UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2006

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

Commission File Number: 001-06605

EQUIFAX INC.

(Exact name of registrant as specified in its charter)

Georgia (State or other jurisdiction of incorporation or organization)	**58-0401110** (I.R.S. Employer Identification No.)
1550 Peachtree Street, N.W., Atlanta, Georgia (Address of principal executive offices)	**30309** (Zip Code)

404-885-8000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (check one)

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at July 31, 2006
Common Stock, $1.25 Par Value	126,629,022

EQUIFAX INC.

QUARTERLY REPORT ON FORM 10-Q

QUARTER ENDED JUNE 30, 2006

INDEX

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

EQUIFAX INC.

CONSOLIDATED STATEMENTS OF INCOME

(In millions, except per share amounts)	Three Months Ended June 30, 2006 (Unaudited)	Three Months Ended June 30, 2005 (Unaudited)
Operating revenue	**$ 387.7**	$ 363.4
Operating expenses:		
Cost of services (exclusive of depreciation and amortization below)	**161.8**	147.8
Selling, general and administrative expenses	**109.0**	88.8
Depreciation and amortization	**20.5**	20.1
Total operating expenses	**291.3**	256.7
Operating income	**96.4**	106.7
Interest expense	**(8.2)**	(9.8)
Minority interests in earnings, net of tax	**(1.1)**	(1.3)
Other income, net	**15.0**	2.4
Income before income taxes	**102.1**	98.0
Provision for income taxes	**(32.5)**	(35.4)
Net income	**$ 69.6**	$ 62.6
Basic earnings per common share	**$ 0.54**	$ 0.48
Shares used in computing basic earnings per share	**128.1**	129.8
Diluted earnings per common share	**$ 0.53**	$ 0.47
Shares used in computing diluted earnings per share	**130.4**	132.7
Dividends per common share	**$ 0.04**	$ 0.04

See Notes to Consolidated Financial Statements.

EQUIFAX INC.

CONSOLIDATED STATEMENTS OF INCOME

(In millions, except per share amounts)	Six Months Ended June 30, 2006 (Unaudited)	Six Months Ended June 30, 2005 (Unaudited)
Operating revenue	**$ 761.7**	$ 706.8
Operating expenses:		
Cost of services (exclusive of depreciation and amortization below)	**311.7**	290.3
Selling, general and administrative expenses	**202.8**	167.8
Depreciation and amortization	**41.6**	40.0
Total operating expenses	**556.1**	498.1
Operating income	**205.6**	208.7
Interest expense	**(16.1)**	(18.9)
Minority interests in earnings, net of tax	**(2.0)**	(2.6)
Other income, net	**15.5**	5.1
Income before income taxes	**203.0**	192.3
Provision for income taxes	**(70.5)**	(71.1)
Net income	**$ 132.5**	$ 121.2
Basic earnings per common share	**$ 1.03**	$ 0.93
Shares used in computing basic earnings per share	**128.6**	129.8
Diluted earnings per common share	**$ 1.01**	$ 0.91
Shares used in computing diluted earnings per share	**131.0**	132.6
Dividends per common share	**$ 0.08**	$ 0.07

See Notes to Consolidated Financial Statements.

EQUIFAX INC.

CONSOLIDATED BALANCE SHEETS

(In millions, except par values)	June 30, 2006 (Unaudited)	December 31, 2005
ASSETS		
Current assets:		
Cash and cash equivalents	**$ 48.2**	$ 37.5
Trade accounts receivable, net of allowance for doubtful accounts of $10.6 at June 30, 2006 and $9.6 at December 31, 2005	**239.0**	216.0
Prepaid expenses	**24.9**	17.9
Other current assets	**10.4**	9.0
Total current assets	**322.5**	280.4
Property and equipment:		
Capitalized internal-use software and system costs	**225.3**	205.9
Data processing equipment and furniture	**131.4**	124.5
Land, buildings and improvements	**29.2**	29.1
Total property and equipment	**385.9**	359.5
Less accumulated depreciation and amortization	**(227.6)**	(202.7)
Total property and equipment, net	**158.3**	156.8
Goodwill	**804.8**	791.2
Indefinite-lived intangible assets	**95.3**	95.0
Purchased intangible assets, net	**250.2**	263.4
Prepaid pension asset	**191.5**	183.7
Other assets, net	**61.1**	61.0
Total assets	**$ 1,883.7**	$ 1,831.5
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term debt and current maturities	**$ 95.6**	$ 92.3
Accounts payable	**16.8**	5.9
Accrued expenses	**51.4**	54.0
Accrued salaries and bonuses	**26.1**	40.7
Deferred revenue	**63.9**	49.2
Accrued legal expenses	**20.0**	6.1
Other current liabilities	**38.8**	46.3
Total current liabilities	**312.6**	294.5
Long-term debt	**433.8**	463.8
Deferred income tax liabilities, net	**129.8**	126.1
Other long-term liabilities	**114.8**	126.8
Total liabilities	**991.0**	1,011.2
Commitments and contingencies (see Note 5)		
Shareholders' equity:		
Preferred stock, $0.01 par value: Authorized shares—10.0; Issued shares—none	**—**	—
Common stock, $1.25 par value: Authorized shares—300.0; Issued shares—185.9 at June 30, 2006 and 185.2 at December 31, 2005; Outstanding shares—127.3 at June 30, 2006 and 129.2 at December 31, 2005	**232.4**	231.5
Paid-in capital	**587.5**	559.0
Retained earnings	**1,647.0**	1,525.1
Accumulated other comprehensive loss	**(138.3)**	(157.8)
Treasury stock, at cost, 54.4 shares at June 30, 2006 and 51.7 shares at December 31, 2005	**(1,374.2)**	(1,274.6)
Stock held by employee benefit trusts, at cost, 4.2 shares at June 30, 2006 and 4.3 shares at December 31, 2005	**(61.7)**	(62.9)
Total shareholders' equity	**892.7**	820.3
Total liabilities and shareholders' equity	**$ 1,883.7**	$ 1,831.5

See Notes to Consolidated Financial Statements.

EQUIFAX INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)	Six Months Ended June 30, 2006 (Unaudited)	Six Months Ended June 30, 2005 (Unaudited)
Operating activities:		
Net income	**$ 132.5**	$ 121.2
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**41.6**	40.0
Stock-based compensation expense	**10.8**	3.8
Tax effects of stock-based compensation plans	**4.2**	7.4
Excess tax benefits from stock-based compensation plans	**(2.9)**	—
Deferred income taxes	**0.3**	13.3
Changes in assets and liabilities, excluding effects of acquisitions:		
Accounts receivable, net	**(20.5)**	(16.8)
Prepaid expenses and other current assets	**(6.6)**	0.2
Other assets	**(4.7)**	(13.6)

Current liabilities, excluding debt	**14.3**	(15.2)
Other long-term liabilities, excluding debt	**(13.0)**	(8.0)
Cash provided by operating activities	**156.0**	132.3
Investing activities:		
Capital expenditures	**(26.5)**	(22.1)
Acquisitions, net of cash acquired	**—**	(104.5)
Other	**(0.1)**	10.1
Cash used in investing activities	**(26.6)**	(116.5)
Financing activities:		
Net short-term borrowings	**3.3**	11.4
Net repayments under long-term revolving credit facilities	**(30.0)**	—
Treasury stock purchases	**(98.6)**	(55.0)
Dividends paid	**(10.3)**	(9.4)
Proceeds from exercise of stock options	**13.4**	31.0
Excess tax benefits from stock-based compensation plans	**2.9**	—
Other	**0.1**	0.5
Cash used in financing activities	**(119.2)**	(21.5)
Effect of foreign currency exchange rates on cash and cash equivalents	**0.5**	(1.7)
Increase (decrease) in cash and cash equivalents	**10.7**	(7.4)
Cash and cash equivalents, beginning of period	**37.5**	52.1
Cash and cash equivalents, end of period	**$ 48.2**	$ 44.7

See Notes to Consolidated Financial Statements.

EQUIFAX INC.

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE INCOME

(UNAUDITED)

	Common Stock							
	Outstanding Shares	**Amount**	**Paid-In Capital**	**Retained Earnings**	**Accumulated Other Comprehensive Loss**	**Treasury Stock**	**Stock Held By Employee Benefit Trusts**	**Total Shareholders' Equity**
					(In millions)			
Balance, December 31, 2005	129.2	$ 231.5	$ 559.0	$ 1,525.1	$ (157.8)	$ (1,274.6)	$ (62.9)	$ 820.3
Net income	—	—	—	**132.5**	—	—	—	**132.5**
Other comprehensive income	—	—	—	—	**19.5**	—	—	**19.5**
Shares issued under stock plans	**0.6**	**0.7**	**10.6**	—	—	—	—	**11.3**
Shares issued under benefits plans	**0.1**	—	**1.5**	—	—	—	**1.2**	**2.7**
Treasury stock traded for minimum tax withholdings	—	—	—	—	—	**(1.6)**	—	**(1.6)**
Treasury stock traded for option price	—	—	**0.2**	—	—	**(1.0)**	—	**(0.8)**
Treasury stock purchased ($36.75 per share)*	**(2.6)**	—	—	—	—	**(97.0)**	—	**(97.0)**
Cash dividends ($0.08 per share)	—	—	—	**(10.6)**	—	—	—	**(10.6)**
Stock-based compensation expense	—	—	**10.8**	—	—	—	—	**10.8**
Tax effects of stock-based compensation plans	—	—	**4.2**	—	—	—	—	**4.2**
Dividends paid to employee benefits trusts	—	—	**0.3**	—	—	—	—	**0.3**
Other	—	**0.2**	**0.9**	—	—	—	—	**1.1**
Balance, June 30, 2006	**127.3**	**$ 232.4**	**$ 587.5**	**$ 1,647.0**	**$ (138.3)**	**$ (1,374.2)**	**$ (61.7)**	**$ 892.7**

*At June 30, 2006, $248.4 million was authorized for future repurchases of our common stock.

Accumulated Other Comprehensive Loss consists of the following components:

	June 30, 2006	**December 31, 2005**
	(In millions)	
Foreign currency translation	**$ (121.2)**	$ (140.1)
Minimum pension liability, net of accumulated tax of $10.0 at June 30, 2006 and December 31, 2005	**(16.7)**	(16.7)
Cash flow hedging transactions, net of tax of $0.3 and $0.6 at June 30, 2006 and December 31, 2005, respectively	**(0.4)**	(1.0)
Accumulated other comprehensive loss	**$ (138.3)**	$ (157.8)

Comprehensive Income is as follows:

	Three Months Ended June 30,		**Six Months Ended June 30,**	
	2006	**2005**	**2006**	**2005**
	(In millions)			
Net income	**$ 69.6**	$ 62.6	**$ 132.5**	$ 121.2
Other comprehensive income (loss):				
Foreign currency translation adjustment	**10.5**	7.8	**18.9**	1.1
Change in cumulative loss from cash flow hedging transactions	**0.2**	(0.3)	**0.6**	0.2
Minimum pension liability adjustment	**—**	—	**—**	(1.0)
Comprehensive income	**$ 80.3**	$ 70.1	**$ 152.0**	$ 121.5

See Notes to Consolidated Financial Statements.

EQUIFAX INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
June 30, 2006

As used herein, the terms “Equifax”, “the Company”, “we”, “our” and “us” refer to Equifax Inc., a Georgia corporation, and its consolidated subsidiaries as a combined entity, except where it is clear that the terms mean only Equifax Inc.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations. We collect, organize and manage various types of financial, demographic and marketing information. Our products and services enable businesses to make credit and service decisions, manage their portfolio risk and develop marketing strategies concerning consumers and commercial enterprises. We serve customers across a wide range of industries, including the financial services, mortgage, retail, telecommunications, utilities, automotive, brokerage, healthcare and insurance industries, as well as state and federal governments. We also enable consumers to manage and protect their financial health through a portfolio of products offered directly to individuals. We operate in 13 countries: North America (the U.S., Canada and Costa Rica), Europe (the United Kingdom, Ireland, Spain and Portugal) and Latin America (Brazil, Argentina Chile, El Salvador, Peru and Uruguay). For information about our operating segments, including product and service offerings, see Note 8 of the Notes to Consolidated Financial Statements.

Basis of Presentation. The accompanying unaudited Consolidated Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, the unaudited Consolidated Financial Statements do not include all of the information and footnotes required by GAAP for complete financial statements. As a result, these Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and the notes thereto included in our annual report on Form 10-K for the fiscal year ended December 31, 2005 (“2005 Form 10-K”).

We believe that the accompanying unaudited Consolidated Financial Statements reflect all adjustments, consisting of normal recurring items, considered necessary for a fair statement of results for the interim periods presented.

We have reclassified certain prior period amounts in our Consolidated Financial Statements to conform to the current period presentation, including the reclassification of prior year amounts related to the presentation of purchased software from other assets, net to capitalized internal-use software and system costs on our Consolidated Balance Sheets. The purchased software balance and related accumulated amortization was $53.0 million and $28.3 million, respectively, at June 30, 2006, and $43.5 million and $23.7 million, respectively, at December 31, 2005.

Earnings Per Share. In accordance with Statement of Financial Accounting Standards (“SFAS”) No. 128, “Earnings per Share,” our basic earnings per share (“EPS”) is calculated as net income 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 our EPS calculations is the same for both basic and diluted EPS. A reconciliation of the weighted-average outstanding shares used in the two calculations is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
	(In millions)			
Weighted-average shares outstanding (basic)	**128.1**	129.8	**128.6**	129.8
Effect of dilutive securities:				
Stock options	**1.8**	2.3	**1.9**	2.2
Long-term incentive plans	**0.5**	0.6	**0.5**	0.6
Weighted-average shares outstanding (diluted)	**130.4**	132.7	**131.0**	132.6

Between July 1, 2006 and August 1, 2006, we purchased 0.8 million shares of our common stock for $25.7 million under the stock repurchase program authorized by our Board of Directors.

Recent Accounting Pronouncements. In July 2006, the Financial Accounting Standards Board (“FASB”) issued FASB Interpretation No. 48, “Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109” (“FIN 48”), which provides clarification related to the process associated with accounting for uncertain tax positions recognized in the Company’s Consolidated Financial Statements. FIN 48 prescribes a more likely than not threshold for financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return. FIN 48 also provides guidance related to, among other things, classification, accounting for interest and penalties associated with tax positions, and disclosure requirements. We are required to adopt FIN 48 on January 1, 2007. We are currently evaluating the impact of adopting FIN 48 on our Consolidated Financial Statements.

2. STOCK-BASED COMPENSATION

On January 1, 2006, we adopted SFAS No. 123R, “Share-Based Payment,” (“SFAS No. 123R”), which replaced SFAS No. 123, “Accounting for Stock-Based Compensation” (“SFAS No. 123”), and superseded Accounting Principles Board Opinion No. 25, “Accounting for Stock Issued to Employees” (“APB No. 25”). SFAS No. 123R requires that the cost relating to share-based payment transactions in which an entity exchanges its equity instruments for goods or services from either employees or non-employees be recognized in the financial statements as the goods are received or services are rendered. That cost is measured based on the fair value of the equity or liability instruments issued. We are no longer permitted to follow the intrinsic value accounting method of APB No. 25, which resulted in no expense being recorded for stock option grants for which the exercise price was equal to the fair value of the underlying stock on the date of grant. Prior to the adoption of SFAS No. 123R, we recognized compensation expense for nonvested stock over the stated vesting period in accordance with APB No. 25.

SFAS No. 123R applies to all of our outstanding unvested share-based payment awards as of January 1, 2006 and all prospective awards. All of our stock-based awards, which are stock options and nonvested stock, are classified as equity instruments. In accordance with SFAS No. 123R, we elected to use the modified prospective transition method as opposed to the modified retrospective transition method. Under the modified prospective transition method, financial statements prior to adoption remain unchanged. The following discusses several other elections we made as a result of adopting SFAS No. 123R:

- For our pro forma disclosures under SFAS No. 123, we used the Black-Scholes option pricing model. Upon the adoption of SFAS No. 123R, we compute the fair value of options granted on or after January 1, 2006 using the binomial model. Additionally, based on the guidance in Securities and Exchange Commission Staff Accounting Bulletin No. 107, "Share-Based Payment", we changed our expected volatility assumption used in the binomial model. We will revisit all assumptions at each grant date. The fair value of stock options granted prior to the adoption of SFAS No. 123R, calculated using the Black-Scholes model, remains unchanged.

· Forfeitures under SFAS No. 123 were recognized when they occurred. SFAS No. 123R, however, requires forfeitures to be estimated at the grant date. Accordingly, compensation cost is recognized based on the number of awards expected to vest. There may be adjustments in future periods if actual forfeitures differ from our estimates. For nonvested shares granted prior to our adoption of SFAS No. 123R, we recorded a cumulative catch-up adjustment in January 2006 related to estimated forfeitures. This positive adjustment was not material to our Consolidated Financial Statements. Our forfeiture rate is based upon historical experience as well as anticipated employee turnover considering certain qualitative factors.

· Generally, our stock options are subject to graded vesting, while our nonvested shares are subject to cliff vesting. SFAS No. 123R permits entities to elect between the accelerated recognition method or straight-line recognition method for recognizing compensation cost related to awards subject to graded vesting based on a service condition. Consistent with our prior practice, we continue to apply the accelerated recognition method related to awards subject to graded vesting, which results in more compensation cost early in the vesting period.

Our nonvested stock has accelerated vesting features upon retirement, while our stock options continue to vest over the same vesting schedule even though no additional service is required by the employee after retirement. Upon the adoption of SFAS No. 123R, we began recognizing compensation cost related to new stock-based awards from the grant date through the date the employee is eligible to receive the award without further service, such as when the employee becomes retirement eligible, which may be shorter than the stated vesting period. For stock-based awards granted prior to the adoption of SFAS No. 123R, we recognized compensation cost over the stated vesting period and recognized the impact, if any, upon retirement; this recognition policy will continue for any such awards that were unvested at the time of adoption.

Stock-Based Award Plans.

