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2000 Annual Report

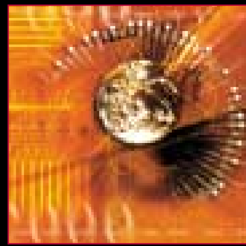
EQUIFAX

FINANCIAL HIGHLIGHTS

(Dollars in millions, except per share amounts)

Year Ended December 31	**2000**	1999	1998	COMPOUND GROWTH RATE
Operating Revenue	$1,965.9	$1,772.7	$1,621.0	10.1%
Operating Income	$ 455.4	$ 414.5	$ 365.7	11.6%
Operating Income Margin	23.2%	23.4%	22.6%	NA
Net Income	$ 228.0	$ 215.9	$ 193.4	8.6%
Diluted Earnings per Share	$ 1.68	$ 1.55	$ 1.34	12.0%
EBITDA per Share*	$ 4.44	$ 3.87	$ 3.25	16.9%
Cash Dividends per Share	$ 0.370	$ 0.363	$ 0.353	2.4%

**Operating income plus depreciation and amortization, divided by average diluted shares outstanding*



TO OUR SHAREHOLDERS

Reporting our annual results is always a good reminder of how great a business we have at Equifax. Strategically, it is a critical one – enabling and securing millions of transactions in the global marketplace every day. It's a highly dynamic and diverse business, with products and services that constantly lead to innovation and new opportunity. And, it's an extremely profitable business – generating $455 million in operating income on revenues of nearly $2 billion in 2000. All of these achievements are accomplished while adhering to a set of virtues and values in which nothing is more important than the integrity of our information and our sources, the propriety of their use and respect for the personal privacy and rights of the consumers and businesses concerned.

Equifax's strength today reflects the consistent execution of four growth strategies:

- Geographic expansion that has extended our reach from the U.S. and Canada to 18 countries in less than 10 years.
- Leveraging investments in our proprietary databases to develop and deliver progressively more value-added products, from traditional credit reports to card processing to complex decision-making applications to Internet identification authentication methodologies.
- Product and industry expansion that has created a revenue diversification beyond the traditional banking base to span multiple industries, such as telcos, card processing, retailers, utilities, automotive and financial services, and to new markets, such as brokerage, insurance, direct-to-consumer and U.S. commercial reporting products.
- Technological innovation that has capitalized on the most efficient and effective means of delivering products and services around the world.

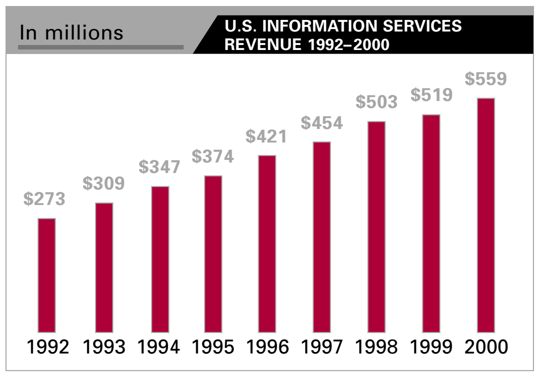
These strategies have served Equifax well since the mid '90s and continued to do so in 2000. It was another record year – the best in history.

Revenues were up 10.9 percent, operating income rose 9.9 percent and earnings per share increased 8.4 percent.

Quality That Translates Into Growth
Nowhere was this more true than in the core Information Services operations. Consider the performance of one of its most established product lines, Credit Marketing Services. This business, which provides prescreening and portfolio management for credit card issuers, grew revenues by 28 percent as a result of a gain in market share. How? In one word: Quality. This was confirmed in a recent customer survey conducted by an independent research firm. According to survey respondents, Equifax holds a solid leadership position in overall quality driven by innovative products and services, quality of databases and superior customer service. And this quality translates directly into true value for the Company as reflected in the impressive level of growth throughout many areas of Information Services during the year.

< **Thomas F. Chapman**
Chairman and
Chief Executive Officer

Lee A. Kennedy >
President and
Chief Operating Officer



U.S. Credit Information and Marketing Services revenue has grown 9.4 percent on a compound annual basis.

New Products From Acquisitions
But Information Services never rests on its leadership position. Business development was a priority in 2000. This included the acquisition of the Consumer Information Solutions Group from R.L. Polk & Co., providing us with a proprietary data asset containing North America's largest and most accurate consumer, lifestyle and demographic databases. This data facilitates new product introductions and cross-selling synergies with our existing data businesses.

Compliance Data Center (CDC) was another acquisition we completed this year. This leading provider of noncompliance reports is helping us to further penetrate the growing online brokerage market. We also expanded our presence in the property and casualty insurance market through the introduction of a new risk-score product – InScore.™

Big Opportunities in Small Business
Information Services also introduced a revolutionary, first-of-its-kind service – The Small Business Financial Exchange – that will have a profound impact on the ability of financial institutions to fund and support small businesses. Managed by Equifax, the Exchange brings together initially 15 of the largest U.S. small-business lenders – such as Bank of America, Bank One and Wells Fargo – to report and maintain comprehensive trade data on small businesses. This is the first and only source of aggregated risk and exposure information on the estimated 25 million small businesses in the United States. The Exchange will enhance lenders' ability to make small business credit decisions and facilitate financing needs for this important segment of our economy.

A Commitment to Consumers
Another truly new frontier for Equifax is expansion into the consumer market. The development of consumer applications for our business has been a long-term goal. The Internet has provided an entrance opportunity and, subsequently, a suite of three products. More than 100,000 consumers a month are purchasing Equifax Credit Profile,™ a service that allows them immediate, secured online access to their credit history. Equifax Credit Watch™ is a powerful tool that uniquely enables consumers to prevent identity theft by alerting them within 24 hours to any significant change to their credit file. And a third, recently announced product, ScorePower,™ will provide a premium, online credit

scoring service that will help individuals understand how to improve their creditworthiness and the importance of credit scores in lending decisions.

The consumer market is not only a good business opportunity for Equifax, but it is also an affirmation of our commitment to serve the best interests of the consumer. We are passionate in our belief that enlightened, enabled and empowered consumers are the most effective guardians of their own credit and personal privacy. This thought has been the guiding principle as we develop and introduce consumer applications. We are confident they will have a positive impact on individual responsibility for credit management.

In North and South America, Europe and wherever we do business, the Company's concern for the role of the consumer, however, extends beyond the realm of products and services. Personal privacy and security interests have moved to the forefront of public discussion because of the revolutionary growth of the Internet and e-commerce. This is a discussion in which Equifax has taken an industry-leading role.

Indeed, it is long experience in the offline world that has led us to develop three key principles for the online marketplace. Consistent with what they may ask of business, consumers are entitled:

- to know who collects information about them and how it is used.
- to remain private and guard their offline identity.
- to make their own decisions about who, when and how much information they will provide about themselves.

These are simple summations of very complex issues, but they represent the direction in which Equifax will lead.

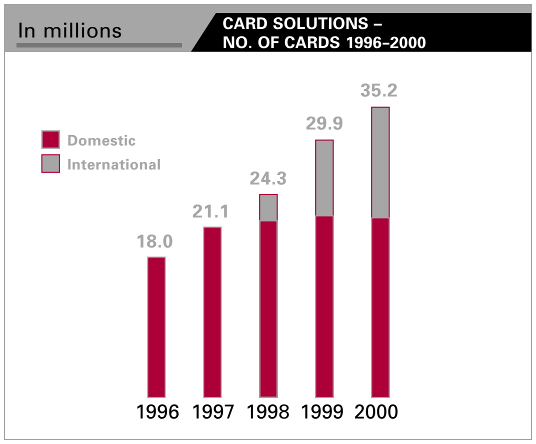
A More Secure Internet Environment
Direct-to-consumer services are just one of three Internet initiatives that the Company is pursuing. Through Equifax Secure products, which identify and authenticate participants in online transactions, our goal is to make the Internet as safe and secure for commercial transactions as we have made it in traditional settings. Equifax Secure gained momentum during the year, signing new customers – including Checkfree and SunTrust – and forming strategic alliances with VeriSign, Inc., Paymentech and beTRUSTed,℠ a business unit of PricewaterhouseCoopers. Another Web-based initiative, Equifax ePORT, capitalizes on the benefits of Internet technology to lower costs, speed delivery and increase product penetration for our existing credit information services. The success of this distribution vehicle is evident in its growing use. Since Equifax ePORT was introduced in the second quarter of 2000, active users have grown to more than 24,000 customers.

The Global Opportunity

Equifax continues to extend its businesses in many ways. International expansion is a major growth driver in our Information Services business, which already has a presence in every significant Latin American economy. We further integrated our international operations through a reorganization that allows management teams in North and Latin America to share best practices and resources. We also further solidified our European position in 2000 with the acquisition of SEK S.r.l., a leading Italian information services company. European operations now encompass four key markets – the United Kingdom, Spain, Portugal and Italy – enabling us to provide cross-border consumer and commercial information to the Pan-European business community.

Overseas markets represent an extraordinary opportunity for Payment Services, the area of the Company that provides credit card processing and check risk management services. The dramatic increase in credit card use outside the United States and our focused strategic investments have led to explosive growth in the number of cards processed by Equifax – producing 25 percent year-over-year revenue growth in 2000 for our international Card Solutions businesses. The Company's proprietary card processing software, now in use in more than 30 countries, is a key competitive advantage. Its scalability, portability and flexibility make it an ideal vehicle for global expansion.

Several major developments in 2000 furthered this expansion. First, the acquisition of Procard, Chile's second-largest credit card processor, gives us immediate access to Latin America's third-largest economy. It also complements our position in Brazil, where we are the leading third-party bankcard and private label card processor. A 64 percent year-over-year increase in the number of cards processed confirms our dominance of the Brazilian market – the region's largest economy. Second, a major, new contract with the National Australia Bank represents a significant strategic milestone for Card Solutions. By establishing a card processing facility in Australia in mid-2001, we will be in a strong position to target similar opportunities in the vast Asian and Pacific Rim markets. And finally, as momentum in the United Kingdom continued to grow strongly, we increased our 51 percent interest in Equifax Card Solutions Limited (U.K.), our joint-venture business, to full ownership in September.



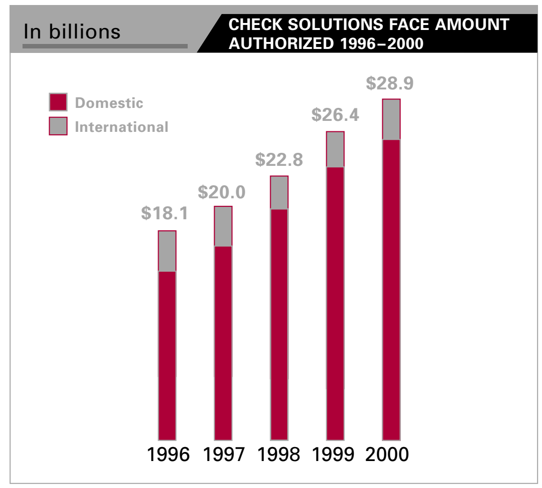
The number of credit cards managed by Card Solutions has grown 18.2 percent on a compound annual basis.

LETTER TO SHAREHOLDERS continued...

A Strong Domestic Base
The success of Payment Services' global expansion reflects its strong base as the market leader in card processing for credit unions and community banks in the U.S. Long-term contracts with the premier industry associations for these financial service areas continue to provide domestic growth opportunities. There are almost 7,000 card-issuing credit unions in the country, and Card Solutions has a 60 percent share of this market.

Record Growth in Check Solutions
With every swipe of a card or click of a mouse, many have predicted the demise of check writing as a payment tool. The performance of Check Solutions in 2000 tells quite a different story. This business had its best year ever with new products and superior technology driving this growth. As a result, Check Solutions added some of the biggest names in retailing to its customer list. A new product, PayCheck Accept®, lowers risk and improves speed in payroll check cashing, and has been well received by some of the nation's largest grocery chains.

On the technology front, Check Solutions artificial intelligence risk model establishes a new industry standard. Utilizing neural network technology, artificial intelligence pulls multiple risk factors into a non-linear risk assessment and decision support tool. This enables Check Solutions' model to make instant decisions, increasing the number of checks accepted at the register, while decreasing the number of bad checks written.



The face amount of checks authorized by Check Solutions has grown 12.4 percent on a compound annual basis.

More Focus to Realize More Value
The highlights of the past year discussed in this letter should generate appreciation for the myriad opportunities that Equifax has to exploit, as well as the breadth and diversity of our operations. We have spent a great deal of time studying the best way to turn these opportunities into long-term, profitable growth. Our conclusion: better focus. Toward this end, we made two important decisions. First, we divested collections businesses in the U.S., Canada and United Kingdom, as well as an auto lien business in the U.K., as they are no longer a strategic fit with the Company's core operations.

Second, and even more important, is our intention to separate Information Services and Payment Services into two independent public companies. These businesses are highly successful and profitable, but have very different strategic agendas and share few operating synergies. Internally, this move should facilitate better management focus and asset allocation, and, ultimately, faster growth. Externally, the separation should create a more vibrant and clarified view of each company for investors, helping them to understand and appreciate the respective dynamics of each business. This separation will be accomplished through a tax-free spin-off of Payment Services to Equifax shareholders, pending IRS and SEC approvals. We will update you in further detail about this transaction in the coming months.

As we look ahead, we are confident of our future success. Equifax has proven its ability to realize profitable growth through innovation, technology, and most importantly, the commitment, talent and integrity of our people – all 12,000 of them around the world.

