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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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) July 27, 2005

FAIR ISAAC CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

0-16439

94-1499887

(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

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.

On July 27, 2005, Fair Isaac Corporation (the "Company") reported its financial results for the quarter and nine months ended June 30, 2005. See the Company's press release dated July 27, 2005, which is furnished as Exhibit 99.1 hereto and incorporated by reference in this Item 2.02.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

Exhibit Number	Description
99.1	Press Release dated July 27, 2005

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

Charles M. Osborne
Vice President and Chief Financial Officer

Date: July 27, 2005

EXHIBIT INDEX

Exhibit Number	Description	Method of Filing
99.1	Press Release dated July 27, 2005	Filed Electronically

Fair Isaac Announces Third Quarter Fiscal 2005 Results;
Year over Year Revenue Growth of 18%;
Record Revenue, Earnings Per Share and Bookings for the Third Quarter

MINNEAPOLIS--(BUSINESS WIRE)--July 27, 2005--Fair Isaac Corporation (NYSE:FIC), the leading provider of analytics and decision technology, today announced financial results for its third fiscal quarter ended June 30, 2005.

Third Quarter Fiscal 2005 Results

The company reported third quarter revenues of \$203.8 million in fiscal 2005 versus \$173.2 million reported in the prior year period. Net income for the third quarter of fiscal 2005 totaled \$36.6 million, or \$0.53 per diluted share, compared with net income of \$28.8 million, or \$0.37 per diluted share, reported in the same quarter last year. Net income for the third quarter of fiscal 2005 included an adjustment that reduced income tax expense by \$4.4 million, or \$0.06 per diluted share. The adjustment represents revisions made to estimates of prior years' tax liabilities which resulted from a recently completed tax study. In addition, the company reduced its estimated effective income tax rate to 37% for the fiscal year.

The impact of the adoption of EITF Issue No. 04-8, The Effect of Contingently Convertible Instruments on Diluted Earnings Per Share (EITF Issue No. 04-8) had no effect on the third quarter of fiscal 2005 diluted earnings per share and reduced third quarter of fiscal 2004 diluted earnings per share by \$0.02.

Fiscal 2005 Year-to-date Results

The company reported revenues of \$595.4 million year-to-date versus \$515.8 million reported in the same period last year. Year-to-date net income totaled \$98.8 million, or \$1.34 per diluted share, compared with net income of \$88.4 million, or \$1.11 per diluted share, reported in the same period last year. Year-to-date net income in fiscal 2005 was also affected by the year-to-date adjustments that reduced income tax expense by \$10.3 million, or \$0.14 per diluted share.

The impact of the adoption of EITF Issue No. 04-8 reduced year-to-date diluted earnings per share by \$0.08 in fiscal 2005 and \$0.09 in fiscal 2004.

"We are pleased with our results this quarter as we continued our trend of record-setting performance - including revenue, bookings, sales proposals and earnings per share," said Thomas Grudnowski, Fair Isaac's chief executive officer. "We are particularly pleased with the results from our core Consumer, Enterprise Decision Management, Fraud and Scoring market units."

Third Quarter Fiscal 2005 Revenues and Bookings Highlights

Revenues increased across each of the company's four operating segments. Strategy Machine Solutions revenues increased to \$115.1 million in the third quarter of 2005 from \$105.7 million in the prior year quarter, or by 9%, primarily due to revenues generated by collections and recovery solutions, and mortgage banking solutions associated with the acquisition of London Bridge; as well as increased revenues from both the fraud solutions and consumer scoring products. These gains were partially offset by a decline in revenues associated with marketing services and insurance solutions. Scoring Solutions revenues increased to \$40.7 million in the third quarter from \$36.3 million in the prior year quarter, or by 12%, primarily due to an increase in revenues derived from the PreScore(R) Service and from risk scoring services at the credit reporting agencies. Professional Services revenues increased to \$33.2 million in the third quarter from \$23.2 million in the prior year quarter, or by 43%, primarily due to the acquisitions of London Bridge and Braun Consulting, Inc. Analytic Software Tools revenues increased to \$14.8 million in the third quarter from \$8.0 million in the prior year quarter, or by 85%, due to revenues generated from sales of the Enterprise Decision Management suite of products.