Stock Options. Our shareholders have approved a stock option plan which provides that qualified and nonqualified stock options may be granted to officers and employees. In addition, stock options remain outstanding under two plans from which no new grants may be made. Authorized stock option grants can only be made from shareholder approved plans. The plan requires that stock options be granted at exercise prices not less than market value on the date of grant. Generally, stock options are subject to graded vesting for periods of up to three years based on service, with 25% vesting immediately upon grant, and expire ten years from the grant date. The following table summarizes changes in outstanding stock

options during the six months ended June 30, 2006, as well as stock options that are vested and expected to vest and stock options exercisable at June 30, 2006:

	Shares (in thousands)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in millions)
Outstanding at December 31, 2005	6,453	$ 22.68		
Granted (all at market price)	751	$ 36.56		
Exercised	(693)	$ 20.60		
Forfeited and cancelled	(71)	$ 30.87		
Outstanding at June 30, 2006	6,440	$ 24.44	6.2	$ 65.5
Vested and expected to vest at June 30, 2006	6,312	$ 24.31	6.1	$ 65.0
Exercisable at June 30, 2006	5,360	$ 22.75	5.7	$ 62.6

The aggregate intrinsic value amounts in the table above represent the difference between the closing price of Equifax's common stock on June 30, 2006 and the exercise price, multiplied by the number of in-the-money stock options as of the same date. This represents the amount that would have been received by the stock option holders if they had all exercised their stock options on June 30, 2006. In future periods, this amount will change depending on fluctuations in Equifax's stock price. The total intrinsic value of stock options exercised during the three and six months ended June 30, 2006 was $4.2 million and $11.9 million, respectively.

Nonvested Stock. Our plan also provides for awards of nonvested shares of our common stock that can be granted to executive officers, employees and directors. Nonvested stock awards are generally subject to cliff vesting over a period between three to five years based on service. The following table summarizes changes in our nonvested stock during the six months ended June 30, 2006 and the related weighted-average grant date fair value:

	Shares (in thousands)	Weighted-Average Grant Date Fair Value
Nonvested at December 31, 2005	689	$ 28.74
Granted	232	$ 37.15
Vested	(111)	$ 27.12
Forfeited	(10)	$ 28.34
Nonvested at June 30, 2006	800	$ 31.40

The total fair value of nonvested stock that vested during the three and six months ended June 30, 2006, was $2.8 million and $4.1 million, respectively, based on the weighted-average fair value on the vesting date and $2.3 million and $3.0 million, respectively, based on the weighted-average fair value on the date of grant.

We expect to issue new shares of common stock or common shares held by our employee benefits trust upon the exercise of stock options or once nonvested shares vest. We do not expect to change our policies related to stock-based awards, such as the quantity or type of instruments issued, as a result of adopting SFAS No. 123R, nor do we plan on changing the terms of our stock-based awards. At June 30, 2006, there were 2.4 million shares available for future stock option grants and nonvested stock awards.

Measurement of Fair Value.

Stock Options. We use the binomial model to calculate the fair value of stock options granted on or after January 1, 2006. The binomial model incorporates assumptions regarding anticipated employee exercise behavior, expected stock price volatility, dividend yield and risk-free interest rate. Anticipated employee exercise behavior and expected post-vesting cancellations over the contractual term used in the binomial model were primarily based on historical exercise patterns. These historical exercise patterns indicated there was not significantly different exercise behavior between employee groups. For our expected stock price volatility assumption, we weighted historical volatility and implied volatility. We used daily observations for historical volatility, while our implied volatility assumption was based on actively traded options related to our common stock. The expected term is derived from the binomial model based on assumptions incorporated into the binomial model as described above.

The fair value for stock options granted during the three and six months ended June 30, 2006 and 2005, was estimated at the date of grant using the binomial model and the Black-Scholes model, respectively, with the following weighted-average assumptions:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
Dividend yield	0.5%	0.5%	0.5%	0.5%
Expected volatility	23.9%	31.4%	24.1%	31.4%
Risk-free interest rate	4.9%	3.7%	4.8%	3.7%
Expected term (in years)	4.4	4.5	4.4	4.5
Weighted-average fair value of stock options granted	$8.27	$9.86	$8.32	$9.76

Nonvested Stock. The fair value of nonvested stock is based on the fair market value of our common stock on the date of grant. However, since our nonvested stock does not pay dividends during the vesting period, the fair value on the date of grant is reduced by the present value of the expected dividends over the requisite service period (discounted using the appropriate risk-free interest rate).

Financial Statement Impact. Total stock-based compensation expense was $6.6 million and $2.1 million, for the three months ended June 30, 2006 and 2005, respectively, of which $6.2 million and $2.1 million, respectively, was included in selling, general and administrative expenses in our Consolidated Statements of Income. The income tax benefit related to stock-based compensation expense was $2.3 million and $0.8 million for the three months ended June 30, 2006 and 2005, respectively.

Total stock-based compensation expense was $10.8 million and $3.8 million, for the six months ended June 30, 2006 and 2005, respectively, of which $10.1 million and $3.8 million, respectively, was included in selling, general and administrative expenses in our Consolidated Statements of Income. The income tax benefit related to stock-based compensation expense was $3.8 million and $1.4 million for the six months ended June 30, 2006 and 2005, respectively.

For the three months ended June 30, 2006, the incremental negative impact of adopting SFAS No. 123R was $3.5 million, pretax, and $2.3 million, net of tax, with a $0.02 impact on basic and diluted EPS. For the six months ended June 30, 2006, the incremental negative impact of adopting SFAS No. 123R was $5.8 million, pretax, and $3.9 million, net of tax, with a $0.03 impact on basic and diluted EPS. The incremental impact of SFAS No. 123R during the three and six months ended June 30, 2006 represents (1) the stock option expense related to stock options unvested at the time of adoption and those granted during the six months ended June 30, 2006, (2) the accelerated expense recognition for nonvested shares that were granted during the six months ended June 30, 2006, to employees that are retirement eligible prior to the expiration of the stated vesting period, and (3) the impact of estimating forfeitures related to nonvested shares.

At June 30, 2006, our total unrecognized compensation cost related to nonvested stock and stock options was $15.1 million with a weighted-average recognition period of 2.4 years and $5.0 million with a weighted-average recognition period of 1.3 years, respectively.

SFAS No. 123R requires that benefits of tax deductions in excess of recognized compensation cost be reported as a financing cash flow, rather than as an operating cash flow as required under prior accounting standards. This requirement reduced operating cash flows and increased financing cash flows by $2.9 million during the six months ended June 30, 2006.

Prior to January 1, 2006, we accounted for stock-based compensation under APB No. 25 and related interpretations, as permitted by SFAS No. 123 and SFAS No. 148, "Accounting for Stock-Based Compensation—Transitional Disclosure." Accordingly, by our use of the intrinsic value method to account for stock-based employee compensation, we did not recognize compensation cost in connection with our stock option plans during the three and six months ended June 30, 2005. If we had elected to recognize compensation cost for our stock options granted during the three and six months ended June 30, 2005 based on the grant date fair value as prescribed by SFAS No. 123, net income and EPS would have been reduced to the pro forma amounts indicated in the table below:

(In millions, except per share amounts)	Three Months Ended June 30, 2005	Six Months Ended June 30, 2005
Net income, as reported	$62.6	$ 121.2
Add: Total stock-based employee compensation expense, net of related tax effect, included in reported net income	1.3	2.4
Deduct: Total stock-based employee compensation expense determined under fair value-based method for all awards, net of related tax effects	(2.9)	(5.5)
Pro forma net income	$61.0	$ 118.1
Earnings per share:		
Basic—as reported	$0.48	$ 0.93
Basic—pro forma	$0.47	$ 0.91
Diluted—as reported	$0.47	$ 0.91
Diluted—pro forma	$0.46	$ 0.89

3. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill. Goodwill represents the cost in excess of the fair value of the net assets acquired in a business combination. In accordance with SFAS No. 142, "Goodwill and Other Intangible Assets" ("SFAS No. 142"), goodwill is tested for impairment at the reporting unit level on an annual basis or on an interim basis if an event occurs or circumstances change that would reduce the fair value of a reporting unit below its carrying value. We perform our annual goodwill impairment test as of September 30. Goodwill allocated to our reporting units at December 31, 2005 and changes in the carrying amount of goodwill during the six months ended June 30, 2006 are as follows:

	Information Services	Marketing Services	Personal Solutions	European Operations	Latin American Operations	Corporate	Total
				(In millions)			
Balance, December 31, 2005	$ 232.8	$ 289.5	$ 1.8	$ 105.4	$ 155.8	$ 5.9	$ 791.2

Purchase price adjustment	—	(0.2)	—	—	—	—	(0.2)
Foreign currency translation	2.0	—	—	6.5	5.3	—	13.8
Balance, June 30, 2006	$ 234.8	$ 289.3	$ 1.8	$ 111.9	$ 161.1	$ 5.9	$ 804.8

Indefinite-Lived Intangible Assets. Indefinite-lived intangible assets consist of contractual/territorial rights representing the estimated fair value of rights to operate in certain territories acquired through the purchase of independent credit reporting agencies in the U.S. and Canada. Our contractual/territorial rights are perpetual in nature and, therefore, the useful lives are considered indefinite. Indefinite-lived

intangible assets are not amortized. In accordance with SFAS No. 142, we are required to test indefinite-lived intangible assets for impairment annually or whenever events and circumstances indicate that there may be an impairment of the asset value. Our annual impairment test date is September 30.

Purchased Intangible Assets. Purchased intangible assets represent the estimated fair value of acquired intangible assets used in our business. Purchased data files represent the estimated fair value of files acquired primarily through the purchase of independent credit reporting agencies in the U.S. and Canada. We expense the cost of modifying and updating credit files in the period such costs are incurred. We generally amortize purchased data files, which primarily consist of acquired credit files, over 15 years on a straight-line basis. Acquired software is amortized over a period of three to seven years and non-compete agreements are amortized over a period of two to three years. All of our purchased intangible assets are amortized on a straight-line basis. Purchased intangible assets at June 30, 2006 and December 31, 2005 consist of the following:

	June 30, 2006			December 31, 2005		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
			(In millions)			
Definite-lived intangible assets:						
Purchased data files	**$ 394.6**	**$ (181.1)**	**$ 213.5**	$ 398.9	$ (176.2)	$ 222.7
Acquired software	**38.6**	**(13.9)**	**24.7**	38.7	(12.0)	26.7
Non-compete agreements	**11.9**	**(10.4)**	**1.5**	11.9	(9.2)	2.7
Customer relationships	**11.4**	**(1.4)**	**10.0**	11.4	(0.7)	10.7
Purchased trademarks	**0.8**	**(0.3)**	**0.5**	0.8	(0.2)	0.6
Total definite-lived intangible assets	**$ 457.3**	**$ (207.1)**	**$ 250.2**	$ 461.7	$ (198.3)	$ 263.4

Amortization expense related to purchased intangible assets was $7.7 million and $6.4 million during the three months ended June 30, 2006 and 2005, respectively. Amortization expense related to purchased intangible assets was $16.0 million and $13.8 million during the six months ended June 30, 2006 and 2005, respectively. Estimated future amortization expense related to definite-lived purchased intangible assets at June 30, 2006 is as follows:

Years ending December 31,	Amount (In millions)
Six months ending December 31, 2006	$ 15.3
2007	29.4
2008	28.3
2009	27.7
2010	27.4
Thereafter	122.1
	$ 250.2

4. DEBT

Debt outstanding at June 30, 2006 and December 31, 2005 was as follows:

	June 30, 2006	December 31, 2005
	(In millions)	
Notes, 4.95%, due November 2007	**$ 250.0**	$ 250.0
Debentures, 6.9%, due July 2028	**150.0**	150.0
Trade receivables-backed revolving credit facility	**90.0**	88.0
Borrowings under long-term revolving credit facilities	**35.0**	65.0
Other	**5.6**	4.4
Total debt	**530.6**	557.4
Less short-term debt and current maturities	**(95.6)**	(92.3)
Less unamortized discounts	**(1.2)**	(1.3)
Total long-term debt	**$ 433.8**	$ 463.8

On July 24, 2006, we amended and restated our existing five-year, $500 million senior unsecured revolving credit facility with SunTrust Bank, as Joint Lead and Administrative Agent, Banc of America Securities, LLC, as Joint Lead and Syndication Agent, and a number of other financial institutions. SunTrust Bank and Bank of America, N.A., of which Banc of America Securities, LLC is a subsidiary, are both considered related parties in accordance with SFAS No. 57, “Related Party Disclosures,” since members of our Board of Directors have affiliations with these companies. Under the Amended and Restated Credit Agreement (the “Amended Credit Agreement”), SunTrust Bank and Banc of America Securities, LLC have each committed $75.0 million. We believe that the terms of this transaction are at current market rates and would not have been any different had it been negotiated with an independent third party. For additional information about these related parties, see Note 12 of the Notes to Consolidated Financial Statements in our 2005 Form 10-K.

Under the Amended Credit Agreement, among other provisions, the term was extended from August 20, 2009 to July 24, 2011; the applicable margin for borrowings and the annual facility fee were lowered; the maximum leverage ratio (as defined in the Amended Credit Agreement) was increased from 3.0 to 1 to 3.50 to 1; and a minimum interest coverage ratio was deleted. The Amended Credit Agreement may be used for working capital and other general corporate purposes.

The Amended Credit Agreement also includes an "accordion" feature that will allow us to request an increase of up to $500 million in the maximum borrowing commitment, which cannot exceed $1.0 billion. Each member of the lending group may elect to participate or not participate in any request we make to increase the maximum borrowing commitment. In addition, any increase in the borrowing capacity pursuant to this accordion feature is subject to certain terms and conditions, including the absence of an event of default. The increased borrowing commitment may be used for general corporate purposes.

At June 30, 2006, interest was payable on borrowings under the existing credit facility at the base rate or London Interbank Offered Rate plus a specified margin or competitive bid option as selected by us from time to time. The annual facility fee and interest rate are subject to adjustment based on our debt ratings. As of June 30, 2006, $465.0 million was available and there were outstanding borrowings of $35.0 million under this facility.

5. COMMITMENTS AND CONTINGENCIES

Headquarters Lease. Other than facility leasing arrangements, we do not engage in off-balance sheet financing activities. We have entered into a synthetic lease on our Atlanta corporate headquarters building in order to provide us with favorable financing terms with regard to this facility. This $29.0 million lease

was entered into in 1998 and expires in 2010. Total lease payments for the remaining term total $6.9 million. Under this synthetic lease arrangement, we have also guaranteed the residual value of the leased property to the lessor. In the event that the property were to be sold by the lessor at the end of the lease term, we would be responsible for any shortfall of the sales proceeds, up to a maximum amount of $23.2 million, which equals 80% of the value of the property at the beginning of the lease term. A shortfall related to the residual value guarantee is being recognized as an expense ratably between January 1, 2005 through the end of the lease term. The liability for this shortfall, which was $4.0 million at June 30, 2006 and December 31, 2005, is recorded in other long-term liabilities on our Consolidated Balance Sheets.

Data Processing and Outsourcing Services Agreements. We have separate agreements with International Business Machines Corporation ("IBM"), R.L. Polk and Co., Acxiom Corporation and others with which we outsource portions of our computer data processing operations and related functions, and certain administrative functions. The agreements expire between 2006 and 2013. The estimated aggregate minimal contractual obligation remaining under these agreements is approximately $350 million as of December 31, 2005, with no future year expected to exceed approximately $70 million. Annual payment obligations in regards to these agreements vary due to factors such as the volume of data processed, changes in our servicing needs as a result of new product offerings, acquisitions or divestitures, the introduction of significant new technologies, foreign currency or the general rate of inflation. Our data processing outsourcing agreement with IBM was renegotiated in 2003 for a ten-year term. Under this agreement (which covers our operations in North America, the U.K., Ireland, Spain, Brazil and Chile), we have outsourced our mainframe and midrange operations, help desk service and desktop support functions and the operation of our voice and data networks. The scope of such services varies by location. During the twelve months ended December 31, 2005, 2004 and 2003, we paid $120.8 million, $110.5 million and $100.3 million, respectively, for these services. The estimated future minimum contractual obligation at December 31, 2005 under this agreement is $312.0 million, with no year expected to exceed $48.5 million. In certain circumstances (e.g., a change in control, or for our convenience), we may terminate these data processing and outsourcing agreements, and in doing so certain of these agreements require us to pay a significant penalty. Additionally, we may terminate these agreements without penalty in the event that IBM is in material breach of the terms of the agreement.

Agreement with Computer Sciences Corporation. We have an agreement with Computer Sciences Corporation and certain of its affiliates, collectively CSC, under which CSC-owned credit reporting agencies utilize our computerized credit database services. CSC retains ownership of its credit files and the revenues generated by its credit reporting activity. We receive a processing fee for maintaining the database and for each report supplied. The agreement expires July 31, 2008. The agreement provides us with an option to purchase CSC's credit reporting business 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. Under the agreement CSC also has an option, exercisable at any time, to sell its credit reporting business to us. The option expires in 2013. The option exercise price will be determined by agreement or by a third-party appraisal process and would be due in cash within 180 days after the exercise of the option. We estimate that if the option would have been exercised at December 31, 2005, the price range would approximate $650 million to $700 million. This estimate is based solely on our internal analysis of the value of the businesses, current market conditions and other factors, all of which are subject to constant change. Therefore, the actual option exercise price could be materially higher or lower than the estimated amount.

Guarantees. We will from time to time issue standby letters of credit, performance bonds or other guarantees in the normal course of business. The aggregate notional amount of all performance bonds and standby letters of credit is not material at June 30, 2006. Guarantees are issued from time to time to support the needs of operating units. We also guarantee the operating lease payments of a lease between third parties. The operating lease, which expires December 31, 2011, has a remaining balance of $7.3 million based on the undiscounted value of remaining lease payments, including real estate taxes, at

June 30, 2006. We believe that the likelihood of demand for payment by us is minimal and expect no material losses to occur related to this guarantee. Accordingly, we do not have a liability on our Consolidated Balance Sheets at June 30, 2006 or December 31, 2005 related to this guarantee.

