

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 2021	Quarter Ended December 31, 2020	Fiscal Year 2020	Quarter Ended September 30, 2020	Quarter Ended June 30, 2020	Quarter Ended March 31, 2020	Quarter Ended December 31, 2019
Operating Income							
Operating income, as reported	\$ 94,721	\$ 94,721	\$ 295,969	\$ 85,490	\$ 82,871	\$ 75,726	\$ 51,882
Amortization of intangible assets	937	937	4,993	947	1,048	1,202	1,796
Restructuring and impairment charges	-	-	45,029	41,925	-	-	3,104
Loss (gain) on sale of product line assets	(7,334)	(7,334)	-	-	-	-	-
Stock-based compensation expense	25,132	25,132	93,681	25,483	22,265	22,788	23,145
Non-GAAP operating income (segment operating income)	\$ 113,456	\$ 113,456	\$ 439,672	\$ 153,845	\$ 106,184	\$ 99,716	\$ 79,927
Revenues	\$ 312,414	\$ 312,414	\$ 1,294,562	\$ 374,356	\$ 313,731	\$ 307,971	\$ 298,504
Non-GAAP operating margin	36%	36%	34%	41%	34%	32%	27%
Net Income							
Net income, as reported	\$ 86,492	\$ 86,492	\$ 236,411	\$ 59,126	\$ 64,076	\$ 58,288	\$ 54,921
Amortization of intangible assets	937	937	4,993	947	1,048	1,202	1,796
Restructuring and impairment charges	-	-	45,029	41,925	-	-	3,104
Loss (gain) on sale of product line assets	(7,334)	(7,334)	-	-	-	-	-
Stock-based compensation expense	25,132	25,132	93,681	25,483	22,265	22,788	23,145
Income tax adjustments	(4,486)	(4,486)	(37,871)	(19,325)	(5,739)	(6,045)	(6,762)
Excess tax benefit	(19,183)	(19,183)	(50,037)	(11,192)	(4,902)	(11,925)	(22,018)
Non-GAAP net income	\$ 81,558	\$ 81,558	\$ 292,206	\$ 96,964	\$ 76,748	\$ 64,308	\$ 54,186
Revenues	\$ 312,414	\$ 312,414	\$ 1,294,562	\$ 374,356	\$ 313,731	\$ 307,971	\$ 298,504
Non-GAAP net margin	26%	26%	23%	26%	24%	21%	18%
Diluted Earnings per Share							
Diluted earnings per share, as reported	\$ 2.90	\$ 2.90	\$ 7.90	\$ 1.98	\$ 2.15	\$ 1.94	\$ 1.82
Amortization of intangible assets	0.03	0.03	0.17	0.03	0.04	0.04	0.06
Restructuring and impairment charges	-	-	1.50	1.41	-	-	0.10
Loss (gain) on sale of product line assets	(0.25)	(0.25)	-	-	-	-	-
Stock-based compensation expense	0.84	0.84	3.13	0.85	0.75	0.76	0.77
Income tax adjustments	(0.15)	(0.15)	(1.27)	(0.65)	(0.19)	(0.20)	(0.22)
Excess tax benefit	(0.64)	(0.64)	(1.67)	(0.38)	(0.16)	(0.40)	(0.73)
Non-GAAP diluted earnings per share	\$ 2.74	\$ 2.74	\$ 9.76	\$ 3.25	\$ 2.58	\$ 2.14	\$ 1.80
Reconciliation to Adjusted EBITDA							
Net income, as reported	\$ 86,492	\$ 86,492	\$ 236,411	\$ 59,126	\$ 64,076	\$ 58,288	\$ 54,921
Interest expense, net	9,641	9,641	42,177	9,932	11,223	11,254	9,768
Provision for income taxes	1,468	1,468	20,589	17,307	12,132	4,176	(13,026)
Other expense (income), net	(2,880)	(2,880)	(3,208)	(875)	(4,560)	2,008	219
Amortization of intangible assets	937	937	4,993	947	1,048	1,202	1,796
Depreciation	5,585	5,585	23,452	5,366	6,450	5,960	5,676
Stock-based compensation expense	25,132	25,132	93,681	25,483	22,265	22,788	23,145
Restructuring and impairment charges	-	-	45,029	41,925	-	-	3,104
Loss (gain) on sale of product line assets	(7,334)	(7,334)	-	-	-	-	-
Adjusted EBITDA	\$ 119,041	\$ 119,041	\$ 463,124	\$ 159,211	\$ 112,634	\$ 105,676	\$ 85,603
Revenues	\$ 312,414	\$ 312,414	\$ 1,294,562	\$ 374,356	\$ 313,731	\$ 307,971	\$ 298,504
Adjusted EBITDA as a percent of revenue:	38%	38%	36%	43%	36%	34%	29%
Reconciliation To Free Cash Flow							
Net cash provided by operating activities	\$ 77,947	\$ 77,947	\$ 364,915	\$ 136,185	\$ 106,871	\$ 61,494	\$ 60,365
Reduced by cash flow items:							
Capital expenditures	3,045	3,045	21,990	916	7,907	6,667	6,500
Free cash flow	\$ 74,902	\$ 74,902	\$ 342,925	\$ 135,269	\$ 98,964	\$ 54,827	\$ 53,865
Revenues	\$ 312,414	\$ 312,414	\$ 1,294,562	\$ 374,356	\$ 313,731	\$ 307,971	\$ 298,504
Free cash flow as a percent of revenue	24%	24%	26%	36%	32%	18%	18%

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