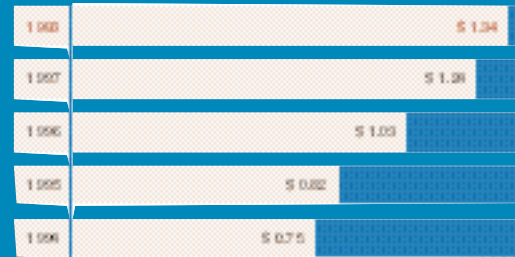
Operating Income Margin *



Net Income From Continuing Operations (in millions) **



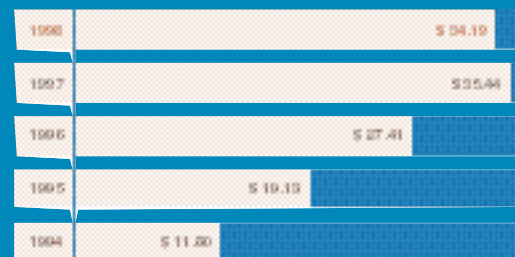
Diluted Earnings Per Share From Continuing Operations **



Dividends Per Share



Year End Stock Price



* Before unusual items
 ** Before unusual items and a 1997 nonrecurring gain and accounting change

Equifax at a Glance

SCOPE

CUSTOMERS

INFORMATION SERVICES

Equifax is a leading provider of consumer and commercial financial information worldwide:

- The largest provider of consumer information in the U.S.
- The largest provider of consumer and commercial information in Canada, the U.K., Spain, Portugal, and Latin America, with operations in Chile, Brazil, Argentina, Peru, Colombia, El Salvador, and Mexico.
- Equifax provides information on almost 400 million consumers and businesses around the world.

And through its electronic commerce initiatives, Equifax facilitates the delivery of products and services for its customers and enhances the privacy and security of transactions over the Internet and other networks.

Equifax provides information services to customers in these industries:

- Financial services, retail, mortgage, telecommunications, utilities, automotive, information technology, and healthcare industries, and the government.
- The Company markets to customers within specific industry segments, enabling Equifax to precisely focus on industry needs and to provide product experts to each industry segment.
- In its electronic commerce operations, Equifax provides identity authentication services and issues and manages digital certificates to companies using the Internet and other networks.

PAYMENT SERVICES

Equifax brings buyers and sellers together around the world, processing over 850 million payment transactions yearly.

- Equifax Card Solutions is the leading provider of third-party processing solutions to credit unions and independent banks in the U.S.
- Equifax Card Solutions provides card processing services internationally through its businesses in Brazil, in India (where Equifax is the only provider of third-party processing services), and through its U.K. joint venture company, which will commence operations in 1999.
- Equifax Card Solutions also licenses to customers around the world its mainframe and Unix-based software for in-house card processing, collections, and merchant portfolio processing.
- Equifax Check Solutions is a leader in check risk management services through its Global Check Solutions businesses in the U.S., the U.K., France, Ireland, Australia, and New Zealand.

Equifax provides payment services to:

- About 5,500 independent banks and credit unions in the U.S. use Equifax for card processing services.
- Some of the world's leading financial institutions turn to Equifax for software and transaction processing services.
- Equifax Card Solutions software is used in 30 countries to process over 125 million accounts.
- Equifax Check Solutions' customer base includes national and regional retailers, hotels, automotive dealers, and other retail businesses.

KNOWLEDGE ENGINEERING

Equifax's Knowledge Engineering delivers products and solutions that add value to information management with an increased level of technical sophistication – helping customers reinvent their sales, marketing, and customer relationship management processes.

- New levels of fact-based decisioning capabilities
- Database marketing
- Data mining
- Analytics modeling
- High performance cross-selling and product affinity penetration strategies

Equifax Knowledge Engineering provides knowledge-based solutions to leading institutions worldwide including:

- Financial services
- Telecommunications/utilities
- Retail
- Automotive

PRODUCTS

Equifax enhances its core information businesses with innovative products and technologies that enable customers to manage information with greater precision and profitability.