The company achieved record bookings of \$143.3 million in the third quarter of 2005, as compared to its previous guidance of \$123.0 million. The company defines a "new booking" as estimated future contractual revenues, including agreements with perpetual, multi-year and annual terms. Management regards the volume of new bookings achieved, among other factors, as an important 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 CashFlow Highlights

Cash and cash equivalents, and marketable security investments were \$310.3 million at June 30, 2005 as compared to \$364.3 million at September 30, 2004. Significant changes in cash and cash equivalents from September 30, 2004 include cash provided by operations of \$150.2 million; \$49.4 million received from the exercise of stock options and stock issued and \$22.7 million sourced from the November 2004 sale of the company's subsidiary, London Bridge Phoenix Software, Inc. Cash used year-to-date includes \$14.0 million related to purchases of property and equipment, \$32.6 million (net of cash acquired) related to the November 2004 acquisition of Braun Consulting, Inc., and \$231.8 million to repurchase company stock under the current and previously authorized share repurchase plans.

Outlook

The company expects revenue for fourth quarter fiscal 2005 of approximately \$207.0 million and earnings per diluted share of about \$0.49. The company also expects fiscal 2005 total revenue of approximately \$802.0 million and earnings per diluted share of about \$1.83. This guidance reflects the continuation of top-line growth in its core market units and further expansion of its operating margin.

"We are encouraged by the continued strength we see in our key market units," said Grudnowski. "We are excited about the growing awareness of the FICO(R) score, the increasing market acceptance of Fair Isaac's unique value proposition and the continued improvement in the company's overall operating efficiencies. The stronger than expected bookings for the quarter provide additional confidence in our ability to achieve our revenue targets."

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 third quarter results and outlook for the fourth quarter. The call can be accessed live on the Investor Relations section of the company's Web site at www.fairisaac.com, and a replay will be available approximately two hours after the completion of the call through August 24, 2005.

About Fair Isaac

Fair Isaac Corporation (NYSE:FIC) is the preeminent provider of creative analytics that unlock value for people, businesses and industries. The company's predictive modeling, decision analysis, intelligence management, decision management systems and consulting services power billions of mission-critical customer decisions a year. Founded in 1956, Fair Isaac helps thousands of companies in over 60 countries acquire customers more efficiently, increase customer value, reduce fraud and credit losses, lower operating expenses and enter new markets more profitably. Most leading banks and credit card issuers rely on Fair Isaac solutions, as do insurers, retailers, telecommunications providers, healthcare organizations and government agencies. Through the www.myFICO.com Web site, consumers use the company's FICO(R) scores, the standard measure of credit risk, to manage their financial health. For more information, visit 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 company's 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 risks described from time to time in Fair Isaac's SEC reports, including its Annual Report on Form 10-K for the year ended September 30, 2004 and Quarterly Report on Form 10-Q for the period ended March 31, 2005. If any of these risks or uncertainties materialize, Fair Isaac's results could differ materially from its expectations. Fair Isaac disclaims any intent or obligation to update these forward-looking statements.

Fair Isaac and FICO are trademarks or registered trademarks of Fair Isaac Corporation, in the United States and/or in other countries. Other product and company names herein may be trademarks of their respective owners.

FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
For the Quarters and Nine Months Ended June 30, 2005 and 2004
(In thousands, except per share data)
(Unaudited)

	Quarter Ended June 30,		Nine Months Ended June 30,	
	2005	2004	2005	2004
Revenues	\$203,807	\$173,197	\$595,374	\$515,784
Operating expenses:				
Cost of revenues	68,339	61,361	207,757	184,179
Research and development	21,176	19,096	60,297	49,830
Selling, general and administrative	59,126	45,384	167,779	127,652
Amortization of intangible assets	6,320	4,597	19,640	12,728
Restructuring and merger related	-	751	-	751
Total operating expenses	154,961	131,189	455,473	375,140
Operating income	48,846	42,008	139,901	140,644
Other income, net	161	4,385	1	1,893
Income before income taxes	49,007	46,393	139,902	142,537
Provision for income taxes	12,395	17,624	41,102	54,164
Net income	\$36,612	\$28,769	\$98,800	\$88,373
Earnings per share:				
Basic	\$0.55	\$0.41	\$1.47	\$1.26
Diluted (b)	\$0.53	\$0.37 (a)	\$1.34	\$1.11 (a)
Shares used in computing earnings per share:				
Basic	66,215	70,008	67,247	70,046
Diluted (b)	68,531	82,151 (a)	75,661	82,701 (a)

(a) The computation of diluted earnings per share for the quarter ended June 30, 2004, includes 9.1 million shares of common stock issuable upon conversion of our senior convertible notes, along with a corresponding adjustment to net income to add back related interest expense, net of tax, of approximately \$1.3 million. The computation of diluted earnings per share for the nine months ended June 30, 2005 and 2004, includes 6.0 million and 9.1 million shares of common stock, respectively, issuable upon conversion of our senior convertible notes, along with a corresponding adjustment to net income to add back related interest expense, net of tax, of approximately \$2.5 million and \$3.8 million, respectively.