General Indemnifications. We are the lessee under many real estate leases. It is common in these commercial lease transactions for us, as the lessee, to agree to indemnify the lessor and other related third parties for tort, environmental and other liabilities that arise out of or relate to our use or occupancy of the leased premises. This type of indemnity would typically make us responsible to indemnified parties for liabilities arising out of the conduct of, among others, contractors, licensees and invitees at or in connection with the use or occupancy of the leased premises. This indemnity often extends to related liabilities arising from the negligence of the indemnified parties, but usually excludes any liabilities caused by either their sole or gross negligence and their willful misconduct.

Certain of our credit agreements include provisions which require us to make payments to preserve an expected economic return to the lenders if that economic return is diminished due to certain changes in law or regulations. In certain of these credit agreements, we also bear the risk of certain changes in tax laws that would subject payments to non-U.S. lenders to withholding taxes.

In conjunction with certain transactions, such as sales or purchases of operating assets or services in the ordinary course of business, or the disposition of certain assets or businesses, we sometimes provide routine indemnifications, the terms of which range in duration and sometimes are not limited.

We cannot reasonably estimate our potential future payments under the indemnities and related provisions described above because we cannot predict when and under what circumstances these provisions may be triggered. We have no accrual related to indemnifications on our Consolidated Balance Sheets at June 30, 2006 and December 31, 2005.

Contingencies. We are involved in legal proceedings, claims and litigation arising in the ordinary course of business. We periodically assess our exposure related to these matters based on the information which is available. In accordance with SFAS No. 5, "Accounting for Contingencies," we have recorded accruals in our Consolidated Financial Statements for those matters in which it is probable that we have incurred a loss and the amount of the loss, or range of loss, can be reasonably estimated. During the second quarter of 2006, we recorded a $14.0 million loss contingency ($8.7 million, net of tax) related to certain legal matters. Of this $14.0 million loss, $11.5 million was recognized in selling, general and administrative expenses and $2.5 million was recognized in cost of services on our Consolidated Statements of Income during the three and six months ended June 30, 2006, and is included within our Personal Solutions segment financial results.

For other legal proceedings, claims and litigation, we cannot reasonably estimate the potential loss because of uncertainties about the outcome of the matter and the amount of the loss or range of loss. We also accrue for unpaid legal fees for services performed to date. Although the final outcome of these other matters cannot be predicted with certainty, any possible adverse outcome arising from these matters is not expected to have a material impact on our Consolidated Financial Statements, either individually or in the aggregate. However, our evaluation of the likely impact of these matters may change in the future.

In June 2006, we consummated a $15.2 million cash settlement with certain former shareholder sellers of Naviant, Inc. In 2004, we served a demand for arbitration alleging, among other things, that the sellers had breached various representations and warranties concerning information furnished to us in connection with our acquisition of Naviant, Inc. in 2002. As a result of this settlement, we recognized a $14.1 million non-taxable gain in other income, net on our Consolidated Statements of Income for the three and six months ended June 30, 2006. Additionally, the $15.2 million cash settlement was recorded in cash provided by operating activities on our Consolidated Statement of Cash Flows for the six months ended June 30, 2006.

Tax Matters. In 2003, the Canada Revenue Agency ("CRA") issued Notices of Reassessment asserting that Acrofax, Inc., a wholly-owned Canadian subsidiary of Equifax, is liable for additional tax for the 1995 through 2000 tax years, related to certain intercompany capital contributions and loans. The additional tax sought by the CRA for these periods ranges, based on alternative theories, from $7.7 million ($8.5 million Canadian dollars) to $17.1 million ($19.0 million Canadian dollars), plus interest and penalties. Acrofax has filed Notices of Objection in response to the Notices of Reassessment. On September 2, 2003, we made a statutorily-required deposit of $6.1 million ($6.8 million Canadian dollars) against the CRA's primary assessment theory, which is recorded in our Consolidated Balance Sheet at June 30, 2006. We intend to vigorously contest these reassessments and do not believe we have violated any statutory provision or rule. If the final outcome of this matter was unfavorable to us, an additional claim may be filed by the local province; the likelihood and potential amount of such claim is unknown at this time. We cannot predict when this tax matter will be resolved.

6. INCOME TAXES

Effective Tax Rate. The income tax provisions for the three and six months ended June 30, 2006 and 2005 were based on the estimated effective tax rates applicable for the twelve months ended December 31, 2006 and 2005, after considering items specifically related to the interim periods. Our effective income tax rate was 34.7% for the six months ended June 30, 2006 down from 37.0% for the same period in 2005. The reduction was due primarily to the non-taxable litigation settlement with certain former selling shareholders of Naviant, Inc. (as discussed in Note 5 of the Notes to Consolidated Financial Statements) and lower state income taxes, partially offset by additional tax expense related to non-deductible executive compensation and a higher foreign tax rate. The effective income tax rate was 31.8% for the three months ended June 30, 2006 and 36.1% for the same period in 2005, due to the same factors discussed above.

7. BENEFIT PLANS

We have defined benefit pension plans and defined contribution plans. Substantially all U.S., Canadian and U.K. employees participate in one or more of these plans. We also maintain certain health care and life insurance benefit plans for eligible retired employees. The measurement date for our defined benefit pension plans and other postretirement benefit plans is December 31 of each year.

The following table provides the components of net periodic benefit cost for the three months ended June 30, 2006 and 2005:

	Pension Benefits		Other Benefits	
	Three Months Ended June 30,			
	2006	2005	2006	2005
	(In millions)			
Service cost	**$ 2.4**	$ 2.0	**$ 0.1**	$ 0.1
Interest cost	**8.0**	7.9	**0.4**	0.4
Expected return on plan assets	**(10.3)**	(10.1)	**(0.3)**	(0.3)
Amortization of prior service cost	**0.1**	1.1	**0.1**	0.2
Recognized actuarial loss	**2.5**	2.1	**—**	—
Total net periodic benefit cost	**$ 2.7**	$ 3.0	**$ 0.3**	$ 0.4

The following table provides the components of net periodic benefit cost for the six months ended June 30, 2006 and 2005:

	Pension Benefits		Other Benefits	
	Six Months Ended June 30,			
	2006	2005	2006	2005
	(In millions)			
Service cost	**$ 4.8**	$ 3.9	**$ 0.2**	$ 0.2
Interest cost	**16.0**	15.8	**0.8**	0.8
Expected return on plan assets	**(20.5)**	(20.2)	**(0.6)**	(0.6)
Amortization of prior service cost	**0.3**	2.2	**0.2**	0.4
Recognized actuarial loss	**5.0**	4.2	**0.1**	—
Total net periodic benefit cost	**$ 5.6**	$ 5.9	**$ 0.7**	$ 0.8

8. SEGMENT INFORMATION

We manage our business and report our financial results through the following three reportable segments:

- North America
- Europe
- Latin America

The North America reportable segment consists of three operating segments, which we have aggregated in determining our reportable segments:

- Information Services
- Marketing Services
- Personal Solutions

The Europe and Latin America reportable segments include similar product lines.

The accounting policies of the reportable segments are the same as those described in our summary of significant accounting policies (see Note 1 of the Notes to Consolidated Financial Statements in our 2005 Form 10-K). We evaluate the performance of these reportable segments based on their operating revenues, operating income and operating margins, excluding any unusual or infrequent items, if any. Inter-segment sales and transfers are not material for all periods presented. The measurement criteria for segment profit or loss and segment assets are substantially the same for each reportable segment. All transactions between segments are accounted for at cost, and no timing differences occur between segments.

A summary of segment products and services is as follows:

North America. Information Services, which includes consumer and commercial services (such as credit information and credit scoring, credit modeling services, locate services, fraud detection and prevention services, mortgage loan origination information services, identity verification services and other consulting services); Marketing Services, which includes credit card marketing services and consumer demographic and lifestyle information services; and Personal Solutions, which includes credit monitoring and identity theft protection products sold directly to individuals.

Europe. Information Services, which includes consumer and commercial services (such as credit and financial information, credit scoring and credit modeling services), Credit Marketing Services and Personal Solutions.

Latin America. Information Services, which includes consumer and commercial services (such as credit and financial information, credit scoring and credit modeling services), Credit Marketing Services and Personal Solutions.

Operating revenue, operating income and income before taxes by segment for the three and six months ended June 30, 2006 and 2005 are as follows:

Operating revenue	Three Months Ended June 30, 2006	Three Months Ended June 30, 2005	Six Months Ended June 30, 2006	Six Months Ended June 30, 2005
	(In millions)			
North America				
Information Services	**$ 211.1**	$ 205.8	**$ 419.0**	$ 398.3
Marketing Services	**69.3**	62.8	**134.9**	121.6
Personal Solutions	**31.2**	29.3	**61.8**	59.1
North America	**311.6**	297.9	**615.7**	579.0
Europe	**37.6**	35.0	**72.5**	71.7
Latin America	**38.5**	30.5	**73.5**	56.1
Total operating revenue	**$ 387.7**	$ 363.4	**$ 761.7**	$ 706.8

Operating income	2006	2005	2006	2005
	(In millions)			
North America				
Information Services	**$ 88.4**	$ 88.1	**$ 177.5**	$ 172.4
Marketing Services	**24.4**	19.9	**44.9**	38.2
Personal Solutions	**(11.3)**	4.3	**(10.4)**	7.3
North America	**101.5**	112.3	**212.0**	217.9
Europe	**9.5**	7.7	**18.3**	15.7
Latin America	**11.0**	8.1	**20.4**	14.4
General Corporate Expense	**(25.6)**	(21.4)	**(45.1)**	(39.3)
Total operating income	**$ 96.4**	$ 106.7	**$ 205.6**	$ 208.7

Total assets at June 30, 2006 and December 31, 2005 are as follows:

Total assets	June 30, 2006	December 31, 2005
	(In millions)	
North America	**$ 1,221.3**	$ 1,207.0
Europe	**175.9**	162.8
Latin America	**245.7**	239.4
General Corporate	**240.8**	222.3
Total assets	**$ 1,883.7**	$ 1,831.5

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

As used herein, the terms "Equifax," "the Company," "we," "our" and "us" refer to Equifax Inc., a Georgia corporation, and its consolidated subsidiaries as a combined entity, except where it is clear that the terms mean only Equifax Inc.

The following discussion of our financial condition and results of operations should be read in conjunction with our Annual Report on Form 10-K for the fiscal year ended December 31, 2005 ("2005 Form 10-K") and our unaudited Consolidated Financial Statements and the related notes in Part I, Item 1—"Financial Statements," above.

All references to earnings per share data in this MD&A are to diluted earnings per share unless otherwise noted.

OVERVIEW

Our business plan is focused on providing a comprehensive information database, analytical resources to transform information into value-add insight for our customers and technology platforms that deliver highly customized decisioning tools that enable our customers to make decisions about their customers in "real time" at the point of interaction. Our products and services include consumer credit information, information database management, marketing information, commercial credit information, decisioning and analytical tools and identity verification services which enable businesses to make informed decisions about extending credit or service, managing portfolio risk and developing strategies for marketing to consumers and businesses. We also enable consumers to manage and protect their financial affairs through a portfolio of products that we sell directly and indirectly via the Internet and other marketing channels of distribution.

Information. We collect, organize and manage numerous types of credit, financial, public record, demographic and marketing information regarding individuals and businesses. This information originates from a variety of sources including financial or credit granting institutions, which provide loan and accounts receivable information; governmental entities, which provide public records of bankruptcies, liens and judgments; and consumers who participate in surveys and submit warranty registration cards from which we gather demographic and marketing information. Our proprietary databases contain information on more than 400 million consumers and businesses worldwide. The original data is compiled and processed utilizing our proprietary software and systems and distributed to customers in a variety of user-friendly and value-add formats.

Analytics and Insights. We have developed analytical tools for customers to use in their consumer and commercial oriented decisioning activities. These decisioning activities include numerous types of consumer interactions including customer acquisition, relationship management (e.g., up-selling and cross-selling) and risk management.

Enabling Technologies. Our enabling technologies include products such as ePort, APPLY, Decision Power, ID Authentication, Accel CM, Accel DM and InterConnect. These platforms are generally distributed using the application service provider model to allow for ease of integration into customers' in-house technology systems and to leverage our extensive technological systems and communication networks.

We are organized and report our business results in three reportable segments: North America, Europe and Latin America. The North America segment consists of three operating segments: Information Services, Marketing Services and Personal Solutions. The Europe and Latin America reportable segments are made up of varying mixes of three product lines: Information Services, Marketing Services and Personal Solutions. *Information Services* revenue is principally transaction-related and is

derived from our sales of the following products, a significant majority of which are delivered electronically: credit reporting and scoring, mortgage reporting, identity verification, fraud detection and modeling services, and certain of our decisioning products that facilitate and automate a variety of credit-oriented decisions. *Marketing Services* revenue is derived from sales of products that help customers acquire new customers, cross-sell to existing customers and manage portfolio risk*Personal Solutions* revenue is transaction and subscription based, and is derived from sales of credit monitoring and identity theft protection products, which we deliver to consumers through the mail and electronically via the Internet. For additional information regarding our reportable and operating segments, including detailed financial results, see Note 8 of the Notes to Consolidated Financial Statements in this Form 10-Q as well as further discussion within MD&A.

We operate in 13 countries: North America (the U.S., Canada and Costa Rica), Europe (the United Kingdom, Ireland, Spain and Portugal) and Latin America (Brazil, Argentina, Chile, El Salvador, Peru and Uruguay). We serve customers across a wide range of industries, including the financial services, retail, telecommunications, utilities, automotive, brokerage, healthcare and insurance industries, as well as state and federal governments. Our revenue stream is highly diversified with our largest customer only providing slightly more than 2% of total revenues. Our revenues are sensitive to a variety of factors, such as demand for, and price of, our services, technological competitiveness, our reputation for providing timely and reliable service, competition within our industry, federal, state and foreign regulatory requirements governing privacy and use of data and general economic conditions.

Management focuses on a variety of key indicators to monitor operating and financial performance. These performance indicators include measurements of operating revenue, operating revenue growth, operating income, operating margin, net income, diluted earnings per share, cash provided by operating activities, capital expenditures and free cash flow. We monitor these indicators, and our corporate governance practices, to ensure that business vitality is maintained and effective control is exercised.

The key performance indicators for the three and six months ended June 30, 2006 and 2005, were as follows:

	Key Performance Indicators			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
	(Dollars in millions, except per share data)			
Operating revenue	**$ 387.7**	$ 363.4	**$ 761.7**	$ 706.8
Operating revenue growth	**7%**	15%	**8%**	13%
Operating income	**$ 96.4**	$ 106.7	**$ 205.6**	$ 208.7
Operating margin	**25%**	29%	**27%**	29%
Net income	**$ 69.6**	$ 62.6	**$ 132.5**	$ 121.2
Diluted earnings per share	**$ 0.53**	$ 0.47	**$ 1.01**	$ 0.91
Cash provided by operating activities	**$ 90.7**	$ 90.5	**$ 156.0**	$ 132.3
Capital expenditures	**$ 15.8**	$ 12.3	**$ 26.5**	$ 22.1
Free cash flow*	**$ 74.9**	$ 78.2	**$ 129.5**	$ 110.2

* This is a non-GAAP financial measure. See reconciliation of non-GAAP financial measure to the corresponding GAAP financial measure provided within MD&A.

RESULTS OF OPERATIONS—THREE MONTHS ENDED JUNE 30, 2006 AND 2005

Consolidated Financial Results

Net income for the three months ended June 30, 2006, was $69.6 million, compared to $62.6 million for the three months ended June 30, 2005. Earnings per share increased to $0.53 for the three months ended June 30, 2006, as compared to $0.47 for the same period a year ago.

Operating Revenue

Consolidated operating revenue increased $24.3 million, or 7%, to $387.7 million for the three months ended June 30, 2006, as compared to $363.4 million during the same period in 2005. This increase is due to growth in all of our operating segments, with Latin America, Marketing Services and Information Services being the primary contributors. Foreign currency did not have a material impact on the increase in our consolidated operating revenue.

Operating Expenses and Operating Margin

Consolidated total operating expenses increased $34.6 million, or 13%, to $291.3 million for the three months ended June 30, 2006, as compared to $256.7 million in the same period in 2005. Cost of services in the second quarter of 2006 increased $14.0 million, or 9%, to $161.8 million when compared to the second quarter in 2005, primarily due to revenue growth, as well as a $2.5 million loss contingency related to certain legal matters. Selling, general and administrative expenses in the second quarter of 2006 increased $20.2 million, or 23%, to $109.0 million when compared to the same period a year ago, mainly due to an $11.5 million loss contingency related to certain legal matters, the $3.5 million incremental negative impact from our adoption of Statement of Financial Accounting Standards ("SFAS") No. 123R, "Share-Based Payment" ("SFAS No. 123R") on January 1, 2006, which more than doubled our stock-based compensation expense when compared to the same period in 2005; higher salary expenses; an increase in advertising and promotional costs mainly related to our Personal Solutions business; and higher professional fees. For additional information about the impact of SFAS No. 123R, see further discussion within MD&A and Note 2 of the Notes to Consolidated Financial Statements in this Form 10-Q.

Consolidated operating income decreased $10.3 million, or 10%, to $96.4 million for the three months ended June 30, 2006, as compared to $106.7 million in the same period in 2005. Our operating income for the three months ended June 30, 2006, includes the impact of the $14.0 million, pretax, loss contingency related to certain legal matters and the $3.5 million negative incremental impact of adopting SFAS No. 123R on January 1, 2006. Consolidated operating margin for the three months ended June 30, 2006, was 25% as compared to 29% for the same period in 2005. The decline in operating margin was primarily driven by the litigation loss contingency and negative incremental impact of adopting SFAS No. 123R.

Other Income, net

Consolidated other income, net increased $12.6 million to $15.0 million for the three months ended June 30, 2006, as compared to $2.4 million in the same period in 2005. This increase is primarily due to a settlement of claims against certain former selling shareholders of Naviant, Inc. in June 2006. In 2004, we served a demand for arbitration alleging, among other things, that the sellers had breached various representations and warranties concerning information furnished to us in connection with our acquisition of Naviant, Inc. in 2002. As a result of this settlement, we recognized a $14.1 million non-taxable gain in other income, net on our Consolidated Statements of Income for the three months ended June 30, 2006.

