SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 1997

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________________ to ______________________

Commission File Number
0-16439

FAIR, ISAAC AND COMPANY, INCORPORATED
(Exact name of registrant as specified in its charter)

DELAWARE	94-1499887
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

120 North Redwood Drive, San Rafael, California 94903
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (415) 472-2211

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No .

The number of shares of Common Stock, $0.01 par value per share, outstanding on August 8, 1997, was 13,441,472.

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PART I - FINANCIAL INFORMATION
ITEM 1. Financial Statements.
FAIR, ISAAC AND COMPANY, INCORPORATED
CONSOLIDATED BALANCE SHEETS
June 30, 1997 and September 30, 1996

(dollars in thousands)

	June 30	September 30
ASSETS		
Current assets:		
Cash and cash equivalents	$ 8,720	$ 8,247
Short-term investments	5,006	7,487
Accounts receivable, net	30,564	27,675
Unbilled work in progress	15,624	10,276
Prepaid expenses and other current assets	3,595	3,957
Deferred income taxes	2,802	2,759
Income tax prepayment	3,343	610
Total current assets	69,654	61,011
Long-term investments	13,790	12,647
Property and equipment, net	31,358	23,219
Intangibles, net	8,629	9,557
Deferred income taxes	2,239	2,239
Other assets	4,940	4,381
	$ 130,610	$ 113,054
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and other accrued liabilities	$ 7,520	$ 7,466
Accrued compensation and employee benefits	14,344	16,648
Billings in excess of earned revenues	5,753	3,666
Capitalized leases	361	378
Total current liabilities	27,978	28,158
Other liabilities	7,906	4,997
Capital leases	1,306	1,552
Commitments and contingencies	--	--
Total liabilities	37,190	34,707
Stockholders' equity:		
Preferred stock	--	--
Common stock	127	126
Paid in capital in excess of par value	23,530	21,174
Retained earnings	70,137	57,163
Less treasury stock (8,222 shares at 6/30/97; 15,938 at 9/30/96)	(238)	(68)
Cumulative translation adjustments	(226)	(145)
Unrealized gain on investments	90	97
Total stockholders' equity	93,420	78,347
	$ 130,610	$ 113,054

See accompanying notes to the consolidated financial statements.

FAIR, ISAAC AND COMPANY, INCORPORATED

CONSOLIDATED STATEMENTS OF INCOME

For the nine-month and three-month periods ended June 30, 1997 and 1996
(dollars in thousands, except per share data)

	Nine-Months Ended June 30		Three-Months Ended June 30	
	1997	1996	1997	1996
Revenues	$ 137,031	$ 105,023	$ 49,035	$ 37,119
Costs and expenses:				
Cost of revenues	52,047	40,984	18,487	14,281
Sales and marketing	20,509	17,738	7,904	6,449
Research and development	11,137	5,168	4,202	2,179
General and administrative	28,139	20,254	10,160	6,949
Amortization of intangibles	961	759	306	183
Total costs and expenses	112,793	84,903	41,059	30,041
Income from operations	24,238	20,120	7,976	7,078
Other income (expense), net	(1,146)	398	(778)	54
Income before income taxes	23,092	20,518	7,198	7,132
Provision for income taxes	9,360	8,322	3,043	2,834
Net income	$ 13,732	$ 12,196	$ 4,155	$ 4,298
Earnings per share	$ 1.05	$ .96	$ .32	$ .34
Shares used in computing earnings per share	13,098,000	12,740,000	13,123,000	12,745,000

See accompanying notes to the consolidated financial statements.

