



CREDITVISION

Attributes

OVERVIEW

In today's competitive markets, every decision counts. TransUnion's CreditVision is a suite of trended data capabilities that can fundamentally transform the way you understand and evaluate your customers. It offers superior intelligence and analytics for more precise decisions across the value chain, resulting in reduced risk and increased profits.

PRODUCT FEATURES

Analyze and predict consumer credit behavior with improved accuracy

TransUnion CreditVision gives you more than just data. It is a new suite of solutions that can help you make more precise lending decisions based on the enhanced ability to identify specific consumer behavior. While traditional credit data presents a single snapshot of a consumer at a point in time, CreditVision incorporates algorithms that use account history to provide insight into behavior over the last 24 months. This gives you a different view of consumer behavior—one that was not previously possible.

With CreditVision, you can see a customer's total balance from month 1 through to month 24, as opposed to just seeing a snapshot of their balance in month 3, month 6, month 9, and so on. Having greater insights into their behavior over time enables you to make more accurate decisions. For instance, you may see consistently increasing balances as an indicator of increasing risk.

Get a deeper and broader view of consumer behavior

Whether you are refining existing strategies or developing new policies, CreditVision can help you understand risk indicators and the direction of specific consumer behavior.

TransUnion is bringing in 1000+ enhanced attributes and highly predictive algorithms that were segmented into sets with similar nature to align with lenders strategies. This deeper and broader view of behavior can help you define consumer credit stability, target product offerings and enhance your risk segmentation strategies.

Using advanced technology to calculate aggregated algorithms over time

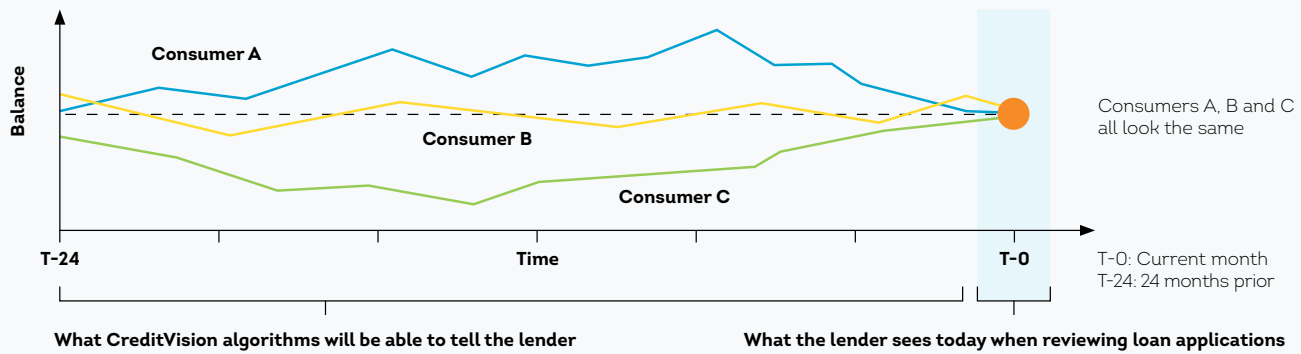
TransUnion has invested in new technology that enables us to compute a comprehensive set of algorithms within a fraction of the time. This enables us to process large datasets of aggregated algorithms for the last 24 months to provide a monthly ratio view. TransUnion is the first bureau in the country to process variables on this scale.

Trended data improves accuracy on future behavior prediction

CreditVision uncovers broader and deeper views into consumer behaviors using sophisticated analytics. As shown in this diagram, the three consumers who appear to display the same credit behavior today had very different past behaviors. Their future performance may also be very different.

The Predictive Power of Trended Data

Traditional bureau data is based on attributes derived from a single point in time. CreditVision provides insights into historical trends for improved predictions of future behaviors to improve lending decisions.



