

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

	Quarter Ended December 31,	
	2010	2009
Revenues:		
Transactional and maintenance	\$ 114,762	\$ 115,106
Professional services	27,908	26,237
License	13,261	10,153
Total revenues	<u>155,931</u>	<u>151,496</u>
Operating expenses:		
Cost of revenues	45,803	42,519
Research and development	18,061	18,976
Selling, general and administrative	59,633	55,203
Amortization of intangible assets	1,929	3,165
Restructuring	869	-
Total operating expenses	<u>126,295</u>	<u>119,863</u>
Operating income	29,636	31,633
Other expense, net	(8,213)	(5,250)
Income from operations before income taxes	21,423	26,383
Provision for income taxes	5,414	8,697
Net income	<u>\$ 16,009</u>	<u>\$ 17,686</u>
Basic earnings per share	<u>\$ 0.40</u>	<u>\$ 0.37</u>
Diluted earnings per share	<u>\$ 0.40</u>	<u>\$ 0.37</u>
Shares used in computing earnings per share:		
Basic	<u>39,923</u>	<u>47,606</u>
Diluted	<u>40,439</u>	<u>47,915</u>

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

	<u>December 31,</u> <u>2010</u>	<u>September 30,</u> <u>2010</u>
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 196,432	\$ 146,199
Marketable securities	46,859	68,615
Accounts receivable, net	105,215	113,187
Prepaid expenses and other current assets	<u>16,703</u>	<u>19,174</u>
Total current assets	365,209	347,175
Marketable securities and investments	15,845	15,441
Property and equipment, net	29,751	30,975
Goodwill and intangible assets, net	689,470	693,197
Other assets	<u>35,869</u>	<u>36,928</u>
Total assets	<u>\$ 1,136,144</u>	<u>\$ 1,123,716</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 40,742	\$ 37,497
Accrued compensation and employee benefits	22,574	33,697
Deferred revenue	46,780	42,953
Current maturities of long-term debt	<u>8,000</u>	<u>8,000</u>
Total current liabilities	118,096	122,147
Senior notes	512,000	512,000
Other liabilities	<u>14,590</u>	<u>14,655</u>
Total liabilities	644,686	648,802
Stockholders' equity	<u>491,458</u>	<u>474,914</u>
	<u>\$ 1,136,144</u>	<u>\$ 1,123,716</u>

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

	Quarter Ended December 31,	
	2010	2009
Applications revenues:		
Transactional and maintenance	\$ 66,597	\$ 66,734
Professional services	24,749	21,462
License	6,290	4,676
Total applications revenues	<u>\$ 97,636</u>	<u>\$ 92,872</u>
Scores revenues:		
Transactional and maintenance	\$ 40,505	\$ 41,143
Professional services	239	410
License	71	-
Total scores revenues	<u>\$ 40,815</u>	<u>\$ 41,553</u>
Tools revenues:		
Transactional and maintenance	\$ 7,660	\$ 7,229
Professional services	2,920	4,365
License	6,900	5,477
Total tools revenues	<u>\$ 17,480</u>	<u>\$ 17,071</u>
Total revenues:		
Transactional and maintenance	\$ 114,762	\$ 115,106
Professional services	27,908	26,237
License	13,261	10,153
Total revenues	<u>\$ 155,931</u>	<u>\$ 151,496</u>

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

	Quarter Ended December 31,	
	2010	2009
Cash flows from operating activities:		
Net income	\$ 16,009	\$ 17,686
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	6,455	8,087
Share-based compensation	4,034	4,535
Changes in operating assets and liabilities	6,203	2,807
Other, net	179	(1,859)
Net cash provided by operating activities	<u>32,880</u>	<u>31,256</u>
Cash flows from investing activities:		
Purchases of property and equipment	(1,328)	(4,488)
Net activity from marketable securities	21,415	35,235
Other, net	-	397
Net cash provided by investing activities	<u>20,087</u>	<u>31,144</u>
Cash flows from financing activities:		
Net proceeds from issuances of common stock	68	(461)
Repurchases of common stock	(2,169)	(33,393)
Other, net	(363)	(714)
Net cash used in financing activities	<u>(2,464)</u>	<u>(34,568)</u>
Effect of exchange rate changes on cash	<u>(270)</u>	<u>218</u>
Increase in cash and cash equivalents	50,233	28,050
Cash and cash equivalents, beginning of period	146,199	178,157
Cash and cash equivalents, end of period	<u>\$ 196,432</u>	<u>\$ 206,207</u>