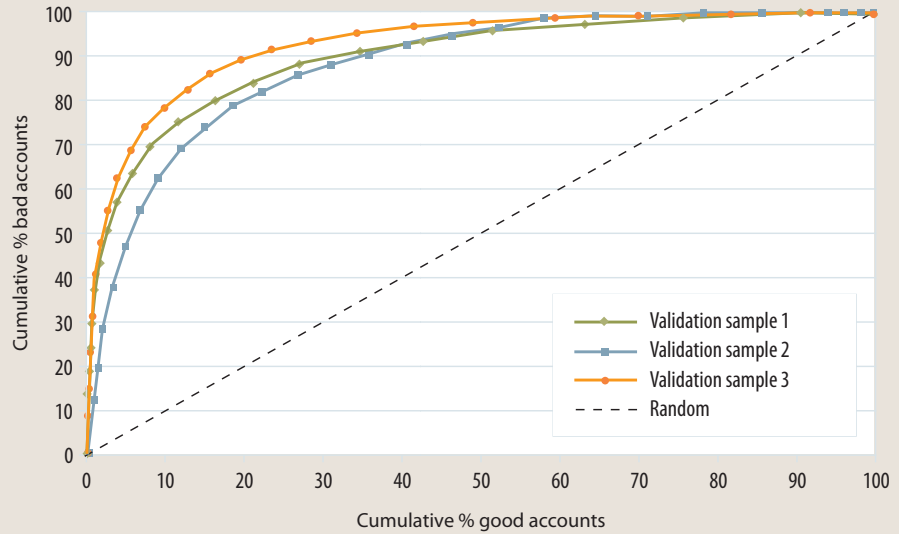


Consistent and effective credit risk assessment throughout the world

The FICO® score is a highly predictive scoring model designed to evaluate consumer credit risk on any established form of credit bureau data. Using a unique and comprehensive range of predictive characteristics, the FICO® score will provide an objective, consistent assessment of consumer risk spanning multiple geographic regions. Based on FICO’s vast knowledge and experience gained on bureau score developments around the world, this innovative solution is available for rapid implementation in numerous countries.

Figure 1: FICO® score analysis



This analysis shows the predictive capability of the FICO® score for three different countries. Each trade-off curve shows the ascending cumulative percentage of good accounts versus bad accounts captured for varying score points. The results of the analysis show the power and robustness of the FICO® score across significantly different populations.

The FICO® score—the industry standard for objective, profitable risk assessment—is available in any market where robust credit bureau data is available. The FICO® score delivers highly predictive and consistent risk assessment wherever it is implemented by intelligently interpreting the differing levels of data available from credit bureaus around the world.

The solution is designed with a comprehensive yet flexible range of characteristics wrapped in a preconfigured software solution that can be rapidly implemented within your systems environment. As a result, the score has been widely deployed since its launch:

- **Asia/Pacific Rim**, including South Korea, Singapore, India, Taiwan and Thailand
- **Europe/Middle East**, including Ireland, Poland, Sweden, Saudi Arabia and Turkey
- **Latin America**, including Brazil, Mexico, Peru and Panamá

» Validations prove predictive strength across geographies

Working with existing FICO® score clients, FICO performed validations in each of the regions mentioned above.

These validations demonstrated that the FICO® score consistently delivers broad score distribution, effectively separates future “bads” from future “goods,” and provides a strong rank-ordering of risk, despite regional market and data variations. Figures 2 and 3 show results from two of these validations.

» Rapidly improve your profitability

The FICO® score delivers immediate benefit to your bottom line by allowing you to make better-informed decisions to achieve your chosen balance between risk and reward. The score is compatible with FICO’s leading-edge originations and account management

platforms, including FICO® Capstone® Decision Manager and FICO® TRIAD® Customer Manager.

This innovative solution from FICO provides:

- The most efficient way to objectively and consistently assess the risk associated with the underlying data on a consumer profile.
- An ideal means to achieve a greater degree of automation in the interpretation of credit data.
- The opportunity to process significantly higher volumes of decisions while controlling credit risk.
- An essential component of ongoing customer management, driving key decisions on credit limits, transaction authorizations, facilities renewal and collections activities.

