

FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
For the Quarters and Nine Months Ended June 30, 2011 and 2010
(In thousands, except per share data)
(Unaudited)

	Quarter Ended		Nine Months Ended	
	June 30,		June 30,	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenues:				
Transactional and maintenance	\$ 111,740	\$ 115,902	\$ 337,933	\$ 344,709
Professional services	29,582	25,541	84,531	75,704
License	<u>9,357</u>	<u>13,886</u>	<u>36,970</u>	<u>30,132</u>
Total revenues	<u>150,679</u>	<u>155,329</u>	<u>459,434</u>	<u>450,545</u>
Operating expenses:				
Cost of revenues	43,398	45,316	137,707	132,476
Research and development	14,290	19,176	48,573	57,403
Selling, general and administrative	53,643	57,077	168,725	165,977
Amortization of intangible assets	1,942	2,683	5,804	8,918
Restructuring	-	-	12,391	-
	<u>113,273</u>	<u>124,252</u>	<u>373,200</u>	<u>364,774</u>
Operating income	37,406	31,077	86,234	85,771
Other expense, net	<u>(5,469)</u>	<u>(4,368)</u>	<u>(21,840)</u>	<u>(13,507)</u>
Income from operations before income taxes	31,937	26,709	64,394	72,264
Provision for income taxes	<u>8,748</u>	<u>8,771</u>	<u>17,451</u>	<u>23,648</u>
Net income	<u>\$ 23,189</u>	<u>\$ 17,938</u>	<u>\$ 46,943</u>	<u>\$ 48,616</u>
Basic earnings per share	<u>\$ 0.59</u>	<u>\$ 0.40</u>	<u>\$ 1.18</u>	<u>\$ 1.05</u>
Diluted earnings per share	<u>\$ 0.58</u>	<u>\$ 0.40</u>	<u>\$ 1.16</u>	<u>\$ 1.04</u>
Shares used in computing earnings per share:				
Basic	<u>39,451</u>	<u>44,446</u>	<u>39,788</u>	<u>46,171</u>
Diluted	<u>40,241</u>	<u>44,885</u>	<u>40,426</u>	<u>46,561</u>

FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
June 30, 2011 and September 30, 2010
(In thousands)
(Unaudited)

	June 30, 2011	September 30, 2010
	<u> </u>	<u> </u>
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 140,917	\$ 146,199
Marketable securities	117,593	68,615
Accounts receivable, net	102,030	113,187
Prepaid expenses and other current assets	15,866	19,174
Total current assets	<u>376,406</u>	<u>347,175</u>
Marketable securities and investments	15,845	15,441
Property and equipment, net	27,278	30,975
Goodwill and intangible assets, net	688,632	693,197
Other assets	33,525	36,928
Total assets	<u>\$ 1,141,686</u>	<u>\$ 1,123,716</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 45,806	\$ 37,497
Accrued compensation and employee benefits	29,395	33,697
Deferred revenue	51,482	42,953
Current maturities on long-term debt	8,000	8,000
Total current liabilities	<u>134,683</u>	<u>122,147</u>
Senior notes	504,000	512,000
Other liabilities	15,217	14,655
Total liabilities	<u>653,900</u>	<u>648,802</u>
Stockholders' equity	487,786	474,914
	<u>\$ 1,141,686</u>	<u>\$ 1,123,716</u>

FAIR ISAAC CORPORATION
REVENUE BY SEGMENT
For the Quarters and Nine Months Ended June 30, 2011 and 2010
(In thousands)
(Unaudited)

	Quarter Ended June 30,		Nine Months Ended June 30,	
	2011	2010	2011	2010
Applications revenues:				
Transactional and maintenance	\$ 63,355	\$ 62,939	\$ 194,054	\$ 194,376
Professional services	25,893	21,500	74,128	62,583
License	2,812	6,991	17,450	14,239
Total applications revenues	<u>\$ 92,060</u>	<u>\$ 91,430</u>	<u>\$ 285,632</u>	<u>\$ 271,198</u>
Scores revenues:				
Transactional and maintenance	\$ 40,798	\$ 46,153	\$ 121,197	\$ 129,181
Professional services	610	352	1,579	1,411
License	385	-	792	-
Total scores revenues	<u>\$ 41,793</u>	<u>\$ 46,505</u>	<u>\$ 123,568</u>	<u>\$ 130,592</u>
Tools revenues:				
Transactional and maintenance	\$ 7,587	\$ 6,810	\$ 22,682	\$ 21,152
Professional services	3,079	3,689	8,824	11,710
License	6,160	6,895	18,728	15,893
Total tools revenues	<u>\$ 16,826</u>	<u>\$ 17,394</u>	<u>\$ 50,234</u>	<u>\$ 48,755</u>
Total revenues:				
Transactional and maintenance	\$ 111,740	\$ 115,902	\$ 337,933	\$ 344,709
Professional services	29,582	25,541	84,531	75,704
License	9,357	13,886	36,970	30,132
Total revenues	<u>\$ 150,679</u>	<u>\$ 155,329</u>	<u>\$ 459,434</u>	<u>\$ 450,545</u>

FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended June 30, 2011 and 2010
(In thousands)
(Unaudited)

	Nine Months Ended June 30,	
	2011	2010
Cash flows from operating activities:		
Net income	\$ 46,943	\$ 48,616
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	18,623	23,762
Share-based compensation	11,762	13,235
Changes in operating assets and liabilities	30,184	649
Other, net	<u>(2,459)</u>	<u>(2,237)</u>
Net cash provided by operating activities	<u>105,053</u>	<u>84,025</u>
Cash flows from investing activities:		
Purchases of property and equipment	(8,323)	(12,746)
Net activity from marketable securities	(49,486)	50,824
Other, net	<u>75</u>	<u>2,232</u>
Net cash provided by (used in) investing activities	<u>(57,734)</u>	<u>40,310</u>
Cash flows from financing activities:		
Payments on revolving line of credit	-	(50,000)
Payments on Senior Notes	(8,000)	-
Proceeds from issuances of common stock	7,902	1,981
Repurchases of common stock	(53,761)	(137,497)
Other, net	<u>(1,077)</u>	<u>(1,720)</u>
Net cash used in financing activities	<u>(54,936)</u>	<u>(187,236)</u>
Effect of exchange rate changes on cash	<u>2,335</u>	<u>(2,644)</u>
Increase in cash and cash equivalents	(5,282)	(65,545)
Cash and cash equivalents, beginning of period	146,199	178,157
Cash and cash equivalents, end of period	<u>\$ 140,917</u>	<u>\$ 112,612</u>