FAIR, ISAAC AND COMPANY, INCORPORATED

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the nine-month periods ended June 30, 1997 and 1996
(dollars in thousands)

	Nine-Months Ended June 30	
	1997	1996
Cash flows from operating activities:		
Net income	$ 13,732	$ 12,196
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	8,641	6,939
Equity loss on investments	1,618	600
Gain on sale of property and equipment	(225)	
Deferred income taxes	(42)	(416)
Changes in operating assets and liabilities:		
Increase in accounts receivable	(2,969)	(4,271)
Decrease (increase) in unbilled work in progress	(5,348)	369
Decrease (increase) in prepaid expenses and other assets	362	(2,576)
Increase in income tax prepayment	(2,733)	
Decrease (increase) in other assets	(560)	654
Increase in accounts payable and other accrued liabilities	934	1,529
Increase (decrease) in accrued compensation and employee benefits	(664)	379
Increase (decrease) in billings in excess of earned revenues	2,086	(315)
Decrease in income taxes payable		(325)
Increase (decrease) in other liabilities	2,910	(1,153)
Net cash provided by operating activities	17,742	13,610
Cash flows from investing activities:		
Purchases of property and equipment	(15,934)	(10,936)
Proceeds from sale of property and equipment	340	
Purchase of DynaMark, Printronic and CRMA	(78)	(1,231)
Purchases of investments	(8,615)	(7,770)
Proceeds from maturities of investments	7,493	5,362
Net cash used by investing activities	(16,794)	(14,575)
Cash flows from financing activities:		
Principal payments of capital lease obligations	(263)	(267)
Issuance of common stock	779	810
Dividends paid	(759)	(743)
Repurchase of company stock	(232)	
Net cash used by financing activities	(475)	(200)
Increase (decrease) in cash and cash equivalents	473	(1,165)
Cash and cash equivalents, beginning of period	8,247	8,321
Cash and cash equivalents, end of period	$ 8,720	$ 7,156

See accompanying notes to the consolidated financial statements.

Note 1 Income taxes paid

Cash payments for income taxes during the nine-month periods ended June 30, 1997 and 1996, were $12,093,000 and $8,879,000, respectively.

Note 2 Non-cash transactions

The Company contributed newly-issued and treasury stock having a market value of $1,468,000 and $979,000 to the Company's Employee Stock Ownership Plan during the first three fiscal quarters of 1997 and 1996, respectively.

Note 3 Reclassifications

Certain reclassifications were made to the September 30, 1996, balance sheet to conform to the June 30, 1997, presentation.

Note 4 Accounting pronouncements

In February, 1997, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 128, "Earnings per Share" (SFAS 128). SFAS 128 establishes standards for computing and presenting earnings per share (EPS) and applies to entities with publicly held common stock or potential common stock. SFAS 128 simplifies the standards for computing earnings per share previously found in APB Opinion No. 15, Earnings per Share, and replaces the presentation of primary EPS with a presentation of basic EPS. It also requires dual presentation of basic and diluted EPS on the face of the income statement and requires reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS computation. SFAS 128 is effective for financial statements issued for periods ending after December 15, 1997, including interim periods; earlier application is not permitted. This statement requires restatement of all prior-period EPS data presented. The adoption of this statement is not expected to have a material impact on the EPS presented in the accompanying financial statements.

In June 1997, the FASB issued SFAS No. 130, "Reporting Comprehensive Income." SFAS No. 130 established standards for reporting comprehensive income and its components in financial statements. This statement requires that all items which are required to be recognized under accounting standards as components of comprehensive income be reported in a financial statement that is displayed with the same prominence as other financial statements. Comprehensive income is equal to net income plus the change in "other comprehensive income." The only component of other comprehensive income currently applicable to the Company, as defined by SFAS No. 130, is the net unrealized gain or loss on available-for-sale investments. SFAS No. 130 requires that an entity: (a) classify items of other comprehensive income by their nature in a financial statement, and (b) report the accumulated balance of other comprehensive income separately from common stock and retained earnings in the equity section of the statement of financial position. This statement is effective for financial statements issued for fiscal years beginning after December 15, 1997. Management intends to conform its financial statements to such pronouncement.