Income Taxes

Our effective income tax rate was 31.8% for the three months ended June 30, 2006, down from 36.1% for the same period in 2005. The reduction was primarily due to the non-taxable litigation settlement during the second quarter of 2006 and lower state income taxes, partially offset by additional tax expense related to a higher foreign tax rate.

Segment Financial Results

Our consolidated segment results for the three months ended June 30, 2006 and 2005 were as follows:

Operating Revenue	Three Months Ended June 30, 2006	% of Revenue	2005	% of Revenue	$ Change	% Change
	(Dollars in millions)					
North America						
Information Services	**$ 211.1**	**54%**	$ 205.8	57%	$ 5.3	3%
Marketing Services	**69.3**	**18%**	62.8	17%	6.5	10%
Personal Solutions	**31.2**	**8%**	29.3	8%	1.9	7%
Total North America	**311.6**	**80%**	297.9	82%	13.7	5%
Europe	**37.6**	**10%**	35.0	10%	2.6	7%
Latin America	**38.5**	**10%**	30.5	8%	8.0	26%
Total operating revenue	**$ 387.7**	**100%**	$ 363.4	100%	$ 24.3	7%

Operating Income	Three Months Ended June 30, 2006	Profit Margin	2005	Profit Margin	$ Change	% Change
	(Dollars in millions)					
North America						
Information Services	**$ 88.4**	**42%**	$ 88.1	43%	$ 0.3	0%
Marketing Services	**24.4**	**35%**	19.9	32%	4.5	22%
Personal Solutions	**(11.3)**	**(36)%**	4.3	15%	(15.6)	(361)%
Total North America	**101.5**	**33%**	112.3	38%	(10.8)	(10)%
Europe	**9.5**	**25%**	7.7	22%	1.8	24%
Latin America	**11.0**	**29%**	8.1	26%	2.9	36%
General Corporate Expense	**(25.6)**	**nm**	(21.4)	nm	(4.2)	(20)%
Total operating income	**$ 96.4**	**25%**	$ 106.7	29%	$ (10.3)	(10)%

nm—not meaningful

Our North America operating revenue for the three months ended June 30, 2006 and 2005 was as follows:

North America Operating Revenue	Three Months Ended June 30, 2006	% of Revenue	2005	% of Revenue	$ Change	% Change
	(Dollars in millions)					
U.S. Consumer and Commercial Services	**$ 162.0**	**52%**	$ 156.2	53%	$ 5.8	4%
Mortgage Solutions	**19.3**	**6%**	21.8	7%	(2.5)	(12)%
Canadian Operations	**29.8**	**10%**	27.8	9%	2.0	7%
Total North America Information Services	**211.1**	**68%**	205.8	69%	5.3	3%
Credit Marketing Services	**40.7**	**13%**	38.4	13%	2.3	6%
Direct Marketing Services	**28.6**	**9%**	24.4	8%	4.2	17%
Total Marketing Services	**69.3**	**22%**	62.8	21%	6.5	10%
Personal Solutions	**31.2**	**10%**	29.3	10%	1.9	7%
Total North America operating revenue	**$ 311.6**	**100%**	$ 297.9	100%	$ 13.7	5%

North America

Information Services

For the three months ended June 30, 2006, total revenue for Information Services totaled $211.1 million, an increase of $5.3 million, or 3%, when compared to the same period in 2005. Local currency fluctuation of the Canadian dollar against the U.S. dollar favorably impacted Information Services revenue by $3.0 million. Operating income was $88.4 million, which was relatively flat when compared to the same period a year ago. Information Services operating margin was 42% for the three months ended June 30, 2006, versus 43% for the same period in 2005. The decline in Information Services operating margin was primarily driven by changes in product mix.

U.S. Consumer and Commercial Services revenue for the three months ended June 30, 2006, totaled $162.0 million, an increase of $5.8 million, or 4%, when compared to the same period in 2005. This increase is primarily due to higher sales related to our financial services customers and increased revenue from products sold in our commercial services, which offset some decline in telecommunication accounts and resellers. In our U.S. Consumer Information business, on-line volume was approximately 160 million transactions, up 4% year-over-year.

Mortgage Solutions revenue for the three months ended June 30, 2006, totaled $19.3 million, a decrease of $2.5 million, or 12%, as compared to the same period a year ago. This decrease is primarily due to volume declines from a large customer that changed its mortgage retail business model.

Canadian revenue during the three months ended June 30, 2006, totaled $29.8 million, an increase of $2.0 million, or 7%, when compared to the same period in 2005. This increase is due to favorable currency impact. Local currency fluctuation against the U.S. dollar favorably impacted our Canadian revenue by $3.0 million, or 10%.

Marketing Services

Marketing Services revenue for the three months ended June 30, 2006, totaled $69.3 million, an increase of $6.5 million, or 10%, when compared to the same period in 2005. Credit Marketing Services revenue for the three months ended June 30, 2006, totaled $40.7 million, an increase of $2.3 million, or 6%, when compared to the same period in 2005. The increase in revenue is primarily due to higher volume mainly from national customers for certain of our products that target new customers as well as continued demand for core prescreen products and data sales. Direct Marketing Services revenue for the three months ended June 30, 2006, totaled $28.6 million, an increase of $4.2 million, or 17%, as compared to the same period in 2005. This increase is primarily due to the acquisition of BeNow Inc. in the third quarter of 2005, as well as contributions from core products and small business services. Operating income for the three months ended June 30, 2006, was $24.4 million for Marketing Services, an increase of $4.5 million, or 22%, resulting mainly from revenue growth.

Personal Solutions

Personal Solutions revenue for the three months ended June 30, 2006, totaled $31.2 million, an increase of $1.9 million, or 7%, compared to the same period in 2005. This increase is primarily due to higher revenue and unit sales volume as we continue to transition from a transaction-based product mix to subscription-based products. Operating income (loss) for the three months ended June 30, 2006, decreased $15.6 million, to an $11.3 million operating loss compared to operating income of $4.3 million for the same period in 2005. This decrease is primarily due to increased operating expenses associated with certain legal matters discussed below, as well as an increase in advertising and promotional costs. During the second quarter of 2006, we recorded a $14.0 million loss contingency ($8.7 million, net of tax) related to certain legal matters. Of this $14.0 million loss, $11.5 million was recognized in selling, general and administrative

expenses and $2.5 million was recorded in cost of services on our Consolidated Statements of Income during the three months ended June 30, 2006.

Europe

Europe revenue for the three months ended June 30, 2006, was $37.6 million, an increase of $2.6 million, or 7%, over the same period in 2005, primarily due to higher consumer activity associated with new business and increased volumes from banking, financial services, mortgage and government customers. Local currency fluctuation against the U.S. dollar unfavorably impacted our European revenue by $0.5 million, or 2%, as revenue was up 9% in local currency. Operating income for the three months ended June 30, 2006, totaled $9.5 million, an increase of $1.8 million, or 24%, when compared to the same period a year ago. The improvement in operating income was driven by an improving economy and continued focus on controlling expenses. Europe’s operating margin was 25% for the three months ended June 30, 2006, versus 22% for the same period in 2005.

Latin America

Latin America revenue for the three months ended June 30, 2006, totaled $38.5 million, an increase of $8.0 million, or 26%, over the same period in 2005 due to broad-based volume increases, higher pricing associated with better contract execution, new products and favorable foreign currency impact. All six countries in Latin America experienced double digit revenue growth in U.S. dollars and five of the six countries had double digit growth in local currency. Local currency fluctuation against the U.S. dollar favorably impacted our Latin America revenue by $2.9 million, or 9%.

Operating income for the three months ended June 30, 2006, totaled $11.0 million, an increase of $2.9 million, or 36%, as compared to same period in 2005. This increase was primarily the result of revenue growth, as well as favorable currency impact. Latin America operating margin was 29% for the three months ended June 30, 2006, versus 26% for the same period in 2005.

General Corporate Expense

Our general corporate expenses are costs that are incurred at the corporate level and are not directly associated with activities of a particular reportable segment. These expenses include shared services and administrative and legal expenses. General corporate expense was $25.6 million for the three months ended June 30, 2006, an increase of $4.2 million, or 20%, compared to $21.4 million for the same period in 2005. This increase was primarily driven by the $3.5 million incremental negative impact from our adoption of SFAS No. 123R on January 1, 2006, and higher professional fees. For additional information about the impact of SFAS No. 123R, see further discussion within MD&A and Note 2 of the Notes to Consolidated Financial Statements in this Form 10-Q.

RESULTS OF OPERATIONS—SIX MONTHS ENDED JUNE 30, 2006 AND 2005

Consolidated Financial Results

Net income for the six months ended June 30, 2006, was $132.5 million, compared to $121.2 million for the six months ended June 30, 2005. Earnings per share increased to $1.01 for the six months ended June 30, 2006 as compared to $0.91 for the same period a year ago.

Operating Revenue

Consolidated operating revenue increased $54.9 million, or 8%, to $761.7 million for the six months ended June 30, 2006, as compared to $706.8 million during the same period in 2005. This increase is due to

growth in Information Services, Marketing Services and Latin America. Foreign currency did not have a material impact on the increase in our consolidated operating revenue.

Operating Expenses and Operating Margin

Consolidated total operating expenses increased $58.0 million, or 12%, to $556.1 million for the six months ended June 30, 2006, as compared to $498.1 million in the same period in 2005. Cost of services in the first six months of 2006 increased $21.4 million, or 7%, to $311.7 million when compared to the same period in 2005, primarily due to revenue growth, as well as a $2.5 million loss contingency related to certain legal matters. Selling, general and administrative expenses in the first six months of 2006 increased $35.0 million, or 21%, to $202.8 million when compared to the same period a year ago, mainly due to a $11.5 million loss contingency related to certain legal matters; the $5.8 million incremental negative impact from our adoption of SFAS No. 123R on January 1, 2006 which more than doubled our stock-based compensation expense when compared to the same period in 2005; higher salary expenses; an increase in advertising and promotional costs mainly related to our Personal Solutions business; and higher professional fees . For additional information about the impact of SFAS No. 123R, see further discussion within MD&A and Note 2 of the Notes to Consolidated Financial Statements in this Form 10-Q.

Consolidated operating income decreased $3.1 million, or 2%, to $205.6 million for the six months ended June 30, 2006, as compared to $208.7 million in the same period in 2005. Our operating income for the six months ended June 30, 2006, includes the impact of the $14.0 million, pretax, loss contingency related to certain legal matters and the $5.8 million negative incremental impact of adopting SFAS No. 123R on January 1, 2006. Consolidated operating margin for the six months ended June 30, 2006, was 27% as compared to 29% for the same period in 2005. The decline in operating margin was primarily driven by the litigation loss contingency and negative incremental impact of adopting SFAS No. 123R.

Other Income, net

Consolidated other income, net increased $10.4 million to $15.5 million for the six months ended June 30, 2006, as compared to $5.1 million in the same period in 2005. This increase is primarily due to a settlement of claims against certain former selling shareholders of Naviant, Inc. in June 2006. In 2004, we served a demand for arbitration alleging, among other things, that the sellers had breached various representations and warranties concerning information furnished to us in connection with our acquisition of Naviant, Inc. in 2002. As a result of this settlement, we recognized a $14.1 million non-taxable gain in other income, net on our Consolidated Statements of Income for the six months ended June 30, 2006.

Income Taxes

Our effective income tax rate was 34.7% for the six months ended June 30, 2006, down slightly from 37.0% for the same period in 2005. The reduction was primarily due to the non-taxable litigation settlement during the second quarter of 2006 and lower state income taxes, partially offset by additional tax expense related to non-deductible executive compensation and a higher foreign tax rate.

Segment Financial Results

Our consolidated segment results for the six months ended June 30, 2006 and 2005 were as follows:

Operating Revenue	Six Months Ended June 30, 2006	% of Revenue	2005	% of Revenue	$ Change	% Change
	(Dollars in millions)					
North America						
Information Services	**$ 419.0**	**55%**	$ 398.3	56%	$ 20.7	5%
Marketing Services	**134.9**	**17%**	121.6	17%	13.3	11%
Personal Solutions	**61.8**	**8%**	59.1	9%	2.7	5%
Total North America	**615.7**	**80%**	579.0	82%	36.7	6%
Europe	**72.5**	**10%**	71.7	10%	0.8	1%
Latin America	**73.5**	**10%**	56.1	8%	17.4	31%
Total operating revenue	**$ 761.7**	**100%**	$ 706.8	100%	$ 54.9	8%

Operating Income	Six Months Ended June 30, 2006	Profit Margin	2005	Profit Margin	$ Change	% Change
	(Dollars in millions)					
North America						
Information Services	**$ 177.5**	**42%**	$ 172.4	43%	$ 5.1	3%
Marketing Services	**44.9**	**33%**	38.2	31%	6.7	18%
Personal Solutions	**(10.4)**	**(17)%**	7.3	12%	(17.7)	(243)%
Total North America	**212.0**	**34%**	217.9	38%	(5.9)	(3)%
Europe	**18.3**	**25%**	15.7	22%	2.6	17%
Latin America	**20.4**	**28%**	14.4	26%	6.0	42%
General Corporate Expense	**(45.1)**	**nm**	(39.3)	nm	(5.8)	(15)%
Total operating income	**$ 205.6**	**27%**	$ 208.7	29%	$ (3.1)	(2)%

nm—not meaningful

Our North America operating revenue for the six months ended June 30, 2006 and 2005 was as follows:

North America Operating Revenue	Six Months Ended June 30, 2006	% of Revenue	2005	% of Revenue	$ Change	% Change
	(Dollars in millions)					
U.S. Consumer and Commercial Services	**$ 321.5**	**52%**	$ 300.6	52%	$ 20.9	7%
Mortgage Solutions	**39.4**	**6%**	43.2	8%	(3.8)	(9)%
Canadian Operations	**58.1**	**10%**	54.5	9%	3.6	7%
Total North America Information Services	**419.0**	**68%**	398.3	69%	20.7	5%
Credit Marketing Services	**80.4**	**13%**	73.0	13%	7.4	10%
Direct Marketing Services	**54.5**	**9%**	48.6	8%	5.9	12%
Total Marketing Services	**134.9**	**22%**	121.6	21%	13.3	11%
Personal Solutions	**61.8**	**10%**	59.1	10%	2.7	5%
Total North America operating revenue	**$ 615.7**	**100%**	$ 579.0	100%	$ 36.7	6%

North America

Information Services

For the six months ended June 30, 2006, total revenue for Information Services totaled $419.0 million, an increase of $20.7 million, or 5%, when compared to the same period in 2005. Local currency fluctuation against the U.S. dollar favorably impacted our Information Services revenue by $4.6 million. Operating income was $177.5 million, an increase of $5.1 million, or 3%, over the same period a year ago. Information Services operating margin was 42% for the six months ended June 30, 2006, versus 43% for the same period in 2005. The decline in Information Services operating margin was primarily driven by changes in product mix.

U.S. Consumer and Commercial Services revenue for the six months ended June 30, 2006, totaled $321.5 million, an increase of $20.9 million, or 7%, when compared to the same period in 2005. This increase is primarily due to higher sales to our financial services customers and increased revenue from products sold in our commercial services, which offset some decline in telecommunication accounts. In our U.S. Consumer Information business, on-line volume was approximately 315 million transactions, up 6% year-over-year.

Mortgage Solutions revenue for the six months ended June 30, 2006, totaled $39.4 million, a decrease of $3.8 million, or 9%, as compared to the same period a year ago. This decrease is primarily due to volume declines from a large customer that changed its mortgage related business model.

Canadian revenue during the six months ended June 30, 2006, totaled $58.1 million, an increase of $3.6 million, or 7%, when compared to the same period in 2005. This increase is due to favorable currency impact. Local currency fluctuation against the U.S. dollar favorably impacted our Canadian revenue by $4.6 million, or 8%.

Marketing Services

Marketing Services revenue for the six months ended June 30, 2006, totaled $134.9 million, an increase of $13.3 million, or 11%, when compared to the same period in 2005. Credit Marketing Services revenue for the six months ended June 30, 2006, totaled $80.4 million, an increase of $7.4 million, or 10%, when compared to the same period in 2005. The increase in revenue is primarily due to higher volume

mainly from national customers for certain of our products that target new customers as well as continued demand for core prescreen products and data sales. Direct Marketing Services revenue for the six months ended June 30, 2006, totaled $54.5 million, an increase of $5.9 million, or 12%, as compared to the same period in 2005. This increase is primarily due to the acquisition of BeNow Inc. in the third quarter of 2005, as well as contributions from our core products and small business services. Operating income for the six months ended June 30, 2006, was $44.9 million for Marketing Services, an increase of $6.7 million, or 18%, resulting mainly from revenue growth.

Personal Solutions

Personal Solutions revenue for the six months ended June 30, 2006, totaled $61.8 million, an increase of $2.7 million, or 5%, compared to the same period in 2005. This increase is primarily due to higher revenue and unit sales volume as we continue to transition from a transaction-based product mix to subscription-based products. Operating income (loss) for the six months ended June 30, 2006, decreased $17.7 million, to a $10.4 million operating loss compared to operating income of $7.3 million for the same period in 2005. This decrease is primarily due to increased operating expenses associated with certain legal matters discussed below, as well as an increase in advertising and promotional costs. During the second quarter of 2006, we recorded a $14.0 million loss contingency ($8.7 million, net of tax) related to certain legal matters. Of this $14.0 million loss, $11.5 million was recognized in selling, general and administrative expenses and $2.5 million was recorded in cost of services on our Consolidated Statements of Income during the six months ended June 30, 2006.

Europe

Europe revenue for the six months ended June 30, 2006, was $72.5 million, an increase of $0.8 million, or 1%, over the same period in 2005. Revenue increases were primarily due to higher consumer activity associated with new business and increased volumes from banking, financial services, mortgage and government customers. Local currency fluctuation against the U.S. dollar unfavorably impacted our European revenue by $3.3 million, or 5%, as revenue was up 6% in local currency. Operating income for the six months ended June 30, 2006, totaled $18.3 million, an increase of $2.6 million, or 17%, when compared to the same period a year ago. The improvement in operating income was driven by an improving economy and continued focus on controlling expenses. Europe's operating margin was 25% for the six months ended June 30, 2006, versus 22% for the same period in 2005.

