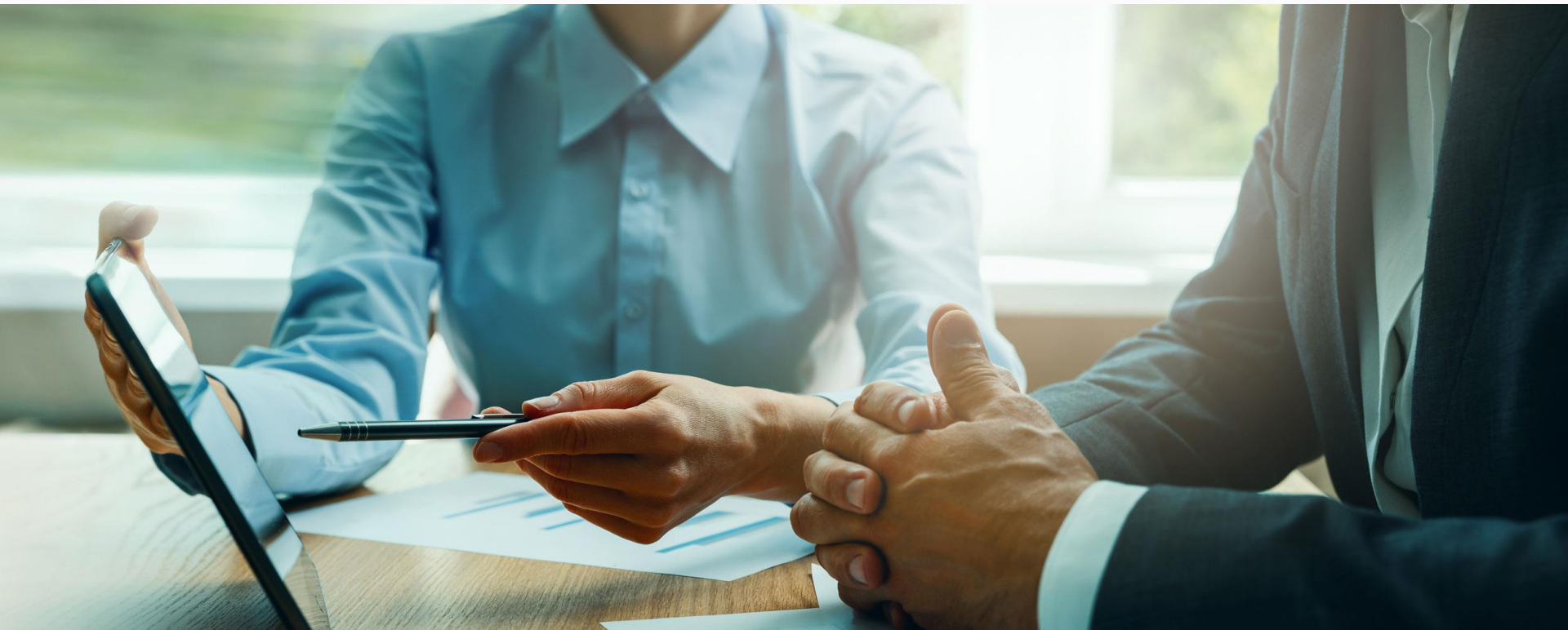




Fair Isaac Corporation

Q3 24 Financial Highlights

June 30, 2024



Q3 2024 FINANCIAL HIGHLIGHTS

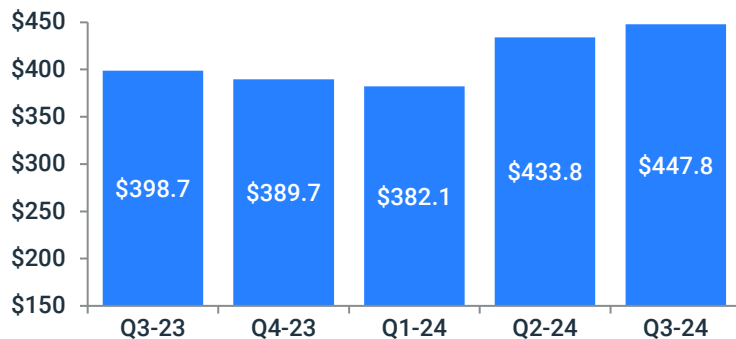
Metric (In millions, except for EPS)	Q3-23	Q2-24	Q3-24	% Q/Q	% Y/Y
Scores Revenues	\$201.8	\$236.9	\$241.4	2%	20%
Software Revenues	\$196.9	\$196.9	\$206.4	5%	5%
Total Revenues	\$398.7	\$433.8	\$447.8	3%	12%
Software ARR	\$645.9	\$697.0	\$709.6	2%	10%
