

FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
For the Quarters and Six Months Ended March 31, 2010 and 2009
(In thousands, except per share data)
(Unaudited)

	Quarter Ended		Six Months Ended	
	March 31,		March 31,	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenues:				
Transactional and maintenance	\$ 113,701	\$ 119,454	\$ 228,807	\$ 243,112
Professional services	23,926	31,312	50,163	59,392
License	<u>6,093</u>	<u>8,569</u>	<u>16,246</u>	<u>20,291</u>
Total revenues	<u>143,720</u>	<u>159,335</u>	<u>295,216</u>	<u>322,795</u>
Operating expenses:				
Cost of revenues	44,641	53,476	87,160	112,495
Research and development	19,251	18,924	38,227	37,045
Selling, general and administrative	53,697	52,460	108,900	107,229
Amortization of intangible assets	3,070	3,156	6,235	6,403
Restructuring	-	870	-	8,948
Total operating expenses	<u>120,659</u>	<u>128,886</u>	<u>240,522</u>	<u>272,120</u>
Operating income	23,061	30,449	54,694	50,675
Other expense, net	<u>(3,889)</u>	<u>(5,580)</u>	<u>(9,139)</u>	<u>(9,637)</u>
Income from operations before income taxes	19,172	24,869	45,555	41,038
Provision for income taxes	<u>6,180</u>	<u>6,761</u>	<u>14,877</u>	<u>10,820</u>
Income from continuing operations	12,992	18,108	30,678	30,218
Loss from discontinued operations	-	(363)	-	(363)
Net income	<u><u>12,992</u></u>	<u><u>17,745</u></u>	<u><u>30,678</u></u>	<u><u>29,855</u></u>
Basic earnings (loss) per share:				
Continuing operations	\$ 0.28	\$ 0.37	\$ 0.65	\$ 0.62
Discontinued operations	-	(0.01)	-	(0.01)
Total	<u><u>\$ 0.28</u></u>	<u><u>\$ 0.36</u></u>	<u><u>\$ 0.65</u></u>	<u><u>\$ 0.61</u></u>
Diluted earnings (loss) per share:				
Continuing operations	\$ 0.28	\$ 0.37	\$ 0.65	\$ 0.62
Discontinued operations	-	(0.01)	-	(0.01)
Total	<u><u>\$ 0.28</u></u>	<u><u>\$ 0.36</u></u>	<u><u>\$ 0.65</u></u>	<u><u>\$ 0.61</u></u>
Shares used in computing earnings (loss) per share:				
Basic	<u>46,447</u>	<u>48,813</u>	<u>47,033</u>	<u>48,643</u>
Diluted	<u><u>46,870</u></u>	<u><u>48,828</u></u>	<u><u>47,399</u></u>	<u><u>48,673</u></u>

FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
March 31, 2010 and September 30, 2009
(In thousands)
(Unaudited)

	March 31, 2010	September 30, 2009
	<u> </u>	<u> </u>
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 190,910	\$ 178,157
Marketable securities	151,609	139,673
Accounts receivable, net	88,412	101,742
Prepaid expenses and other current assets	<u>24,872</u>	<u>22,986</u>
Total current assets	455,803	442,558
Marketable securities and investments	50,558	72,445
Property and equipment, net	32,800	34,340
Goodwill and intangible assets, net	693,658	705,895
Other assets	<u>44,560</u>	<u>48,650</u>
	<u>\$ 1,277,379</u>	<u>\$ 1,303,888</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 55,054	\$ 46,776
Accrued compensation and employee benefits	24,918	28,139
Deferred revenue	<u>40,805</u>	<u>39,673</u>
Total current liabilities	120,777	114,588
Revolving line of credit	295,000	295,000
Senior notes	275,000	275,000
Other liabilities	<u>16,152</u>	<u>19,031</u>
Total liabilities	706,929	703,619
Stockholders' equity	<u>570,450</u>	<u>600,269</u>
	<u>\$ 1,277,379</u>	<u>\$ 1,303,888</u>

FAIR ISAAC CORPORATION
REVENUE BY SEGMENT
For the Quarters and Six Months Ended March 31, 2010 and 2009
(In thousands)
(Unaudited)

	Quarter Ended March 31,		Six Months Ended March 31,	
	2010	2009	2010	2009
Applications revenues:				
Transactional and maintenance	\$ 64,703	\$ 69,102	\$ 131,437	\$ 138,692
Professional services	19,621	25,683	41,083	46,620
License	2,572	4,255	7,248	8,673
Total applications revenues	<u>\$ 86,896</u>	<u>\$ 99,040</u>	<u>\$ 179,768</u>	<u>\$ 193,985</u>
Scores revenues:				
Transactional and maintenance	\$ 41,885	\$ 43,966	\$ 83,028	\$ 91,430
Professional services	649	580	1,059	757
License	-	-	-	-
Total scores revenues	<u>\$ 42,534</u>	<u>\$ 44,546</u>	<u>\$ 84,087</u>	<u>\$ 92,187</u>
Tools revenues:				
Transactional and maintenance	\$ 7,113	\$ 6,386	\$ 14,342	\$ 12,990
Professional services	3,656	5,049	8,021	12,015
License	3,521	4,314	8,998	11,618
Total tools revenues	<u>\$ 14,290</u>	<u>\$ 15,749</u>	<u>\$ 31,361</u>	<u>\$ 36,623</u>
Total revenues:				
Transactional and maintenance	\$ 113,701	\$ 119,454	\$ 228,807	\$ 243,112
Professional services	23,926	31,312	50,163	59,392
License	6,093	8,569	16,246	20,291
Total revenues	<u>\$ 143,720</u>	<u>\$ 159,335</u>	<u>\$ 295,216</u>	<u>\$ 322,795</u>

FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Six Months Ended March 31, 2010 and 2009
(In thousands)
(Unaudited)

	Six Months Ended March 31,	
	2010	2009
Cash flows from operating activities:		
Net income	\$ 30,678	\$ 29,855
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	16,128	19,397
Share-based compensation	9,382	10,648
Changes in operating assets and liabilities net of disposition effects:		
Other, net	(4,151)	(864)
Net cash provided by operating activities	<u>69,965</u>	<u>86,316</u>
Cash flows from investing activities:		
Purchases of property and equipment	(8,010)	(8,503)
Net activity from marketable securities	8,917	(1,922)
Other, net	540	1,300
Net cash provided by (used in) investing activities	<u>1,447</u>	<u>(9,125)</u>
Cash flows from financing activities:		
Proceeds from issuances of common stock	2,156	2,974
Repurchases of common stock	(57,530)	-
Other, net	(839)	(1,825)
Net cash provided by (used in) financing activities	<u>(56,213)</u>	<u>1,149</u>
Effect of exchange rate changes on cash	<u>(2,446)</u>	<u>(6,732)</u>
Increase in cash and cash equivalents	12,753	71,608
Cash and cash equivalents, beginning of period	178,157	129,678
Cash and cash equivalents, end of period	<u>\$ 190,910</u>	<u>\$ 201,286</u>