

FAIR ISAAC CORPORATION
Supplemental Non-GAAP Financial Measures
(In thousands except per share data) (Unaudited)

The following is a reconciliation of the company's GAAP to Non-GAAP items.

	Quarter Ended			Quarter Ended				
	Fiscal Year	March 31,	December 31,	Fiscal Year	September 30,	June 30,	March 31,	December 31,
	2024	2024	2023	2023	2023	2023	2023	2022
Operating Income								
Operating income, as reported	\$ 346,200	\$ 194,841	\$ 151,359	\$ 642,830	\$ 165,699	\$ 177,031	\$ 159,761	\$ 140,339
Amortization of intangible assets	550	275	275	1,100	275	275	275	275
Gain on product line asset sale	-	-	-	(1,941)	-	-	-	(1,941)
Share-based compensation expense	67,022	35,448	31,574	123,847	34,097	32,995	27,053	29,702
Non-GAAP operating income (segment operating income)	\$ 413,772	\$ 230,564	\$ 183,208	\$ 765,836	\$ 200,071	\$ 210,301	\$ 187,089	\$ 168,375
Revenues	\$ 815,868	\$ 433,809	\$ 382,059	\$ 1,513,557	\$ 389,733	\$ 398,688	\$ 380,266	\$ 344,870
Non-GAAP operating margin	51%	53%	48%	51%	51%	53%	49%	49%
Net Income								
Net income, as reported	\$ 250,864	\$ 129,799	\$ 121,065	\$ 429,375	\$ 101,424	\$ 128,758	\$ 101,550	\$ 97,643
Amortization of intangible assets	550	275	275	1,100	275	275	275	275
Gain on product line asset sale	-	-	-	(1,941)	-	-	-	(1,941)
Share-based compensation expense	67,022	35,448	31,574	123,847	34,097	32,995	27,053	29,702
Income tax adjustments	(17,011)	(9,096)	(7,915)	(30,806)	(8,760)	(8,314)	(6,818)	(6,914)
Excess tax benefit	(25,709)	(1,934)	(23,775)	(12,586)	(852)	(818)	(612)	(10,304)
Adjustment to tax reserves and valuation allowance	-	-	-	(8,940)	560	(9,500)	-	-
Non-GAAP net income	\$ 275,716	\$ 154,492	\$ 121,224	\$ 500,049	\$ 126,744	\$ 143,396	\$ 121,448	\$ 108,461
Revenues	\$ 815,868	\$ 433,809	\$ 382,059	\$ 1,513,557	\$ 389,733	\$ 398,688	\$ 380,266	\$ 344,870
Non-GAAP net margin	34%	36%	32%	33%	33%	36%	32%	31%
Diluted Earnings per Share								
Diluted earnings per share, as reported	\$ 9.96	\$ 5.16	\$ 4.80	\$ 16.93	\$ 4.01	\$ 5.08	\$ 4.00	\$ 3.84
Amortization of intangible assets	0.02	0.01	0.01	0.04	0.01	0.01	0.01	0.01
Gain on product line asset sale	-	-	-	(0.08)	-	-	-	(0.08)
Share-based compensation expense	2.66	1.41	1.25	4.88	1.35	1.30	1.06	1.17
Income tax adjustments	(0.68)	(0.36)	(0.31)	(1.21)	(0.35)	(0.33)	(0.27)	(0.27)
Excess tax benefit	(1.02)	(0.08)	(0.94)	(0.50)	(0.03)	(0.03)	(0.02)	(0.40)
Adjustment to tax reserves and valuation allowance	-	-	-	(0.35)	0.02	(0.37)	-	-
Non-GAAP diluted earnings per share	\$ 10.95	\$ 6.14	\$ 4.81	\$ 19.71	\$ 5.01	\$ 5.66	\$ 4.78	\$ 4.26
Reconciliation to Adjusted EBITDA								
Net income, as reported	\$ 250,864	\$ 129,799	\$ 121,065	\$ 429,375	\$ 101,424	\$ 128,758	\$ 101,550	\$ 97,643
Interest expense, net	50,255	26,093	24,162	95,546	24,304	24,545	23,897	22,800
Provision for income taxes	52,460	42,935	9,525	124,248	39,040	29,029	35,919	20,260
Other expense (income), net (1)	65	(112)	177	(1,416)	31	(3,068)	514	1,107
Amortization of intangible assets	550	275	275	1,100	275	275	275	275
Depreciation	3,912	2,221	1,691	10,105	1,863	2,214	2,881	3,147
Share-based compensation expense	67,022	35,448	31,574	123,847	34,097	32,995	27,053	29,702
Gain on product line asset sale	-	-	-	(1,941)	-	-	-	(1,941)
Adjusted EBITDA	\$ 425,128	\$ 236,659	\$ 188,469	\$ 780,864	\$ 201,034	\$ 214,748	\$ 192,089	\$ 172,993
Revenues	\$ 815,868	\$ 433,809	\$ 382,059	\$ 1,513,557	\$ 389,733	\$ 398,688	\$ 380,266	\$ 344,870
Adjusted EBITDA as a percent of revenues	52%	55%	49%	52%	52%	54%	51%	50%
Reconciliation To Free Cash Flow								
Net cash provided by operating activities	\$ 193,155	\$ 71,035	\$ 122,120	\$ 468,915	\$ 164,049	\$ 122,623	\$ 89,803	\$ 92,440
Reduced by cash flow items:								
Capital expenditures	10,783	9,422	1,361	4,237	1,068	793	1,526	850
Free cash flow	\$ 182,372	\$ 61,613	\$ 120,759	\$ 464,678	\$ 162,981	\$ 121,830	\$ 88,277	\$ 91,590
Revenues	\$ 815,868	\$ 433,809	\$ 382,059	\$ 1,513,557	\$ 389,733	\$ 398,688	\$ 380,266	\$ 344,870
Free cash flow as a percent of revenues	22%	14%	32%	31%	42%	31%	23%	27%

Note: The numbers may not sum to total due to rounding.

(1) Excludes gains and losses from securities held under a supplemental retirement and savings plan for certain officers and senior management employees, as the offsetting entries are included (as compensation expenses) in operating expenses, resulting in a net zero impact to the company's net income.