Software ACV Bookings	\$21.1	\$16.8	\$27.5	64%	30%
Non-GAAP Op. Margin*	53%	53%	52%	-1%	-1%
Non-GAAP Net Margin*	36%	36%	35%	-1%	-1%
Non-GAAP Diluted EPS*	\$5.66	\$6.14	\$6.25	2%	10%
Adjusted EBITDA*	\$214.7	\$236.7	\$236.8	0%	10%

* For a detailed reconciliation, please refer to our Regulation G Disclosure

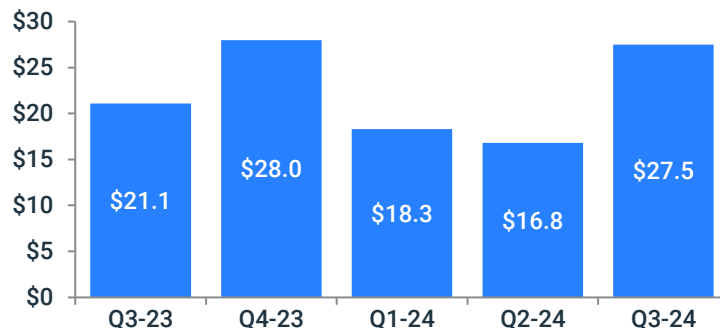
KEY OPERATING RESULTS

(In millions, except for EPS)