Latin America

Latin America revenue for the six months ended June 30, 2006, totaled $73.5 million, an increase of $17.4 million, or 31%, over the same period in 2005 due to broad-based volume increases, higher pricing associated with better contract execution, new products and favorable foreign currency impact. All six countries in Latin America experienced double digit revenue growth in U.S. dollars and five of the six countries had double digit growth in local currency. Local currency fluctuation against the U.S. dollar favorably impacted our Latin America revenue by $6.7 million, or 12%.

Operating income for the six months ended June 30, 2006, totaled $20.4 million, an increase of $6.0 million, or 42%, as compared to same period in 2005. This increase was primarily the result of revenue growth, as well as favorable currency impact. Latin America operating margin was 28% for the six months ended June 30, 2006, versus 26% for the same period in 2005.

General Corporate Expense

Our general corporate expenses are costs that are incurred at the corporate level and are not directly associated with activities of a particular reportable segment. These expenses include shared services and

administrative and legal expenses. General corporate expense was $45.1 million for the six months ended June 30, 2006, an increase of $5.8 million, or 15%, compared to $39.3 million for the same period in 2005. This increase was primarily driven by the $5.8 million incremental negative impact from our adoption of SFAS No. 123R on January 1, 2006. For additional information about the impact of SFAS No. 123R, see further discussion within MD&A and Note 2 of the Notes to Consolidated Financial Statements in this Form 10-Q.

LIQUIDITY AND FINANCIAL CONDITION

As of June 30, 2006, we had $48.2 million in cash and cash equivalents compared to $37.5 million at December 31, 2005. Our principal sources of liquidity are cash provided by operating activities and our revolving credit facilities. Our ability to generate cash from operating activities is one of our fundamental financial strengths. We believe that anticipated cash provided by operating activities, together with current cash and cash equivalents and access to committed and uncommitted credit facilities and the capital market, if required, will be sufficient to meet our projected cash requirements for the next twelve months, and the foreseeable future thereafter, although any projections of future liquidity needs and cash flows are subject to substantial uncertainty. We have $250.0 million principal amount of our 4.95% senior unsecured notes due November 1, 2007. Upon maturity, we may (1) repay this obligation through a combination of borrowings under our credit facilities and cash and cash equivalents available at that time, or (2) refinance these notes, assuming such financing is available to us on acceptable terms.

In the normal course of business, we will consider the acquisition of, or investment in, complementary businesses, products, services and technologies, capital expenditures, payment of dividends, repurchase of outstanding shares of common stock and the retirement of debt. We may elect to use available cash and cash equivalents to fund such activities in the future. In the event additional liquidity needs arise, we may raise funds from a combination of sources, including the potential issuance of debt or equity securities. If adequate funds were not available to us, or were not available on acceptable terms, our ability to meet unanticipated working capital requirements or respond to business opportunities and competitive pressures could be limited.

Cash Provided by Operating Activities

For the six months ended June 30, 2006, we generated $156.0 million of cash provided by operating activities compared to $132.3 million for the six months ended June 30, 2005. For the six months ended June 30, 2006, we generated $129.5 million of free cash flow (a non-GAAP measure) compared to $110.2 million for the six months ended June 30, 2005. Free cash flow represents our cash provided by operating activities less capital expenditures. A reconciliation to the most comparable GAAP financial measure and an explanation as to why we believe it is useful to investors is discussed later within MD&A. The increase in cash provided by operating activities was primarily due to changes in working capital, as well as $15.2 million received as a result of the settlement with certain former shareholder sellers of Naviant Inc. For additional information about this settlement, see Note 5 of the Notes to Consolidated Financial Statements in this Form 10-Q.

Capital Expenditures

Capital expenditures, which consist of additions to property and equipment as well as other assets, totaled $26.5 million and $22.1 million for the six months ended June 30, 2006 and 2005, respectively. Our capital expenditures are used for developing, enhancing and deploying new and existing technology platforms, replacing or adding equipment, updating systems for regulatory compliance, the licensing of software applications and investing in disaster recovery systems.

Acquisitions

We did not complete any acquisitions during the six months ended June 30, 2006.In March 2005, we acquired APPRO to broaden and further strengthen our enabling technologies capabilities in our North America Information Services business. During the six months ended June 30, 2005, in order to continue to grow our credit data franchise, we also acquired the credit files, contractual rights to territories (generally states or integration areas) and customer relationships and related businesses of an independent credit reporting agency in the U.S. and one in Canada that houses consumer information on our system. We acquired all of these businesses for $111.0 million in cash. For additional information about our 2005 acquisitions, see Note 2 of the Notes to Consolidated Financial Statements in our 2005 Form 10-K.

Borrowings and Credit Facility Availability

Short-Term Borrowings. Net short-term borrowings during the six months ended June 30, 2006 and 2005, totaled $3.3 million and $11.4 million respectively, which primarily represents borrowings under our trade receivables-backed, 364-day revolving credit facility for the APPRO acquisition. Under this facility, a wholly-owned subsidiary of Equifax may borrow up to $125.0 million, subject to borrowing base availability and other terms and conditions, for general corporate purposes. The amended credit facility expires on September 5, 2006, and may be extended for an additional period of up to two years if specified conditions are satisfied. Outstanding debt under the facility is consolidated on our balance sheet for financial reporting purposes. Based on the calculation of the borrowing base applicable at June 30, 2006, $1.7 million was available for borrowing and $90.0 million was outstanding under this facility, which is included short-term debt and current maturities on our Consolidated Balance Sheet.

Long-Term Revolving Credit Facilities. Net repayments under long-term revolving credit facilities during the six months ended June 30, 2006 were $30.0 million. This activity represents net borrowings under our $500 million senior unsecured revolving credit agreement (“Existing Credit Agreement”). On July 24, 2006, we amended and restated this five-year, $500 million senior unsecured revolving credit facility. Under the Amended and Restated Credit Agreement (the “Amended Credit Agreement”), among other provisions the term was extended from August 20, 2009 to July 24, 2011; the applicable margin for borrowings and the annual facility fee were lowered; the maximum leverage ratio (as defined in the Amended Credit Agreement) was increased from 3.0 to 1 to 3.50 to 1; and a minimum interest coverage ratio was deleted. The Amended Credit Agreement may be used for working capital and other general corporate purposes.

The Amended Credit Agreement also includes an “accordion” feature that will allow us to request an increase of up to $500 million in the maximum borrowing commitment, which cannot exceed $1.0 billion. Each member of the lending group may elect to participate or not participate in any request we make to increase the maximum borrowing commitment. In addition, any increase in the borrowing capacity pursuant to this accordion feature is subject to certain terms and conditions, including the absence of an event of default. The increased borrowing commitment may be used for general corporate purposes.

At June 30, 2006, interest was payable on borrowings under the Existing Credit Agreement at the base rate or London Interbank Offered Rate (“LIBOR”) plus a specified margin or competitive bid option as selected by us from time to time. The annual facility fee and interest rate are subject to adjustment based on our debt ratings. As of June 30, 2006, $465.0 million was available and there were outstanding borrowings of $35.0 million under this facility, which is included in long-term debt on our Consolidated Balance Sheet.

Canadian Credit Facility. We are a party to a credit agreement with a Canadian financial institution that provides for a C$25.0 million, 364-day revolving credit agreement which expires September 30, 2006. During the six months ended June 30, 2006, there was no activity under this facility. At June 30, 2006, there were no outstanding borrowings under this facility.

Other. At June 30, 2006, 75% of our debt was fixed rate debt and 25% was variable rate debt. Our variable rate debt consists of the foregoing revolving credit facilities and generally bears interest based on a specified margin plus a base rate, LIBOR or commercial paper rate. These interest rates reset periodically, depending on the terms of the respective financing arrangements. At June 30, 2006, interest rates on our variable debt ranged from 5.6% to 5.8%. We were in compliance with all of our financial and non-financial debt covenants at June 30, 2006.

For additional information about our debt, including the terms of our financing arrangements, basis for variable interest rates and debt covenants, see Note 4 of the Notes to Consolidated Financial Statements in our 2005 Form 10-K and Note 4 of the Notes to Consolidated Financial Statements in this Form 10-Q.

Equity Transactions

Sources and uses of cash related to equity during the six months ended June 30, 2006 and 2005 were as follows:

- Under the stock repurchase program authorized by our Board of Directors, we purchased a total of 2.6 million and 1.7 million shares for $97.0 million and $55.0 million, respectively, of our common stock on the open market. The average price per share of these purchases totaled $36.75 and $32.84, respectively. At June 30, 2006, the amount available for future share repurchases under this program was $248.4 million. Between July 1, 2006 and August 1, 2006, we purchased 0.8 million shares of our common stock for $25.7 million under the stock repurchase program authorized by our Board of Directors.
- Our dividends per share were $0.08 per share and $0.07 per share, respectively. We paid cash dividends of $10.3 million and $9.4 million, respectively.
- We received cash of $13.4 million and $31.0 million, respectively, from the exercise of stock options.

Contractual Obligations, Commercial Commitments and Other Contingencies

A potential significant use of cash would be the payment to Computer Sciences Corporation ("CSC") if they were to exercise their option to sell their credit reporting business to us at any time prior to 2013. The option exercise price will be determined by agreement or by an appraisal process and would be due in cash within 180 days after the exercise of the option. We estimate that if the option had been exercised at December 31, 2005, the price range would approximate $650 million to $700 million. This estimate is based solely on our internal analysis of the value of the businesses, current market conditions and other factors, all of which are subject to constant change. Therefore, the actual option exercise price could be materially higher or lower than the estimated amount. Our agreement with CSC, which expires on July 31, 2008, also provides us with an option to purchase CSC's credit reporting business 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. If CSC were to exercise its option, or if we were able to and decided to exercise our option, then we would have to obtain additional sources of funding. We believe that this funding would be available from sources such as additional bank lines of credit and the capital markets for debt and/or equity financing. However, the availability and terms of any such capital financing would be subject to a number of factors, including credit market conditions, the state of the equity markets, general economic conditions and our financial performance and condition.

Our contractual obligations, commercial commitments and other contingencies have not materially changed from those reported in our 2005 Form 10-K. For additional information about certain obligations and contingencies, see Note 5 of the Notes to Consolidated Financial Statements in this Form 10-Q.

Off-Balance Sheet Arrangements

Other than facility leasing arrangements, we do not engage in off-balance sheet financing activities. In 1998, we entered into a synthetic lease on our Atlanta corporate headquarters building in order to obtain favorable financing terms with regard to this facility. This $29.0 million lease expires in 2010. Lease payments for the remaining term totaled $6.9 million at June 30, 2006. Under this synthetic lease arrangement, we have guaranteed the residual value of the leased property to the lessor. In the event that the property were to be sold by the lessor at the end of the lease term, we would be responsible for any shortfall of the sales proceeds, up to a maximum amount of $23.2 million, which equals 80% of the value of the property at the beginning of the lease term. A shortfall related to the residual value guarantee is being recognized as an expense ratably between January 1, 2005, through the end of the lease term. The liability for this shortfall, which was $4.0 million at June 30, 2006 and December 31, 2005, is recorded in other long-term liabilities on our Consolidated Balance Sheets.

Related Party Transactions

On July 24, 2006, we amended and restated our existing five-year, $500 million senior unsecured revolving credit facility with SunTrust Bank, as Joint Lead and Administrative Agent, Banc of America Securities, LLC, as Joint Lead and Syndication Agent, and a number of other financial institutions. SunTrust Bank and Bank of America, N.A., of which Banc of America Securities, LLC is a subsidiary, are both considered related parties in accordance with SFAS No. 57, "Related Party Disclosures," since members of our Board of Directors have affiliations with these companies. For additional information about this transaction, see Note 4 of the Notes to Consolidated Financial Statements in this Form 10-Q.

There have not been any other material changes in transactions with related parties. For additional information about our related parties and associated transactions, see Note 12 of the Notes to Consolidated Financial Statements in our 2005 Form 10-K.

Pension Plans

Pension benefits are provided through U.S. and Canadian defined benefit pension plans and two supplemental executive defined benefit pension plans. Substantially all employees participate in one or more of these plans. The measurement date for our defined benefit pension plans is December 31 of each year. Since January 1, 2005, we have had two non-contributory qualified retirement plans covering all inactive retired and vested participants as of that date (the U.S. Retirement Income Plan, or "USRIP") and all active employee participants as of that date (the Equifax Inc. Pension Plan, or "EIPP"). We also maintain a defined benefit plan for most salaried employees in Canada (the Canadian Retirement Income Plan, or "CRIP"). Benefits of both plans are primarily a function of salary and years of service. At December 31, 2005, the USRIP and the EIPP met or exceeded ERISA's minimum funding requirements. We do not expect to have to make any minimum funding contributions under ERISA for 2006 with respect to the USRIP or the EIPP based on applicable law as currently in effect. In January 2006, however, we made a discretionary contribution of $20.0 million to the EIPP.

The discount rate assumption used to calculate annual expense was 5.80% for the USRIP and 6.26% for the EIPP for the twelve months ended December 31, 2005. In 2006, the discount rate used to calculate the annual SFAS No. 87, "Employers' Accounting for Pensions" ("SFAS No. 87"), expense is 5.70% for the USRIP and 5.89% for the EIPP. The decrease in discount rate is due to the general decline in long-term interest rates during 2005 and the consequent effect on the yields of the portfolio of long-term corporate bonds, which are used to determine the discount rate.

The expected rate of return on pension plan assets should approximate the actual long-term investment gain on those assets. The expected rate of return on plan assets used to calculate annual

expense was 8.00% for the USRIP and 8.25% for the EIPP for the twelve months ended December 31, 2005. In 2006, the expected rate of return on plan assets used to calculate the annual SFAS No. 87 expense will be 8.00% for the USRIP and 8.25% for the EIPP, the same as 2005.

For our non-U.S. tax-qualified retirement plans, we fund at least the amounts sufficient to meet minimum funding requirements but no more than allowed as a tax deduction pursuant to applicable tax regulations. For the non-qualified supplementary retirement plans, we fund the benefits as they are paid to retired participants, but accrue the associated expense and liabilities in accordance with GAAP.

Subsidiary Dividend and Fund Transfer Limitations

The ability of certain of our subsidiaries and associated companies to transfer funds to us is limited, in some cases, by certain restrictions imposed by foreign governments, which do not, individually or in the aggregate, materially limit our ability to serve our indebtedness, meet our current obligations or pay dividends.

RECENT ACCOUNTING PRONOUNCEMENTS

Share-Based Payment. On January 1, 2006, we adopted SFAS No. 123R, which replaced SFAS No. 123, "Accounting for Stock-Based Compensation" ("SFAS No. 123"), and superseded Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB No. 25"). SFAS No. 123R requires that the cost relating to share-based payment transactions in which an entity exchanges its equity instruments for goods or services from either employees or non-employees be recognized in the financial statements as the goods are received or services are rendered. That cost is measured based on the fair value of the equity or liability instruments issued. We are no longer permitted to follow the intrinsic value accounting method of APB No. 25, which resulted in no expense being recorded for stock option grants for which the exercise price was equal to the fair value of the underlying stock on the date of grant. Prior to the adoption of SFAS No. 123R, we recognized compensation expense for nonvested stock over the stated vesting period in accordance with APB No. 25.

SFAS No. 123R applies to all of our outstanding unvested share-based payment awards as of January 1, 2006 and all prospective awards. All of our stock-based awards, which are stock options and nonvested stock, are classified as equity instruments. In accordance with SFAS No. 123R, we elected to use the modified prospective transition method as opposed to the modified retrospective transition method. Under the modified prospective transition method, financial statements prior to adoption remain unchanged. The following discusses several other elections we made as a result of adopting SFAS No. 123R:

- For our pro forma disclosures under SFAS No. 123, we used the Black-Scholes option pricing model. Upon the adoption of SFAS No. 123R, we compute the fair value of options granted on or after January 1, 2006 using the binomial model. Additionally, based on the guidance in SEC Staff Accounting Bulletin No. 107, "Share-Based Payment", we changed our expected volatility assumption used in the binomial model. We will revisit all assumptions at each grant date. The fair value of stock options granted prior to the adoption of SFAS No. 123R, calculated using the Black-Scholes model, remains unchanged.

· Forfeitures under SFAS No. 123 were recognized when they occurred. SFAS No. 123R, however, requires forfeitures to be estimated at the grant date. Accordingly, compensation cost is recognized based on the number of awards expected to vest. There may be adjustments in future periods if actual forfeitures differ from our estimates. For nonvested shares granted prior to our adoption of SFAS No. 123R, we recorded a cumulative catch-up adjustment in January 2006 related to estimated forfeitures. This positive adjustment was not material to our Consolidated Financial Statements. Our forfeiture rate is based upon historical experience as well as anticipated employee turnover considering certain qualitative factors.

· Generally, our stock options are subject to graded vesting, while our nonvested shares are subject to cliff vesting. SFAS No. 123R permits entities to elect between the accelerated recognition method or straight-line recognition method for recognizing compensation cost related to awards subject to graded vesting based on a service condition. Consistent with our prior practice, we continue to apply the accelerated recognition method related to awards subject to graded vesting, which results in more compensation cost early in the vesting period.

Our nonvested stock has accelerated vesting features upon retirement, while our stock-options continue to vest over the same vesting schedule even though no additional service is required by the employee after retirement. Upon the adoption of SFAS No. 123R, we began recognizing compensation cost related to new stock-based awards from the grant date through the date the employee is eligible to receive the award without further service, such as when the employee becomes retirement eligible, which may be shorter than the stated vesting period. For stock-based awards granted prior to the adoption of SFAS No. 123R, we recognized compensation cost over the stated vesting period and recognized the impact, if any, upon retirement; this recognition policy will continue for any such awards that were unvested at the time of adoption.

We do not expect to change our policies related to stock-based awards, such as the quantity or type of instruments issued, as a result of adopting SFAS No. 123R, nor do we plan on changing the terms of our stock-based awards. At June 30, 2006, our total unrecognized compensation cost related to nonvested stock and stock options was $15.1 million with a weighted-average recognition period of 2.4 years and $5.0 million with a weighted-average recognition period of 1.3 years, respectively.

