



# **First Quarter 2022**

# **Earnings**

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## Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of TransUnion's management and are subject to significant risks and uncertainties. Actual results may differ materially from those described in the forward-looking statements. Factors that could cause TransUnion's actual results to differ materially from those described in the forward-looking statements include: the effects of the COVID-19 pandemic; the duration of the COVID-19 pandemic and the timing of the recovery from the COVID-19 pandemic; the prevalence and severity of variants of the COVID-19 virus; the war in Ukraine and escalating geopolitical tensions as a result of Russia's invasion of Ukraine; the effects of pending and future legislation and regulatory actions and reforms; macroeconomic and industry trends and adverse developments in the debt, consumer credit and financial services markets and other macroeconomic factors beyond TransUnion's control; risks related to TransUnion's indebtedness, including TransUnion's ability to make timely payments of principal and interest and TransUnion's ability to satisfy covenants in the agreements governing its indebtedness; our ability to maintain our liquidity; our ability to maintain the security and integrity of our data; our ability to deliver services timely without interruption; our ability to maintain our access to data sources; government regulation and changes in the regulatory environment; litigation or regulatory proceedings; regulatory oversight of "critical activities"; our ability to effectively manage our costs; economic and political stability in the United States and international markets where we operate; the possibility that the expected benefits of the Healthcare divestiture will not be realized, or will not be realized within the expected time period; risks related to the distraction of management from ongoing business operations and other opportunities due to recent acquisitions and divestitures; our ability to acquire businesses, successfully secure financing for our acquisitions and timely consummate such acquisitions; the possibility that we will not successfully integrate the operations of our acquisitions, control the costs of integrating our acquisitions or realize the intended benefits of such acquisitions, including our recent Neustar acquisition; and other one-time events and other factors that can be found in TransUnion's Annual Report on Form 10-K for the year ended December 31, 2021, and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K, which are filed with the Securities and Exchange Commission and are available on TransUnion's website ([www.transunion.com/tru](http://www.transunion.com/tru)) and on the Securities and Exchange Commission's website ([www.sec.gov](http://www.sec.gov)). TransUnion undertakes no obligation to publicly release the result of any revisions to these forward-looking statements to reflect the impact of events or circumstances that may arise after the date of this presentation.

## Non-GAAP Financial Information

This investor presentation includes certain non-GAAP measures that are more fully described in Exhibit 99.1, "Press release of TransUnion dated April 26, 2022, announcing results for the quarter ended March 31, 2022," under the heading "Non-GAAP Financial Measures," furnished to the Securities and Exchange Commission ("SEC") on April 26, 2022. These financial measures should be reviewed in conjunction with the relevant GAAP financial measures and are not presented as alternative measures of GAAP. Other companies in our industry may define or calculate these measures differently than we do, limiting their usefulness as comparative measures. Because of these limitations, these non-GAAP financial measures should not be considered in isolation or as substitutes for performance measures calculated in accordance with GAAP. Reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures for each of the periods included in this presentation are included in the tables of Exhibit 99.1 of our Current Report on Form 8-K furnished to the SEC on April 26, 2022, and in Exhibit 99.1 of our Current Reports on Form 8-K furnished to the SEC on February 22, 2022, October 26, 2021, July 27, 2021, April 27, 2021 and February 16, 2021.



**1 Market commentary and first quarter 2022 highlights**

**2 Acquisitions update**

**3 First quarter 2022 financial results**

**4 Second quarter and full year 2022 guidance**

# Market Commentary



Rising inflation adds uncertainty, but **U.S. consumer remains in a strong financial position.**



**Rising rates impact lending, particularly mortgage refi,** but overall health of the consumer has a greater impact.



**TransUnion offers a unique value proposition,** particularly with recent acquisitions of Neustar, Sontiq and Verisk Financial Services, helping lenders find attractive consumers and derive insights in an evolving backdrop.

