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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)                      October 30, 2007  
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FAIR ISAAC CORPORATION  
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(Exact name of registrant as specified in its charter)

Delaware  
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0-16439  
-----

94-1499887  
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(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(IRS Employer  
Identification No.)

901 Marquette Avenue, Suite 3200  
Minneapolis, Minnesota  
-----

55402-3232  
-----

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code                      612-758-5200  
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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 2.02.      Results of Operations and Financial Condition.

Item 9.01.      Financial Statements and Exhibits.

Signature

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Exhibit 99.1

Item 2.02. Results of Operations and Financial Condition.

On October 30, 2007, Fair Isaac Corporation (the "Company") reported its financial results for the quarter and year ended September 30, 2007. See the Company's press release dated October 30, 2007, which is furnished as Exhibit 99.1 hereto and incorporated by reference in this Item 2.02.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit	Description
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99.1	Press Release dated October 30, 2007

SIGNATURE

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 hereunto duly authorized.

FAIR ISAAC CORPORATION

By: /s/ Charles M. Osborne

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Charles M. Osborne  
Executive Vice President and  
Chief Financial Officer

Date: October 30, 2007

EXHIBIT INDEX

Exhibit No. -----	Description -----	Manner of Filing -----
99.1	Press Release dated October 30, 2007	Filed Electronically

## Fair Isaac Announces Fourth Quarter and Fiscal 2007 Results

Total quarterly revenues of \$207.2 million;  
Earnings per share of \$0.52

MINNEAPOLIS--(BUSINESS WIRE)--Oct. 30, 2007--Fair Isaac Corporation (NYSE:FIC), which combines trusted advice, world-class analytics and innovative applications to help businesses make smarter decisions, today announced the financial results for its fourth quarter and fiscal year ended September 30, 2007.

## Fourth Quarter Fiscal 2007 Results

The company reported fourth quarter revenues of \$207.2 million in fiscal 2007 compared to \$207.3 million reported in the prior year period. Net income for the fourth quarter of fiscal 2007 totaled \$28.2 million, or \$0.52 per diluted share, compared to \$22.1 million, or \$0.35 per diluted share, reported in the prior year period.

Fourth quarter fiscal 2007 results included the following one-time items: a \$7.3 million tax benefit, or \$0.13 per diluted share, arising from adjustments to income tax reserves resulting from the conclusion of a tax audit, costs associated with the resolution of a customer lawsuit involving our insurance solutions business of \$3.8 million after-tax, or \$0.07 per diluted share, and restructuring costs of \$1.6 million after-tax, or \$0.03 per diluted share.

Fourth quarter fiscal 2006 results included \$4.9 million in revenues from the mortgage product line which was sold in March 2007, as well as lease exit costs of \$8.3 million after-tax, or \$0.13 per diluted share.

## Fourth Quarter Fiscal 2007 Revenues Highlights

Revenues for fourth quarter fiscal 2007 across each of the company's four operating segments were as follows:

- Strategy Machine(R) Solutions revenues were \$106.1 million in the fourth quarter compared to \$110.6 million in the prior year quarter, or a decrease of 4.1%, primarily due to the divestiture of the mortgage product line in the second quarter and a decline associated with insurance solutions products. The declines were partially offset by an increase in revenues derived from collections and recovery products, and consumer products.
- Scoring Solutions revenues increased to \$46.0 million in the fourth quarter compared to \$45.5 million in the prior year quarter, or by 1.1%, primarily due to an increase in revenues from risk scoring services at the credit reporting agencies.
- Professional Services revenues were \$37.4 million in the fourth quarter compared to \$38.0 million in the prior year quarter, or a decrease of 1.4%, primarily due to a decline associated with Blaze Advisor(TM) implementation and consulting services.
- Analytic Software Tools revenues increased to \$17.7 million in the fourth quarter compared to \$13.2 million in the prior year quarter, or by 33.8%, due to an increase in revenues generated from sales of the Blaze Advisor(TM) and Model Builder products.