Our real challenge going forward is to translate this success into significance. In today's business environment, success is measured by the quarter, but significance is measured by the test of time. A spin-off has the potential to create *significant* value for our shareholders. The Small Business Exchange has the potential to make a *significant* difference for small businesses in every community in this country. Advanced technological applications can make a *significant* impact on the security of Internet commerce. Our consumer products and our passion for the rights of consumers can have a *significant* impact on privacy and public policy. The quality and value of our services will continue to create *significant* benefits for our thousands of customers.

Henry David Thoreau once said, "Be not simply good, be good for something." This thought can serve us well as we head into the next phase of Equifax's 102-year growth story. Success will always be our mandate, but significant, lasting achievements for customers, employees and shareholders will be our mission.

Thomas F. Chapman
Chairman and
Chief Executive
Officer

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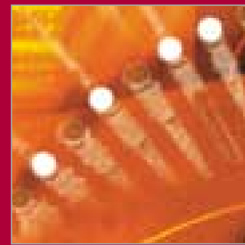


INFORMATION SERVICES

The leading source of consumer and commercial information worldwide that facilitates transactions with consumers and businesses. Major assets include the world's largest repository of consumer credit information and unparalleled consumer lifestyle and demographic databases. Information Services' operations span the United States, Canada, the United Kingdom, Spain, Portugal, Italy, Chile, Brazil, Argentina, Peru, Costa Rica and El Salvador.

MAJOR OPERATING UNITS

Credit Services

Products and Services:

- Credit Reporting, Credit Marketing Services, Risk Management, Fraud Detection, Modeling and Analytics

Customer Base:

- Financial Service Institutions, Retailers, Automotive Manufacturers and Dealers, Telecommunications and Utility Companies, Brokerage Firms, Insurance Companies

Scope:

- Value-added information on more than 400 million consumers and businesses worldwide

Direct Marketing Solutions

Products and Services:

- Direct Marketing Data and Support, Analytical Services (demographic, lifestyle and specialty data), Data Capture, Database Management and Card Registration Programs for Consumer Goods Manufacturers, Proprietary Annual Buyer's Choice™ Survey of America

Customer Base:

- Traditional Credit Service Customers, Insurers, Catalogers, Publishers, High-Tech, Travel and Manufacturing Clients

Scope:

- Direct-to-Consumer Marketing Information on more than 100 million households

Equifax Internet Solutions

Products and Services:

- Online Identity Authentication and Security, Digital Certificate Issuance and Management and Direct-to-Consumer Online Credit Profiles, Credit Monitoring/Identity Theft Detection, Credit Scoring

Customer Base:

- Individual Consumers, Internet Companies, Financial Institutions, Insurance Companies, Retailers, Credit Card Processors and Internet Service Providers

Scope:

- Provides more than 100,000 consumer credit profiles and more than 190,000 consumer authentications per month

PAYMENT SERVICES

The premier provider of payment solutions in the United States and abroad. Manages over 28 million card accounts in nine countries and processes almost two billion payment transactions annually, including both card and check services. Payment Services' operations span the United States, Canada, the United Kingdom, Ireland, France, Brazil, Chile, Australia and New Zealand.

MAJOR OPERATING UNITS

Card Solutions

Products and Services:

- Credit and Debit Card Processing, Card Processing Software, Portfolio Management and Analysis, Cardholder Customer Service, Card Enhancements, Credit Marketing, Risk Management and Merchant Processing

Customer Base:

- U.S. Independent Banks and Credit Unions, Foreign Banks and Financial Institutions

Market Position and Scope:

- Number one provider of card processing to independent banks and credit unions in the United States; leading third-party processor in Brazil, second-largest processor in Chile; proprietary software system operated in 30 countries to support more than 125 million accounts

Check Solutions

Products and Services:

- Check Risk Management Services, Check Warranty and Authorization, Data Sales, Risk Management Consulting, Check Collections and Loss Prevention Software Solutions

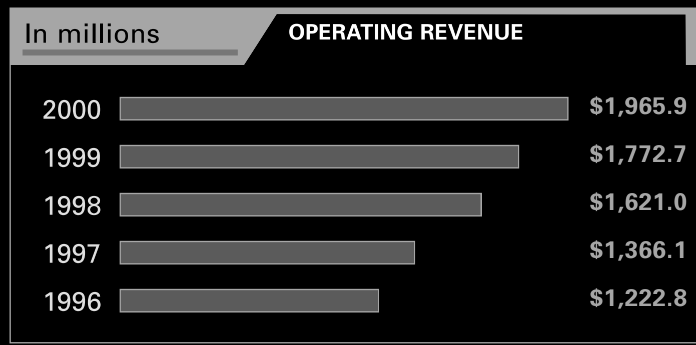
Customer Base:

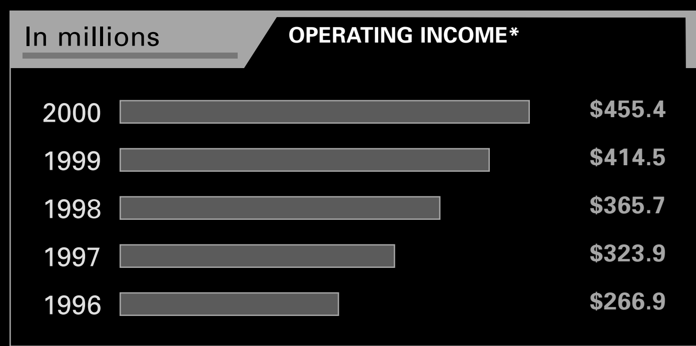
- Regional and National Retailers, Supermarket Chains, Internet Companies, Brokerage Firms, Gaming Establishments

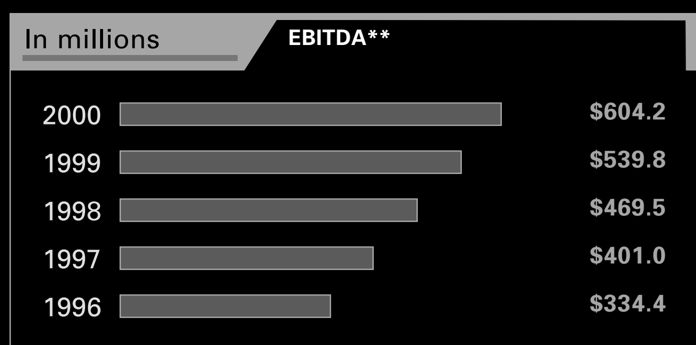
Market Position and Scope:

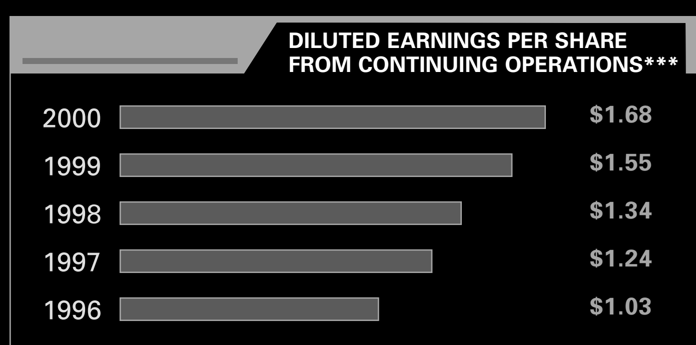
- Leading Check Solution Provider worldwide operating in the U.S., Canada, Australia, New Zealand, France, Ireland and the U.K.

FINANCIAL PERFORMANCE









**Before unusual items*
***Operating income before unusual items, plus depreciation and amortization*
****Before unusual items and a 1997 nonrecurring gain and accounting change*

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MANAGEMENT'S DISCUSSION & ANALYSIS OF RESULTS OF OPERATIONS & FINANCIAL CONDITION

Overview

This discussion and analysis should be read in conjunction with the consolidated financial statements and accompanying notes. The following table summarizes the consolidated results for each of the three years ended December 31, 2000.

(millions, except per share amounts)

Year Ended December 31,	2000	1999	1998
Revenue	**$1,965.9**	$1,772.7	$1,621.0
Operating income	**$ 455.4**	$ 414.5	$ 365.7
Other income, net	**$ 5.9**	$ 12.4	$ 4.3
Interest expense	**$ (76.0)**	$ (61.0)	$ (42.7)
Net income	**$ 228.0**	$ 215.9	$ 193.4
Diluted earnings per share	**$ 1.68**	$ 1.55	$ 1.34

Revenue

Revenue in 2000 of $1.97 billion was an increase of $193.2 million, or 10.9%, over 1999. Revenue increased $151.7 million in 1999, 9.4% over 1998. North American Information Services revenue grew 6.3% in 2000, driven largely by an increase in Marketing Services. Payment Services revenue increased 14.2% in 2000 from growth in both Check Solutions and Card Solutions.

The growth in 2000 revenue was also influenced by the acquisition of Consumer Information Services ("CIS") on May 1, 2000, the dispositions of the global risk management businesses on October 1, 2000, and the vehicle information business in the U.K. on December 22, 2000 ("Divested Operations"), and the effects of changes in foreign exchange rates. CIS generated revenue of $110.5 million during 2000. In total, the Divested Operations generated revenue of $132.5 million prior to disposition in 2000 compared with $175.0 million for full year 1999. The strengthening of the U.S. dollar against foreign currencies during 2000, particularly the British pound and Spanish peseta, reduced 2000 revenue growth by approximately $23 million as compared with 1999.

The increase in revenue during 1999 was driven by growth in the U.S. Card and Check operations as well as international acquisitions in Equifax Europe, Equifax Latin America and Card Solutions. The strengthening of the U.S. dollar against foreign currencies during 1999, particularly the Brazilian real, reduced 1999 revenue growth by approximately $36 million as compared with 1998.

Operating Income

Operating income of $455.4 million in 2000 increased $40.9 million, or 9.9%, over 1999. In 1999, operating income increased $48.9 million, or 13.4%, over 1998. Consolidated operating margins were 23.2% in 2000, 23.4% in 1999 and 22.6% in 1998.

Increased operating income in 2000 and 1999 resulted from revenue growth as well as cost reduction initiatives throughout the Company. Cost reduction achievements in both years included headcount reductions, the outsourcing of certain administrative functions, improved pricing from service providers in data processing and telecommunications, and lower benefit costs.

During 1999 and 1998, expense amounting to $26.4 million and $24.2 million, respectively, was incurred in connection with assessment, remediation planning, remediation, testing and contingency planning activities for application software and host environments of the Company's information technology systems associated with preparation for year 2000. Minimal costs were incurred during 2000 as the Company did not experience any discernable interruptions related to this matter. Approximately half of this annual cost was from internal resources that have been redeployed to manage ongoing system maintenance and development throughout the Company.

Other Income, Net

Other income includes interest income of $9.2 million in 2000, $6.5 million in 1999 and $4.8 million in 1998.

During 2000, sales of the Divested Operations and the sale of an investment in a card processing operation in India resulted in a net pretax loss of $2.0 million. In 1999, the Company sold its investment in Proceda S.A. in Brazil and three risk management offices located in the U.S. that resulted in a $7.1 million pretax gain. These amounts were recorded in other income.

Interest Expense

Interest expense increased $15 million in 2000 and $18.3 million in 1999 as compared with prior years. The increase in both years resulted from higher average debt outstanding associated with acquisition activity in 2000 and 1998 and treasury stock purchases in 1999 and 1998. Average total debt outstanding was $1,101.3 million in 2000, $975.8 million in 1999 and $633.9 million in 1998.

Effective Tax Rate

The effective tax rates were 40.8%, 41.0% and 40.9% in 2000, 1999 and 1998, respectively. The effective rate in 2001 is expected to decline to approximately 40.5%, due to the effects of tax planning strategies and a higher level of foreign earnings in lower tax rate jurisdictions.

Net Income and Diluted Earnings per Share

The percentage growth in diluted earnings per share of 8.4% in 2000 and 15.7% in 1999 exceeded the comparable growth rates in net income of 5.6% and 11.6%, respectively, due to the accretive effects of treasury stock purchases in 1999 and 1998. Average diluted shares outstanding were 136.0 million in 2000, 139.6 million in 1999 and 144.4 million in 1998.

Segment Results

The following table summarizes the segment results for each of the three years ended December 31, 2000. The results of businesses sold in the fourth quarter of 2000, which include the Company's risk management businesses located in the U.S., Canada, and the U.K., as well as the vehicle information business in the U.K., have been classified as Divested Operations. Prior year information has been restated to conform to the current year presentation.

	Year Ended December 31,					
	Revenue			Operating Income (Loss)		
(In millions)	**2000**	1999	1998	**2000**	1999	1998
Information Services						
North American Information Services	**$ 673.4**	$ 633.2	$ 616.8	**$274.5**	$261.0	$248.0
Consumer Information Services	**110.5**	–	–	**7.9**	–	–
Equifax Europe	**143.4**	148.7	127.0	**13.0**	3.3	(6.9)
Equifax Latin America	**119.5**	125.5	103.9	**25.0**	22.9	21.4
Divested Operations	**132.5**	175.0	197.6	**13.8**	18.9	22.8
Other	**9.6**	9.6	9.6	**8.9**	8.9	8.9
Total Information Services	**1,188.9**	1,092.0	1,054.9	**343.1**	315.0	294.2
Payment Services						
Card Solutions	**517.5**	443.4	357.0	**109.7**	96.9	78.4
Check Solutions	**259.5**	237.3	209.1	**44.4**	38.6	30.9
Total Payment Services	**777.0**	680.7	566.1	**154.1**	135.5	109.3
General Corporate Expense				**(41.8)**	(36.0)	(37.8)
	$1,965.9	$1,772.7	$1,621.0	**$455.4**	$414.5	$365.7

Information Services

North American Information Services

North American Information Services includes U.S. Credit Information and Marketing Services, Mortgage Services, Canadian Operations, Knowledge Engineering, Consumer Direct and Equifax Secure. Revenue in this segment increased 6.3% in 2000 and 2.7% in 1999.

