

**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 item:

|  | Fiscal Year 2018               |                                 |                                    |                                     | Fiscal Year 2017               |                                 |                                    |                                     |            |
|--|--------------------------------|---------------------------------|------------------------------------|-------------------------------------|--------------------------------|---------------------------------|------------------------------------|-------------------------------------|------------|
|  | Quarter Ended<br>June 30, 2018 | Quarter Ended<br>March 31, 2018 | Quarter Ended<br>December 31, 2017 | Quarter Ended<br>September 30, 2017 | Quarter Ended<br>June 30, 2017 | Quarter Ended<br>March 31, 2017 | Quarter Ended<br>December 31, 2016 | Quarter Ended<br>September 30, 2016 |            |
| <b>Operating Income</b>                              |                                |                                 |                                    |                                     |                                |                                 |                                    |                                     |            |
| Operating income, as reported                        | \$ 136,359                     | \$ 48,376                       | \$ 48,079                          | \$ 39,904                           | \$ 177,200                     | \$ 60,803                       | \$ 41,429                          | \$ 40,041                           | \$ 34,927  |
| Amortization of intangible assets                    | 5,043                          | 1,571                           | 1,684                              | 1,788                               | 12,709                         | 2,712                           | 3,365                              | 3,312                               | 3,320      |
| Restructuring and acquisition-related                | -                              | -                               | -                                  | -                                   | 4,471                          | -                               | 4,471                              | -                                   | -          |
| Stock-based compensation expense                     | 54,630                         | 18,882                          | 19,238                             | 16,510                              | 61,222                         | 17,676                          | 14,315                             | 14,712                              | 14,519     |
| Non-GAAP operating income (segment operating income) | \$ 196,032                     | \$ 68,829                       | \$ 69,001                          | \$ 58,202                           | \$ 255,602                     | \$ 81,191                       | \$ 63,580                          | \$ 58,065                           | \$ 52,766  |
| Revenues   | \$ 752,684                     | \$ 259,505                      | \$ 257,858                         | \$ 235,321                          | \$ 932,169                     | \$ 253,205                      | \$ 230,986                         | \$ 228,378                          | \$ 219,600 |
| Non-GAAP operating margin                            | 26%                            | 27%                             | 27%                                | 25%                                 | 27%                            | 32%                             | 28%                                | 25%                                 | 24%        |
| <b>Net Income</b>                                    |                                |                                 |                                    |                                     |                                |                                 |                                    |                                     |            |
| Net income, as reported                              | \$ 91,935                      | \$ 32,361                       | \$ 32,275                          | \$ 27,299                           | \$ 128,256                     | \$ 40,044                       | \$ 25,227                          | \$ 25,084                           | \$ 37,901  |
| Amortization of intangible assets                    | 5,043                          | 1,571                           | 1,684                              | 1,788                               | 12,709                         | 2,712                           | 3,365                              | 3,312                               | 3,320      |
| Restructuring and acquisition-related                | -                              | -                               | -                                  | -                                   | 4,471                          | -                               | 4,471                              | -                                   | -          |
| Stock-based compensation expense                     | 54,630                         | 18,882                          | 19,238                             | 16,510                              | 61,222                         | 17,676                          | 14,315                             | 14,712                              | 14,519     |
| Income tax adjustments                               | (15,356)                       | (5,484)                         | (5,177)                            | (4,696)                             | (24,316)                       | (6,515)                         | (7,272)                            | (5,542)                             | (4,987)    |
| Excess tax benefit                                   | (14,697)                       | (1,635)                         | (1,551)                            | (11,511)                            | (24,746)                       | (1,198)                         | (2,685)                            | (3,602)                             | (17,261)   |
| Tax Cuts and Jobs Act                                | 14,840                         | 1,420                           | 1,665                              | 11,755                              | -                              | -                               | -                                  | -                                   | -          |
| Non-GAAP net income                                  | \$ 136,395                     | \$ 47,115                       | \$ 48,134                          | \$ 41,145                           | \$ 157,596                     | \$ 52,719                       | \$ 37,421                          | \$ 33,964                           | \$ 33,492  |
| Revenues   | \$ 752,684                     | \$ 259,505                      | \$ 257,858                         | \$ 235,321                          | \$ 932,169                     | \$ 253,205                      | \$ 230,986                         | \$ 228,378                          | \$ 219,600 |
| Non-GAAP net margin                                  | 18%                            | 18%                             | 19%                                | 17%                                 | 17%                            | 21%                             | 16%                                | 15%                                 | 15%        |
| <b>Diluted Earnings per Share</b>                    |                                |                                 |                                    |                                     |                                |                                 |                                    |                                     |            |
| Diluted earnings per share, as reported              | \$ 2.93                        | \$ 1.04                         | \$ 1.03                            | \$ 0.86                             | \$ 3.98                        | \$ 1.25                         | \$ 0.78                            | \$ 0.78                             | \$ 1.16    |
| Amortization of intangible assets                    | 0.16                           | 0.05                            | 0.05                               | 0.06                                | 0.39                           | 0.08                            | 0.10                               | 0.10                                | 0.10       |
| Restructuring and acquisition-related                | -                              | -                               | -                                  | -                                   | 0.14                           | -                               | 0.14                               | -                                   | -          |