"We are pleased with our performance this quarter, and we remain firmly focused on achieving sustainable growth for 2008 and beyond," said Mark Greene, CEO of Fair Isaac. "We are confident we can achieve this growth and drive shareholder value through our continued strategic focus on Enterprise Decision Management (EDM), ongoing innovation, elevated success with cross-selling, international expansion, and our determined focus on customer satisfaction. With a solid strategic and operational foundation in place, we are now strongly positioned to answer the growing global demand for proven analytic solutions and technology tools that drive smarter decisions and business growth."

## Fiscal 2007 Full Year Results

The company reported full year revenues of \$822.2 million in fiscal 2007 compared to \$825.4 million reported in the prior year. Net

income for full year fiscal 2007 totaled \$104.7 million, or \$1.82 per diluted share, compared to \$103.5 million, or \$1.59 per diluted share, reported in the prior year.

#### Fiscal 2007 Full Year Revenues Highlights

Revenues for full year fiscal 2007 across each of the company's four operating segments were as follows:

- Strategy Machine(R) Solutions revenues were \$439.3 million compared to \$453.2 million in the prior year, or a decrease of 3.1%, primarily due to a decline associated with originations, customer management and insurance bill review products, and the sale of the mortgage product line, partially offset by an increase in revenues derived from collections and recovery products.
- Scoring Solutions revenues were \$180.4 million compared to \$177.2 million in the prior year, or an increase of 1.9%, primarily due to an increase in revenues derived from risk scoring services at the credit reporting agencies.
- Professional Services revenues increased to \$151.1 million compared to \$149.3 million in the prior year, or by 1.2%, primarily due to an increase in revenues derived from customer management, Blaze Advisor(TM) implementation services and model development services, partially offset by a decline associated with collections and recovery implementation services, and industry consulting.
- Analytic Software Tools revenues increased to \$51.4 million compared to \$45.7 million in the prior year, or by 12.5%, due to an increase in revenues generated from sales of the Blaze Advisor(TM) product.

#### Bookings Highlights

The bookings for the fourth quarter were \$94.5 million compared to \$112.6 million in the same period last year. The company defines "bookings" as estimated future contractual revenues, including agreements with perpetual, multi-year and annual terms. Management regards the volume of bookings achieved as one indicator of future revenues, but they are not comparable to, nor should they be substituted for, an analysis of the company's revenues.

#### Balance Sheet and Cash Flow Highlights

Cash and cash equivalents and investments were \$246.8 million at September 30, 2007, as compared to \$267.8 million at September 30, 2006. Significant changes in cash and cash equivalents from September 30, 2006, include cash provided by operations of \$179.2 million, \$84.1 million received from the exercise of stock options and stock issued under an employee stock purchase plan, borrowings under the revolving credit facility of \$170.0 million, and \$15.8 million received on the sale of the mortgage product line. Cash used during fiscal 2007 includes \$451.1 million to repurchase common stock, \$22.7 million related to purchases of property and equipment, a \$9.0 million repayment on our senior convertible notes, and a \$10.0 million minority investment in a company that operates in the healthcare market.

#### Operational Updates

Key fourth-quarter successes in driving towards our growth initiatives included the completion of our leadership team with the appointment of new Chief Marketing Officer, Tracey Stout, execution against our new sales disciplines and elevated penetration into client organizations. As a result, the company begins fiscal 2008 with a healthy sales pipeline and encouraging growth momentum. Major clients are making large-scale commitments to achieve the benefits of automating, improving and connecting their decisions through Enterprise Decision Management (EDM).

The company has also significantly advanced its client advisory, delivery and service capabilities. Some recent enhancements include the addition of more professional services employees, bringing the total added over the full fiscal year to almost 100. This will help us to better capture revenue opportunities. The company has also doubled its client relationship staff in recent months, to more than 78 expert, service-focused professionals.