- Consumer and commercial credit information
- Risk management services
- Fraud detection and prevention
- Locate services
- Card marketing services
- Account acquisition services
- Notification services
- Mortgage information
- Outsourcing of collection services
- Equifax Decision PowerSM for streamlined decisioning capabilities
- Authentication of buyers and sellers
- Issuance and management of digital certificates and directories

Equifax provides a broad range of products and services supporting every phase of the card payment industry, including:

- Credit and debit card transaction processing, card processing software, portfolio management services, portfolio analysis, cardholder customer service, marketing services, credit marketing services, risk management services, merchant processing, and collection services.

Equifax Global Check Solutions supports customers with:

- Check risk management services including check guarantee and authorization services, data file exchanges, risk management consulting, check collections, and database marketing.

Knowledge Applications support customers with:

- Loyalty EngineeringTM
- Micro-segmentation tools – Equifax XprtTM
- Bankruptcy prediction and management systems
- Data Mining
- Advanced Knowledge Navigators
- Wallet Navigator
- Time series analytics and marketing applications
- Decision support tools
- Loyalty Analytics

COMPETITION

- In the U.S., Experian and TransUnion are primary competitors although Equifax maintains its position as the industry leader.
- The Company also leads the industry in Canada and the U.K., competing with TransUnion in Canada and with Experian in the U.K. In other countries, local information businesses compete with Equifax.
- In the area of analytical data management, Equifax competes in the U.S. with such companies as Fair, Isaac, May & Speh, and Acxiom.
- In its e-commerce business, Equifax competes with several other U.S. information and technology providers, although Equifax stands alone in providing a full complement of digital certificate, authentication, and directory services to its customers.

- Equifax Card Solutions leads the payment card industry in processing to independent banks and credit unions.
- Competition comes from a number of third-party processors and card software providers worldwide.
- Equifax Check Solutions is a leading provider of check risk management services to retailers in the U.S. and is the leading provider of these services worldwide.
- Competitors in this business segment in the U.S. include Telecheck and SCAN.

- Internationally, U.K.-based Experian is a main competitor in information analysis.
- Database analytics companies such as Fair, Isaac, and Epsilon represent competition in the U.S.

Board of Directors and Officers

DIRECTORS

C.B. Rogers, Jr.

Chairman
Equifax Inc., 1978

Thomas F. Chapman

President and Chief Executive Officer
Equifax Inc., 1994

Lee A. Ault, III

Former Chairman and
Chief Executive Officer
Telecredit, Inc., 1991

John L. Clendenin

Retired Chairman
BellSouth Corporation, 1982

A. William Dahlberg

Chairman, President and
Chief Executive Officer
The Southern Company, 1992

Robert P. Forrestal

Of Counsel
Smith, Gambrell & Russell
Retired President and
Chief Executive Officer
Federal Reserve Bank of Atlanta, 1996

L. Phillip Humann

Chairman, President and
Chief Executive Officer
SunTrust Banks, Inc., 1992

Larry L. Prince

Chairman and Chief Executive Officer
Genuine Parts Company, 1988

D. Raymond Riddle

Retired Chairman
and Chief Executive Officer
National Service Industries, Inc., 1989

Dr. Betty L. Siegel

President
Kennesaw State University, 1987

Dr. Louis W. Sullivan

President
Morehouse School of Medicine, 1995

Jacquelyn M. Ward

President and Chief Executive Officer
Computer Generation Incorporated, 1999

EXECUTIVE OFFICERS

C.B. Rogers, Jr.

Chairman of the Board

Thomas F. Chapman

President and Chief Executive Officer

James J. Allhusen

Executive Vice President and
Group Executive –
North American Information Services

C. Richard Crutchfield

Executive Vice President,
Group Executive – Europe, and
Chief Technology Officer

Lee A. Kennedy

Executive Vice President and
Group Executive – Payment Services

William R. Phinney

Executive Vice President and
Group Executive – Latin America

John T. Chandler

Corporate Vice President and
Chief Administrative Officer

Karen H. Gaston

Corporate Vice President,
Human Resources and
Community Relations

Philip J. Mazzilli

Corporate Vice President,
Treasurer, and Controller

David A. Post

Corporate Vice President and
Chief Financial Officer

Bruce S. Richards

Corporate Vice President and
General Counsel

Marietta Edmunds Zakas

Corporate Vice President,
Communications, Investor Relations,
and Secretary

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