U.S. Credit Information and Marketing Services' revenue increased 7.7% in 2000 and 3.2% in 1999. Credit information volume growth of approximately 11.5% in 2000 and 7% in 1999 were partially offset by average price declines of about 9% and 4%, respectively. Average pricing has been impacted by mix of business, with many of our largest customers driving increasing volumes at lower than average unit prices. Many of these customers are also large customers of the Company's marketing services, which include prescreening, portfolio review, database and other marketing products. Revenue in Marketing Services grew 28.4% in 2000, compared with 3.2% in 1999.

During 2000, declining demand for information from mortgage industry customers, caused by an increasing interest rate environment, resulted in a 21% contraction in Mortgage Services' revenue, compared with a 6.7% increase in 1999. The growth in 1999 was achieved despite an 18% decline during the last half of the year, as compared to the last half of 1998, as rising interest rates began to significantly curtail refinancing activity. A return to revenue growth is anticipated in 2001, if interest rates continue to decline.

Canadian revenue increased 0.8% in 2000 after declining 2.7% in 1999. The 1999 decline was driven by increased competition in the consumer information business.

Revenue in the Company's developing businesses of Knowledge Engineering, Consumer Direct and Equifax Secure totaled $20.6 million in 2000, $14.0 million in 1999, and $13.6 million in 1998. Consumer Direct generated approximately 75% of the revenue growth in 2000.

Operating income for North American Information Services increased 5.2% in both 2000 and 1999. Operating margins were 40.8% in 2000, 41.2% in 1999 and 40.2% in 1998. During 2000, operating losses in the Company's developing businesses increased approximately $8.5 million. Absent this increased investment in developing businesses, operating income in 2000 would have grown 8.4% over 1999 and the 2000 operating margin would have approximated 42%.

Consumer Information Services

Consumer Information Services includes Direct Marketing Solutions and City Directory, which were acquired on May 1, 2000. Total revenue for this eight-month period amounted to $110.5 million and includes $8.4 million of revenue generated by Canadian operations that have been subsequently exited by the Company.

Equifax Europe

Revenue in Equifax Europe, which consists of operations in the United Kingdom, Spain, Portugal and Italy, declined 3.6% in 2000 and increased 17.1% in 1999. During the second quarter of 1998, the Company increased its ownership to 58% in the Spanish operation. Gaining the control necessary for financial reporting consolidation in Spain accounted for approximately $14.1 million of the 1999 revenue growth.

The strengthening of the U.S. dollar in 2000 and 1999 against the British pound and Spanish peseta reduced Equifax Europe's revenue growth by approximately $12.5 million in 2000 and $4.9 million in 1999. On a local currency basis, this segment's revenue grew 4.8% in 2000.

Operating income for Equifax Europe improved $9.7 million in 2000 and $10.2 million in 1999. Over the past two years this segment has made significant progress in achieving operational efficiencies through cost reduction efforts, improving operating margins to 9.1% in 2000 from 2.2% in 1999 and a loss in 1998.

Equifax Latin America

Equifax Latin America includes operations in Brazil, Argentina, Chile, Peru and El Salvador. Revenue declined 4.8% in 2000 and increased 20.8% in 1999. The strengthening of the U.S. dollar in 2000 and 1999 against the Brazilian real and the Chilean peso reduced this segment's revenue growth by approximately $2.5 million in 2000 and $16.9 million in 1999. In August 1998, the Company acquired an 80% interest in the Brazilian operation. This acquisition generated $38.3 million of the 1999 growth in revenue.

Operating income for Equifax Latin America increased 8.9% in 2000 and 7.2% in 1999. Cost reductions have contributed to an increase in operating margins to 20.9% in 2000 from 18.3% in 1999.

MANAGEMENT'S DISCUSSION & ANALYSIS OF RESULTS OF OPERATIONS & FINANCIAL CONDITION continued....

Divested Operations

The Company sold its risk management businesses in the U.S., Canada, and the U.K. on October 1, 2000, and also sold its vehicle information business in the U.K. on December 22, 2000. These information services businesses, which were divested because they no longer fit the Company's ongoing business strategy, have been classified as Divested Operations and prior year segment information has been reclassified to conform with this presentation. Revenue declined $42.5 million in 2000 and $22.6 million in 1999. The decline in 2000 revenue is primarily caused by the disposition of the risk management businesses at the beginning of the fourth quarter.

Other

Other consists solely of a lottery contract, which expires at the end of May 2002, with the State of California that was subcontracted to GTECH Corporation. Revenue and operating income remained comparable at $9.6 million and $8.9 million, respectively, for 2000, 1999 and 1998. Revenue and operating income will remain comparable until the contract's expiration.

Payment Services

Card Solutions

Card Solutions includes card processing operations in the U.S., U.K., Brazil and Chile and a card software business principally supporting the international operations. Over the past three years, Card Solutions has focused its efforts upon growth in international markets. In September 1998, Card Solutions expanded its operations into Latin America by acquiring a 59.3% interest in UNNISA, a card services business in Brazil. In June 1999, start-up of the U.K. operation commenced. In January 2000, the Company acquired Procard, Chile's second-largest credit card processor. Also in 2000, the Company signed a five-year agreement with the National Australia Bank to process cards in Australia, New Zealand, U.K. and Ireland, starting in the second quarter of 2001. This customer will be serviced from a new card processing operation being established in Australia. Card Solutions plans to utilize this Australian operation to pursue further card processing opportunities in the Asian and Pacific Rim markets.

Card Solutions' revenue increased 16.7% in 2000 and 24.2% in 1999, as approximately 15% growth in U.S. revenue in each year was complemented with international revenue growth of 24.9% in 2000 and 75.8% in 1999.

Revenue in the U.S. of $304.8 million in 1998 has grown to $351.7 million in 1999 and $402.9 million in 2000, driven by year-over-year increases in card issuing transactions and merchant volumes.

International revenue of $52.2 million in 1998 has grown to $114.5 million in 2000, as a focused investment in these markets has grown the number of cards from none at the beginning of 1998 to approximately 13.3 million at year-end 2000. Total international cards are expected to increase to approximately 16.4 million with commencement of the Australian operation in 2001. International revenue includes card software revenue, which has declined from $27.1 million in 1998 to $23.2 million in 1999 and $13.0 million in 2000. Card Solutions has de-emphasized card software sales as it grows its global processing operations, which will utilize this proprietary software to service its customers. Partially offsetting international revenue growth was the strengthening of the U.S. dollar in 2000 and 1999. Exchange rate changes of the Brazilian real and the British pound reduced revenue growth by approximately $3.0 million in 2000 and $11.5 million in 1999.

Card Solutions' operating income increased 13.1% in 2000 and 23.6% in 1999, principally driven by the U.S. operations. Reduction of card software sales and start-up costs of the international operations have tempered the growth in operating income in 2000. Operating margins were 21.2% in 2000, 21.9% in 1999 and 22.0% in 1998.

Check Solutions

Check Solutions, which consists of operations in the U.S., Canada, U.K., Ireland, France, Australia and New Zealand grew revenue 9.4% in 2000 and 13.5% in 1999.

The U.S. check operations increased revenue to $209.2 million in 2000 from $187.1 million in 1999 and $161.1 million in 1998. Growth in U.S. revenue has been driven by increased volume, largely resulting from the addition of new customers. The face amount of checks authorized in the U.S. totaled $25.7 billion in 2000, $23.5 billion in 1999 and $19.8 billion in 1998. International revenue of $50.3 million in 2000 approximated 1999 revenue of $50.2 million after growing 4.6% in 1999 from $48.0 million in 1998. The face amount of checks authorized in the international operations totaled $3.2 billion in 2000, $2.9 billion in 1999 and $3.0 billion in 1998. The strengthening of the U.S. dollar against the British pound reduced international check revenue growth by $3.2 million in 2000 and $1.1 million in 1999. On a local currency basis, international revenue increased approximately 6.6% in 2000 and 6.9% in 1999.

Check Solutions' operating income increased 15.0% in 2000 and 24.8% in 1999. Increased operating cost efficiencies in both the U.S. and international operations contributed to growth in profitability as operating margins improved each year. Margins were 17.1% in 2000, 16.3% in 1999 and 14.8% in 1998.

General Corporate

General corporate expense increased $5.8 million in 2000 due primarily to higher technology costs and one-time expenses associated with headquarters relocation. General corporate expense declined $1.8 million in 1999 from 1998 due primarily to lower performance share plan expense. The decline in performance share expense was driven by the Company's lower stock price, as these plans have certain measurement criteria based on both the period end stock price and the average price during the last year of their measurement periods.

Financial Condition

Net cash provided by operating activities amounted to $284.2 million in 2000 as compared with $326.8 million in 1999. This decline is due primarily to the timing of cash receipts and disbursements related to Payment Services' settlement receivable and payable accounts, which accounted for $46.4 million of the change in operating cash flow in 2000 versus 1999. Operating activities provided cash of $305.5 million in 2000, $301.7 million in 1999 and $315.8 million in 1998 before the effect of this settlement activity. Cash balances associated with the clearing system amounted to $29.0 million, $50.4 million and $25.4 million at December 31, 2000, 1999 and 1998, respectively. Operating cash flow has been sufficient to fund capital expenditures, dividend payments and scheduled maturities of long-term debt.

Net cash used by investing activities amounted to $339.4 million in 2000, $117.8 million in 1999 and $607.7 million in 1998. Capital expenditures, exclusive of acquisitions and investments, amounted to $110.7 million in 2000, $120.9 million in 1999 and $119.3 million in 1998. Total capital expenditures are anticipated to approximate $100 million in 2001. Acquisitions, net of cash acquired, and other investments totaled $393.1 million in 2000, $22.9 million in 1999 and $501.2 million in 1998 (Note 2).

Cash proceeds from the sale of businesses and other assets amounted to $164.3 million in 2000 (primarily the Divested Operations), $26.0 million in 1999 and $12.9 million in 1998.

Financing activities provided $16.0 million of cash in 2000, used $155.1 million in 1999 and provided $351.4 million in 1998. Treasury stock repurchases amounted to $6.5 million in 2000, $210.2 million in 1999 and $161.8 million in 1998. Treasury stock repurchases were temporarily suspended in 2000 to enable the Company to apply available cash to the repayment of debt incurred in connection with the CIS acquisition. Net addition to debt amounted to $48.2 million in 2000, as much of the CIS acquisition indebtedness has been repaid. Net additions to debt amounted to $97.1 million in 1999 and $549.4 million in 1998. Net borrowings were driven by treasury stock repurchases in 1999 and 1998, as well as acquisitions in 1998. Dividend payments approximated $52 million in each year. Other activity, primarily proceeds from the exercise of stock options, provided cash of $26.7 million, $10.0 million and $15.9 million in 2000, 1999 and 1998, respectively.

At December 31, 2000, $359.5 million was available to the Company under its $750 million revolving credit facility. Should CSC exercise its option to sell its credit reporting business to the Company (Note 8), additional sources of financing would be required. However, the agreement with CSC requires a six-month notice period, and management believes the Company could arrange alternative sources of financing within that time to fund this potential purchase, including public debt markets and additional lines of bank credit.

Forward-Looking Information

Spin-off of Payment Services

On October 2, 2000, the Company announced that its Board of Directors approved a plan to separate the Company into two independent public companies. The Company intends to accomplish the separation through a spin-off of Payment Services to its shareholders in the form of a tax-free stock dividend. The Information Services businesses will retain the Equifax Inc. corporate identity. Separating Payment Services from Equifax Inc. will create two companies, each with its own management and Board of Directors focused on taking advantage of growth opportunities in their respective markets. As independent companies, each will set its own strategy for acquisitions, alliances, resource allocation and marketing more effectively for its individual needs. Management expects this transaction, which is subject to a favorable tax ruling and certain regulatory approvals, to be completed during the third quarter of 2001.

General

This Management's Discussion and Analysis, and other portions of this Annual Report, include forward-looking statements which are based upon management's beliefs and assumptions, as well as current expectations, estimates, and projections. Forward-looking statements are not guarantees, but involve risks, uncertainties and assumptions which may prove to be incorrect and may cause the Company's results to differ materially from those implied or indicated by such statements. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements may be identified by the use of words such as "believe," "continue," "may," "will," or the negative of these or similar terms, and include statements concerning expectations or goals, possible or assumed future results of operations, competitive position, financing, economic conditions, business strategies, projections of earnings, revenues or financial results, and statements of belief or assumptions regarding any of the foregoing. Except as required by law, the Company has no intention or obligation to update forward-looking statements. Some of the risks and uncertainties that may affect our performance include economic changes in countries where the Company conducts business; changes in demand for credit and consumer debt; change in marketing plans or techniques of customers; U.S. and international regulatory or legislative changes which may adversely affect the businesses conducted by the Company; retaining and hiring employees; the successful spin-off of the Payment Services Division; successful development and marketing of new products and services; protection and validity of patent and other intellectual property rights; successful incorporation of technological change; control and reduction of cost and expense; interest rate and currency exchange rate fluctuations; and, other risks or unforeseen factors including those described from time to time in the reports which the Company files with the Securities and Exchange Commission, including, but not limited to, the Annual Report on Form 10-K for the years ending December 31, 2000 and 1999.

FINANCIAL REVIEW

More...