Finally, Fair Isaac continues to gain traction in its expansion into China with the recent signing of another major financial services institution in that promising market. The company expects more than 200 financial services leaders to attend its November InterACT conference in Shanghai.

#### Outlook

The company expects revenues for first quarter fiscal 2008 to be approximately \$205.0 million and earnings per diluted share to be approximately \$0.45. The company expects revenues for fiscal 2008 to be approximately \$850.0 million and earnings per diluted share to be approximately \$2.00.

#### Company to Host Conference Call

The company will host a conference call today at 5:00 p.m. Eastern Time (4:00 p.m. Central Time/2:00 p.m. Pacific Time) to discuss its fourth quarter fiscal 2007 results, and outlook for the first quarter and full year fiscal 2008. The call can be accessed live on the Investor Relations section of the company's website at [www.fairisaac.com](http://www.fairisaac.com), and a replay will be available approximately two hours after the completion of the call through November 27, 2007.

#### About Fair Isaac Corporation

Fair Isaac Corporation (NYSE:FIC) combines trusted advice, world-class analytics and innovative applications to help businesses make smarter decisions. Fair Isaac's solutions and technologies for Enterprise Decision Management turn strategy into action and elevate business performance by giving organizations the power to automate more decisions, improve the quality of their decisions, and connect decisions across their business. Clients in 80 countries work with Fair Isaac to increase customer loyalty and profitability, cut fraud losses, manage credit risk, meet regulatory and competitive demands, and rapidly build market share. Fair Isaac also helps millions of individuals manage their credit health through the [www.myFICO.com](http://www.myFICO.com) website. Learn more about Fair Isaac online at [www.fairisaac.com](http://www.fairisaac.com).

#### Statement Concerning Forward-Looking Information

Except for historical information contained herein, the statements contained in this news release that relate to Fair Isaac or its business are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including the success of the Company's Enterprise Decision Management strategy, its ability to recruit and retain key technical and managerial personnel, the maintenance of its existing relationships and ability to create new relationships with customers and key alliance partners, its ability to continue to develop new and enhanced products and services, competition, regulatory changes applicable to the use of consumer credit and other data, the possibility that the anticipated benefits of acquisitions, including expected synergies, will not be realized and other factors that could affect the Company's business and financial results that are described more fully under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Fair Isaac's SEC reports, including its Annual Report on Form 10-K for the year ended September 30, 2006, and its quarterly report on Form 10-Q for the period ended June 30, 2007, which are on file with the SEC and available at the SEC's website at [www.sec.gov](http://www.sec.gov). All information, including forward-looking statements, set forth in this press release is as of October 30, 2007. Fair Isaac does not intend, and disclaims any obligation to update this information, including the forward-looking statements, to reflect future events or circumstances. Fair Isaac, however, reserves the right to update such information including forward-looking statements or any portion thereof at any time for any reason.

Fair Isaac, Blaze Advisor, and Strategy Machine are trademarks or registered trademarks of Fair Isaac Corporation in the United States and in other countries. Other company names contained in this release may be trademarks of their respective owners.

#### FAIR ISAAC CORPORATION

#### CONDENSED CONSOLIDATED STATEMENTS OF INCOME

For the Quarters and Years Ended September 30, 2007 and 2006

(In thousands, except per share data)

(Unaudited)

	Quarter Ended September 30,		Year Ended September 30,	
	2007	2006	2007	2006
Revenues	\$207,227	\$207,289	\$822,236	\$825,365
Operating expenses:				
Cost of revenues	75,010	70,291	293,482	281,977
Research and development	17,824	19,173	70,599	84,967
Selling, general and administrative	76,402	66,967	285,541	260,845
Amortization of intangible assets	4,448	6,366	23,226	25,191
Restructuring and acquisition-related	2,455	12,862	2,455	19,662
Gain on sale of product line assets	-	-	(1,541)	-
Total operating expenses	176,139	175,659	673,762	672,642
Operating income	31,088	31,630	148,474	152,723
Other income (expense), net	(33)	1,416	1,188	6,469
Income before income taxes	31,055	33,046	149,662	159,192
Provision for income taxes	2,836	10,993	45,012	55,706
Net income	\$ 28,219	\$ 22,053	\$104,650	\$103,486
Earnings per share:				
Basic	\$ 0.53	\$ 0.36	\$ 1.87	\$ 1.63
Diluted	\$ 0.52	\$ 0.35	\$ 1.82	\$ 1.59
Shares used in computing earnings per share:				
Basic	53,459	61,423	56,054	63,579
Diluted	54,669	62,506	57,548	65,125