TransUnion CreditVision™ Premium Algorithms

Revolver

Improve segmentation by assigning effective treatment strategies. Credit cards are defined as transacting, revolving or inactive based on the previous 24 month history. Revolver algorithms were built in combination with historical credit limits, as well as balances and payments at account level and aggregated to the consumer level.

- Identify consumers that may indicate higher risk
- Improve evaluation of consumer cash flow and capacity to pay
- Segment consumer risk based on historical usage of revolving credit
- Capture consumers that drive profit better align product and pricing based on consumer behavior

Payment

Better understand consumers' ability and likelihood to pay by evaluating payment behavior over time. Payment algorithms identify payment-based credit behaviors such as actual-to minimum payment, prepayment frequency and amount.

- Capture consumer behavior that drives revenue or indicates risk
- Identify consumers who are more likely to pay

Balance Magnitude

Better evaluate future credit risk by capturing the direction of change in consumer balances over time. Balance magnitude algorithms measure the degree of balance change over the past 24 months.

- Identify the level and recency of change in a consumer's total indebtedness
- Determine whether the consumer is paying down or ramping up total balance

Wallet Share

Gain insight into how consumers build and move balances across credit cards over time. Wallet Share algorithms capture credit card activity indicative of significant changes in balance from month to month – for example, maximum balance change or number of balance shifts greater than 25%.

- Detect credit card preference movement, indicative of how consumers respond to offers
- Evaluate product elasticity (for example, pricing and promotional offers)

Spend

Determine consumer spend to gain valuable insights into consumer behaviors and refine risk management strategies. Spend algorithms analyze customer spending patterns such as aggregate wallet spend, seasonal and year-over-year spending trends.

- Identify and target high and increasing spenders
- Manage exposure to higher-risk revolvers while improving high spending customer experience

General

Further segment and define behaviors based on unique business objectives. These algorithms track consumer and aggregate behaviors over time.

More usage categories to improve your strategies across the lifecycle

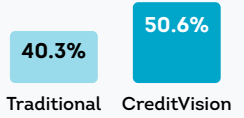
By providing a broader and deeper view into a consumer's profile, CreditVision incorporates the latest in bureau data elements and hundreds of premium algorithms to enhance scoring and marketing models. The proof is in the numbers as demonstrated by the considerable lift our clients have seen using TransUnion's CreditVision next generation data.

The examples shown are actual success stories of CreditVision users in other TransUnion international markets.

Impact to Scores

Using CreditVision Algorithms, a top five financial institution demonstrated a 1030bps improvement in K-S value in their risk model for underwriting new credit card loans.

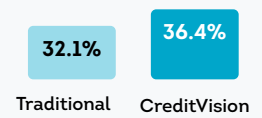
Acquisition Risk: K-S



Acquisitions

A leading bank wanted to improve their acquisition response rates. They used the CreditVision Algorithms and saw 13% response improvements from their existing marketing models.

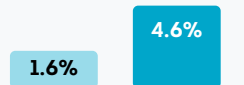
Response Rate



Balance Transfer

A regional lender wanted to more efficiently target customers looking to transfer their credit card balances.

Response Rate

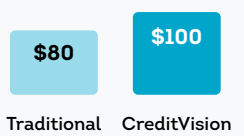


They used CreditVision Revolver Algorithms to identify specific cardholder customers with significant 'off-us' revolving card balances. They demonstrated an improved response rate 188% higher than the traditional direct mailing approach, and reduced mail volume and costs by nearly 75%.

Balance Build

A top 10 credit card issuer built a revolver-based model using the CreditVision Algorithms to grow balances on existing card members through mail campaigns and target card members that will generate finance charges.

Receivable Growth (in MM)



CreditVision Algorithm-based model demonstrated:

1. 25% balance growth on an annualized basis
2. Increased revenue from additional net interest income of \$1.4M
3. 400% improved ROI

For any questions or concerns, please contact your Relationship Manager or email TUPHComms@TransUnion.com for further information and assistance



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