SFAS No. 123R requires that benefits of tax deductions in excess of recognized compensation cost be reported as a financing cash flow, rather than as an operating cash flow as required under prior accounting standards. This requirement reduced operating cash flows and increased financing cash flows by $2.9 million during the six months ended June 30, 2006.

For additional information about the financial impact of SFAS No. 123R and differences in valuation methodologies and assumptions under SFAS No. 123R as compared to those used under SFAS No. 123, see Note 2 of the Notes to Consolidated Financial Statements in this Form 10-Q.

Uncertain Tax Positions. In July 2006, the Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109" ("FIN 48"), which provides clarification related to the process associated with accounting for uncertain tax positions recognized in the Company's Consolidated Financial Statements. FIN 48 prescribes a more likely than not threshold for financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return. FIN 48 also provides guidance related to, among other things, classification, accounting for interest and penalties associated with tax positions, and disclosure requirements. We are required to adopt FIN 48 on January 1, 2007. We are currently evaluating the impact of adopting FIN 48 on our Consolidated Financial Statements.

APPLICATION OF CRITICAL ACCOUNTING POLICIES

The preparation of our Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. We believe the most complex and sensitive judgments, because of their significance to the Consolidated Financial Statements, result primarily from the need to make estimates and assumptions about the effects of matters that are inherently uncertain. The "Application of Critical Accounting Policies" section on page 44, and Note 1 to the Consolidated Financial Statements, in our 2005 Form 10-K describe the significant accounting estimates and policies used in preparation of the Consolidated Financial Statements. Actual results in these areas could differ materially from our estimates. There have been no significant changes in our critical accounting policies during the six months ended June 30, 2006.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO COMPARABLE GAAP FINANCIAL MEASURE

Reconciliation of cash provided by operating activities to free cash flow:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	**2005**	**2006**	**2005**
Cash provided by operating activities	**$ 90.7**	$ 90.5	**$ 156.0**	$ 132.3
Less capital expenditures	**(15.8)**	(12.3)	**(26.5)**	(22.1)
Free cash flow	**$ 74.9**	$ 78.2	**$ 129.5**	$ 110.2

The free cash flow financial measure is not prepared in conformity with GAAP and excludes capital expenditures from cash provided by operating activities. Free cash flow is not a measurement of liquidity under GAAP and should not be considered as an alternative to net income, operating income, cash flow from operating activities, or the change in cash and cash equivalents on the Consolidated Balance Sheets and may not be comparable with free cash flow as defined by other companies.

Management believes free cash flow financial information provides meaningful supplemental information regarding our performance and liquidity by deducting capital expenditures from cash provided by operating activities in order to show the cash generated by us that is available to be used for debt-service payments, dividends and discretionary investment. Equifax believes that this financial information is useful to our management and investors in assessing Equifax's historical performance and liquidity and when planning, forecasting and analyzing future periods.

FORWARD-LOOKING STATEMENTS

We have included in this Quarterly Report on Form 10-Q, and from time to time our management may make, statements which may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not historical facts but instead represent only our belief regarding future events, many of which, by their nature, are inherently uncertain and outside of our control. It is possible that our actual results may differ, possibly materially, from the anticipated results indicated in these forward-looking statements. Those statements appear at various places in this Form 10-Q, including Notes 2, 3, 4, 5 and 6 of the Notes to the Consolidated Financial Statements, the sections entitled "Liquidity and Financial Condition", "Pension Plans" and "Recent Accounting Pronouncements" under Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations", under "Legal Proceedings" in Part II, Item 1 and elsewhere. Words such as "believes", "anticipates", "expects", "intends", "continue", "remain", "will", "should", "may" and other similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We caution you not to place undue reliance on these forward-looking statements, which are current only as of the date of this filing. Equifax undertakes no obligation to update any forward-looking statements to reflect events that occur or circumstances that exist after the date on which they were made.

The important factors that could cause actual results to differ materially from those in our specific forward-looking statements included in this Form 10-Q include, but are not limited to, our ability to generate cash from operating activities; changes in interest rates and other volatility in the financial markets that may impact the use of credit or the level of mortgage activity; declines in our credit ratings or financial condition which could restrict our access to the capital markets or materially increase our financing costs; changes in the assumptions underlying our share-based awards and related compensation and employment policies; changes in pension funding regulations, pension liabilities and rates of return on pension assets; changes in accounting standards; changes in the market value of our assets or the actual

cost of our commitments or contingencies, including, without limitation, the negotiated or appraised price payable under the CSC option, if exercised; and the outcome of our litigation, as well as the more comprehensive risk factors discussed in our 2005 Form 10-K under "Forward-Looking Statements" on page 2 and "Risk Factors" in Part I, Item 1A, and in our other filings with the SEC. New factors may emerge from time to time, and it is not possible for the Company to predict new factors, nor can the Company assess the potential effect of any new factors on it.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For information regarding our exposure to certain market risk, see "Quantitative and Qualitative Disclosures About Market Risk," in Part II, Item 7A of our 2005 Form 10-K. There were no material changes to our market risk exposure during the six months ended June 30, 2006.

ITEM 4. CONTROLS AND PROCEDURES

As required by Rule 13a-15 under the Securities Exchange Act of 1934, an evaluation was carried out under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2006. Based upon our evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2006, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms and that it is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

During the quarter ended June 30, 2006, we implemented new information systems associated with financial reporting including a new consolidation application, and new general ledger and sub-ledgers for certain business units. The implementation of these new information systems was not in response to any deficiency in our internal controls.

There was no change in our internal control over financial reporting during the quarter ended June 30, 2006 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Equifax, certain of its subsidiaries, and other persons have been named as parties in various legal actions and administrative proceedings arising in connection with the operation of Equifax's businesses. In most cases, plaintiffs seek unspecified damages and other relief. These actions include the following:

Naviant Litigation. On December 30, 2003, Equifax and Naviant, Inc. served a demand for arbitration alleging, among other things, that the shareholder sellers of Naviant, Inc. had breached various representations and warranties concerning information furnished to us in connection with our acquisition of Naviant, Inc. in 2002. The arbitration demand seeks rescission of our Naviant, Inc. purchase and the recovery of the purchase price or, in the alternative, recovery of monetary damages on various grounds. On March 22, 2004, we recommenced our demand for arbitration in order to utilize the procedures of the American Arbitration Association. Some of the respondents have answered and denied liability. Discovery is ongoing and a hearing on the merits is currently scheduled for February 5, 2007.

On June 14, 2006, Equifax consummated a settlement of its claims against certain former selling shareholders of Naviant, Inc. Equifax received cash totaling $15.2 million in exchange for a release of claims.

On April 28, 2004, in a case captioned *Softbank Capital Partners LP, et al. v. Equifax Inc. and Naviant, Inc.,* certain of the former shareholders of Naviant, Inc. filed suit in the U.S. District Court for the Southern District of Florida seeking declaratory relief to prevent Equifax and Naviant. Inc. from proceeding with the arbitration discussed in the preceding paragraph, except for claims asserted against Softbank Capital Partners LP, as Shareholders' Representative. On March 31, 2005, the District Court granted Equifax's and Naviant, Inc.'s motion to dismiss and dismissed the lawsuit. On June 29, 2006, the U.S. Court of Appeals for the Eleventh Circuit granted the parties' joint motion to dismiss the appeal with prejudice.

On August 13, 2004, in a case captioned *Equifax Inc. and Naviant, Inc. v. Austin Ventures VII, L.P., et al.,* Equifax filed suit in the U.S. District Court for the Southern District of Florida to preserve its claims against the shareholder and option holder sellers of Naviant, Inc. pending the arbitration proceeding described above. On June 20, 2005, the District Court granted the request of Equifax to stay the litigation pending the arbitration. The District Court denied the motion to dismiss of two defendants, and Equifax subsequently dismissed its claims against one of these defendants, Seisint, Inc., as part of a settlement. Pursuant to the settlement described above, Equifax has dismissed various claims against certain defendants.

CROA Litigation. On November 19, 2004, an action was commenced captioned *Robbie Hillis v. Equifax Consumer Services, Inc. and Fair Isaac, Inc*., in the U.S. District Court for the Northern District of Georgia. Plaintiff asserts that defendants have jointly sold Equifax's Score Power® credit score product in violation of certain procedural requirements under the federal Credit Repair Organizations Act ("CROA"). Plaintiff contends that Equifax Consumer and Fair Isaac are "credit repair organizations" under CROA and that the transaction by which he purchased Score Power® was in violation of CROA and fraudulent. Plaintiff seeks certification of a class on behalf of all individuals who purchased such services from defendants within the five-year period prior to the filing of the complaint. Plaintiff seeks unspecified damages, attorneys' fees and costs. On May 23, 2005, the District Court denied defendants' partial motions to dismiss the case and the defendants have answered, denying all liability or wrongdoing. Discovery has concluded. Plaintiff has filed motions for class certification and partial summary judgment.

On April 19, 2006, in an action captioned *Steven G. Millett and Melody J. Millett v. Equifax Information Services, LLC and Equifax Consumer Services, Inc.,* which was originally filed on June 16, 2004 and was recently transferred from the U.S. District Court for Kansas to the U.S. District Court for the Northern

District of Georgia, plaintiffs filed a Fifth Amended Class Action Complaint. In this Complaint, plaintiffs assert, among other allegations, that Equifax Consumer

Services, Inc. sold Equifax's Credit Watch product in violation of CROA, asserting claims similar to those made by plaintiff in the *Hillis* case described in the preceding paragraph. Plaintiffs seek certification of a class on behalf of all individuals who purchased the CreditWatch product from Equifax from September 9, 2001 to the present, and unspecified damages, attorney's fees and costs. Discovery has commenced.

NCRA/Standfacts Litigation. On March 25, 2004, the National Credit Reporting Association, Inc. ("NCRA"), a trade association of mortgage credit information resellers, and, separately, 23 of NCRA's members, commenced suits against Equifax, Experian and TransUnion alleging various violations of antitrust and unfair practices laws. After a variety of rulings on procedural and substantive issues, including grants on two occasions of all or part of defendants' motions to dismiss, the remaining claims of all plaintiffs have been consolidated under a Third Amended Complaint, filed June 29, 2005, in an action captioned *Standfacts Credit Services, et al. v. Experian Information Solutions, Inc., Equifax Inc., and TransUnion, LLC*, pending in the U.S District Court of the Central District of California. Plaintiffs seek to represent a class of all resellers that have purchased information from defendants since March 2000, and allege that the defendants have conspired to monopolize, have discriminated among resellers in pricing and have treated resellers unfairly. The amended complaint seeks injunctive relief and unspecified amounts of damages. On August 12, 2005, the defendants moved to dismiss the antitrust claims and for summary judgment on the unfair practices claims. The District Court granted defendants' motions to dismiss all claims except for one remaining Sherman Act, Section 1 conspiracy claim and a state law claim based on the same theory. Discovery is ongoing.

Nunnally Litigation. On October 13, 2004, an action captioned *Nunnally, et al. v. Equifax Information Services LLC* was commenced in the U.S. District Court of the Northern District of Alabama. The complaint alleges that the Company violated the Fair Credit Reporting Act by failing to provide a full disclosure along with its reinvestigation results sent to consumers that disputed the accuracy of their consumer reports. Plaintiffs seek to represent a class of all consumers to which the Company failed to send a complete disclosure after completion of reinvestigation. Plaintiffs are seeking unspecified damages, attorneys' fees and costs. On February 4, 2005, the District Court denied our motion to dismiss the complaint, but certified the issue for immediate appeal and stayed the case. On June 8, 2006, the Eleventh Circuit reversed the District Court decision and the case was dismissed by the District Court on July 25, 2006.

Other. Equifax has been named as a defendant in various other legal actions, including administrative claims, class actions and other litigation arising in connection with our business. Some of the legal actions include claims for substantial compensatory or punitive damages or claims for indeterminate amounts of damages. The Company believes it has strong defenses to, and where appropriate, will vigorously contest, many of these matters. Given the number of these matters, some are likely to result in adverse judgments, penalties, injunctions, fines or other relief. Equifax may explore potential settlements before a case is taken through trial because of the uncertainty and risks inherent in the litigation process.

For information regarding contingent tax claims raised by the Canada Revenue Agency, and our accounting for legal contingencies, see Part I, Item 1, Notes to Consolidated Financial Statements—Note 5 of the Notes to Consolidated Financial Statements, "Commitments and Contingencies", in this Form 10-Q.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this Form 10-Q, you should carefully consider the factors discussed in Part I, Item 1A, "Risk Factors" in our 2005 Form 10-K, which could materially affect our business, financial condition or future results. The risks described in our 2005 Form 10-K are not the only risks facing the Company. Additional risks and uncertainties not currently known to us or that we

currently deem to be immaterial also may materially adversely affect our business, financial condition or operating results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table contains information with respect to purchases made by or on behalf of Equifax or any "affiliated purchaser" (as defined in Rule 10b-18(a) (3) under the Securities Exchange Act of 1934), of our common stock during the three months ended June 30, 2006:

Period	Total Number of Shares Purchased(1)	Average Price Paid Per Share(2)	Total Number of Shares Purchased as Part of Publicly-Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs(3)
March 31, 2006				$ 300,353,341
April 1-April 30, 2006	151,970	$ 38.45	143,200	$ 294,847,624
May 1-May 31, 2006	778,300	$ 36.76	778,300	$ 266,237,241
June 1-June 30, 2006	518,214	$ 35.24	506,800	$ 248,377,073
Total	1,448,484	$ 36.39	1,428,300	$ 248,377,073

(1) The total number of shares purchased includes: (1) shares purchased pursuant to our publicly announced share repurchase program ("Program"); and (2) shares surrendered, or deemed surrendered, in satisfaction of the exercise price and/or to satisfy tax withholding obligations in connection with the exercise of employee stock options, totaling 8,770 shares in April 2006, zero shares in May 2006 and 11,414 shares in June 2006.

(2) Average price paid per share for shares purchased as part of the Program (includes brokerage commissions).

(3) The Program was last amended by our Board of Directors in February 2006, to authorize the repurchase of $250.0 million of our common stock (in addition to the then-remaining previous authorization of $68.7 million) from time to time, directly or through brokers or agents, and has no stated expiration date.

Dividend and Share Repurchase Restrictions

Our $500.0 million senior unsecured revolving credit agreement, as amended, with SunTrust Bank, Banc of America Securities, LLC and other lenders restricts our ability to pay cash dividends on our capital stock or repurchase capital stock if the total amount of such payments in any fiscal year would exceed 20% of our consolidated total assets measured as of the end of the preceding fiscal year.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Our 2006 Annual Meeting of Shareholders was held on May 17, 2006. A total of 119,580,087 of our shares were present or represented by proxy at the meeting. This represented approximately 90% of the Company's shares outstanding. The following matters were voted upon at the 2006 Annual Meeting of Shareholders:

1. Each nominee for director was re-elected as a Class I director for a three year term expiring on the date of the 2009 Annual Meeting of Shareholders, as follows:

Name	Shares Voted For	Shares Withheld
Garry Betty	81,852,123	37,727,964

Larry L. Prince	81,560,341	38,019,746
Richard F. Smith	109,376,780	10,203,307
Jacquelyn M. Ward	80,748,902	38,831,185

There were no broker non-votes for the election of the four directors.

Other directors whose terms of office continued after the meeting were as follows:

Class III (term expiring 2007)	Class II (term expiring 2008)
John L. Clendenin	James E. Copeland, Jr.
A. William Dahlberg	Lee A. Kennedy
L. Phillip Humann	

2. The shareholders ratified the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2006, as follows:

Shares For	Shares Against	Shares Abstained
118,055,443	737,490	786,753

There were no broker non-votes on this matter.

3. The shareholders ratified the material terms of the performance goals that may apply to performance bonuses granted under the Equifax Inc. Key Management Incentive Plan, as follows:

Shares For	Shares Against	Shares Abstained
110,094,267	8,376,150	1,108,468

There were no broker non-votes on this matter.

ITEM 6. EXHIBITS

The following is a complete list of Exhibits included as part of this Report. A list of those documents filed with this Report is set forth on the Index to Exhibits appearing elsewhere in this Report and is incorporated by reference:

Exhibit No.	Description
10.1	Equifax Key Management Incentive Plan (incorporated by reference to Appendix A to the Equifax Inc. Proxy Statement for its Annual Meeting of Shareholders held on May 17, 2006).
10.2	Retirement Agreement dated as of May 10, 2006 between Equifax Inc. and Karen H. Gaston and Form of Employee Confidentiality, Non-Solicitation and Assignment Agreement.
31.1	Rule 13a-14(a) Certification of Chief Executive Officer.
31.2	Rule 13a-14(a) Certification of Chief Financial Officer.
32.1	Section 1350 Certification of Chief Executive Officer.
32.2	Section 1350 Certification of Chief Financial Officer.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EQUIFAX INC.
(Registrant)

Date: August 2, 2006

By: /s/ Richard F. Smith
Richard F. Smith
Chairman and Chief Executive Officer
(Principal Executive Officer)

Date: August 2, 2006

/s/ Donald T. Heroman
Donald T. Heroman
Corporate Vice President and
Chief Financial Officer
(Principal Financial Officer)

Date: August 2, 2006

/s/ Nuala M. King
Nuala M. King

Senior Vice President and Corporate Controller
(Principal Accounting Officer)

INDEX TO EXHIBITS

The following documents are being filed with this Report.

Exhibit No.	Description
10.1	Equifax Key Management Incentive Plan (incorporated by reference to Appendix A to the Equifax Inc. Proxy Statement for its Annual Meeting of Shareholders held on May 17, 2006).
10.2	Retirement Agreement dated as of May 10, 2006 between Equifax Inc. and Karen H. Gaston and Form of Employee Confidentiality, Non-Solicitation and Assignment Agreement.
31.1	Rule 13a-14(a) Certification of Chief Executive Officer.
31.2	Rule 13a-14(a) Certification of Chief Financial Officer.
32.1	Section 1350 Certification of Chief Executive Officer.
32.2	Section 1350 Certification of Chief Financial Officer.