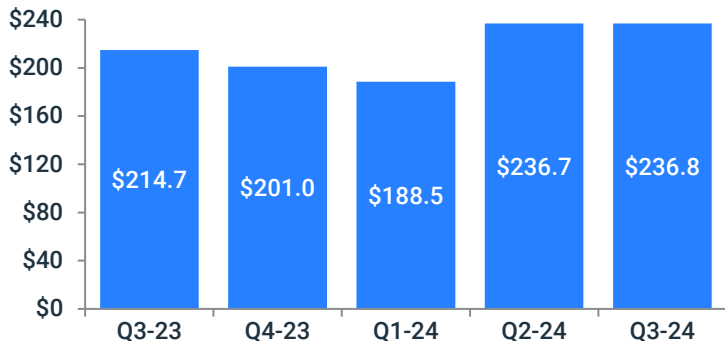
Revenues



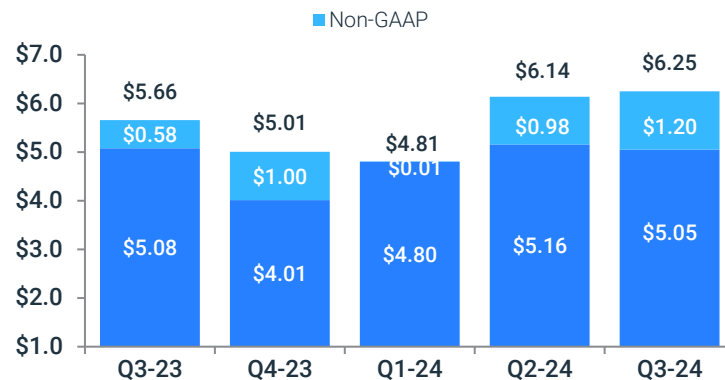
ACV Bookings



Adjusted EBITDA