# First Quarter 2022 Highlights

Delivered another quarter of diversified growth (**+13% organic revenue growth ex-mortgage**), as innovative solutions continue to resonate across markets

Raising 2022 revenue guidance to **10%-12% organic revenue growth ex-mortgage**, more than offsetting increasing mortgage inquiry headwinds

Drove strong growth in **Financial Services, Insurance, and Media**; and internationally in **India, Latin America and Asia Pacific**

Continued integration of **Neustar** and **Sontiq** with early successes and completed acquisition of **Verisk Financial Services**

Published **2021 Diversity Report** and **2021 Sustainability Report**



## Neustar

- ▶ 2021: \$585M of revenue (~8% YoY organic growth) at ~21% Adjusted EBITDA margins
- ▶ Q1 2022: 9% YoY organic growth; Marketing up double-digits
- ▶ 2022E: High-single-digit revenue growth at ~25% margins

**Provides real-time identity resolution through its OneID platform, powering a broad array of solutions**

## Update

- Integrating OneID, which is proving even more powerful than initially anticipated
- Completing organizational integration efforts – retained nearly 100% of key talent thus far
- Combining our sales teams, with first cross-sales in Financial Services and 3<sup>rd</sup> Party Collections, and momentum with Insurance and Media customers



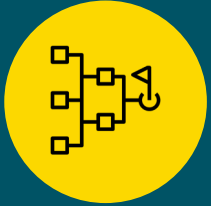
## Sontiq

- ▶ 2021: \$87M of revenue (~18% YoY organic growth) at ~35% Adjusted EBITDA margins
- ▶ Q1 2022: 13% YoY organic growth
- ▶ 2022E: Mid-teens revenue growth at ~40% margins, excluding integration expenses

**Provides solutions to help consumers and businesses protect against identity theft and cybercrime, including identity monitoring, restoration, and breach response**

## Update

- Expanding go-to-market collaboration between Consumer Interactive and U.S. Markets, particularly Financial Services and Insurance
- Bidding on contracts together, with positive early discussions and enthusiasm



## Verisk Financial Services

- ▶ **2022E Contribution:**  
~\$68M of revenues (\$96M annualized; up low-single-digits) and ~\$7M of Adjusted EBITDA
- ▶ Expect high-single-digit growth in 2023 and low-double-digit growth in 2024
- ▶ Plan to reach ~40% margins by 2026

**Provides authoritative and differentiated insights for credit/debit card accounts and demand/deposit accounts spending behavior**

### Update

- Closed acquisition on April 8<sup>th</sup>
- Plan to retain Argus and Commerce Signals (\$95M of the \$143M revenue base as of 2021) and divest remaining non-core businesses
- Receiving constructive feedback from existing consortium members and non-members around TransUnion's ownership of Argus
- Using 2022 as an integration and investment year to unlock growth potential of Argus

# Consolidated Q1 2022 Highlights

	Reported (\$M)	Y/Y Change
<b>Revenue</b>	<b>\$921</b>	<b>32%</b>
Constant Currency Revenue		32%
Organic Constant Currency Revenue		8%
<b>Adjusted EBITDA</b>	<b>\$334</b>	<b>20%</b>
Constant Currency Adjusted EBITDA		21%
Organic Constant Currency Adjusted EBITDA		5%
<b>Adjusted Diluted EPS</b>	<b>\$0.93</b>	<b>11%</b>

For additional information, refer to the "Non-GAAP Financial Information" section on slide 2.

- ▶ Organic constant currency growth ex-mortgage of **+13%**
- ▶ Adjusted EBITDA margin of 36.3%; excluding Neustar and Sontiq, organic Adjusted EBITDA margin of **38.8%**

# U.S. Markets Q1 2022 Highlights

	Reported (\$M)	Reported Y/Y	FX Impact	Inorganic Impact	Organic Constant Currency
<b>Revenue</b>	<b>\$600</b>	<b>42%</b>	—	<b>(35)%</b>	<b>7%</b>
Financial Services	276	5%	—	—	5%
Emerging Verticals	324	104%	—	(94)%	10%
<b>Adjusted EBITDA</b>	<b>\$217</b>	<b>23%</b>	—	<b>(21)%</b>	<b>2%</b>

Note: Rows may not foot due to rounding. For additional information, refer to the “Non-GAAP Financial Information” section on slide 2.