Exhibit 10.2

EQUIFAX

Kent E. Mast
Corporate Vice President &
General Counsel

CONFIDENTIAL

Equifax Inc.
1550 Peachtree Street, N.W.
Atlanta, GA 30309
404-885-8009
FAX 404-885-8988
Email: kent.mast@equifax.com

May 10, 2006

Karen H. Gaston
[Address]

Re: Retirement Agreement and General Release of Claims

Dear Karen:

This letter (the "Agreement") will confirm the arrangements we have discussed concerning your retirement from Equifax Inc. (the "Company").

End of Employment. You hereby resign your employment with the Company effective as of June 1, 2006 (your "Retirement Date"), which will be your last day of active employment with the Company. As of your Retirement Date, your duties and responsibilities for the Company will end, and you will no longer be authorized to transact business or incur any expenses, obligations or liabilities on behalf of the Company or any of its affiliated entities.

Resignation. You also hereby resign as Chief Administrative Officer of the Company effective as of the Retirement Date or such earlier date as may be specified by the Chief Executive Officer of the Company, and you acknowledge that the Company has accepted your resignation. If requested by the Company, you will execute additional documents evidencing your resignation from all positions you hold for the Company and all affiliated entities of the Company (collectively, "Equifax") effective as of the Retirement Date.

Employment. You acknowledge that you have been employed at the will of the Company.

Between the Effective Date of this Agreement and the Retirement Date, the Company shall provide you with the salary and benefits payable at the same levels and in the same manner as are currently in effect. You agree that between the date when you are first given this Agreement for your consideration and the Retirement Date, you will use all vacation time to which you would have been entitled through the Retirement Date under the Company's policies. After the Retirement Date, you shall only be entitled to the consideration provided under this Agreement and all vested rights under the Company's benefit plans and programs. You have executed and delivered to the Company concurrently with the execution and delivery of this Agreement an Employee Confidentiality, Non-Solicitation and Assignment Agreement in the Company's current standard form (the "Confidentiality Agreement"). You acknowledge and agree that you will be bound by the terms and conditions of the Confidentiality Agreement hereafter in accordance with its terms, except that the provisions of the "Non-Solicitation of Employees" paragraph below shall apply in lieu of and shall supersede Section 2 of the Confidentiality Agreement. You further acknowledge and agree that the execution and delivery of the Confidentiality Agreement and this Agreement and acceptance thereof by the Company shall not constitute a waiver of any existing breaches or defaults by you

---

of any other confidentiality or employee assignment agreement previously entered into by you in favor of Equifax.

Post-Retirement Benefits. In consideration of your agreements and covenants under this Agreement, commencing after the Retirement Date, the Company will pay and provide you with the following benefits:

(i) Salary Continuation. You will receive an amount equal to your current base salary for a period of one year, payable in a single lump sum, less payroll deductions required by law and other deductions authorized by you, on your Retirement Date. For purposes of this Agreement, your "current base salary" shall be $373,239 per annum.

(ii) Annual Incentive Payment. You shall be paid any annual incentive payment in accordance with the terms of the Equifax Inc. Key Management Incentive Plan. Any such incentive shall be based upon your 2006 salary actually paid for services until the Retirement Date (not including any additional amounts paid under this Agreement), and the amount of and payment date of any such incentive payment shall be determined in the manner applicable to other retirees under such plan.

(iii) Health and Life Insurance. Your health and life insurance benefits shall be terminated as of the Retirement Date. However, you are eligible to continue your medical benefits, at your election, under the terms available to other retirees through the Company's retiree medical plan. With respect to your dental coverage, you may elect to continue this coverage at your expense in accordance with the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), provided that you make a timely election of COBRA coverage and complete the necessary forms for such coverage. In addition, the $3 million of life insurance coverage provided to you by the Company under its Executive Life & Supplemental Retirement Benefit Plan will continue to be available to you as a retiree pursuant to the terms of the plan and to the extent such benefits are available to other similarly situated retired participants.

(iv) Financial Planning and Tax Counseling Services. The Company will continue to provide you with financial planning and tax counseling services through December 31, 2007. The maximum amount the Company shall be obligated to spend to provide services to you under this paragraph shall be $15,000 in 2006 (including any amounts spent in 2006 prior to the Retirement Date) and $15,000 in 2007. The cost of such services shall be billed to, and paid directly by, the Company and you shall be "grossed up" for taxes on such amounts consistent with other executives receiving this benefit.

(v) Stock Awards. Your rights and obligations with respect to all stock option grants and restricted stock awards you have received from the Company shall be governed by the terms of the plans, agreements and instruments pursuant to which such grants were made. For purposes of each of your stock option agreements (both incentive and non-qualified), your retirement shall be treated as a termination of employment resulting from your retirement (governed by Section 2(e)(ii) of such agreements). Without limiting the generality of the foregoing, any stock options unvested on the Retirement Date shall continue to vest under the original vesting terms.

For purposes of each of your deferred share award ("restricted stock unit") agreements (with the single exception of your deferred share award agreement dated December 20, 2004), your retirement shall be treated as a termination of employment resulting from your retirement governed by Section 3(b) of such agreements. Without limiting the generality of the foregoing, any restricted stock units un vested on the Retirement Date shall vest on such date. With respect to your deferred share award dated December 20, 2004, your retirement shall be treated as a "Good Reason" termination under Section 3(c) and, pursuant to such provision, shall become fully vested on your Retirement Date. Distribution of deferred shares upon vesting shall be subject to the terms of any irrevocable elections in place under the Equifax Inc. Director and Executive Stock Deferral Plan. Any shares so deferred shall then be subject to the form and timing of distributions elected under such plan. The Company will make reasonable efforts to ensure that share certificates for shares that are immediately distributable are available to you on the Retirement Date.

(vi) Supplemental Retirement Plan. Your rights will be determined under the Supplemental Retirement Plan for Executives of Equifax Inc. ("SERP") based on your eligibility for Early Retirement as of the Retirement Date. The Company shall credit you with 10 years of Senior Executive Officer Service and 19 additional years of Benefit Service under the SERP for purposes of determining benefits thereunder, subject to the terms of the SERP. Such service will have been earned under the terms of the SERP on the Retirement Date and reflects no supplemental service credit under this Agreement. For further certainty, it is acknowledged and agreed that the lump sum salary continuation payment to be made under subparagraph (i) of this Post-Retirement Benefits paragraph shall not be treated as compensation for purposes of the SERP or any other retirement plan.

You acknowledge that some of the payments and benefits described in subparagraphs (i) through (vi) above are consideration in addition to those that are required to be provided upon your resignation and retirement by the Company's policies, agreements, plans (including benefit plans and programs) and procedures (the "Additional Benefits"), and such Additional Benefits are given to you in exchange for your executing this Agreement and abiding by its terms. You further acknowledge that some or all of the payments and benefits described above are not required by the Company's policies, plans and procedures following your resignation and retirement, and constitute value to which you would not be entitled, unless you executed a release such as that contained in this Agreement. The payments and benefits provided to you under this Agreement shall be provided in a manner consistent with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and rulings thereunder ("Section 409A"). No such payment or benefit will be provided in a manner which will violate Section 409A.

You will not be eligible to be an active participant in any Company (or affiliated company) benefit plan, including, without limitation, any retirement plan, stock option or stock grant plan or severance policy or plan, or to receive any other employment benefits, compensation or severance, after your Retirement Date, other than as specifically set forth above; provided, however, nothing in this Agreement shall be interpreted to cause the forfeiture by you of any vested rights under the Company's benefit plans and programs, and none of such vested rights shall be considered Additional Benefits. It is understood and agreed that, except as specifically set forth above, you remain entitled to any retirement or health and welfare benefits that vested before your Retirement Date. Other than as set forth in this Agreement, no further amounts shall be due or owed to you from or on behalf of Equifax for or in any way relating to or connected with your employment with the Company.

Post-Retirement Indemnity. The Company agrees to defend and indemnify you to the same extent and in the same manner it accords such defense and/or indemnification to other officers of the Company, in accordance with applicable law, by-laws or insurance policies. Unless required by law or by-laws and/or within the provided coverage of any applicable insurance policy, this paragraph does not include defense or indemnity for any act or omission on your part outside the course and scope of your employment, or in excess of your actual authority without Company authorization, or involving any fraud or misrepresentation, or any intentional or grossly negligent violation of local, state or federal statutory or common law or of any rights of others.

Departure Announcement. The Company retains the right to determine the content of any press release concerning your retirement that it may issue following your execution of this Agreement.

The Company shall permit you to review the content of any press release concerning your retirement before it is published, but you acknowledge that you do not have any right to make changes to any such press release and that the Company may publish any such press release without obtaining your approval of the content of the press release. You agree that, except with the prior written consent of the Company, you will not make any public announcement or communicate, directly or indirectly, with the public or any press or media representative regarding the circumstances of your retirement from the Company.

Nondisparagement. You understand that your entitlement to the Additional Benefits agreed to above is conditioned on your compliance with the terms of this Agreement. You agree not to make any oral or written statement or take any other action which disparages or criticizes Equifax's management, products, services or practices (including its business plans and strategies), damages Equifax's good reputation or impairs its normal operations. The Company agrees that it shall cause its directors and the officers elected by the Board of Directors not to make any oral or written statement or take any other action which disparages or criticizes your work performance, professional competence or your good reputation. Truthful testimony compelled by legal process or in the context of enforcing the terms of this Agreement or other rights, powers, privileges or claims not released by this Agreement shall not be considered a violation of this provision by either party.

Noncompetition. You agree that you will not, commencing on the Effective Date of this Agreement and continuing through the date that is twelve (12) months after the Retirement Date, within the Territory (as defined in the attached Exhibit A), directly or indirectly, provide any Services to or for the benefit of any individual, business, corporation or other entity or organization that provides any of the following products or services to or for customers: consumer credit reporting services and products; commercial credit reporting services and products; direct to consumer credit reporting services and products; credit and direct marketing services and products (defined as information products and databases which enable customers to identify and target an audience for marketing or customer relationship management purposes); customer data integration products and services; data based fraud protection services, employment screening services, airport passenger security services, and identity authentication services (collectively, the "Company's Products and Services"). As used herein, "Services" means participating in, and managing and supervising others in, marketing, sales, customer service, supplier relations, administration, personnel, formulation and implementation of budgets and strategic, financial and operational plans, and the delivery of products and services to customers.

Non-Solicitation of Customers. You agree that, commencing on the Effective Date of this Agreement and continuing for a period of twelve (12) months following the Retirement Date, you will not, directly or indirectly, solicit, or assist others in soliciting, any business from any of Equifax's customers with which you had material contact (i.e., dealt with, supervised dealings with or obtained confidential information concerning) on Equifax's behalf during the two-year period preceding the Retirement Date, for purposes of providing products or services that are identical to or reasonably substitutable for the Company's Products and Services.

Non-Solicitation of Employees. You agree that you will not at any time during the period commencing on the Effective Date of this Agreement and continuing for a period of twelve (12) months after the Retirement Date, directly or indirectly, whether alone or with any other person or entity as a partner, officer, director, employee, agent, shareholder, consultant, sales representative or otherwise, solicit for employment or assist in the solicitation for employment of any Equifax employee with whom you had regular contact in the course of your employment or any Equifax employee at any facility where you performed services for Equifax within the Territory defined in Exhibit A.

Acknowledgements regarding Restrictive Covenants. You acknowledge that you have been in a senior position of trust and responsibility for Equifax and have been provided access to a substantial amount of confidential and proprietary information of Equifax, as well as to important customers and valuable employees of Equifax, that the covenants in the "Nondisparagement", "Noncompetition", "Non-Solicitation of Customers" and "Non-Solicitation of Employees" paragraphs of this Agreement are reasonable in light of the substantial rights and benefits you will receive under this Agreement and the serious harm to Equifax that could result if you engaged in the conduct prohibited by such paragraphs, and that you are capable of obtaining gainful, lucrative and desirable employment following the Retirement Date that does not violate the restrictions of this Agreement.

Confidentiality. You warrant that you have not communicated with or disclosed, and agree that you will not communicate with or disclose to anyone, including, but not limited to, any communications media or financial analyst, or any officer, employee, supplier, customer or competitor of Equifax, or any other person, except for your communications with the Company's Chief Executive Officer and General Counsel, the fact of your retirement from Equifax, or the circumstances surrounding that retirement, other than to confirm that you have resigned to pursue other interests. The foregoing does not apply to, and will not prevent you from having discussions, on a confidential basis, regarding your retirement with your legal, tax or financial advisers. provided that they agree to be bound by the confidentiality obligations of this paragraph.

Furthermore, except to the extent the Company has publicly disclosed the specific terms, amount and fact of this Agreement, you agree that, except for the restrictive covenants of this Agreement which you are free to disclose to prospective employers, you will keep the terms, amount and fact of this Agreement completely confidential, and that, except as required by law or authorized in writing by the Company, you will not hereafter disclose any information concerning the fact of or provisions of this Agreement to anyone other than your immediate family and legal, tax or financial advisors, all of whom will be informed by you of, and be bound by, this confidentiality provision. As used in this Agreement, “authorized by the Company” or words of similar effect shall mean the written authorization of the Chief Executive Officer or General Counsel of the Company.

Post-Retirement Cooperation. You agree to cooperate ful1y with and devote your reasonable best efforts to providing assistance reasonably requested by Equifax. Such assistance shall not require you to be active after the Retirement Date in Equifax’s day-to-day activities and you shall be reimbursed, upon providing appropriate documentation, for all reasonable and necessary out-of-pocket business expenses incurred in providing such assistance. Without limiting the generality of the foregoing, you agree to provide reasonable assistance to the management of Equifax in connection with the transition of your previous duties and responsibilities and to assist Equifax, including after the completion of all salary continuation payments payable hereunder, in the defense of any pending or subsequently filed lawsuit, arbitration or administrative proceeding (collectively, “Suits”) against Equifax and/or any of its officers, directors, employees or agents by providing truthful testimony or other requested lawful forms of assistance; in the analysis, preparation and prosecution by Equifax of any Suit against any individual, company or other person, including by providing truthful testimony in connection with any such Suit; and in connection with any other dispute or claim arising out of any matter for which you were responsible during your employment or about which you have knowledge. The Company agrees that its requests for assistance will not unreasonably interfere with the requirements of your subsequent employment or other personal and professional obligations.

Access to Property. On and after your Retirement Date, you will not have access to Equifax’s executive offices or any of its other facilities or systems except as requested or authorized by Equifax.

Return of Property. Except for items (if any) you are permitted to retain by an express provision of this Agreement, you agree that you will return to Equifax on or before the Retirement Date any and all Equifax property in your possession or control, including, but not limited to, all keys, credit cards, security passes, computers and other tangible items or equipment provided to you by Equifax for use during your employment, together with all written or recorded materials, documents, computer discs, plans, records, notes, files, drawings or papers, and all copies thereof, relating to the business or affairs of Equifax.

Covenant Not to Sue and Release. You represent that you have not, and agree, to the maximum extent permitted by applicable law, that you will not, file any claims, complaints, charges or lawsuits against the Company (including any of the Company’s present and former divisions, subsidiaries and other affiliated entities, predecessors, successors and assigns), its benefit plans and programs, or any of their respective present or former agents, directors, officers, trustees, employees, consultants, owners, representatives or attorneys (hereinafter collectively referred to as the “Releasees”), about anything which has occurred up to and including the date you execute this Agreement, except such claims, complaints, charges or lawsuits seeking vested rights under the Company’s benefit plans and programs, including benefits under pension and retirement plans that are vested under the terms thereof, or any rights or benefits expressly created or preserved by this Agreement. In addition, except for any vested rights under the Company’s benefit plans and programs, including benefits under pension and retirement plans that are vested under the terms thereof, and any rights or benefits expressly created or preserved by this Agreement (which are not released or modified by this Agreement), and in further consideration of the benefits we have agreed to provide you, you do hereby release and discharge each and all of the Releasees from any and all claims, liabilities, agreements, damages, losses or expenses (including attorneys’ fees and costs actually incurred), of any nature whatsoever, known or unknown (hereinafter “Claim or “Claims”), which you have, may have had, or may later claim to have had against any of them for personal injuries, losses or damage to personal property, breach of contract (express or implied), breach of any covenant of good faith (express or implied), or any other losses or expenses of any kind (whether arising in tort, contract or by statute) resulting or arising from anything that has occurred prior to the date you execute this Agreement. You understand and agree that you will not hereafter be entitled to pursue any Claims arising out of any violation of your rights while employed by the Company against any of the Releasees in any state or federal court or before any state or federal agency for back pay, severance pay, liquidated damages, compensatory damages, or any other losses or other damages to you or your property resulting or arising from any claimed violation of state or federal law, including, for example, Claims arising under Title VII of the Civil Rights Act of 1964, the Age Discrimination In Employment Act of 1967, the Americans With Disabilities Act, the Employee Retirement Income Security Act, and Claims under any other federal or state statute or common law. This Agreement does not, however, waive rights or claims that may arise after the date you sign it below.

For the purpose of implementing a full and complete release and discharge of the Releasees, you expressly acknowledge that this Agreement is intended to include in its effect, without limitation, all Claims which you do not know or suspect to exist in your favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such Claim or Claims. You expressly waive and relinquish all rights and benefits which you may have under any state or federal statute or common law principle that would otherwise limit the effect of this Agreement to claims known or suspected prior to the date you execute this Agreement, and do so understanding and acknowledging the significance and consequences of such specific waiver.

The undertakings and benefits of this covenant not to sue and release shall survive and not be extinguished by either party’s breach of the other provisions of this Agreement.

This Agreement does not prohibit you from enforcing the terms of this Agreement. Furthermore, this Agreement does not prohibit you from attempting to challenge the legal sufficiency of your release of Age Discrimination in Employment Act claims or filing an administrative charge of age discrimination with the Equal Employment Opportunity Commission. However, this Agreement does release any Claim that you have or might have for monetary relief or any other remedy to you personally, that arises out of any proceeding before a government agency or court that relates to any Claim released herein. If any agency or court takes jurisdiction over any matter in which you have or may have any personal interest, you agree to inform that agency or court that this Agreement is a full and final settlement by you of all Claims released under this Agreement.