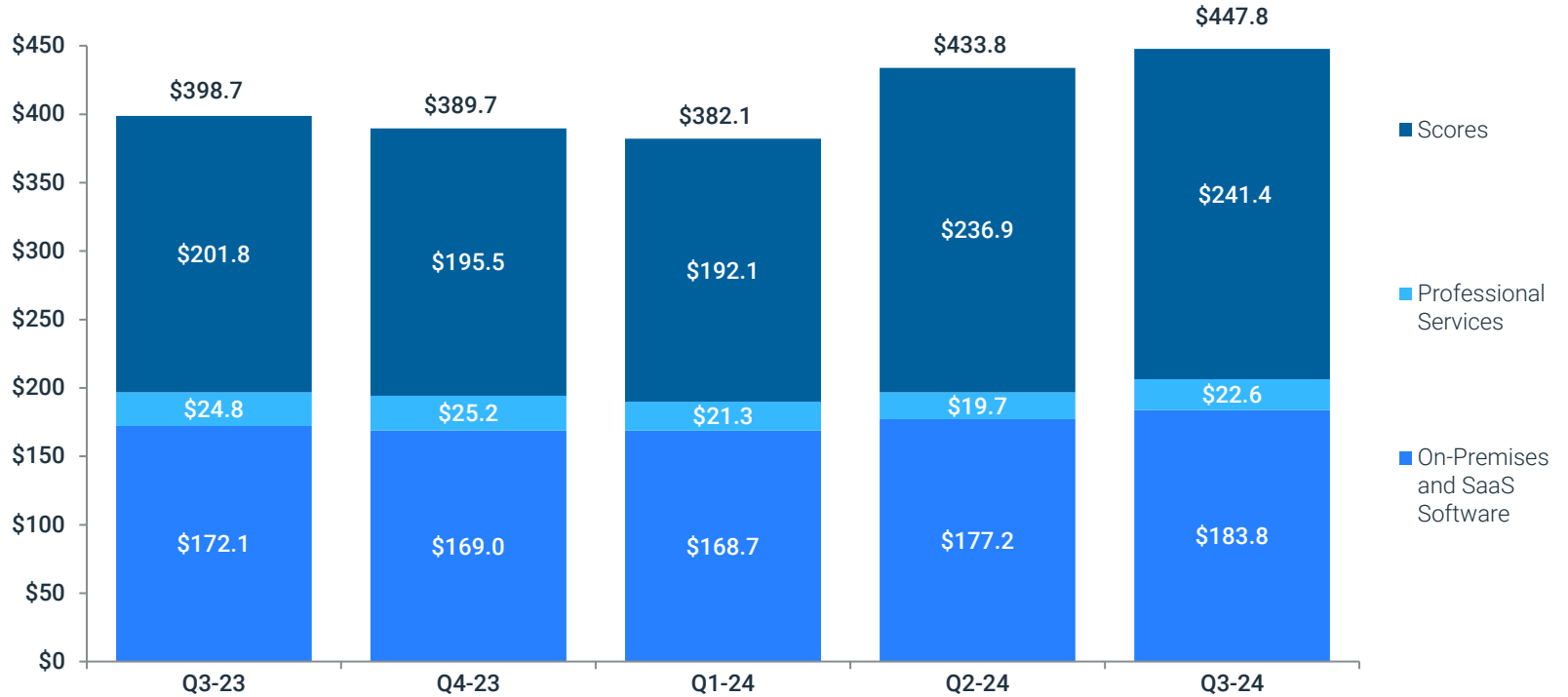


GAAP EPS



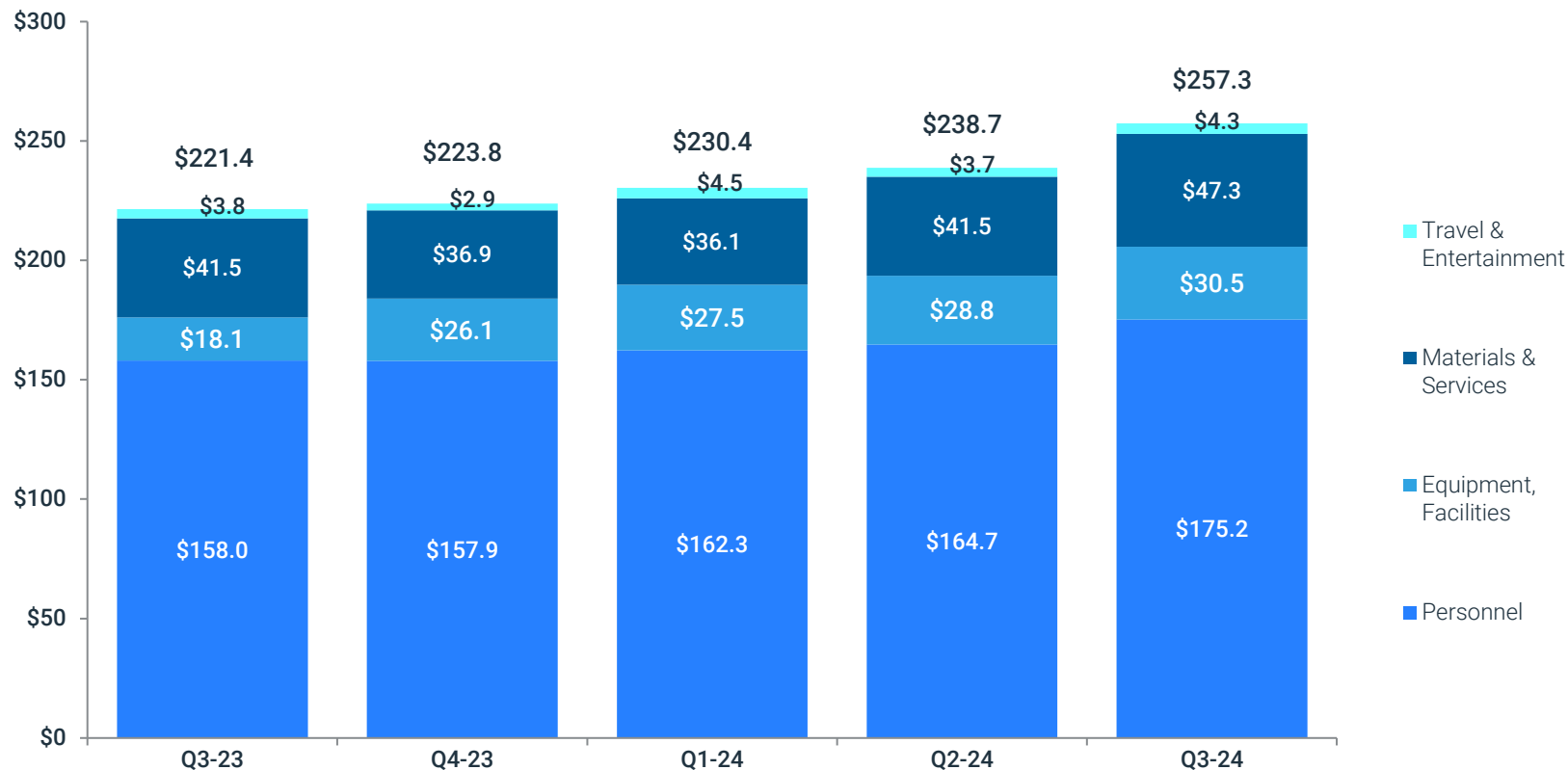
REVENUE TYPE MIX

(In millions)



EXPENSE REVIEW

(In millions)