| Stock-based compensation expense                     | 1.74                           | 0.61                            | 0.61                               | 0.52                                | 1.90                           | 0.55                            | 0.44                               | 0.46                                | 0.45       |
| Income tax adjustments                               | (0.49)                         | (0.18)                          | (0.17)                             | (0.15)                              | (0.75)                         | (0.20)                          | (0.23)                             | (0.17)                              | (0.15)     |
| Excess tax benefit                                   | (0.47)                         | (0.05)                          | (0.05)                             | (0.36)                              | (0.77)                         | (0.04)                          | (0.08)                             | (0.11)                              | (0.53)     |
| Tax Cuts and Jobs Act                                | 0.47                           | 0.05                            | 0.05                               | 0.37                                | -                              | -                               | -                                  | -                                   | -          |
| Non-GAAP diluted earnings per share                  | \$ 4.35                        | \$ 1.51                         | \$ 1.54                            | \$ 1.30                             | \$ 4.89                        | \$ 1.65                         | \$ 1.16                            | \$ 1.05                             | \$ 1.03    |
| <b>Reconciliation to Adjusted EBITDA</b>             |                                |                                 |                                    |                                     |                                |                                 |                                    |                                     |            |
| Net income, as reported                              | \$ 91,935                      | \$ 32,361                       | \$ 32,275                          | \$ 27,299                           | \$ 128,256                     | \$ 40,044                       | \$ 25,227                          | \$ 25,084                           | \$ 37,901  |
| Interest expense, net                                | 21,799                         | 8,223                           | 7,116                              | 6,460                               | 25,790                         | 6,387                           | 6,653                              | 6,578                               | 6,172      |
| Provision for income taxes                           | 24,565                         | 9,380                           | 8,527                              | 6,658                               | 23,068                         | 14,158                          | 10,104                             | 8,052                               | (9,246)    |
| Other expense (income), net                          | (1,940)                        | (1,588)                         | 161                                | (513)                               | 86                             | 214                             | (555)                              | 327                                 | 100        |
| Amortization of intangible assets                    | 5,043                          | 1,571                           | 1,684                              | 1,788                               | 12,709                         | 2,712                           | 3,365                              | 3,312                               | 3,320      |
| Depreciation   | 16,652                         | 5,348                           | 5,510                              | 5,794                               | 22,980                         | 5,936                           | 5,697                              | 5,738                               | 5,609      |
| Stock-based compensation expense                     | 54,630                         | 18,882                          | 19,238                             | 16,510                              | 61,222                         | 17,676                          | 14,315                             | 14,712                              | 14,519     |
| Restructuring and acquisition-related                | -                              | -                               | -                                  | -                                   | 4,471                          | -                               | 4,471                              | -                                   | -          |
| Adjusted EBITDA                                      | \$ 212,684                     | \$ 74,177                       | \$ 74,511                          | \$ 63,996                           | \$ 278,582                     | \$ 87,127                       | \$ 69,277                          | \$ 63,803                           | \$ 58,375  |
| Revenues   | \$ 752,684                     | \$ 259,505                      | \$ 257,858                         | \$ 235,321                          | \$ 932,169                     | \$ 253,205                      | \$ 230,986                         | \$ 228,378                          | \$ 219,600 |
| Adjusted EBITDA as a percent of revenue:             | 28%                            | 29%                             | 29%                                | 27%                                 | 30%                            | 34%                             | 30%                                | 28%                                 | 27%        |
| <b>Reconciliation To Free Cash Flow</b>              |                                |                                 |                                    |                                     |                                |                                 |                                    |                                     |            |
| Net cash provided by operating activities:           | \$ 163,089                     | \$ 85,079                       | \$ 49,233                          | \$ 28,777                           | \$ 225,644                     | \$ 54,221                       | \$ 72,026                          | \$ 66,419                           | \$ 32,978  |
| Reduced by cash flow items:                          |                                |                                 |                                    |                                     |                                |                                 |                                    |                                     |            |
| Capital expenditures                                 | 24,220                         | 13,109                          | 7,067                              | 4,044                               | 19,828                         | 5,036                           | 5,189                              | 5,284                               | 4,319      |
| Dividends paid                                       | -                              | -                               | -                                  | -                                   | 1,238                          | -                               | -                                  | 620                                 | 618        |
| Free cash flow                                       | \$ 138,869                     | \$ 71,970                       | \$ 42,166                          | \$ 24,733                           | \$ 204,578                     | \$ 49,185                       | \$ 66,837                          | \$ 60,515                           | \$ 28,041  |
| Revenues   | \$ 752,684                     | \$ 259,505                      | \$ 257,858                         | \$ 235,321                          | \$ 932,169                     | \$ 253,205                      | \$ 230,986                         | \$ 228,378                          | \$ 219,600 |
| Free cash flow as a percent of revenue:              | 18%                            | 28%                             | 16%                                | 11%                                 | 22%                            | 19%                             | 29%                                | 26%                                 | 13%        |

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