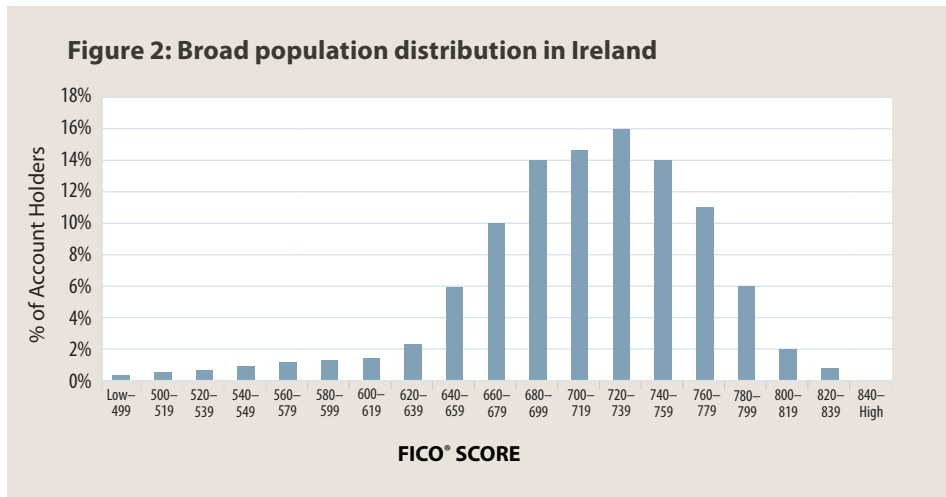
With the FICO® score, FICO has established a global standard for consumer credit risk assessment that is being adopted by multinational financial institutions to ensure

consistent portfolio management across global portfolios. The underlying technology enables rapid deployment into countries where credit bureau data is available.

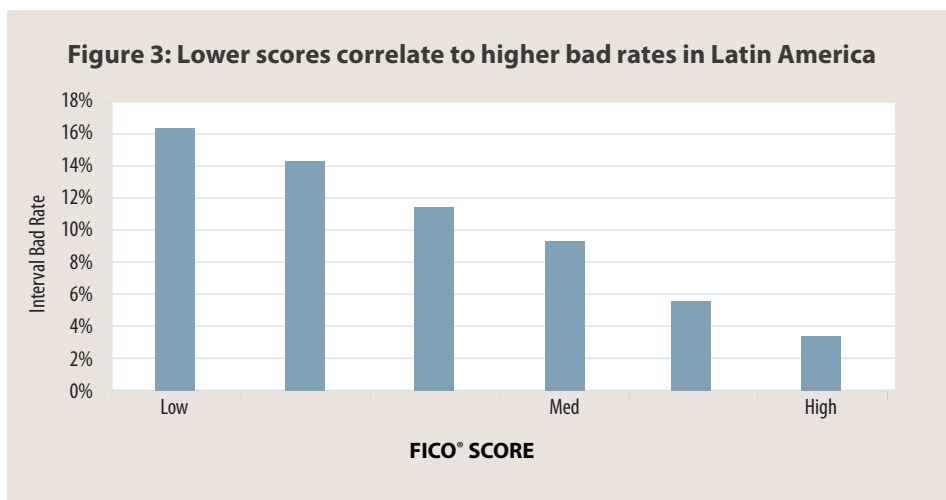
» Built on wide-ranging credit bureau and analytic experience

FICO has pioneered predictive technologies used for risk management decisions in credit, marketing and insurance applications worldwide, with a strong focus in credit bureau data-based solutions. Risk scores power more than 10 billion decisions a year. Our solutions have become the foundation for better decisions on credit cards, installment loans, auto loans, mortgage loans, securitized loans, telecommunication accounts and more.

From developments and research projects around the world, FICO has established a deep understanding of what is predictive in credit bureau data and other types of data across regions. This experience has gone into developing a scoring model that will improve the speed, consistency and profitability of your operations.



This chart shows a healthy distribution across the FICO® score range at the Irish Credit Bureau, with a median score of 717. This allows for more refined decision making across a lender's full operating range.



A validation for a Latin American credit card issuer showed that the lower the FICO® score, the higher the bad rate. This demonstrates that higher scores correlate to better-performing consumers. The bad rate for the lowest-scoring population is more than four-times higher than the highest-scoring population.

» Basel II compliance

The FICO® score plays an important role in meeting regulatory compliance standards, including Basel II compliance. The FICO® score can be used in calculating probability of default, and is available for use in portfolio acquisition and portfolio management strategies.

FICO's Professional Services staff can help you address Basel and regulatory compliance, and work with your enterprise to attain best-practice credit risk management.



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