SCORES HIGHLIGHTS

Total Scores revenues up 20% vs. Q3 23

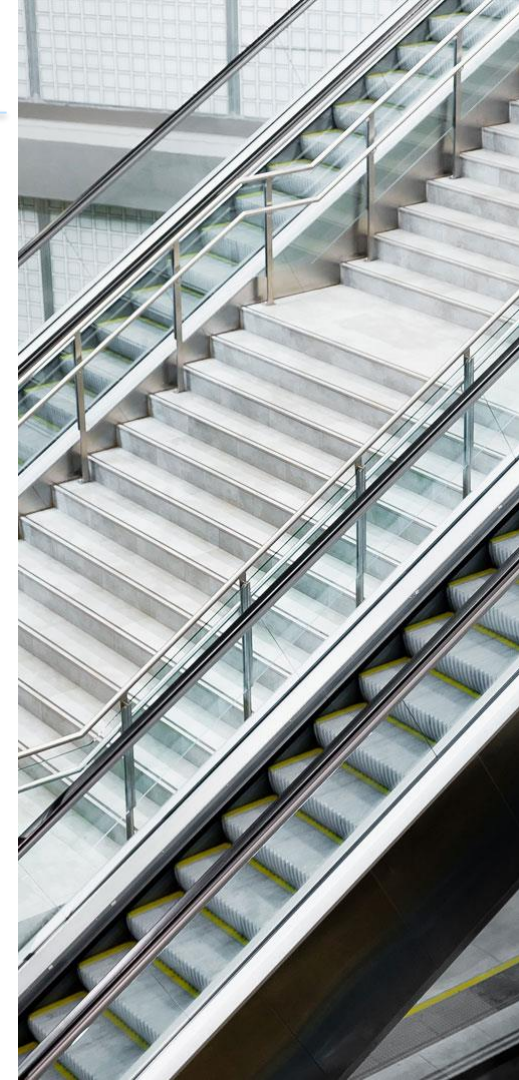
B2B revenue up 27% vs. Q3 23

B2C revenue down 2% vs. Q3 23

Mortgage Originations revenues up 80% vs. Q3 23

Auto Originations revenues down 3% vs. Q3 23

Card, Personal Loan and Other Originations revenues down 7% vs. Q3 23



SOFTWARE ARR – Excluding Q1-23 Divestiture

	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
(In millions)								
ARR								
Platform	\$ 113.1	\$ 132.8	\$ 152.5	\$ 164.1	\$ 173.2	\$ 190.3	\$ 201.4	\$ 215.1
Non-Platform	437.0	450.1	461.0	481.8	496.2	497.4	495.6	494.5
Total	<u>\$ 550.1</u>	<u>\$ 582.9</u>	<u>\$ 613.5</u>	<u>\$ 645.9</u>	<u>\$ 669.4</u>	<u>\$ 687.7</u>	<u>\$ 697.0</u>	<u>\$ 709.6</u>
Percentage								
Platform	21%	23%	25%	25%	26%	28%	29%	30%
Non-Platform	79%	77%	75%	75%	74%	72%	71%	70%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
YoY Change								
Platform	54%	46%	60%	53%	53%	43%	32%	31%
Non-Platform	2%	4%	7%	11%	14%	11%	8%	3%
Total	10%	11%	17%	20%	22%	18%	14%	10%

ARR is defined as annualized revenue run-rate of on-premises and SaaS software agreements within a quarterly reporting period, and as such is different from the timing and amount of revenue recognized. All components of the licensing and subscription arrangements that are not expected to recur (primarily perpetual licenses) are excluded. If a customer contract contains invoicing amounts that increase over the contract term, then ARR reflects the annualized invoicing amount outlined in the contract for the current reporting period. We calculate ARR as the quarterly recurring revenue multiplied by four.

Platform software is defined as products that can run on our platform today using shared platform capabilities without the need for any custom integrations or modifications (other than what is normally required for products on the platform today).

SOFTWARE DBNRR – Excluding Q1-23 Divestiture

	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
<i>DBNRR</i>								
Platform	129%	130%	146%	142%	145%	136%	126%	124%
Non-Platform	101%	103%	105%	109%	111%	108%	106%	101%
Total	109%	110%	114%	117%	120%	114%	112%	108%

Dollar-Based Net Retention Rate (DBNRR) for any period is calculated by comparing the ARR at the end of the prior comparable quarter (base recurring revenue) to the ARR from that same cohort of customers at the end of the current quarter (retained recurring revenue); we then divide the retained recurring revenue by the base recurring revenue to arrive at the DBNRR.