Withholding Taxes. All payments and deliveries to you hereunder will be subject to withholding of taxes and other amounts as required by law.

Consequences of Breach. You agree that you will indemnify and hold the Releasees harmless from any loss, cost, damage or expense (including attorneys’ fees) incurred by them arising out of your breach of any portion of this Agreement, excluding any breach of the obligations set forth in the Post-Retirement Cooperation section of this Agreement. You also understand that your entitlement to and retention of the lump sum salary continuation payment to be made under subparagraph (i) of the “Post-Retirement Benefits” paragraph of this Agreement and all other Additional Benefits that we have agreed to provide you (except for $500 of such payments and benefits, which you shall in all cases be entitled to retain), are expressly conditioned upon your fulfillment of your promises herein, and you agree, to the extent permitted or required by law, immediately to return or repay the amounts of such benefits you have received from us, upon your filing or asserting any Claim against the Releasees (other than claims for breach of this Agreement) or upon your breach of any other provision of this Agreement, excluding any breach of the obligations set forth in the Post-Retirement Cooperation section of this Agreement; provided that if you breach the “Noncompetition”, “Non-Solicitation of Customers” and “Non-Solicitation of Employees” paragraphs of this Agreement, you will not be required to return or repay any such amounts unless you fail to cure the breach within ten days after receiving notice of the breach from the Company. For purposes of this paragraph only, the filing of an Age Discrimination in Employment Act charge or lawsuit will not be considered a breach of this Agreement;

provided, however, that the severance benefits paid to you under this Agreement may serve as restitution, recoupment and/or set-off in the event you prevail on the merits of such claim.

Waiver/Remedies. Except as expressly limited herein, both parties reserve all rights and remedies available to them in the event of a breach of any provision of this Agreement by the other party. You acknowledge that if you breach or threaten to breach your covenants and agreements in this Agreement, then your actions may cause irreparable harm and damage to the Company which could not be adequately compensated in monetary damages. Accordingly, if you breach or threaten to breach this Agreement, then the Company will be entitled to injunctive or other equitable relief, in addition to any other rights or remedies of the Company under this Agreement or otherwise. No failure on the part of either party hereto to exercise, and no delay by either party in exercising any right, power, or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or remedy by either party preclude any other or further exercise thereof or the exercise by such party of any other right, power or remedy. No express waiver or assent by either party of any breach of or default in any term or condition of this Agreement shall constitute a waiver of or an assent to any succeeding breach of or default in the same or any other term or condition hereof.

Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Georgia and the federal laws of the United States of America, without regard to rules relating to the conflict of laws. You hereby consent to the exclusive jurisdiction of the Superior Court of Fulton County, Georgia and the U.S. District Court in Atlanta, Georgia, and hereby waive any objection you might otherwise have to jurisdiction and venue in such courts in the event either court is requested to resolve a dispute between the parties.

Notices. All notices, consents and other communications required or authorized to be given by either party to the other under this Agreement shall be in writing and shall be deemed to have been given or submitted (i) upon actual receipt if delivered in person or by facsimile transmission, (ii) upon the earlier of actual receipt or the expiration of two business days after sending by express courier (such as UPS or Federal Express), and (iii) upon the earlier of actual receipt or the expiration of seven days after mailing if sent by registered or certified express mail, postage prepaid, to the parties at the following addresses:

To the Company:

Equifax Inc.
1550 Peachtree Street Atlanta, Georgia 30309 Fax No.: (404) 885-8766 Attn: Chief Executive Officer

Equifax Inc.
1550 Peachtree Street Atlanta, Georgia 30309 Fax No. (404) 885-8988 Attn: General Counsel

To you:

Karen H. Gaston [Address]

You shall be responsible for providing the Company with your current address from time to time.

Either party may change its address (and facsimile number) for purposes of notices under this Agreement by providing notice to the other party in the manner set forth above.

Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

Non-Admission. This Agreement shall not in any way be construed as an admission by the Company or by any person that it or he has acted wrongfully with respect to you or any other person, or that you have any claim or cause of action whatsoever against the Company or any person.

Severability. The provisions of this Agreement are severable, and if any term of this Agreement not essential to its purpose is held to be illegal, invalid or unenforceable by a court of competent jurisdiction, the remaining terms shall continue in full force and effect. If any covenant in this Agreement, including, without limitation, the covenants in the “Nondisparagement”, “Noncompetition”, “Non-Solicitation of Customers” and “Non-Solicitation of Employees” paragraphs, is held to be unreasonable, arbitrary or against public policy, such covenant will be considered to be divisible with respect to scope, time and geographic area, and such lesser scope, time or geographic area, or all of them, as a court of competent jurisdiction may determine to be reasonable, not arbitrary and not against public policy will be effective, binding and enforceable against you.

Consideration Period. Because the arrangements discussed in this Agreement affect important rights and obligations, the Company advised you to consult with an attorney before you agreed to the terms set forth herein, and you acknowledge that you have been represented by an attorney in the negotiation of this Agreement. You have twenty-one (21) days from the date you receive this Agreement within which to consider it, and you may take as much of that time as you wish before signing. If you decide to accept the benefits offered herein, you must sign this Agreement on or before the expiration of the 2l-day period and

return it promptly to the Company. If you do not wish to accept the terms of this Agreement, you do not have to do anything.

Revocation Rights. For a period of up to and including seven (7) days after the date you sign this Agreement, you may revoke it entirely. No rights or obligations contained in this Agreement shall become enforceable before the end of the 7-day revocation period. If you decide to revoke this Agreement, you must deliver to the Company’s General Counsel a signed notice of revocation on or before the last day of this 7-day period. Upon delivery of a timely notice of revocation by you, this Agreement shall be canceled and void, and neither you nor the Company shall have any rights or obligations arising under it.

Effective Date. This Agreement shall become effective at midnight on the seventh day (the “Effective Date”) after you execute it below, unless it is earlier revoked by you pursuant to the provisions set forth in the “Revocation Rights” paragraph of this Agreement.

Entire Agreement. This Agreement supersedes all other prior discussions and agreements with respect to the matters covered hereby and, except as otherwise expressly provided in this Agreement, contains the sole and entire agreement between the parties relating to the subject matter hereof. In the event of any inconsistency between this Agreement and the terms and conditions of the Confidentiality Agreement or any other agreement that is not superseded by this Agreement, this Agreement shall be deemed to amend such terms and conditions and shall control. On the Effective Date of this Agreement, your Change-in-Control agreement with the Company shall terminate.

Acknowledgments. If the terms of this Agreement correctly set forth our agreement, please so indicate by signing in the appropriate space below and initialing each page. Your signature will be an acknowledgment that no other promise or agreement of any kind has been made to you by the Company to cause you to execute this Agreement, that you were afforded a reasonable period of at least twenty-one (21) days to review this Agreement and to consult with an attorney or other person of your choosing about its terms before signing it, that the only consideration for your signature is as indicated above, that you fully understand and accept this Agreement, that you are not coerced into signing it, and that you signed it knowingly and voluntarily because it is satisfactory to you.

Sincerely,

EQUIFAX INC.

By: /s/ KENT E. MAST
Kent Mast
Corporate Vice President and General Counsel

I have carefully read the above Retirement Agreement and General Release of Claims, understand the meaning and intent thereof, and voluntarily agree to its terms this 10th day of May, 2006.

/s/ KAREN H. GASTON
Karen H. Gaston

I acknowledge that I first received this Retirement Agreement and General Release of Claims on the 10th day of May, 2006.

/s/ KAREN H. GASTON
Karen H. Gaston

EXHIBIT A

You acknowledge that during the twelve-month period before the Retirement Date, you provided Services for or on behalf of the Company in the following countries (the "Territory"):

United States of America
Canada
Brazil
Chile
Argentina
Uruguay
Peru
United Kingdom
Spain
Portugal

EQUIFAX

EMPLOYEE CONFIDENTIALITY, NON-SOLICITATION AND ASSIGNMENT AGREEMENT

This Employee Confidentiality, Non-solicitation and Assignment Agreement (the "Agreement") is entered into on May 10, 2006, by and between Equifax Inc. on behalf of itself, its subsidiary and/or affiliate companies (collectively "Equifax") and the undersigned Equifax employee ("Employee").

Statement of Facts

The purpose of this Agreement is to obtain Employee's commitment to protect and preserve Equifax's business relationships, Trade Secrets and Confidential Information as defined below.

Statement of Terms

1. ***Employment Relationship***. Employee acknowledges that (A) this Agreement is not an employment agreement, and (B) his or her employment with Equifax is not specified for any particular term. Employee will abide by Equifax's rules, regulations, policies and practices as revised from time to time by Equifax at its sole discretion.

2. ***Agreement Not to Solicit Employees***. During the term of Employee's employment by Equifax and for a period of six (6) months following the termination of Employee's employment for any reason, Employee will not, either directly or indirectly, on his or her behalf or on behalf of others, solicit for employment or hire, or attempt to solicit for employment or hire, any Equifax employee with whom Employee had regular contact in the course of his or her employment or any Equifax employee at any facility where Employee performed services for Equifax.

3. ***Trade Secrets and Confidential Information***.

(a) All Trade Secrets (defined below) and Confidential Information (defined below), and all materials containing them, received or developed by Employee during the term of his or her employment are confidential to Equifax, and will remain Equifax's property exclusively. Except as necessary to perform Employee's duties for Equifax, Employee will hold all Trade Secrets and Confidential Information in strict confidence, and will not use, reproduce, disclose or otherwise distribute the Trade Secrets or Confidential Information, or any materials containing them, and will take those actions reasonably necessary to protect any Trade Secret or Confidential Information. Employee's obligation regarding Trade Secrets will continue indefinitely, while Employee's obligations regarding Confidential Information will cease two (2) years from the date of termination of Employee's employment with Equifax.

(b) "Trade Secret" means information, including, but not limited to, technical or non-technical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential Equifax customers or suppliers which (A) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (B) is the subject of Equifax's efforts that are reasonable under the circumstances to maintain secrecy; or as otherwise defined by applicable state law.

"Confidential Information" means any and all knowledge, information, data, methods or plans (other than Trade Secrets) which are now or at any time in the future developed, used or employed by Equifax which are treated as confidential by Equifax and not generally disclosed by Equifax to the public, and which relate to the business or financial affairs of Equifax, including, but not limited to, financial statements and information, marketing strategies, business development plans and product or process enhancement plans.

(c) Employee acknowledges that Equifax is obligated under federal and state credit reporting and similar laws and regulations to hold in confidence and not disclose certain information regarding individuals, firms or corporations which is obtained or held by Equifax, and that Equifax is required to adopt reasonable procedures for protecting the confidentiality, accuracy, relevancy and proper utilization of consumer credit information. In that regard, except as necessary to perform Employee's duties for Equifax, Employee will hold in strict confidence, and will not use, reproduce, disclose or otherwise distribute any information which Equifax is required to hold confidential under applicable federal and state laws and regulations, including the federal Fair Credit reporting Act (15 V.S.C. § 1681 et seq.) and any state credit reporting statutes.

(d) Employee agrees that any unauthorized disclosure of confidential codes or system access instructions or file data, intentional alteration or destruction of data, or unauthorized access or updating of Employee's own or any other file can lead to immediate dismissal and federal prosecution under the Fair Credit Reporting Act, the Counterfeit Access Device and Computer Fraud and Abuse Act, or prosecution under other state and federal laws. Should Employee ever be approached by anyone to commit unauthorized or illegal acts or to disclose confidential materials or data, Employee will immediately report this directly to Equifax management.

(e) Except as set forth in a separate written agreement executed by a corporate executive officer of Equifax, ownership of all programs, systems, inventions, discoveries, developments, modifications, procedures, ideas, innovations, know-how or designs developed or first reduced to practice by Employee during the term of employment relating in any way to his or her employment with Equifax (hereinafter collectively called "Inventions") are the property of Equifax. Employee will cooperate in applying for patents, trademarks or copyrights on all Inventions as Equifax requests, and agrees to assign and hereby does assign those patents, trademarks, copyrights and/or all other intellectual property rights to Equifax. Any works of authorship created by Employee in the course of Employee's duties are subject to the "Work for Hire" provisions contained in sections 101 and 201 of the United States Copyright Law, Title 17 of the United States Code. Accordingly, all rights, title and interest to copyrights in all works of authorship which have been or will be prepared by Employee within the scope of Employee's employment (hereinafter collectively called the "Works"), shall be the property of Equifax. Employee further acknowledges and agrees that, to the extent the provisions of Title 17 of the United States Code do not vest in Equifax the copyrights to any Works, employee shall assign and hereby does assign to Equifax all rights, title and interest to copyrights which Employee may have in the Works. Employee shall disclose to Equifax all Works and will execute and deliver all applications for registration, registrations, and further documents relating to the copyrights to the Works. Employee shall provide such additional assistance as Equifax may deem necessary and desirable to assign the Works or Inventions to Equifax and/or secure Equifax title to the patents, trademarks, copyrights and/or all other intellectual property rights in the Works or Inventions, including the appointment of Equifax as its agent to effect for such purposes. To the extent that any preexisting rights are embodied or reflected in the Works or Inventions, Employee grants to Equifax an irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license to (i) use, execute, reproduce, display, perform, distribute copies of and prepare derivative works based upon such preexisting rights; and (ii) authorize others on Equifax's behalf to do any or all of the foregoing, and Employee warrants that he or she has full and unencumbered authority to grant such a license. The confidentiality requirements of the preceding paragraphs will apply to all of the above.

(t) At Equifax's request or on termination of Employee's employment with Equifax, Employee will deliver promptly to Equifax all Equifax property in his or her possession or control, including all Trade Secrets and Confidential Information and all materials containing them.

4. ***HIPAA***. Employee acknowledges that if Employee's job duties and responsibilities are within the Equifax Information Technology Department, such duties may cause the Employee to have incidental access to protected health information ("PHI") of the Equifax health plans that is maintained in electronic form. PHI is mandated by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA') to be kept secure and confidential and may not be accessed, used or disclosed, except as permitted by the Policies and Procedures of the Equifax health plans. Employee acknowledges that he or she will not at any time access PHI, except and only to the extent as may be expressly required in the course of his or her duties and responsibilities within the Equifax information Technology Department. Further, Employee acknowledges that he or she will not at any time—either during or after his or her employment with Equifax—use or disclose PHI to any person or entity, either within Equifax or externally to third parties,

except and only to the extent as expressly permitted by the Privacy Official for the Equifax health plans. Employee understands and acknowledges that unauthorized access, use or disclosure of PHI will result in disciplinary action, up to and including termination of employment, and may also result in the imposition of civil and criminal penalties under HIPAA and other applicable law.

5. ***Remedies***. Employee agrees that his or her promises in this Agreement are reasonable and necessary to protect and preserve the interests and assets of Equifax, and that Equifax will suffer irreparable harm if Employee breaches any of his or her promises.

Therefore, in addition to all the remedies provided at law or in equity, Equifax will be entitled to a temporary restraining order and permanent injunctions to prevent a breach or contemplated breach of any of Employee's promises. While Employee will retain the absolute right to pursue any claim, demand, action or cause of action that he or she may have against Equifax, if not otherwise compromised or released, the existence of any claim, demand, action or cause of action by Employee against Equifax, if any, will not constitute a defense to the enforcement by Equifax ofa ny of Employee' s promises in this Agreement.

6. ***Severability***. Each provision of this Agreement is separate and severable from the remaining provisions, and the invalidity or unenforceability of any provision will not affect the validity or enforceability of any other provisions. Further, if any provision is ruled invalid or unenforceable by a court of competent jurisdiction because of a conflict between that provision and any applicable law or regulation, that provision will be curtailed only to the extent necessary to make it consistent with that law or regulation.

7. ***Assignment***. Equifax may assign its rights and obligations under this Agreement. Employee may not assign his or her rights and obligations under this Agreement.

8. ***Waiver***. Equifax's waiver of any breach of this Agreement will not be effective unless in writing, and will not be a waiver of the same or another breach on a subsequent occasion.

9. ***Governing Law***. This Agreement will be governed and construed in accordance with the laws of the State of Georgia without reference to its conflicts of laws provisions.

10. ***Entire Agreement***. This Agreement contains Employee's entire agreement with Equifax regarding the subject matter covered by this Agreement. No amendment or modification of this Agreement will be valid or binding on Equifax or Employee unless in writing signed by both parties. All prior understandings and agreements regarding the subject matter of this Agreement are terminated.

THIS AGREEMENT, AS A CONDITION OF EMPLOYEE'S EMPLOYMENT OR CONTINUED EMPLOYMENT WITH EQUIFAX, IMPOSES UPON EMPLOYEE CERTAIN CONFIDENTIALITY RESTRICTIONS WITH RESPECT TO TRADE SECRETS AND CONFIDENTIAL INFORMATION BELONGING TO EQUIFAX. BY SIGNING BELOW, EMPLOYEE ACKNOWLEDGES THAT HE OR SHE HAS READ AND UNDERSTANDS THIS AGREEMENT.

EMPLOYEE:

By: /s/ KAREN H. GASTON
Signature

Print Name: Karen H. Gaston

Date: 5/10/2006

EQUIFAX

By: /s/ KENT E. MAST

Title: Corporate Vice President & General Counsel

Company/Department: ____________________

EXHIBIT 31.1

CERTIFICATIONS

I, Richard F. Smith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Equifax Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2006

/s/ RICHARD F. SMITH
Richard F. Smith
Chairman and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATIONS

I, Donald T. Heroman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Equifax Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2006

/s/ DONALD T. HEROMAN
Donald T. Heroman
Corporate Vice President and Chief Financial Officer

EXHIBIT 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Equifax Inc. (the "Company") on Form 10-Q for the period ended June 30, 2006, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Richard F. Smith, Chairman and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 2, 2006

/s/ RICHARD F. SMITH
Richard F. Smith
Chairman and Chief Executive Officer

EXHIBIT 32.2

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Equifax Inc. (the “Company”) on Form 10-Q for the period ended June 30, 2006, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Donald T. Heroman, Corporate Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 2, 2006

/s/ DONALD T. HEROMAN
Donald T. Heroman
Corporate Vice President and Chief Financial Officer