SUMMARY OF SELECTED FINANCIAL DATA

(Dollars in thousands, except per share amounts)

Year Ended December 31	**2000**	1999
SUMMARY OF OPERATIONS		
Operating revenue	**$1,965,881**	$1,772,694
Operating costs and expenses before unusual items	**1,510,466**	1,358,155
Unusual items	**–**	–
Operating income	**455,415**	414,539
Other income, net	**5,905**	12,356
Interest expense	**(75,951)**	(60,971)
Income from continuing operations before income taxes and cumulative effect of accounting change	**385,369**	365,924
Provision for income taxes	**157,347**	150,047
Income from continuing operations before cumulative effect of accounting change	**228,022**	215,877
Discontinued operations, net of income taxes	**–**	–
Cumulative effect of accounting change, net of income taxes*	**–**	–
Net income	**$ 228,022**	$ 215,877
Dividends paid	**$ 52,374**	$ 51,961
PER COMMON SHARE (diluted)		
Income from continuing operations before cumulative effect of accounting change	**$ 1.68**	$ 1.55
Discontinued operations	**–**	–
Cumulative effect of accounting change	**–**	–
Net income	**$ 1.68**	$ 1.55
Dividends	**$ 0.370**	$ 0.363
Weighted average common shares outstanding (diluted)	**136,016,000**	139,603,000
BALANCE SHEET DATA (at December 31)		
Total assets – continuing operations	**$2,069,637**	$1,839,781
Total assets	**$2,069,637**	$1,839,781
Long-term debt	**$ 993,569**	$ 933,708
Shareholders' equity	**$ 383,578**	$ 215,625
Common shares outstanding	**135,835,000**	134,001,000
OTHER INFORMATION (at December 31)		
Stock price per share**	**$ 28.69**	$ 23.56
Book value per share	**$ 2.82**	$ 1.61
Market capitalization**	**$3,896,757**	$3,157,388
Employees – continuing operations	**12,200**	12,700

*The 1997 accounting change relates to EITF No. 97-13 regarding accounting for business process reengineering costs.
**Stock prices and market capitalization prior to 1997 have been adjusted to reflect the spin-off of ChoicePoint.

1998	1997	1996	1995	1994	1993	1992
$1,620,978	$1,366,087	$1,222,798	$1,105,309	$ 968,660	$ 813,235	$ 724,030
1,255,326	1,042,179	955,897	883,405	770,779	649,135	584,204
–	(25,000)	(10,313)	9,243	–	(48,438)	–
365,652	298,908	256,588	231,147	197,881	115,662	139,826
4,294	45,027	22,400	7,335	8,643	3,881	7,474
(42,701)	(20,797)	(16,439)	(15,342)	(12,986)	(8,742)	(3,031)
327,245	323,138	262,549	223,140	193,538	110,801	144,269
133,812	137,613	109,452	90,355	79,804	48,525	59,056
193,433	185,525	153,097	132,785	113,734	62,276	85,213
–	1,449	24,520	14,865	6,612	1,239	133
–	(3,237)	–	–	–	–	–
$ 193,433	$ 183,737	$ 177,617	$ 147,650	$ 120,346	$ 63,515	$ 85,346
$ 52,063	$ 52,030	$ 49,704	$ 50,223	$ 47,161	$ 42,041	$ 42,770
$ 1.34	$ 1.26	$ 1.03	$ 0.86	$ 0.75	$ 0.41	$ 0.52
–	0.01	0.16	0.10	0.04	0.01	–
–	(0.02)	–	–	–	–	–
$ 1.34	$ 1.24	$ 1.19	$ 0.96	$ 0.79	$ 0.42	$ 0.52
$ 0.353	$ 0.345	$ 0.330	$ 0.315	$ 0.303	$ 0.280	$ 0.260
144,403,000	147,818,000	149,207,000	154,375,000	150,691,000	151,631,000	164,746,000
$1,828,795	$1,177,104	$1,011,104	$ 871,489	$ 836,728	$ 629,318	$ 621,322
$1,828,795	$1,177,104	$1,207,518	$ 976,173	$ 934,832	$ 643,279	$ 638,375
$ 869,486	$ 339,301	$ 304,942	$ 302,665	$ 211,962	$ 200,070	$ 191,749
$ 366,466	$ 349,397	$ 424,950	$ 353,465	$ 361,935	$ 254,031	$ 257,990
140,042,000	142,609,000	144,876,000	147,245,000	151,790,000	149,618,000	151,550,000
$ 34.19	$ 35.44	$ 27.41	$ 19.13	$ 11.80	$ 12.25	$ 9.23
$ 2.62	$ 2.45	$ 2.93	$ 2.40	$ 2.38	$ 1.70	$ 1.70
$4,787,686	$5,053,706	$3,970,444	$2,816,061	$1,790,667	$1,832,821	$1,399,413
14,000	10,000	9,500	9,800	9,600	8,000	7,500

More...

CONSOLIDATED BALANCE SHEETS

(In thousands)

December 31	2000	1999
ASSETS		
Current Assets:		
Cash and cash equivalents	**$ 89,413**	$ 136,596
Trade accounts receivable, net of allowance for doubtful accounts of $18,650 in 2000 and $14,057 in 1999	**325,444**	302,809
Settlement receivables	**48,173**	67,963
Other receivables	**75,827**	19,910
Deferred income tax assets	**23,236**	28,015
Other current assets	**42,816**	54,140
Total current assets	**604,909**	609,433
Property and Equipment:		
Land, buildings and improvements	**40,220**	39,140
Data processing equipment and furniture	**235,296**	258,314
	275,516	297,454
Less accumulated depreciation	**176,705**	181,964
	98,811	115,490
Goodwill	**717,939**	612,551
Purchased Data Files	**209,379**	157,701
Other Assets	**438,599**	344,606
	$2,069,637	$1,839,781

The accompanying notes are an integral part of these consolidated balance sheets.

CONSOLIDATED BALANCE SHEETS

(In thousands, except par values)

December 31	2000	1999
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Short-term debt and current maturities of long-term debt	**$ 54,609**	$ 79,866
Accounts payable, trade	**35,262**	59,071
Settlement payables	**77,213**	118,356
Accrued salaries and bonuses	**36,961**	38,203
Income taxes payable	**22,404**	12,005
Other current liabilities	**199,775**	197,294
Total current liabilities	**426,224**	504,795
Long-Term Debt, Less Current Maturities	**993,569**	933,708
Long-Term Deferred Revenue	**32,864**	22,547
Deferred Income Tax Liabilities	**90,198**	73,132
Other Long-Term Liabilities	**143,204**	89,974
Commitments and Contingencies (Note 8)		
Shareholders' Equity:		
Common stock, $1.25 par value; shares authorized – 300,000; issued – 175,991 in 2000 and 174,259 in 1999; outstanding – 135,835 in 2000 and 134,001 in 1999	**219,989**	217,824
Preferred stock, $0.01 par value; shares authorized – 10,000; issued and outstanding – none in 2000 or 1999	**–**	–
Paid-in capital	**336,527**	304,532
Retained earnings	**902,475**	726,827
Accumulated other comprehensive income	**(206,163)**	(161,982)
Treasury stock, at cost, 33,078 shares in 2000 and 34,640 shares in 1999 (Note 6)	**(778,955)**	(816,213)
Stock held by employee benefits trusts, at cost, 7,079 shares in 2000 and 5,619 shares in 1999 (Note 6)	**(90,295)**	(55,363)
Total shareholders' equity	**383,578**	215,625
	$2,069,637	$1,839,781

CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share amounts)

Year Ended December 31	2000	1999	1998
Operating revenue	**$1,965,881**	$1,772,694	$1,620,978
Costs and expenses:			
Costs of services	**1,119,148**	1,032,389	943,833
Selling, general and administrative expenses	**391,318**	325,766	311,493
Total costs and expenses	**1,510,466**	1,358,155	1,255,326
Operating income	**455,415**	414,539	365,652
Other income, net	**5,905**	12,356	4,294
Interest expense	**75,951**	60,971	42,701
Income before income taxes	**385,369**	365,924	327,245
Provision for income taxes	**157,347**	150,047	133,812
Net income	**$ 228,022**	$ 215,877	$ 193,433
Net income per common share (basic)	**$ 1.70**	$ 1.57	$ 1.37
Shares used in computing basic earnings per share	**134,400**	137,457	141,397
Net income per common share (diluted)	**$ 1.68**	$ 1.55	$ 1.34
Shares used in computing diluted earnings per share	**136,016**	139,603	144,403
Dividends per common share	**$ 0.370**	$ 0.363	$ 0.353

The accompanying notes are an integral part of these consolidated statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

Year Ended December 31	**2000**	1999	1998
Cash flows from operating activities:			
Net income	**$228,022**	$215,877	$193,433
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	**148,783**	125,263	103,825
Income tax benefit from stock plans	**5,638**	2,046	8,085
Loss (gain) from sale of businesses	**2,044**	(7,095)	–
Changes in assets and liabilities, excluding effects of acquisitions:			
Accounts receivable, net	**(27,562)**	(22,754)	(19,012)
Current liabilities, excluding debt	**(17,934)**	4,499	39,078
Settlement receivables and payables, net	**(21,353)**	25,020	(18,583)
Other current assets	**(13,364)**	5,369	(3,049)
Deferred income taxes	**16,691**	20,885	34,595
Other long-term liabilities, excluding debt	**(12,062)**	(3,609)	(16,831)
Other assets	**(24,738)**	(38,743)	(24,328)
Net cash provided by operating activities	**284,165**	326,758	297,213
Cash flows from investing activities:			
Additions to property and equipment	**(37,132)**	(39,033)	(44,921)
Additions to other assets, net	**(73,530)**	(81,838)	(74,411)
Acquisitions, net of cash acquired	**(382,831)**	(22,162)	(478,463)
Investments in unconsolidated affiliates	**(10,248)**	(700)	(22,752)
Proceeds from sale of businesses	**156,001**	25,957	12,874
Proceeds from sale of assets	**8,299**	–	–
Net cash used by investing activites	**(339,441)**	(117,776)	(607,673)
Cash flows from financing activities:			
Net short-term borrowings	**(21,026)**	33,114	28,988
Additions to long-term debt	**92,170**	70,244	524,068
Payments on long-term debt	**(22,983)**	(6,256)	(3,692)
Treasury stock purchases	**(6,517)**	(210,175)	(161,797)
Dividends paid	**(52,374)**	(51,961)	(52,063)
Proceeds from exercise of stock options	**23,165**	6,996	12,245
Other	**3,538**	2,965	3,619
Net cash provided (used) by financing activities	**15,973**	(155,073)	351,368
Effect of foreign currency exchange rates on cash	**(7,880)**	(7,930)	(2,542)
Net cash (used) provided	**(47,183)**	45,979	38,366
Cash and cash equivalents, beginning of year	**136,596**	90,617	52,251
Cash and cash equivalents, end of year	**$ 89,413**	$136,596	$ 90,617

The accompanying notes are an integral part of these consolidated statements.

More...

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE INCOME

(In thousands)

	Common Stock: Shares Outstanding	Common Stock: Amount	Paid-In Capital	Retained Earnings
Balance, December 31, 1997	142,609	$215,581	$244,496	$421,541
1998 changes:				
Net income	–	–	–	193,433
Foreign currency translation adjustment	–	–	–	–
Adjustment for minimum liability under supplemental retirement plan	–	–	–	–
Shares issued under stock plans	1,451	1,572	18,952	–
Shares contributed to U.S. retirement plan	390	–	10,392	–
Treasury stock purchased	(4,555)	–	–	–
Treasury stock reissued for acquisitions	147	–	2,346	–
Cash dividends	–	–	–	(52,063)
Income tax benefit from stock plans	–	–	8,085	–
Dividends from employee benefits trusts	–	–	2,240	–
Balance, December 31, 1998	140,042	217,153	286,511	562,911
1999 changes:				
Net income	–	–	–	215,877
Foreign currency translation adjustment	–	–	–	–
Adjustment for minimum liability under supplemental retirement plan	–	–	–	–
Shares issued under stock plans	599	671	6,945	–
Shares contributed to U.S. retirement plan	304	–	7,003	–
Treasury stock purchased	(6,944)	–	–	–
Cash dividends	–	–	–	(51,961)
Income tax benefit from stock plans	–	–	2,046	–
Dividends from employee benefits trusts	–	–	2,027	–
Balance, December 31, 1999	134,001	217,824	304,532	726,827
2000 changes:				
Net income	–	–	–	228,022
Foreign currency translation adjustment	–	–	–	–
Adjustment for minimum liability under supplemental retirement plan	–	–	–	–
Shares issued under stock plans	1,789	2,165	21,051	–
Treasury stock purchased	(296)	–	–	–
Treasury stock reissued for acquisitions	341	–	2,605	–
Cost of treasury stock transferred to employee benefits trust	–	–	–	–
Cash dividends	–	–	–	(52,374)
Income tax benefit from stock plans	–	–	5,638	–
Dividends from employee benefits trusts	–	–	2,701	–
Balance, December 31, 2000	135,835	$219,989	$336,527	$902,475

The accompanying notes are an integral part of these consolidated statements.