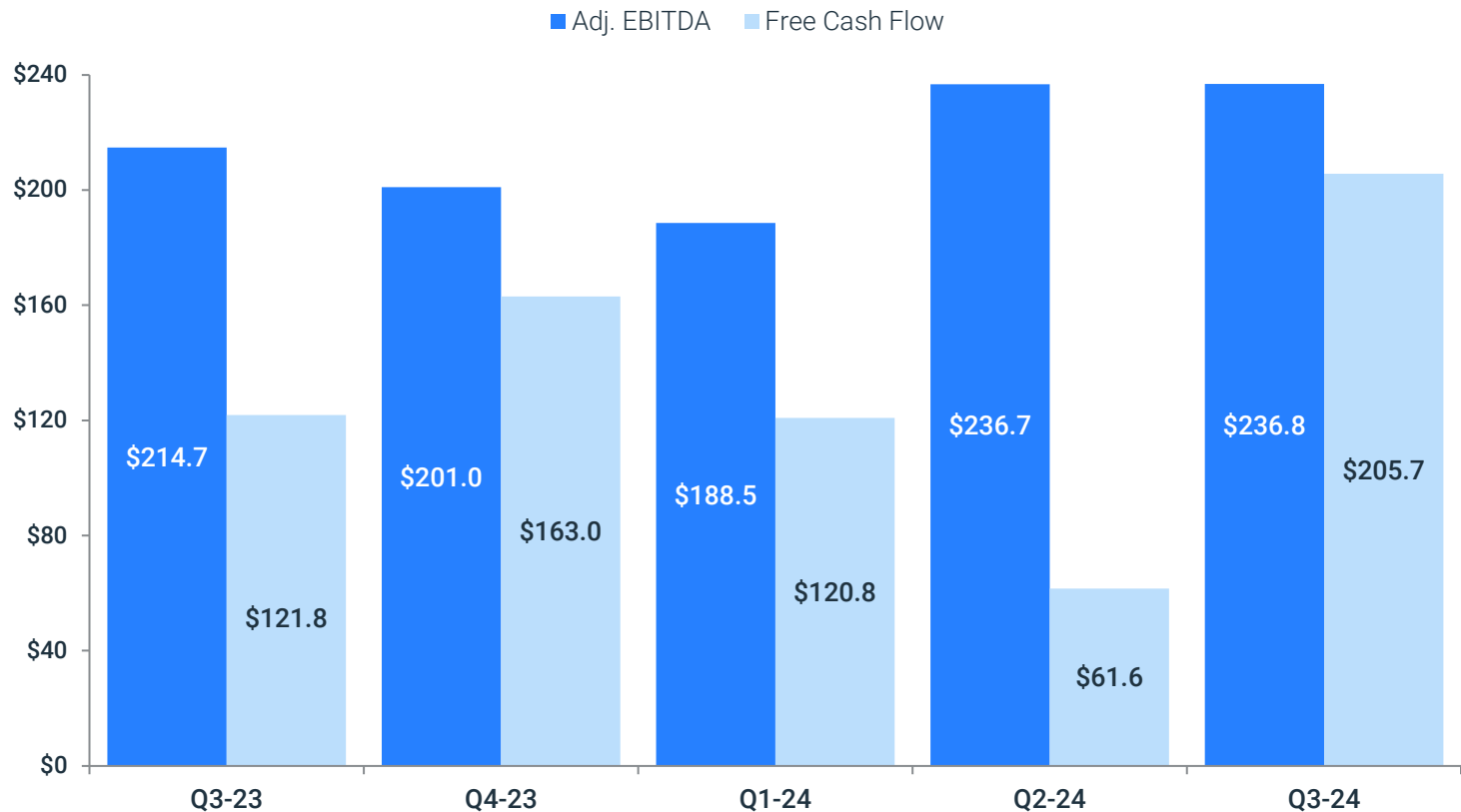
SOFTWARE ACV BOOKINGS – Excluding Q1-23 Divestiture

	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24
	(In millions)							
Total ACV Bookings	\$ 29.2	\$ 21.5	\$ 23.3	\$ 21.1	\$ 28.0	\$ 18.3	\$ 16.8	\$ 27.5

Annual Contract Value Bookings (ACV Bookings) are the average annualized value of software contracts signed in the current reporting period that generate current and future on-premises and SaaS software revenue. We only include contracts with an initial term of at least 24 months and exclude perpetual licenses and other revenues that are non-recurring in nature.