- ▶ U.S. Markets organic growth ex-mortgage of **+15%**
- ▶ U.S. Financial Services organic growth ex-mortgage of **+21%**, led by FinTech and Card & Banking
- ▶ Emerging Verticals growth diversified across Insurance, Media, Public Sector, and Tenant & Employment

# Consumer Interactive Q1 2022 Highlights

	Reported (\$M)	Reported Y/Y	FX Impact	Inorganic Impact	Organic Constant Currency
Revenue	\$150	15%	—	(17)%	(3)%
Adjusted EBITDA	\$69	18%	—	(13)%	5%

Note: Rows may not foot due to rounding. For additional information, refer to the “Non-GAAP Financial Information” section on slide 2.

- ▶ Direct and indirect channel revenue both declined
- ▶ Normalizing demand for paid credit monitoring products following historically strong 2020-2021

# International Q1 2022 Highlights

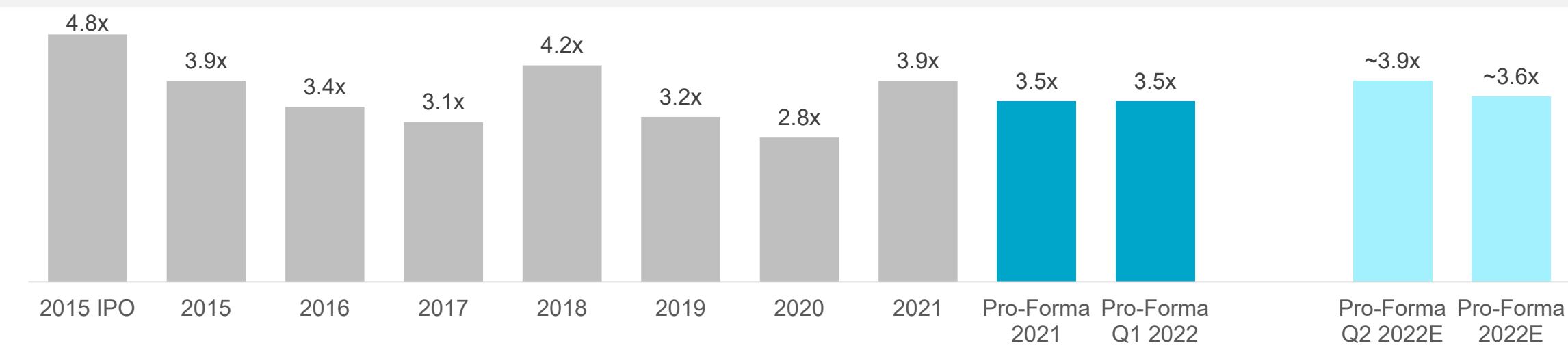
	Reported (\$M)	Reported Y/Y	FX Impact	Inorganic Impact	Organic Constant Currency
<b>Revenue</b>	<b>\$191</b>	<b>15%</b>	<b>3%</b>	<b>—</b>	<b>18%</b>
Canada	31	1%	0%	—	1%
Latin America	27	13%	4%	—	17%
U.K.	56	12%	3%	—	15%
Africa	15	8%	2%	—	9%
India	45	33%	4%	—	37%
Asia Pacific	17	23%	2%	—	25%
<b>Adjusted EBITDA</b>	<b>\$82</b>	<b>15%</b>	<b>3%</b>	<b>—</b>	<b>18%</b>

Note: Rows may not foot due to rounding. For additional information, refer to the “Non-GAAP Financial Information” section on slide 2.