Accumulated Other Comprehensive Income:						
Foreign Currency Translation	Minimum Liability Under Supplemental Retirement Plan	Total	Treasury Stock	Stock Held By Employee Benefits Trust	Total Shareholders' Equity	Comprehensive Income
$(13,684)	$(6,392)	$ (20,076)	$(447,578)	$(64,567)	$349,397	
–	–	–	–	–	193,433	$193,433
(15,313)	–	(15,313)	–	–	(15,313)	(15,313)
–	326	326	–	–	326	326
–	–	–	279	1,770	22,573	–
–	–	–	–	3,843	14,235	–
–	–	–	(161,797)	–	(161,797)	–
–	–	–	3,004	–	5,350	–
–	–	–	–	–	(52,063)	–
–	–	–	–	–	8,085	–
–	–	–	–	–	2,240	–
(28,997)	(6,066)	(35,063)	(606,092)	(58,954)	366,466	$178,446
–	–	–	–	–	215,877	$215,877
(128,283)	–	(128,283)	–	–	(128,283)	(128,283)
–	1,364	1,364	–	–	1,364	1,364
–	–	–	54	594	8,264	–
–	–	–	–	2,997	10,000	–
–	–	–	(210,175)	–	(210,175)	–
–	–	–	–	–	(51,961)	–
–	–	–	–	–	2,046	–
–	–	–	–	–	2,027	–
(157,280)	(4,702)	(161,982)	(816,213)	(55,363)	215,625	$ 88,958
–	–	–	–	–	228,022	$228,022
(45,549)	–	(45,549)	–	–	(45,549)	(45,549)
–	1,368	1,368	–	–	1,368	1,368
–	–	–	431	392	24,039	–
–	–	–	(6,517)	–	(6,517)	–
–	–	–	8,020	–	10,625	–
–	–	–	35,324	(35,324)	–	–
–	–	–	–	–	(52,374)	–
–	–	–	–	–	5,638	–
–	–	–	–	–	2,701	–
$(202,829)	$(3,334)	$(206,163)	$(778,955)	$(90,295)	$383,578	$183,841

■ 1. SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

Principles of Consolidation The consolidated financial statements include the accounts of the Company and its majority-owned and controlled subsidiaries. All significant intercompany transactions and balances have been eliminated. Certain prior year amounts have been reclassified to conform with the current year presentation.

Nature of Operations and Spin-off The Company principally provides information services to businesses to help them grant credit, authorize and process credit card and check transactions, and market to their customers. The principal lines of business are information services and payment services (see Note 10 for segment information). The principal markets for both information and payment services are retailers, banks, and other financial institutions, with information services also serving the transportation, telecommunication, utility, manufacturing, and media industries. The Company's operations are predominantly located within the United States, with foreign operations principally located within Canada, the United Kingdom, and Brazil.

On October 2, 2000, the Company announced its intention to split into two independent, publicly traded companies by spinning off its Payment Services industry segment. The spin-off would be effected through a tax-free dividend of stock in the new company to existing Equifax shareholders and is contingent on receiving a favorable ruling from the IRS regarding the tax-free nature of the dividend, among other things. The timing of the distribution has not yet been finalized, but is expected to occur third quarter 2001.

Use of Estimates The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements as well as reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Revenue Recognition Revenue is recognized principally as services and products are provided to and accepted by customers. Amounts billed in advance are recorded as current or long-term deferred revenue on the balance sheet, with current deferred revenue reflecting services expected to be provided within the next twelve months. Current deferred revenue is included with other current liabilities in the accompanying consolidated balance sheets, and as of December 31, 2000 and 1999, totaled $34,256,000 and $31,523,000, respectively. In 1996, the Company received a one-time payment of $58,000,000 related to a lottery subcontract and recognized $5,400,000 in revenue. The remaining balance is being recognized as revenue over the term of the contract, with $9,636,000 per year recognized in 1997 through 2000. The unrecognized balance at December 31, 2000, totaled $14,056,000, with $4,420,000 included in long-term deferred revenue in the accompanying consolidated balance sheets. In conjunction with the divestiture of the Company's U.S. risk management and Canadian risk management businesses in October 2000 (Note 3), certain of the proceeds received related to contracts to provide credit information products and services to the buyers over the next five to six years and was recorded in current and long-term deferred revenue. At December 31, 2000, $25,527,000 remained unrecognized, with $21,195,000 included in long-term deferred revenue in the accompanying consolidated balance sheets. This deferred revenue will be recognized as the contracted products and services are provided.

Earnings Per Share Basic EPS is calculated as income available to common stockholders divided by the weighted average number of common shares outstanding during the period. Diluted EPS is calculated to reflect the potential dilution that would occur if stock options or other contracts to issue common stock were exercised and resulted in additional common shares outstanding. The income amount used in the Company's EPS calculations is the same for both basic and diluted EPS. A reconciliation of the average outstanding shares used in the two calculations is as follows:

(In thousands)	**2000**	1999	1998
Weighted average shares outstanding (basic)	**134,400**	137,457	141,397
Effect of dilutive securities:			
Stock options	**1,439**	1,880	2,714
Performance share plan	**177**	266	292
Weighted average shares outstanding (diluted)	**136,016**	139,603	144,403

Settlement Receivables and Payables Settlement receivables and payables result from timing differences in the Company's settlement process with merchants, financial institutions, and credit card associations related to merchant and card transaction processing. Cash balances associated with the clearing system amounted to $29.0 million, $50.4 million and $25.4 million at December 31, 2000, 1999 and 1998, respectively.

Property and Equipment The cost of property and equipment is depreciated primarily on the straight-line basis over estimated asset lives of 30 to 50 years for buildings; useful lives, not to exceed lease terms, for leasehold improvements; 3 to 5 years for data processing equipment; and 8 to 20 years for other fixed assets.

Goodwill Goodwill is amortized on a straight-line basis predominantly over periods from 20 to 40 years. Amortization expense was $32,382,000 in 2000, $26,926,000 in 1999, and $21,536,000 in 1998. As of December 31, 2000 and 1999, accumulated amortization balances were $99,681,000 and $87,533,000, respectively.

Purchased Data Files Purchased data files are amortized on a straight-line basis primarily over 15 years. Amortization expense was $20,167,000 in 2000, $17,566,000 in 1999, and $14,982,000 in 1998. As of December 31, 2000 and 1999, accumulated amortization balances were $118,005,000 and $109,269,000, respectively.

Other Assets Other assets at December 31, 2000 and 1999 consist of the following:

(In thousands)	**2000**	1999
Systems development and other deferred costs	**$163,225**	$154,301
Purchased software	**57,107**	55,013
Purchased merchant contracts	**23,667**	–
Prepaid pension cost	**98,215**	86,764
Risk management purchased paper (Note 3)	**59,073**	29,619
Investments in unconsolidated companies	**12,800**	5,558
Other	**24,512**	13,351
	$438,599	$344,606

Purchased software, purchased merchant contracts, and systems development and other deferred costs are being amortized on a straight-line basis over five to eleven years. Amortization expense for other assets was $57,432,000 in 2000, $43,156,000 in 1999, and $32,078,000 in 1998. As of December 31, 2000 and 1999, accumulated amortization balances were $176,759,000 and $159,840,000, respectively.

Long-Lived Assets Long-lived assets include property and equipment, goodwill, purchased data files, and other assets. The Company regularly evaluates whether events and circumstances have occurred which indicate that the carrying amount of long-lived assets may warrant revision or may not be recoverable. When factors indicate that long-lived assets should be evaluated for possible impairment, the Company uses an estimate of the future undiscounted net cash flows of the related business over the remaining life of the asset in measuring whether the asset is recoverable.

Foreign Currency Translation The functional currency of the Company's foreign subsidiaries are those subsidiaries' local currencies. The assets and liabilities of foreign subsidiaries are translated at the year-end rate of exchange, and income statement items are translated at the average rates prevailing during the year. The resulting translation adjustment is recorded as a component of shareholders' equity. Gains and losses resulting from the translation of intercompany balances of a long-term investment nature are also recorded as a component of shareholders' equity. Other foreign currency translation gains and losses, which are not material, are recorded in the consolidated statements of income.

Consolidated Statements of Cash Flows The Company considers cash equivalents to be short-term cash investments with original maturities of three months or less.

Cash paid for income taxes and interest is as follows:

(In thousands)	**2000**	1999	1998
Income taxes, net of amounts refunded	**$124,717**	$127,611	$98,905
Interest	**76,177**	60,379	28,885

In 2000, 1999, and 1998, the Company acquired various businesses that were accounted for as purchases (Note 2). In conjunction with these transactions, liabilities were assumed as follows:

(In thousands)	**2000**	1999	1998
Fair value of assets acquired	**$415,657**	$24,783	$540,078
Cash paid for acquisitions	**383,938**	24,182	485,076
Value of treasury stock reissued for acquisitions	**10,625**	–	6,000
Liabilities assumed	**$ 21,094**	$ 601	$ 49,002

Financial Instruments The Company's financial instruments consist primarily of cash and cash equivalents, accounts and notes receivable, accounts payable, and short-term and long-term debt. The carrying amounts of these items, other than long-term debt, approximate their fair market values due to their short maturity. As of December 31, 2000, the fair value of the Company's long-term debt (determined primarily by broker quotes) was $981,953,000 compared to its carrying value of $993,569,000. During 2000, the Company's derivative financial instruments consisted of several interest rate swap agreements used to fix portions of the Company's floating rate obligations.

Recent Accounting Pronouncements and Accounting Change In June 1998, the FASB issued Statement of Financial Accounting Standards No. 133 (SFAS 133), "Accounting for Derivative Instruments and Hedging Activities." SFAS 133 establishes accounting and reporting standards for derivative instruments and hedging activities and is effective (as amended by SFAS No. 137) on January 1, 2001 for the Company. Based on its current level of derivative instruments and hedging activities, the Company does not believe that the adoption of SFAS 133 will have a significant impact on its financial statements or reported earnings.

2. ACQUISITIONS AND INVESTMENTS IN UNCONSOLIDATED AFFILIATES

During 2000, the Company acquired or increased its ownership in the following businesses:

Business	Month Acquired	Industry Segment	Percentage Ownership
Organizacion Veraz S.A. (Argentina)	December	Latin America	79.5%[1]
SEK S.r.l. and AIF Gruppo Securitas S.r.l. (Italy)	November	Europe	100.0%
Compliance Data Center, Inc.	October	North America	100.0%
Equifax Card Solutions Limited (U.K.)	September	Card Solutions	100.0%[2]
Consumer Information Solutions (CIS) Group of R.L. Polk & Co.	May	Consumer Services	100.0%
Check-A-Cheque Ltd. (U.K.)	March	Check Solutions	100.0%
Procard, S.A. (Chile)	January	Card Solutions	100.0%
Propago, S.A. (Chile)	January	Latin America	100.0%

[1] Increased to 79.5% from 66.7% acquired in 1997 and 1994
[2] Increased from 51.0% ownership started in 1999

In 2000, in addition to the businesses above, the Company acquired the credit files of 12 credit affiliates located in the United States and 14 affiliates in Canada, as well as a portfolio of credit card merchant contracts from Heartland Payment Systems. These acquisitions were accounted for as purchases and had an aggregate purchase price of $394,563,000, with $242,873,000 allocated to goodwill and $78,770,000 allocated to purchased data files. They were purchased with a combination of cash totaling $383,938,000 and the reissuance of treasury stock with a fair market value of $10,625,000. Their results of operations have been included in the consolidated statements of income from the dates of acquisition and were not material.

In 1999, the Company acquired the credit files of 14 credit affiliates located in the United States and three credit affiliates in Canada. They were accounted for as purchases and had an aggregate purchase price of $24,182,000, with $7,508,000 allocated to goodwill and $15,954,000 allocated to purchased data files. Their results of operations have been included in the consolidated statements of income from the dates of acquisition and were not material.

During 1998, the Company acquired, made equity investments, or increased its ownership in the following businesses:

Business	Month Acquired	Industry Segment	Percentage Ownership
Unnisa Ltda. (Brazil)	September	Card Solutions	59.3%
Proceda S.A. (Brazil)	September	Card Solutions	34.0%
Segurança ao Crédito e Informações (SCI-Brazil)	August	Latin America	80.0%
Credit Bureau of Vancouver (Canada)	July	North America	100.0%
Equifax Canada Inc.	July	North America	100.0%[1]
Decisioneering Group, Inc.	July	North America	100.0%
ASNEF-Equifax Servicios de Informacion de Credito, S.L. (Spain)	May	Europe	58.0%[2]
Infocorp (Peru)	April	Latin America	51.0%[3]
CCI Group Plc (U.K.)	March	Europe	100.0%

[1] *Increased to 100.0% from 84.4%*
[2] *Increased from 49.0% acquired in 1994*
[3] *Increased from 35.0% acquired with DICOM S.A. in 1994*

In 1998, in addition to the businesses above, the Company acquired the credit files of 14 credit affiliates located in the United States and the collection businesses of Computer Sciences Corporation (CSC), which was subsequently sold (Note 8). Also, during the first quarter of 1998, the Company obtained the control necessary and began to consolidate the operations of its 66.7% owned investment in Organizacion Veraz S.A. in Argentina. The investment in Proceda S.A., along with increases in certain other equity investments, totaled $22.8 million and were accounted for under the equity method. They were purchased with cash and recorded as other assets. The remaining 1998 business and credit file acquisitions were accounted for as purchases and had an aggregate purchase price of $491,076,000. They were purchased with a combination of cash totaling $485,076,000 and the reissuance of treasury stock with a fair market value of $6,000,000. These acquisitions and the consolidation of Veraz resulted in $389,013,000 of goodwill, $86,259,000 of purchased data files, and $22,170,000 of other assets (primarily software and deferred systems costs). These allocations include $26.0 million reallocated from other assets related to investments in companies previously accounted for under the equity method. Their results of operations have been included in the consolidated statements of income from the dates of acquisition. The following unaudited pro forma information has been prepared as if these acquisitions had occurred on January 1, 1998. The information is based on the historical results of the separate companies, and may not necessarily be indicative of the results that could have been achieved, or of results that may occur in the future.