In June 1997, the FASB issued SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." This statement establishes standards for publicly held entities to follow in reporting information about operating segments in annual financial statements and requires that those entities report selected information about operating segments in interim financial statements. This statement also establishes standards for related disclosures about products and services, geographic areas and major customers. This statement is effective for financial statements issued for periods beginning after December 15, 1997. Management intends to conform its financial statements to such pronouncement.

Note 5 Subsequent events

On June 23, 1997, a transaction for the acquisition by the Company of Risk Management Technologies, Inc. (RMT), a privately-held company which provides enterprise-wide risk management and performance measurement solutions to major financial institutions, was closed as between the parties, subject to the merger being declared effective by the State of California. The merger became effective on July 21, 1997. Accordingly, the financial results of RMT are not included in the consolidated financial statements. Under the terms of agreement and plan of reorganization, each outstanding share of RMT common stock, and options to purchase RMT common stock (after adjustment for the exercise price), were exchanged for .33 shares of Company common stock or option equivalents. The total number of shares and option equivalents issuable by the Company in connection with this merger is approximately 1,256,000. This transaction will be accounted for as a pooling of interests.

If RMT had been consolidated, net income for the quarter ended June 30, 1997, would have been approximately $4.29 million ($.30 per share) on revenues of $51.1 million, compared with net income of $4.50 million ($.32 per share) on revenues of $38.8 million for the quarter ended June 30, 1996. For the first nine months of fiscal 1997, combined net income would have been about $14.36 million ($1.00 per share) on revenues of $142.8 million, compared with net income of $12.57 million ($.90 per share) on revenues of $109.5 million for the corresponding period of 1996.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

General

Fair, Isaac and Company, Incorporated, provides products and services designed to help a variety of businesses use data to make better decisions on their customers and prospective customers. The Company's products include statistically derived, rule-based analytical tools, software designed to implement those analytical tools, and consulting services to help clients use and track the performance of those tools. The Company also provides a range of credit scoring and credit account management services in conjunction with credit bureaus and credit card processing agencies. Its DynaMark subsidiary provides data processing and database management services to businesses engaged in direct marketing activities, many of which are in the credit and insurance industries.

This discussion and analysis should be read in conjunction with the Company's Consolidated Financial Statements and Notes presented in the Company's report on Form 10-K for the year ended September 30, 1996. In addition to historical information, this report includes certain forward-looking statements regarding events and trends which may affect the Company's future results. Such statements are subject to risks and uncertainties that could cause the Company's actual results to differ materially. Such factors include, but are not limited to, those described in this discussion and analysis.

The Company is organized into business units which correspond to its principal markets: consumer credit, insurance and direct marketing (DynaMark). Sales to the consumer credit industry have traditionally accounted for the bulk of the Company's revenues. Products developed specifically for a single user in this market are generally sold on a fixed-price basis. Such products include application and behavior scoring algorithms (also known as "analytic products" or "scorecards"), credit application processing systems (ASAP(TM) and CreditDesk(R)) and custom credit account management systems including those marketed under the name TRIAD(TM). Software systems usually also have a component of ongoing maintenance revenue, and CreditDesk systems have also been sold under time-or volume-based price arrangements. Credit scoring and credit account management services sold through credit bureaus and third-party credit card processors are generally priced based on usage. Products sold to the insurance industry are generally priced based on the number of policies in force, subject to contract minimums. DynaMark employs a combination of fixed-fee and usage-based pricing.

Results of Operations

Revenues

The following table sets forth for the fiscal periods indicated (a) the percentage of revenues represented by fixed-price and usage-priced revenues from the Credit business unit and the percentage of revenues contributed by the DynaMark, Insurance and other business units; and (b) the percentage change in revenues within each category in the fiscal 1997 period from the corresponding period in fiscal 1996. Fixed-price revenues include all revenues from application processing software, custom scorecard development and consulting projects for credit. Virtually all usage revenues are generated through third-party alliances such as those with credit bureaus and third-party credit card processors.