FAIR ISAAC CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEETS  
September 30, 2007 and 2006  
(In thousands)  
(Unaudited)

	September 30, 2007	September 30, 2006
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 95,284	\$ 75,154
Marketable securities	125,327	152,141
Receivables, net	177,402	165,806
Prepaid expenses and other current assets	24,738	20,209
Total current assets	422,751	413,310
Marketable securities and investments	26,150	40,479
Property and equipment, net	52,157	56,611
Goodwill and intangible assets, net	753,080	786,062
Other noncurrent assets	21,633	24,743
	\$1,275,771	\$1,321,205

LIABILITIES AND STOCKHOLDERS' EQUITY:  
Current liabilities:



Accounts payable and other accrued liabilities	\$ 48,187	\$ 53,809
Senior convertible notes	390,963	400,000
Accrued compensation and employee benefits	44,202	34,936
Deferred revenue	42,572	48,284
	-----	-----
Total current liabilities	525,924	537,029
Revolving credit agreement	170,000	-
Other noncurrent liabilities	13,533	14,148
	-----	-----
Total liabilities	709,457	551,177
Stockholders' equity	566,314	770,028
	-----	-----
	\$1,275,771	\$1,321,205
	=====	=====

FAIR ISAAC CORPORATION  
REVENUES BY SEGMENT

For the Quarters and Years Ended September 30, 2007 and 2006  
(In thousands)  
(Unaudited)

	Quarter Ended September 30,		Year Ended September 30,	
	2007	2006	2007	2006
	-----	-----	-----	-----
Strategy machine solutions	\$106,114	\$110,612	\$439,273	\$453,232
Scoring solutions	45,962	45,483	180,444	177,152
Professional services	37,462	37,976	151,086	149,250
Analytic software tools	17,689	13,218	51,433	45,731
	-----	-----	-----	-----
Total revenues	\$207,227	\$207,289	\$822,236	\$825,365
	=====	=====	=====	=====

FAIR ISAAC CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the Years Ended September 30, 2007 and 2006  
(In thousands)  
(Unaudited)

	Year Ended September 30,	
	2007	2006
	-----	-----
Cash flows from operating activities:		
Net income	\$ 104,650	\$ 103,486
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	50,224	48,805
Changes in operating assets and liabilities, net of disposition	(22,448)	(2,096)
Other, net	46,737	48,847
	-----	-----
Net cash provided by operating activities	179,163	199,042
	-----	-----
Cash flows from investing activities:		
Purchases of property and equipment	(22,735)	(31,409)
Cash proceeds from disposition of product line assets	15,758	-
Net activity from marketable securities	54,062	13,882
Other, net	(9,647)	500
	-----	-----
Net cash provided by (used in) investing activities	37,438	(17,027)
	-----	-----
Cash flows from financing activities:		
Proceeds from revolving line of credit	170,000	-
Proceeds from issuances of common stock	84,087	64,200
Repurchases of common stock	(451,088)	(256,487)

Other, net	(1,704)	1,994
	-----	-----
Net cash used in financing activities	(198,705)	(190,293)
	-----	-----
Effect of exchange rate changes on cash	2,234	552
	-----	-----
Increase (decrease) in cash and cash equivalents	20,130	(7,726)
Cash and cash equivalents, beginning of period	75,154	82,880
	-----	-----
Cash and cash equivalents, end of period	\$ 95,284	\$ 75,154
	=====	=====

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