(In thousands, except per share amounts)	1998
Revenue	$1,751,184
Net income	181,598
Net income per common share (diluted)	1.26

3. DIVESTITURES

In September 2000, the Company sold its 50% interest in a credit card processing operation in India. In October 2000, the Company sold its risk management businesses located in the U.S., Canada, and the U.K., and in December 2000 sold its vehicle information business in the U.K. as well as a direct marketing business in Canada that was a small component of the CIS group acquired earlier in the year from R.L. Polk & Co. Proceeds from these sales included cash of $156,001,000 (net of cash sold) and a $41 million note receivable from one of the buyers, and resulted in a pretax loss of $2,044,000 recorded in other income. Approximately $25.5 million of the proceeds received in the U.S. and Canadian risk management sales related to exclusive contracts to provide the buyers with credit information products and services over several years, and was recorded in current and long-term deferred revenue. In conjunction with the U.S. risk management sale, the Company guaranteed approximately $60 million of the buyer's third-party acquisition financing which related to a portfolio of purchased paper. Since this purchased paper financing was entirely guaranteed by the Company, the amount guaranteed (approximately $59.1 million at December 31, 2000) has been recorded in other assets and other long-term liabilities in the accompanying consolidated balance sheets. These corresponding asset and liability balances will be reduced as the buyer makes principal payments on their loan and the Company's guarantee is reduced. At December 31, 1999, the U.S. risk management business had approximately $51.5 million in purchased paper, with $21.9 million included in other current assets and $29.6 million included in other assets in the accompanying consolidated balance sheets.

In April 1999, the Company sold its 34% equity interest in Proceda S.A. in Brazil, and in June 1999 also sold three risk management offices located in the U.S. Proceeds from these sales totaled $25,957,000 and resulted in a gain of $7,095,000 recorded in other income ($2,888,000 after tax, or $.02 per share).

In October 1998, the Company sold the collection businesses it had purchased from CSC earlier in the year (Note 8).

■ 4. LONG-TERM DEBT AND SHORT-TERM BORROWINGS

Long-term debt at December 31, 2000 and 1999 was as follows:

(In thousands)	2000	1999
Senior Notes, 6.5%, due 2003, net of unamortized discount of $255 in 2000 and $357 in 1999	**$199,745**	$199,643
Senior Notes, 6.3%, due 2005, net of unamortized discount of $754 in 2000 and $921 in 1999	**249,246**	249,079
Senior Debentures, 6.9%, due 2028, net of unamortized discount of $1,375 in 2000 and $1,425 in 1999	**148,625**	148,575
Borrowings under $750 million revolving credit facility, weighted average rate of 6.8% at December 31, 2000	**390,533**	318,000
Other	**8,513**	22,581
	996,662	937,878
Less current maturities	**3,093**	4,170
	$993,569	$933,708

In June 1998, the Company issued new 6.3% seven-year notes with a face value of $250,000,000 in a public offering. The notes were sold at a discount of $1,172,500. In July 1998, the Company issued new 6.9% 30-year debentures with a face value of $150,000,000 in a public offering. The debentures were sold at a discount of $1,500,000. The discounts and related issuance costs are being amortized on a straight-line basis over the respective term of the notes and debentures.

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In November 1997, the Company replaced its $550 million revolving credit facility with a new, committed $750 million revolving credit facility with a group of commercial banks. The new facility expires November 2002. The agreement provides interest rate options tied to Base Rate, LIBOR, or Money Market indexes and contains certain financial covenants related to interest coverage, funded debt to cash flow, and limitations on subsidiary indebtedness. At December 31, 2000, $34,533,000 of the revolving credit facility's outstanding balance was denominated in foreign currencies. These foreign denominated obligations are used to hedge the impacts of foreign exchange rate fluctuations related to intercompany advances between the Company and several of its foreign subsidiaries.

Scheduled maturities of long-term debt during the five years subsequent to December 31, 2000, are as follows:

(In thousands)	Amount
2001	$ 3,093
2002	395,387
2003	200,311
2004	–
2005	249,246

The Company's short-term borrowings at December 31, 2000 and 1999, totaled $51,516,000 and $75,696,000, respectively, and consisted primarily of notes payable to banks. These notes had a weighted average interest rate of 6.25% at December 31, 2000 and 5.20% at December 31, 1999. In October 1999, a Canadian subsidiary of the Company entered into a C$100,000,000 loan, renewable annually, with a group of banks. The loan agreement provides interest rate options tied to Prime, Base Rate, LIBOR, and Canadian Banker's Acceptances, and contains financial covenants related to interest coverage, funded debt to cash flow, and limitations on subsidiary indebtedness. Borrowings under this loan (which are included in the short-term borrowings totals above) at December 31, 2000 and 1999 were C$69,000,000 and C$100,000,000 respectively.

■ 5. INCOME TAXES

The Company records deferred income taxes using enacted tax laws and rates for the years in which the taxes are expected to be paid. Deferred income tax assets and liabilities are recorded based on the differences between the financial reporting and income tax bases of assets and liabilities.

The provision for income taxes consists of the following:

(In thousands)	**2000**	1999	1998
Current:			
Federal	**$105,383**	$ 96,342	$ 74,769
State	**7,925**	15,855	10,854
Foreign	**26,766**	16,355	17,020
	140,074	128,552	102,643
Deferred:			
Federal	**9,544**	11,467	26,309
State	**1,906**	2,596	4,952
Foreign	**5,823**	7,432	(92)
	17,273	21,495	31,169
	$157,347	$150,047	$133,812

The provision for income taxes is based on income before income taxes as follows:

(In thousands)	**2000**	1999	1998
United States	**$346,491**	$322,782	$299,815
Foreign	**38,878**	43,142	27,430
	$385,369	$365,924	$327,245

The provision for income taxes is reconciled with the federal statutory rate as follows:

(In thousands)	2000	1999	1998
Federal statutory rate	**35.0%**	35.0%	35.0%
Provision computed at federal statutory rate	**$134,879**	$128,073	$114,536
State and local taxes, net of federal tax benefit	**6,390**	11,993	10,274
Nondeductible goodwill (including amounts related to divestitures)	**9,396**	2,236	5,357
Other	**6,682**	7,745	3,645
	$157,347	$150,047	$133,812

Components of the Company's deferred income tax assets and liabilities at December 31, 2000 and 1999 are as follows:

(In thousands)	2000	1999
Deferred income tax assets:		
Reserves and accrued expenses	**$ 21,597**	$ 26,067
Postretirement benefits	**9,695**	9,515
Employee compensation programs	**13,476**	15,890
Deferred revenue	**9,929**	11,517
Net operating loss carryforwards of subsidiaries	**5,494**	11,066
Foreign tax credit carryforwards	**26,614**	18,629
Other	**8,380**	8,318
	95,185	101,002
Deferred income tax liabilities:		
Data files and other assets	**(74,807)**	(71,163)
Depreciation	**(2,933)**	(2,940)
Pension expense	**(38,250)**	(34,236)
Undistributed earnings of foreign subsidiaries	**(33,649)**	(28,891)
Other	**(12,508)**	(8,889)
	(162,147)	(146,119)
Net deferred income tax liability	**$ (66,962)**	$ (45,117)

The Company's deferred income tax assets and liabilities at December 31, 2000 and 1999 are included in the accompanying consolidated balance sheets as follows:

(In thousands)	2000	1999
Deferred income tax assets	**$ 23,236**	$ 28,015
Deferred income tax liabilities	**(90,198)**	(73,132)
Net deferred income tax liability	**$(66,962)**	$(45,117)

Accumulated undistributed retained earnings of Canadian subsidiaries amounted to approximately $29,121,000 at December 31, 2000. No provision for Canadian withholding taxes or United States federal income taxes is made on these earnings because they are considered by management to be permanently invested in those subsidiaries and, under the tax laws, are not subject to such taxes until distributed as dividends. If the earnings were not considered permanently invested, approximately $1,456,000 of deferred income taxes would have been provided. Such taxes, if ultimately paid, may be recoverable as foreign tax credits in the United States.

■ 6. SHAREHOLDERS' EQUITY

Rights Plan In 1995, the Company's Board of Directors adopted a Shareholder Rights Plan (Rights Plan). The Rights Plan contains provisions to protect the Company's shareholders in the event of an unsolicited offer to acquire the Company, including offers that do not treat all shareholders equally, the acquisition in the open market of shares constituting control without offering fair value to all shareholders, and other coercive, unfair or inadequate takeover bids and practices that could impair the ability of the Board of Directors to represent shareholders' interests fully. Pursuant to the

Rights Plan, the Board of Directors declared a dividend of one Share Purchase Right (a Right) for each outstanding share of the Company's common stock, with distribution to be made to shareholders of record as of November 24, 1995. The Rights, which will expire in November 2005, initially will be represented by, and traded together with, the Company's common stock. The Rights are not currently exercisable and do not become exercisable unless certain triggering events occur. Among the triggering events is the acquisition of 20% or more of the Company's common stock by a person or group of affiliated or associated persons. Unless previously redeemed, upon the occurrence of one of the specified triggering events, each Right that is not held by the 20% or more shareholder will entitle its holder to purchase one share of common stock or, under certain circumstances, additional shares of common stock at a discounted price.

Treasury Stock and Employee Benefits Trusts During 2000, 1999, and 1998, the Company repurchased 296,000, 6,944,000, and 4,555,000 of its own common shares through open market transactions at an aggregate cost of $6,517,000, $210,175,000, and $161,797,000, respectively. At its January 1999 meeting, the Company's Board of Directors authorized an additional $250,000,000 in share repurchases, and at December 31, 2000, approximately $94 million remained available for future purchases. During 2000 and 1998, the Company reissued 341,000 and 164,000 treasury shares, respectively, in connection with acquisitions (Note 2). Also in 1998, the Company received 17,000 treasury shares in conjunction with the final settlement of a prior year acquisition.

In 1993, the Company established the Equifax Inc. Employee Stock Benefits Trust to fund various employee benefit plans and compensation programs and transferred 6,200,000 treasury shares to the Trust. In 1994 and 2000, the Company transferred 600,000 and 1,500,000 treasury shares, respectively, to two other employee benefits trusts. Shares held by the trusts are not considered outstanding for earnings per share calculations until released to the employee benefit plans or programs. During 2000, 39,830 shares were used for various employee incentive programs. In 1999, 364,354 shares were used, with 304,183 shares contributed to the Company's U.S. Retirement Plan and 60,171 shares used for various employee incentive programs. In 1998, 569,655 shares were used for a contribution to the Company's U.S. Retirement Plan, an employee stock purchase plan, and an employee bonus plan. The shares contributed to the U.S. Retirement Plan in 1998 (390,000 shares) were repurchased by the Company at the current market price and recorded as treasury stock.

Stock Options The Company's shareholders have approved several stock option plans which provide that qualified and nonqualified options may be granted to officers and employees at exercise prices not less than market value on the date of grant. Generally, options vest proportionately over a four-year period and are exercisable for ten years from grant date. Certain of the plans also provide for awards of restricted shares of the Company's common stock. At December 31, 2000, there were 1,311,000 shares available for future option grants and restricted stock awards.

A summary of changes in outstanding options and the related weighted average exercise price per share is shown in the following table:

	2000		1999		1998	
		Average		Average		Average
(Shares in thousands)	**Shares**	**Price**	Shares	Price	Shares	Price
Balance, beginning of year	**10,563**	**$24.14**	7,820	$22.40	6,582	$14.89
Granted:						
At market price	**1,841**	**$22.39**	3,924	$27.62	2,581	$34.90
In excess of market price	**–**	**–**	–	–	271	$45.97
Canceled	**(924)**	**$28.75**	(591)	$34.42	(388)	$28.61
Exercised	**(1,782)**	**$13.70**	(590)	$13.39	(1,226)	$11.20
Balance, end of year	**9,698**	**$25.22**	10,563	$24.14	7,820	$22.40
Exercisable at end of year	**6,069**	**$22.13**	5,165	$17.95	4,230	$15.35

The following table summarizes information about stock options outstanding at December 31, 2000 (shares in thousands):

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Shares	Weighted Average Remaining Contractual Life in Years	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
$7.09 to $21.50	3,244	5.4	$16.45	3,141	$16.30
$22.76 to $24.44	2,619	8.2	$23.49	1,467	$23.50
$24.63 to $36.88	3,280	6.2	$32.63	1,201	$30.97
$37.00 to $49.03	555	6.9	$40.94	260	$43.94
	9,698	6.5	$25.22	6,069	$22.13

The weighted-average grant-date fair value per share of options granted in 2000, 1999, and 1998 is as follows:

	2000	1999	1998
Grants at market price	**$6.14**	$9.95	$13.27
Grants in excess of market price	**–**	–	$6.63

The fair value of options granted in 2000, 1999, and 1998 is estimated on the date of grant using the Black-Scholes option-pricing model based on the following weighted average assumptions:

	2000	1999	1998
Dividend yield	**1.7%**	1.4%	1.1%
Expected volatility	**42.0%**	42.4%	41.9%
Risk-free interest rate	**6.5%**	5.6%	5.6%
Expected life in years	**2.3**	4.0	4.3

Performance Share and Long-Term Incentive Plans The Company has a performance share plan for certain key officers that provides for distribution of the Company's common stock at the end of three-year measurement periods based on the growth in earnings per share and certain other criteria. Recipients may elect to receive up to 50% of their distribution in cash based on the Company's common stock price at the end of the measurement period. No share units may be awarded under the plan after January 31, 2000. Units awarded during the year were none in 2000, 177,000 in 1999, and 187,000 in 1998. Award-date fair value per unit was $36.88 in 1999, and $32.69 in 1998. Units outstanding at December 31 were 294,778 in 2000, 443,412 in 1999, and 489,753 in 1998.

In 2000, the Company implemented a key management long-term incentive plan for certain key officers that provides for cash awards at the end of various length measurement periods based on the growth in earnings per share and/or various other criteria over the measurement period. For certain awards, the employee may elect to receive some or all of their distribution as an equity interest in the Company.

Expense for these plans can vary between years due to revisions of estimates of future distributions under the plans, which are based on the likelihood that the performance criteria will be met. The total expense under these plans was a credit to expense of $3,130,000 in 2000 and $900,000 in 1999, and a charge to expense of $4,213,000 in 1998.