	Three-Months Ended June 30,		Percentage Change	Nine-Months Ended June 30,		Percentage Change
	1997	1996		1997	1996	
Credit						
Fixed-price	29%	30%	29%	30%	29%	32%
Usage-priced	49%	52%	23%	51%	54%	23%
DynaMark	18%	15%	59%	15%	14%	46%
Insurance	3%	3%	27%	3%	3%	47%
Other	1%	--	NM	1%	--	NM
Total revenues	100%	100%	32%	100%	100%	30%

NM = Not meaningful

Since its acquisition, DynaMark has taken on an increasing share of the mainframe batch processing requirements of the Company's other business units. During fiscal 1996, such intercompany revenue represented almost fifteen percent of DynaMark's total revenues. Accordingly, DynaMark's externally reported revenues tend to understate DynaMark's growth and contribution to the Company as a whole. The increase in DynaMark's revenues shown in the foregoing table, which excludes such intercompany revenues, was due primarily to increased revenues from customers in the financial services industry.

The increase in usage revenues from the Credit business unit in the quarter and nine-months ended June 30, 1997, compared with the same periods the prior year, was due to continuing growth in (a) usage of the Company's scoring services distributed through the three major credit bureaus in the United States and (b) the number of bankcard accounts being managed by the Company's account management services delivered through third-party processors. Revenues for the credit bureau scoring services in the nine-months ended June 30, 1997, were approximately 24 percent higher than in the first nine months of fiscal 1996. Revenues from credit account management services delivered through third-party processors in the most recent nine months were 19 percent higher than in the corresponding period of fiscal 1996.

Sales of credit application scorecards and credit application processing software, especially for small business lending, primarily accounted for the increase in fixed-price credit revenues in the quarter and nine-months ended June 30, 1997. Revenues from sales of credit application scorecards and credit application processing software increased by approximately 40 percent in the quarter and 41 percent in the nine-months ended June 30, 1997, compared with the same periods of fiscal 1996. Revenues from end-user credit account management systems ("TRIAD") and behavior scoring projects in the three- and nine-month periods ended June 30, 1997, were down slightly from the same periods of 1996 due primarily to delays in the release of the next version of TRIAD software.

Revenues from credit bureau-related services have increased rapidly in each of the last three fiscal years and accounted for approximately 39 percent of revenues in fiscal 1996. Revenues from services provided through bankcard processors also increased in each of these years, due primarily to increases in the number of accounts at each of the major processors.

Revenues derived from alliances with credit bureaus and credit card processors have accounted for much of the Company's revenue growth and improvement in operating margins over the last three years. While the Company has been very successful in extending or renewing such agreements in the past, and believes it will generally be able to do so in the future, the loss of one or more such alliances could have a significant impact on revenues and operating margin. Revenues generated through the Company's alliances with Equifax, Inc., Experian Information Solutions, Inc. (formerly TRW Information Systems & Services), and Trans Union Corporation each accounted for approximately nine to eleven percent of the Company's total revenues in fiscal 1995 and 1996.

On November 14, 1996, it was announced that Experian was being acquired by CCN Group Ltd., a subsidiary of Great Universal Stores, PLC. CCN is the Company's largest competitor, worldwide, in the area of credit scoring. TRW/Experian has offered scoring products developed by CCN in competition with those of the Company for several years. The Company is not presently able to determine what effect, if any, the acquisition of Experian by CCN will have on its future revenues.

On September 30, 1996, amendments to the Fair Credit Reporting Act were enacted and signed into law. The Company believes these changes to the federal law regulating credit reporting will be favorable to the Company and its clients. Among other things, the new law expressly permits the use of credit bureau data to prescreen consumers for offers of credit and insurance and allows affiliated companies to share consumer information with each other subject to certain conditions. There is also a seven-year moratorium on new state legislation on certain issues. However, the states remain free to regulate the use of credit bureau data in connection with insurance underwriting. The Company believes such enacted or proposed state regulation has had a negative impact on its efforts to sell insurance risk scores through credit reporting agencies.