ADJUSTED EBITDA & FREE CASH FLOW

(In millions)



BALANCE SHEET REVIEW

(In millions)	Q3-23	Q2-24	Q3-24	YoY Var	QoQ Var
ASSETS					
Cash & Investments	\$ 196.3	\$ 178.3	\$ 200.1	2%	12%
Accounts Receivable & Other Current Assets	412.0	505.8	475.1	15%	-6%
Goodwill & Intangibles, net	777.8	776.7	776.8	0%	0%
Other	198.5	242.3	256.8	29%	6%
Total Assets	\$ 1,584.6	\$ 1,703.1	\$ 1,708.8	8%	0%
LIABILITIES					
Current Liabilities	\$ 393.0	\$ 315.1	\$ 337.2	-14%	7%
Noncurrent Liabilities	1,895.6	2,123.7	2,200.9	16%	4%
Total Liabilities	2,288.6	2,438.8	2,538.1	11%	4%
Stockholders' Deficit	(704.0)	(735.7)	(829.3)	18%	13%
Total Liabilities & Stockholders' Deficit	\$ 1,584.6	\$ 1,703.1	\$ 1,708.8	8%	0%
METRICS					
Leverage Covenant (max 3.5)	2.47	2.37	2.38	(0.09)	0.01
Interest Coverage Covenant (min 3.0)	7.88	8.16	8.18	0.30	0.02
Days Sales Outstanding	99 days	106 days	97 days	(2 days)	(9 days)

SEGMENT PROFITABILITY

	Quarter Ended June 30, 2023			
	Scores	Software	Unallocated Corporate Expenses	Total
	(In thousands)			
Segment revenues:				
On-premises and SaaS software	\$ —	\$ 172,059	\$ —	\$ 172,059
Professional services	—	24,851	—	24,851
Scores	201,778	—	—	201,778
Total segment revenues	201,778	196,910	—	398,688
Segment operating expense	(24,779)	(121,261)	(42,347)	(188,387)
Segment operating income	<u>\$ 176,999</u>	<u>\$ 75,649</u>	<u>\$ (42,347)</u>	210,301
Unallocated share-based compensation expense				(32,995)
Unallocated amortization expense				(275)
Operating income				177,031
Unallocated interest expense, net				(24,545)
Unallocated other income, net				5,301
Income before income taxes				<u>\$ 157,787</u>
Depreciation and amortization	<u>\$ 107</u>	<u>\$ 2,093</u>	<u>\$ 16</u>	<u>\$ 2,216</u>

	Quarter Ended June 30, 2024			
	Scores	Software	Unallocated Corporate Expenses	Total
	(In thousands)			
Segment revenues:				
On-premises and SaaS software	\$ —	\$ 183,785	\$ —	\$ 183,785
Professional services	—	22,614	—	22,614
Scores	241,450	—	—	241,450
Total segment revenues	241,450	206,399	—	447,849
Segment operating expense	(28,461)	(136,059)	(50,368)	(214,888)
Segment operating income	<u>\$ 212,989</u>	<u>\$ 70,340</u>	<u>\$ (50,368)</u>	232,961
Unallocated share-based compensation expense				(42,435)
Unallocated amortization expense				(275)
Operating income				190,251
Unallocated interest expense, net				(26,868)
Unallocated other income, net				3,935
Income before income taxes				<u>\$ 167,318</u>
Depreciation and amortization	<u>\$ 129</u>	<u>\$ 2,553</u>	<u>\$ 18</u>	<u>\$ 2,700</u>

UPDATED FY2024 GUIDANCE

Revenues – \$1.700 billion

GAAP Net Income – \$500 million

GAAP Earnings per Share – \$19.90

Non-GAAP Net Income – \$582 million

Non-GAAP Earnings per Share – \$23.16



Fair Isaac Corporation

Q3 24 Financial Highlights

June 30, 2024