Pro Forma Information In accordance with the provisions of Statement of Financial Accounting Standards, "Accounting for Stock-Based Compensation" (SFAS No. 123), the Company has elected to apply APB Opinion No. 25 and related interpretations in accounting for its stock option and performance share plans. Accordingly, the Company does not recognize compensation cost in connection with its stock option plans and records compensation expense related to its performance share plan based on the current market price of the Company's common stock and the extent to which performance criteria are being met. If the Company had elected to recognize compensation cost for these plans based on the fair value at grant date as prescribed by SFAS No. 123, net income and net income per share would have been reduced to the pro forma amounts indicated in the table below (in thousands, except per share amounts):

	2000		1999		1998	
	Reported	**Pro Forma**	Reported	Pro Forma	Reported	Pro Forma
Net income	**$228,022**	**$211,910**	$215,877	$201,006	$193,433	$184,690
Net income per share (basic)	**$ 1.70**	**$ 1.58**	$ 1.57	$ 1.46	$ 1.37	$ 1.31
Net income per share (diluted)	**$ 1.68**	**$ 1.56**	$ 1.55	$ 1.44	$ 1.34	$ 1.28

Because the SFAS No. 123 fair value disclosure requirements apply only to options and performance share units granted after December 31, 1994, the resulting pro forma compensation cost may not be representative of that to be expected in future years.

7. EMPLOYEE BENEFITS

In 1998, the Company adopted Statement of Financial Accounting Standards No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits." This statement revises employers' disclosures about pension and other postretirement benefit plans. It does not change the measurement or recognition of these plans.

U.S. Retirement Plan The Company has a noncontributory qualified retirement plan covering most U.S. salaried employees. Benefits are primarily a function of salary and years of service. A reconciliation of the benefit obligation, plan assets, and funded status of the plan is as follows (in thousands):

Change in benefit obligation	2000	1999
Benefit obligation at beginning of year	**$387,099**	$411,689
Service cost	**4,494**	5,089
Interest cost	**29,016**	27,587
Actuarial loss (gain)	**(17,263)**	(24,085)
Curtailments	**(1,344)**	(3,912)
Benefits paid	**(29,219)**	(29,269)
Benefit obligation at end of year	**$372,783**	$387,099

Change in plan assets	2000	1999
Fair value of plan assets at beginning of year	**$500,594**	$455,727
Actual return on plan assets	**41,703**	64,137
Employer contribution	**–**	10,000
Benefits paid	**(29,219)**	(29,270)
Fair value of plan assets at end of year	**$513,078**	$500,594
Funded status	**$140,295**	$113,495
Unrecognized actuarial (gain) loss	**(54,925)**	(39,300)
Unrecognized prior service cost	**181**	512
Prepaid pension cost	**$ 85,551**	$ 74,707

Assumptions used in accounting for the plan are as follows:

	2000	1999
Discount rate	**8.00%**	7.75%
Expected return on plan assets	**9.50%**	9.50%
Rate of compensation increase	**4.25%**	4.25%

Net pension income for the plan includes the following (income) expense components:

(In thousands)	2000	1999	1998
Service cost	**$ 4,494**	$ 5,089	$ 4,351
Interest cost	**29,016**	27,587	27,562
Expected return on plan assets	**(43,340)**	(40,066)	(34,588)
Amortization of prior service cost	**266**	429	846
Recognized actuarial loss	**–**	407	1,517
Curtailment gain	**(1,280)**	(3,827)	–
Net pension income	**$(10,844)**	$(10,381)	$ (312)

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The 2000 curtailment gain of $1,280,000 related to the sale of the U.S. risk management business (Note 3), and was included as a component of the loss on sale of businesses recorded in other income. The 1999 curtailment gain of $3,827,000 resulted from workforce reductions related to outsourcing certain administrative and data processing functions and the sale of three risk management offices.

At December 31, 2000, the plan's assets included 1,764,538 shares of the Company's common stock with a market value of approximately $50,620,000.

Foreign Retirement Plans The Company maintains a defined benefits plan for most salaried employees in Canada. The aggregate fair market value of the Canadian plan assets approximates the plan's projected benefit obligation, which totaled $24,922,000 and $25,701,000 at December 31, 2000 and 1999, respectively. Prepaid pension cost for this plan was $12,521,000 and $12,027,000 at December 31, 2000 and 1999, respectively. The Company also maintains defined contribution plans for certain employees in the United Kingdom.

Supplemental Retirement Plan The Company maintains a supplemental executive retirement program for certain key employees. The plan, which is unfunded, provides supplemental retirement payments based on salary and years of service. The expense for this plan was $2,994,000 in 2000, $3,087,000 in 1999, and $4,182,000 in 1998. The accrued liability for this plan at December 31, 2000 and 1999 was $24,185,000 and $26,371,000, respectively, and is included in other long-term liabilities in the accompanying consolidated balance sheets.

Employee Retirement Savings Plan The Company's retirement savings plans provide for annual contributions, within specified ranges, determined at the discretion of the Board of Directors for the benefit of eligible employees in the form of cash or shares of the Company's common stock. Expense for these plans was $3,562,000 in 2000, $5,170,000 in 1999, and $3,346,000 in 1998.

Postretirement Benefits The Company maintains certain unfunded healthcare and life insurance benefit plans for eligible retired employees. Substantially all of the Company's U.S. employees may become eligible for these benefits if they reach normal retirement age while working for the Company and satisfy certain years of service requirements. The Company accrues the cost of providing these benefits over the active service period of the employee. Expense for these plans was $630,000 in 2000, $1,480,000 in 1999, and $1,969,000 in 1998. Expense in 2000 was reduced by an $843,000 curtailment gain related to the sale of the U.S. risk management business (Note 3). The curtailment gain was included as a component of the loss on sale of businesses recorded in other income. The accrued liability for these plans at December 31, 2000 and 1999 was $24,007,000 and $24,386,000, respectively, and is included in other long-term liabilities in the accompanying consolidated balance sheets.

■ 8. COMMITMENTS AND CONTINGENCIES

Leases The Company's operating leases involve principally office space and office equipment. Rental expense relating to these leases was $41,287,000 in 2000, $40,232,000 in 1999, and $36,493,000 in 1998.

Future minimum payment obligations for noncancelable operating leases exceeding one year are as follows as of December 31, 2000:

(In thousands)	Amount
2001	$ 34,038
2002	25,185
2003	18,936
2004	15,590
2005	13,982
Thereafter	100,865
	$208,596

Agreement with Computer Sciences Corporation The Company has an agreement with Computer Sciences Corporation and certain of its affiliates (CSC) under which CSC-owned credit reporting agencies utilize the Company's computerized credit database services. CSC retains ownership of its credit files and the revenues generated by its credit reporting activity. The Company receives a processing fee for maintaining the database and for each report supplied. The initial term of the agreement expired in July 1998 and was renewable at the option of CSC for successive ten-year periods. CSC has renewed the agreement for the ten-year period beginning August 1, 1998. The agreement provides CSC with an option to sell its credit reporting businesses to the Company and provides the Company with an option to purchase CSC's credit reporting businesses if CSC does not elect to renew the agreement or if there is a change in control of CSC while the agreement is in effect. Both options expire in 2013. The option price is determined by appraisal.

On November 25, 1997, CSC exercised an option, also contained in the agreement, to sell its collection businesses to the Company at a purchase price of approximately $38 million. Subsequent to November 25, 1997, the Company determined that the fair value of the business being sold (based on its estimated discounted cash flows) was less than the contractual purchase price because a major contract expiring in 1998 would not be renewed. Accordingly, in the fourth quarter of 1997, the Company recorded a $25,000,000 charge ($14,950,000 after tax, or $.10 per share) to reflect a valuation loss on this acquisition, with a corresponding $25,000,000 liability included in other current liabilities. This transaction was finalized in the second quarter of 1998, and the $25,000,000 liability was reclassified to reduce the amount of goodwill recorded with the acquisition. In October 1998, this business was sold for approximately the carrying amount of its net assets.

Data Processing Services Agreements The Company has separate agreements with IBM, EDS, and Xerox Connect which outsource portions of its computer data processing operations and related functions, and expire between 2004 and 2009. The aggregate contractual obligation remaining under these agreements is currently estimated to be approximately $1.105 billion as of December 31, 2000, with no future year expected to exceed $150 million. However, these amounts could be more or less depending on various factors such as the inflation rate, the introduction of significant new technologies, or changes in the Company's data processing needs as a result of acquisitions or divestitures. Under certain circumstances (e.g., a change in control of the Company, or for the Company's convenience), the Company may terminate these agreements. However, the agreements provide that the Company must pay a significant termination charge in the event of such a termination.

Change in Control Agreements The Company has agreements with 21 of its officers which provide severance pay and benefits in the event of a termination of the officer's employment under certain circumstances following a "change in control" of the Company. "Change in control" is defined as the accumulation by any person, entity, or group of 20% or more of the combined voting power of the Company's voting stock or the occurrence of certain other specified events. In the event of a "change in control," the Company's performance share plan provides that all shares designated for future distribution will become fully vested and payable, subject to the achievement of certain levels of growth in earnings per share and other criteria. At December 31, 2000, the maximum contingent liability under the agreements and plans was approximately $21,316,000.

Litigation A number of lawsuits seeking damages are brought against the Company each year, largely as a result of reports issued by the Company. The Company provides for estimated legal fees and settlements relating to pending lawsuits. In the opinion of management, the ultimate resolution of these matters will not have a materially adverse effect on the Company's financial position, liquidity, or results of operations.

■ 9. QUARTERLY FINANCIAL DATA (UNAUDITED)

Quarterly operating revenue and operating income by reportable segment (Note 10) and other summarized quarterly financial data for 2000 and 1999 are as follows (in thousands, except per share amounts):

2000	First	Second	Third	Fourth
Operating revenue:				
Information Services:				
North American Information Services	$163,594	$170,470	$170,533	$168,718
Consumer Information Services	–	24,314	42,918	43,300
Equifax Europe	36,054	36,013	34,749	36,542
Equifax Latin America	28,943	29,696	30,715	30,166
Divested Operations	42,697	42,586	42,419	4,842
Other	2,409	2,409	2,409	2,409
	273,697	305,488	323,743	285,977
Payment Services:				
Card Solutions	119,138	129,971	131,204	137,122
Check Solutions	58,246	62,754	62,959	75,582
	177,384	192,725	194,163	212,704
	$451,081	$498,213	$517,906	$498,681
Operating income (loss):				
Information Services:				
North American Information Services	$ 60,048	$ 70,567	$ 71,737	$ 72,171
Consumer Information Services	–	(1,973)	3,298	6,577
Equifax Europe	893	2,697	3,124	6,302
Equifax Latin America	4,703	5,505	7,842	6,953
Divested Operations	4,749	4,558	5,187	(685)
Other	2,217	2,217	2,217	2,217
	72,610	83,571	93,405	93,535
Payment Services:				
Card Solutions	17,791	28,388	31,288	32,194
Check Solutions	8,694	10,699	10,830	14,134
	26,485	39,087	42,118	46,328
General Corporate Expense	(11,491)	(13,692)	(9,590)	(6,951)
	$ 87,604	$108,966	$125,933	$132,912
Net income	$ 42,227	$ 53,078	$ 64,317	$ 68,400
Net income per common share (basic)[1]	$ 0.32	$ 0.40	$ 0.48	$ 0.51
Net income per common share (diluted)[1]	$ 0.31	$ 0.39	$ 0.47	$ 0.50

[1] *Quarterly per share amounts do not add to the amounts shown in the consolidated statements of income due to rounding.*

1999	First	Second	Third	Fourth
Operating revenue:				
Information Services:				
North American Information Services	$154,880	$161,048	$157,911	$159,288
Consumer Information Services	–	–	–	–
Equifax Europe	34,409	36,644	35,503	42,155
Equifax Latin America	29,921	32,520	32,581	30,516
Divested Operations	48,756	46,363	40,877	39,034
Other	2,409	2,409	2,409	2,409
	270,375	278,984	269,281	273,402
Payment Services:				
Card Solutions	100,630	107,329	115,389	120,036
Check Solutions	50,499	56,273	59,695	70,801
	151,129	163,602	175,084	190,837
	$421,504	$442,586	$444,365	$464,239
Operating income (loss):				
Information Services:				
North American Information Services	$ 59,910	$ 65,941	$ 67,779	$ 67,396
Consumer Information Services	–	–	–	–
Equifax Europe	(2,821)	(1,326)	967	6,449
Equifax Latin America	4,187	5,047	7,447	6,273
Divested Operations	6,902	5,792	3,217	3,002
Other	2,217	2,217	2,217	2,217
	70,395	77,671	81,627	85,337
Payment Services:				
Card Solutions	22,674	21,659	24,072	28,550
Check Solutions	5,963	8,948	10,684	12,979
	28,637	30,607	34,756	41,529
General Corporate Expense	(10,222)	(11,398)	(4,214)	(10,186)
	$ 88,810	$ 96,880	$112,169	$116,680
Net income	$ 43,901	$ 52,106	$ 58,098	$ 61,772
Net income per common share (basic)[1]	$ 0.32	$ 0.38	$ 0.42	$ 0.46
Net income per common share (diluted)	$ 0.31	$ 0.37	$ 0.42	$ 0.45

[1] *Quarterly per share amounts do not add to the amounts shown in the consolidated statements of income due to rounding.*

■ 10.SEGMENT INFORMATION

Effective January 1, 1998, the Company adopted Statement of Financial Accounting Standards No. 131 (SFAS 131), “Disclosures About Segments of an Enterprise and Related Information.” In the fourth quarter of 2000, the Company changed its segment reporting structure to more closely match management’s internal reporting of business operations. Significant changes included grouping the segments into the two major product groups (see below), reclassifying the divested risk management and vehicle information operations (Note 3) out of North America and Europe, and breaking out Card Solutions and Check Solutions within Payment Services. The 1999 and 1998 segment data has been restated to conform with the current year presentation.