The increases in Insurance revenues for the three- and nine-month periods ended June 30, 1997, compared with the same periods in fiscal 1996, were due primarily to strong growth in insurance scoring services offered through consumer reporting agencies.

Revenues derived from outside of the United States represented approximately 14 percent of total revenues in both the quarter and nine-months ended June 30, 1997, compared with 15 percent of total revenues in the same periods a year earlier.

Revenues from software maintenance and consulting services each accounted for less than 10 percent of revenues in each of the three years in the period ended September 30, 1996, and in the nine-months ended June 30, 1997. The Company does not expect revenues from either of these sources to exceed 10 percent of revenues in the foreseeable future.

During the period since 1990, while the rate of account growth in the U.S. bankcard industry has been slowing and many of the Company's largest institutional clients have merged and consolidated, the Company has generated above-average growth in revenues--even after correcting for the effect of acquisitions--from its bankcard-related scoring and account management business by deepening its penetration of large banks and other credit issuers. The Company believes much of its future growth prospects will rest on its ability (1) to develop new, high-value products and services for its present client base of major U.S. consumer credit issuers; (2) to increase its penetration of established or emerging credit markets outside the U.S. and Canada; and (3) to expand--either directly or through further acquisitions--into relatively undeveloped or underdeveloped markets for its products and services, such as direct marketing, insurance, small business lending and healthcare information management.

Over the long term, in addition to the factors discussed above, the Company's rate of revenue growth--excluding growth due to acquisitions--is limited by the rate at which it can recruit and absorb additional professional staff. While the increased percentage of usage revenues may loosen this constraint to some extent, management believes it will continue to exist indefinitely. On the other hand, despite the high penetration the Company has already achieved in certain markets, the opportunities for application of its core competencies are much greater than it can pursue. Thus, the Company believes it can continue to grow revenues, within the personnel constraint, for the foreseeable future. At times management may forego short-term revenue growth in order to devote limited resources to opportunities which it believes have exceptional long-term potential. This occurred in the period from 1988 through 1990 when the Company devoted significant resources to developing the usage-priced services distributed through credit bureaus and third-party processors. Cumulative revenue since 1987, net of acquisitions, is slightly above the Company's 20-year historical average revenue growth of about 22 percent.

Expenses

The following table sets forth for the periods indicated (a) the percentage of revenues represented by certain line items in the Company's consolidated statements of income and (b) the percentage change in such items from the same periods in the prior fiscal year.

	Nine-Months Ended June 30, 1997	Nine-Months Ended June 30, 1996	Percentage Change	Three-Months Ended June 30, 1997	Three-Months Ended June 30, 1996	Percentage Change
Revenues	100%	100%	30%	100%	100%	32%
Costs and expenses:						
Cost of revenues	38	39	27%	38	38	29%
Sales and marketing	15	17	16%	16	17	23%
Research and development	8	5	115%	9	6	73%
General and administrative	20	19	39%	20	19	46%
Amortization of intangibles	1	1	27%	1	1	67%
Total costs and expenses	82	81	33%	84	81	37%
Income from operations	18	19	20%	16	19	13%
Other income and expense	(1)	1	NM	(1)	--	NM
Income before income taxes	17	20	19%	15	19	1%
Provision for income taxes	7	8	15%	7	7	7%
Net income	10%	12%	21%	8%	12%	(3)%

NM = Not meaningful

There were two factors primarily responsible for the decrease in the Company's operating margin during the quarter ended June 30, 1997. In order to keep up with current demand but still proceed with the development of new products and upgrading of internal information systems and facilities to accommodate continued growth, the Company had to rely on expensive contract labor. The Company's reliance on expensive contract labor impacts primarily cost of revenues and general and administrative expenses. While the Company is stepping up its recruiting and training efforts to reduce dependence on consultants and thus reduce operating costs, the market for many of the technical specialists needed remains very tight. In addition, the areas that produced above-average growth in the most recent quarter are ones which have traditionally had lower margins.