- ▶ Canada organic growth excluding impact of breach revenues last year **+4%**
- ▶ UK organic growth excluding government contract **+3%**
- ▶ Underlying growth for both Canada and UK expected to improve in coming quarters

# TransUnion Has Shown a Consistent Ability to De-Lever via Adjusted EBITDA Growth

## Net Debt / Adjusted EBITDA Ratio



- Roughly \$6B of debt and \$1.3B cash at quarter-end
- Expecting net leverage of ~3.9x in Q2 2022; in April, deployed \$515M of cash for Verisk Financial Services acquisition, and paid \$355M for taxes on Healthcare transaction
- Expecting to reach ~3.6x net debt to Adjusted EBITDA by end of 2022

# Q2 2022 Guidance

## Reported Revenue: \$958M to \$968M

*Assumed M&A contribution:*

*Assumed FX contribution:*

## Organic Constant Currency Revenue:

*Assumed Mortgage impact:*

## Organic CC Revenue ex. Mortgage:

## Adjusted EBITDA: \$347M to \$353M

*Assumed FX contribution:*

*Adjusted EBITDA Margin*

*Adjusted EBITDA Margin bps change:*

## Adjusted Diluted EPS: \$0.96 to \$0.99

+32% to +33%

*~27pt. benefit*

*~(1)pt. headwind*

+6% to +7%

*~(4.5)pt. headwind*

+10.5% to +11.5%

+17% to +20%

*~(1)pt. headwind*

*36.2% to 36.5%*

*-440bps to -400bps*

+8% to +11%

► **Revenue:** Expecting another quarter of double-digit organic constant currency growth ex-mortgage

► **Adjusted EBITDA:** Margin comparability impacted by lower margin profile of acquisitions

# FY 2022 Revenue Guidance

## Reported Revenue: \$3.850B to \$3.900B

*Assumed M&A contribution:*

*Assumed FX contribution:*

## Organic Constant Currency Revenue:

*Assumed Mortgage impact:*

## Organic CC Revenue ex. Mortgage:

+30% to +32%

*~24pt. benefit*

*Immaterial impact*

+6% to +8%

*~(4)pt. headwind*

+10% to +12%

## Organic Growth Assumptions

- **U.S. Markets** up mid-single-digits [up mid-teens excluding mortgage impact]
  - **Financial Services** up mid-single digits [up ~20% excluding mortgage impact]
  - **Emerging Verticals** up low-double-digits
- **International** up low-teens [constant-currency]
- **Consumer Interactive** down low-single-digits

► **Revenue:** Guidance raise driven by Q1 outperformance, increased organic growth expectations for 2022, and addition of VFS

► **U.S. Mortgage:** Expect revenue declines of ~(25)% in 2022 based on inquiry declines of ~(30)%; *U.S. mortgage revenue was ~10% of LTM revenue, expected to be ~7% by year-end*

# FY 2022 Adjusted EBITDA, Adjusted Diluted EPS and Other Guidance



**Adjusted EBITDA: \$1.405B to \$1.440B**

*Assumed FX contribution:*

*Adjusted EBITDA Margin*

*Adjusted EBITDA Margin bps change:*

**+21% to +24%**

*Immaterial impact*

*36.5% to 36.9%*

*-260bps to -220bps*

**Adjusted Diluted EPS: \$3.84 to \$3.98**

**+11% to +16%**

**Adjusted Tax Rate: ~22.5%**

**Total D&A: ~\$525M**

D&A ex. step-up from 2012 change in control and subsequent acquisitions: ~\$220M

**Net Interest Expense: ~\$220M**

**CapEx: ~8% of revenue**

► **Adjusted EBITDA:** Increased organic growth expectations for 2022 and addition of VFS

► **Adjusted EBITDA margins:** Ex VFS, Adjusted EBITDA margin expectations are unchanged (36.9% to 37.4%); Organic margin up ~40bps

► **Adjusted Diluted EPS:** Increase in Adjusted EBITDA offset by higher interest expense and tax rate (-\$0.07 impact)



**Delivered strong Q1 results powered by our enterprise growth strategy**



**Raised FY 2022 guidance pointing to continued positive momentum**



**Further enhanced our capabilities with Verisk Financial Services acquisition**



**Q&A**