The Company’s operations are primarily organized by its two major product groups, Information Services and Payment Services. Information Services are organized in six reportable segments, with three segments based on credit related products within geographic region (North America, Europe, and Latin America), and three segments based on other criteria (Consumer Information Services, Divested Operations, and Other). Payment Services are organized in two reportable segments, Card Solutions and Check Solutions. The accounting policies of the segments are the same as those described in the Company’s summary of significant accounting and reporting policies (Note 1). The Company evaluates the segment performance based on its operating income before unusual items (if any). Intersegment sales and transfers are not material.

A description of segment product and services is as follows:

North American Information Services
Consumer credit information; credit card marketing services; locate services; fraud detection and prevention services; mortgage loan origination information; analytics and consulting; commercial credit reporting in Canada; Internet identity verification and digital certificate services; and through September 2000, risk management and collection services.

Consumer Information Services Consumer demographic and lifestyle information, and directories of residents and businesses.

Equifax Europe Consumer and commercial credit information and marketing services, credit scoring and modeling services, and, through December 2000, auto lien information.

Equifax Latin America Consumer and commercial credit information and other commercial, financial, and consumer information.

Divested Operations Include the businesses divested in the fourth quarter of 2000, including the risk management businesses in the U.S., Canada, and the U.K., as well as the vehicle information business in the U.K. (Note 3).

Other Lottery services.

Card Solutions Credit and debit card authorization and processing; credit card marketing enhancement; and software products to manage credit card, merchant, and collection processing.

Check Solutions Check guarantee and verification services.

Segment information for 2000, 1999, and 1998 is as follows (dollars in thousands):

	2000	1999	1998
Operating Revenue:			
Information Services:			
North American Information Services	**$ 673,315**	$ 633,127	$ 616,708
Consumer Information Services	**110,532**	–	–
Equifax Europe	**143,358**	148,711	127,001
Equifax Latin America	**119,520**	125,538	103,923
Divested Operations	**132,544**	175,030	197,589
Other	**9,636**	9,636	9,636
	1,188,905	1,092,042	1,054,857
Payment Services:			
Card Solutions	**517,435**	443,384	357,014
Check Solutions	**259,541**	237,268	209,107
	776,976	680,652	566,121
	$1,965,881	$1,772,694	$1,620,978
Operating Income (loss):			
Information Services:			
North American Information Services	**$ 274,523**	$ 261,026	$ 248,064
Consumer Information Services	**7,902**	–	–
Equifax Europe	**13,016**	3,269	(6,977)
Equifax Latin America	**25,003**	22,954	21,408
Divested Operations	**13,809**	18,913	22,761
Other	**8,868**	8,868	8,866
	343,121	315,030	294,122
Payment Services:			
Card Solutions	**109,661**	96,955	78,412
Check Solutions	**44,357**	38,574	30,903
	154,018	135,529	109,315
General Corporate Expense	**(41,724)**	(36,020)	(37,785)
	$ 455,415	$ 414,539	$ 365,652
Total Assets at December 31:			
Information Services:			
North American Information Services	**$ 607,421**	$ 490,339	$ 446,500
Consumer Information Services	**264,759**	–	–
Equifax Europe	**225,353**	224,870	245,006
Equifax Latin America	**251,628**	277,015	341,834
Divested Operations	**–**	193,841	183,224
Other	**2,948**	3,951	3,517
	1,352,109	1,190,016	1,220,081
Payment Services:			
Card Solutions	**415,843**	418,662	419,389
Check Solutions	**83,365**	80,984	78,376
	499,208	499,646	497,765
Corporate	**218,320**	150,119	110,949
	$2,069,637	$1,839,781	$1,828,795

	2000	1999	1998
Depreciation and Amortization:			
Information Services:			
North American Information Services	**$ 47,821**	$ 40,328	$ 35,637
Consumer Information Services	**10,840**	–	–
Equifax Europe	**17,893**	17,093	12,076
Equifax Latin America	**15,680**	16,430	12,513
Divested Operations	**7,769**	9,802	10,254
Other	**768**	768	768
	100,771	84,421	71,248
Payment Services:			
Card Solutions	**35,907**	28,362	20,752
Check Solutions	**6,642**	7,266	6,957
	42,549	35,628	27,709
Corporate	**5,463**	5,214	4,868
	$148,783	$125,263	$103,825

	2000	1999	1998
Capital Expenditures (excluding property and equipment and other assets acquired in acquisitions):			
Information Services:			
North American Information Services	**$ 35,232**	$ 35,482	$ 34,120
Consumer Information Services	**5,330**	–	–
Equifax Europe	**13,761**	14,595	20,147
Equifax Latin America	**12,340**	10,108	4,874
Divested Operations	**1,388**	4,799	3,321
Other	**–**	–	–
	68,051	64,984	62,462
Payment Services:			
Card Solutions	**35,478**	47,502	37,053
Check Solutions	**3,302**	2,609	10,840
	38,780	50,111	47,893
Corporate	**3,831**	5,776	8,977
	$110,662	$120,871	$119,332

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Financial information by geographic area is as follows:

	2000		1999		1998	
	Amount	**%**	Amount	%	Amount	%
Operating revenue						
(based on location of customer):						
United States	**$1,415,153**	**72%**	$1,233,983	70%	$1,174,733	72%
Canada	**99,849**	**5**	97,251	5	96,628	6
United Kingdom	**200,195**	**10**	198,333	11	184,161	12
Brazil	**127,367**	**6**	115,985	7	62,253	4
Other	**123,317**	**6**	127,142	7	103,203	6
	$1,965,881	**100%**	$1,772,694	100%	$1,620,978	100%
Long-lived assets at December 31:						
United States	**$ 859,569**	**59%**	$ 557,960	45%	$ 511,482	39%
Canada	**96,773**	**7**	107,687	9	96,840	7
United Kingdom	**138,832**	**9**	212,651	17	215,254	16
Brazil	**207,230**	**14**	220,298	18	347,355	27
Other	**162,324**	**11**	131,752	11	137,499	11
	$1,464,728	**100%**	$1,230,348	100%	$1,308,430	100%

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS AND REPORT OF MANAGEMENT

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To Equifax Inc:

We have audited the accompanying consolidated balance sheets of Equifax Inc. (a Georgia corporation) and subsidiaries as of December 31, 2000 and 1999 and the related consolidated statements of income, shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2000. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Equifax Inc. and subsidiaries as of December 31, 2000 and 1999 and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2000 in conformity with accounting principles generally accepted in the United States.

Arthur Andersen LLP

Atlanta, Georgia
February 23, 2001

REPORT OF MANAGEMENT

The consolidated financial statements presented in this report, which were prepared by the Company, are based on generally accepted accounting principles applied on a consistent basis and are considered by management to reflect the financial position of the Company at December 31, 2000 and 1999, and the results of operations and cash flows for each of the three years in the period ended December 31, 2000.

The integrity and objectivity of the data in these financial statements, including estimates and judgments relating to matters not concluded by year-end, are the responsibility of management. The Company and its subsidiaries maintain accounting systems and related controls, including a detailed budget and reporting system, to provide reasonable assurance that financial records are reliable for preparing the consolidated financial statements and for maintaining accountability of assets. The system of controls also provides assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization. Periodic reviews of the systems and controls are performed by the Company's internal auditors.

The system of controls includes the careful selection of people, a division of responsibility consistent with cost effectiveness, and the application of formal policies and procedures that are consistent with good standards of accounting and administrative practices.

Philip J. Mazzilli

Philip J. Mazzilli
Executive Vice President
and Chief Financial Officer

BOARD OF DIRECTORS AND OFFICERS

DIRECTORS

Thomas F. Chapman
Chairman of the Board &
Chief Executive Officer
Equifax Inc., 1994

Lee A. Ault, III
Chairman of the Board
In-Q-Tel, Inc., 1991

John L. Clendenin
Retired Chairman
BellSouth Corporation,1982

A. William Dahlberg
Chairman
Mirant Corporation, 1992

Robert P. Forrestal
Of Counsel
Smith, Gambrell & Russell
Retired President &
Chief Executive Officer
Federal Reserve Bank of Atlanta, 1996

L. Phillip Humann
Chairman, President &
Chief Executive Officer
SunTrust Banks, Inc., 1992

Lee A. Kennedy
President &
Chief Operating Officer
Equifax Inc., 1999

Larry L. Prince
Chairman &
Chief Executive Officer
Genuine Parts Company, 1988

D. Raymond Riddle
Retired Chairman &
Chief Executive Officer
National Service Industries, Inc., 1989

Betty L. Siegel, Ph.D.*
President
Kennesaw State University, 1987

Louis W. Sullivan, M.D.
President
Morehouse School of Medicine, 1995

Jacquelyn M. Ward
Outside Managing Director
Intec Telecom Systems, 1999

EXECUTIVE OFFICERS

Thomas F. Chapman
Chairman of the Board &
Chief Executive Officer

Lee A. Kennedy
President & Chief Operating Officer

William V. Catucci
Executive Vice President –
The Americas

C. Richard Crutchfield
Executive Vice President –
Europe, Asia, Internet

Philip J. Mazzilli
Executive Vice President and
Chief Financial Officer

Larry J. Towe
Executive Vice President –
Payment Services

Virgil P. Gardaya
Corporate Vice President and
Chief Technology Officer

Karen H. Gaston
Corporate Vice President,
Human Resources &
Community Relations

Kent E. Mast
Corporate Vice President,
General Counsel and Secretary

Michael T. Vollkommer
Corporate Vice President
and Controller

Michael G. Schirk
Vice President and Treasurer

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TRANSFER AGENT AND REGISTRAR
SunTrust Bank
Stock Transfer Department
P. O. Box 4625
Atlanta, Georgia 30302
Tel 800 568 3476

AUDITORS
Arthur Andersen LLP
133 Peachtree Street, N.E.
Atlanta, Georgia 30303

** Retired January 24, 2001*

Date indicates year of election

SHAREHOLDER INFORMATION

Equifax began operations in 1899 and became a publicly owned corporation in 1965. Since 1971, Equifax common stock has been listed on the New York Stock Exchange under the symbol EFX. As of December 31, 2000, Equifax has approximately 10,700 shareholders of record.

DIVIDENDS

Cash dividends have been paid by Equifax for 88 consecutive years and dividends have been increased in 19 of the last 21 years. In 2000, investors were paid dividends of 37.00 cents per share. In most cases, shareholders of record receive cash dividends quarterly on specific payable dates.

DIVIDENDS PER SHARE

Quarter	1996	1997	1998	1999	**2000**
First	$0.083	$0.083	$0.088	$0.090	**$0.093**
Second	$0.083	$0.088	$0.088	$0.090	**$0.093**
Third	$0.083	$0.088	$0.088	$0.090	**$0.093**
Fourth	$0.083	$0.088	$0.090	$0.093	**$0.093**
Annual	$0.330	$0.345	$0.353	$0.363	**$0.370**

INVESTORS' SERVICE PLAN

Equifax introduced the Investors' Service Plan on June 1, 1997, to provide shareholders and other investors with a convenient and economical way to purchase shares of Equifax common stock directly through the Plan. Current shareholders may purchase additional shares and non-shareholders may make initial investments through the Plan Administrator, SunTrust Bank. Under the terms of the Plan, shareholders may reinvest their quarterly dividends and may make optional cash investments weekly in amounts up to $10,000 per month. Shareholders may also deposit their certificates with the Plan Administrator for safekeeping. A brochure and enrollment form is available by calling the toll-free number (888) 887-2971.

ANNUAL SHAREHOLDERS' MEETING

The Equifax annual meeting for shareholders will be held at 10:00 a.m. on Wednesday, May 2, 2001, at the Georgia Center for Advanced Telecommunications Technology, 250 14th Street, NW, Atlanta, Georgia. Proxies will be mailed to all shareholders before the meeting.

EQUIFAX ON THE INTERNET

A broad range of consumer, business, and investor information is available from the Equifax corporate home page at www.equifax.com.

INVESTOR RELATIONS

Investor requests for financial information may be directed by phone to (404) 885-8735, in writing to P.O.Box 4081, Atlanta, Georgia 30302, or by e-mail to investor@equifax.com. Requests may be faxed to (404) 885-8988. Form10-K, the Annual Report to the Securities and Exchange Commission, will be available after March 31, 2001. Shareholders may obtain a copy without charge by writing to the Corporate Secretary, P.O. Box 4081, Atlanta, Georgia 30302.

STOCK PRICES

(In dollars)	1996*		1997*		1998		1999		**2000**	
	High	Low	High	Low	High	Low	High	Low	**High**	**Low**
1st Quarter	20.141	15.891	30.094	23.938	37.625	31.750	39.875	31.375	**25.500**	**19.875**
2nd Quarter	24.844	17.563	33.281	23.719	40.688	33.938	38.438	33.250	**29.688**	**23.375**
3rd Quarter	24.500	21.594	33.000	27.750	44.125	29.750	36.938	26.750	**27.250**	**23.250**
4th Quarter	30.875	23.719	36.438	28.625	45.000	31.438	28.313	20.125	**36.500**	**26.000**
Year	30.875	15.891	36.438	23.719	45.000	29.750	39.875	20.125	**36.500**	**19.875**

** Stock prices have been adjusted to reflect the spin-off of ChoicePoint.*

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We thank each of the Equifax employees worldwide whose talents contributed to the Company's record performance in 2000, and whose dedication has made us a leader in the communities where we live and work. We also thank the customers who allow us to help them facilitate and secure commerce around the world. And to our shareholders, we look forward to rewarding your support with ever-increasing value.

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