Cost of Revenues

Cost of revenues consists primarily of personnel, travel, and related overhead costs; costs of computer service bureaus; and the amounts paid by the Company to credit bureaus for scores and related information in connection with the ScoreNet(R) service. The cost of revenues, as a percentage of revenues, was essentially unchanged in the quarter ended June 30, 1997, as compared with the same quarter a year earlier. Costs of ScoreNet data, as a percentage of revenues, declined from the June 1996 quarter, but this was offset by increased production costs due to above-average growth at DynaMark and in the fixed-price segments of the Company's credit business. During the nine-month period ended June 30, 1997, cost of revenues, as a percentage of revenues, declined slightly from the same period a year earlier primarily because certain personnel whose primary assignment had been production and delivery have been reassigned to research and development activities.

Sales and Marketing

Sales and marketing expenses consist principally of personnel, travel, overhead, advertising and other promotional expenses. These expenses, as a percentage of revenues, decreased in the nine- and three-month periods ended June 30, 1997, compared with the same periods in fiscal 1996, primarily due to reductions in media advertising.

Research and Development

Research and development expenses include the personnel and related overhead costs incurred in developing products, researching mathematical and statistical algorithms, and developing software tools that are aimed at improving productivity and management control. Research and development expenses increased significantly over the corresponding nine- and three-month periods of fiscal 1996. After several years of concentrating on developing new markets--either geographical or by industry--for its existing technologies, the Company has recently increased emphasis on developing new technologies, especially in the area of software development.

General and Administrative

General and administrative expenses consist mainly of compensation expenses for certain senior management, corporate facilities expenses, the costs of administering certain benefit plans, legal expenses, expenses associated with the exploration of new business opportunities and the costs of operating administrative functions such as finance and computer information systems. As a percentage of revenues, these expenses for the nine- and three-months periods ended June 30, 1997, were higher than in the corresponding periods of fiscal 1996 due primarily to expansion of facilities to meet staff growth.

Amortization of intangibles

The Company is amortizing the intangible assets arising from various acquisitions over periods ranging from two to fifteen years. The level of amortization expense in future years will depend, in part, on the amount of additional payments (earnouts) to the former shareholders of Credit & Risk Management Associates, Inc., a privately held company acquired in 1996.

Other Income and expense

Interest income, derived from the investment of funds surplus to the Company's immediate operating requirements, increased over the nine- and three-month periods a year earlier due to higher balances and slightly higher interest rates. However, this increase in interest income was more than offset by acquisition costs associated with the purchase of Risk Management Technologies, Inc., and the increase in the Company's share of operating losses in certain early stage development companies that are accounted for using the equity method.

Provision for income taxes

The Company's effective tax rate was unchanged for the nine months ended June 30, 1997 compared to June 30, 1996. The increase in the tax rate for the three months ended June 30, 1997 compared to June 30, 1996 is due to the non-deductible nature of the costs associated with the acquisition of RMT.

Financial Condition

Working capital increased from $32,853,000 at September 30, 1996 to $41,676,000 at June 30, 1997. Cash and marketable investments decreased from $26,482,000 at September 30, 1996, to $24,987,000 at June 30, 1997, due primarily to expenditures for computing facilities, and leasehold improvements and furniture and equipment for additional office space. The Company has no long-term debt other than lease and employee incentive and benefit obligations. The Company believes that cash and marketable securities on hand are adequate to meet its capital and liquidity needs for the foreseeable future.

Interim Periods

The Company believes that all the necessary adjustments have been included in the amounts shown in the consolidated financial statements contained in Item 1 above for the nine- and three-month periods ended June 30, 1997 and 1996, to state fairly the results for such interim periods. This includes all normal recurring adjustments that the Company considers necessary for a fair statement thereof, in accordance with generally accepted accounting principles. This report should be read in conjunction with the Company's 1996 Form 10-K.

Quarterly results may be affected by fluctuations in revenues associated with credit card solicitations, by the timing of orders for and deliveries of certain ASAP and TRIAD systems, and by the seasonality of ScoreNet purchases. With the exception of the cost of ScoreNet data purchased by the Company, most of its operating expenses are not affected by short-term fluctuations in revenues; thus short-term fluctuations in revenues may have a significant impact on operating results. However, in recent years, these fluctuations were generally offset by the strong growth in revenues from services delivered through credit bureaus and third-party bankcard processors.

Management believes that neither the quarterly variation in revenues and net income, nor the results of operations for any particular quarter, are necessarily indicative of results of operations for full fiscal years. Accordingly, management believes that the Company's results should be evaluated on an annual basis.

PART II - OTHER INFORMATION

ITEM 6. Exhibits and Reports on Form 8-K.

(a) Exhibits:

11.1 Computation of Earnings per Share.

24.1 Power of Attorney (see page 14 of this Form 10-Q).

27 Financial Data Schedule.

(b) Reports on Form 8-K:

Two reports on Form 8-K were filed during the quarter ended June 30, 1997. On April 23, 1997, the Company filed a report announcing that it had entered into a preliminary agreement for the acquisition of Risk Management Technologies, Inc. The Company filed a report on June 30, l997 announcing that it had closed the acquisition of Risk Management Technologies, Inc. on June 23, 1997. See Note 5 to the Consolidated Financial Statements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FAIR, ISAAC AND COMPANY, INCORPORATED

DATE: August 14, 1997

By PETER L. MCCORKELL

Peter L. McCorkell
Senior Vice President and Secretary

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the person whose signature appears below constitutes and appoints PETER L. McCORKELL his attorney-in-fact, with full power of substitution, for him in any and all capacities, to sign any amendments to this Report on Form 10-Q and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following person on behalf of the registrant and in the capacities and on the date indicated.

DATE: August 14, 1997

By PATRICIA COLE

Patricia Cole
Senior Vice President and Chief
Financial Officer

EXHIBIT INDEX
TO FAIR, ISAAC AND COMPANY, INCORPORATED
REPORT ON FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 1997

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Exhibit 11.1

FAIR, ISAAC AND COMPANY, INCORPORATED
COMPUTATION OF EARNINGS PER SHARE
(IN THOUSANDS EXCEPT PER SHARE DATA)

	Nine-Months Ended June 30		Three-Months Ended June 30	
	1997	1996	1997	1996
Primary Earnings Per Share:				
Weighted Average Common Shares Outstanding	12,659	12,380	12,703	12,392
Dilutive effect of outstanding options (as determined by the treasury stock method)	439	360	420	353
Weighted Average Common Shares, as Adjusted	13,098	12,740	13,123	12,745
Net Income	$13,732	$12,196	$ 4,155	$ 4,298
Primary Earnings per Share	$ 1.05	$ 0.96	$ 0.32	$ 0.34
Fully Diluted Earnings Per Share:				
Weighted Average Common Shares Outstanding	12,659	12,380	12,703	12,392
Dilutive effect of outstanding options (as determined by the treasury stock method)	640	467	538	379
Weighted Average Common Shares, as Adjusted	13,299	12,847	13,241	12,771
Net Income	$13,732	$12,196	$ 4,155	$ 4,298
Fully Diluted Earnings Per Share	$ 1.03	$ 0.95	$ 0.31	$ 0.34

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEETS AND INCOME STATEMENTS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS

1,000

9-MOS
SEP-30-1997
OCT-01-1996
JUN-30-1997
8,720
5,006
31,129
565
0
69,654
60,562
29,204
130,610
27,978
1,306
127
0
0
93,293
130,610
0
137,031
0
52,047
20,509
120
102
23,092
9,360
13,732
0
0
0
13,732
1.05
1.03