(b) On March 31, 2005, the Company successfully completed an exchange offer for approximately 99.9% of the principal amount of its senior convertible notes (Old Notes) for new senior convertible notes (New Notes). The dilutive effect of the Company's Old Notes has been calculated using the if-converted method through March 30, 2005. The dilutive effect of the New Notes has been calculated using the treasury stock method since the effective date of the exchange.

FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
June 30, 2005 and September 30, 2004
(In thousands)
(Unaudited)

	June 30, 2005	September 30, 2004
	-----	-----
ASSETS:		
Current assets:		
Cash and cash equivalents	\$93,126	\$134,070
Marketable securities	161,285	165,235
Receivables, net	164,236	140,845
Prepaid expenses and other current assets	24,167	25,951
	-----	-----
Total current assets	442,814	466,101
Marketable securities and investments	55,936	65,007
Property and equipment, net	51,808	53,288
Goodwill and intangible assets, net	809,103	825,142
Other noncurrent assets	24,859	35,241
	-----	-----
	\$1,384,520	\$1,444,779
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable and other accrued liabilities	\$43,250	\$45,596
Accrued compensation and employee benefits	33,730	33,670
Deferred revenue	56,805	41,050
	-----	-----
Total current liabilities	133,785	120,316
Senior convertible notes	400,000	400,000
Other noncurrent liabilities	8,469	7,992
	-----	-----
Total liabilities	542,254	528,308
Stockholders' equity	842,266	916,471
	-----	-----
	\$1,384,520	\$1,444,779
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FAIR ISAAC CORPORATION
REVENUES BY SEGMENT
For the Quarters and Nine Months Ended June 30, 2005 and 2004
(In thousands)
(Unaudited)

	Quarter Ended June 30,		Nine Months Ended June 30,	
	2005	2004	2005	2004
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Strategy machine solutions	\$115,092	\$105,699	\$344,156	\$312,547
Scoring solutions	40,741	36,308	119,512	105,322
Professional services	33,203	23,197	96,253	70,305
Analytic software tools	14,771	7,993	35,453	27,610
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Total revenues	\$203,807	\$173,197	\$595,374	\$515,784
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FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended June 30, 2005 and 2004
(In thousands)
(Unaudited)

	Nine Months Ended June 30,	
	2005	2004
Cash flows from operating activities:		
Net income	\$98,800	\$88,373
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	39,261	34,216
Changes in operating assets and liabilities, net of acquisitions	(12,304)	33,225
Other, net	24,395	6,669
Net cash provided by operating activities	150,152	162,483
Cash flows from investing activities:		
Purchases of property and equipment	(14,009)	(14,749)
Cash paid for acquisitions, net of cash acquired	(32,567)	(274,545)
Net activity from marketable securities	19,800	224,799
Other, net	22,572	1,734
Net cash used in investing activities	(4,204)	(62,761)
Cash flows from financing activities:		
Proceeds from issuances of common stock	49,353	44,527
Repurchases of common stock	(231,834)	(68,734)
Other, net	(4,041)	(3,520)
Net cash used in financing activities	(186,522)	(27,727)
Effect of exchange rate changes on cash	(370)	531
Increase (decrease) in cash and cash equivalents	(40,944)	72,526
Cash and cash equivalents, beginning of period	134,070	130,383
Cash and cash equivalents, end of period	\$93,126	\$202,909

Fair Isaac Corporation
Baseline Revenue Analysis
(In thousands)

A = Actual, E = Estimate

	BKG'04	Q1A	Q2A	Q3A	Q4A	FY04
Baseline Prior to '04	\$153,440	\$148,234	\$146,159	\$151,800	\$599,633	
Q1-2004A	\$135,108	15,901	10,304	8,300	8,021	42,526
Q2-2004A	116,997		14,708	8,397	9,933	33,038
Q3-2004A	78,580			10,341	7,537	17,878
Q4-2004A	110,585				13,131	13,131
Total FY04	441,270	15,901	25,012	27,038	38,622	106,573
Baseline Prior to '05	441,270	169,341	173,246	173,197	190,422	706,206
Q1-2005E						
Q2-2005E						
Q3-2005E						
Q4-2005E						
Total FY05						

Grand Total	\$441,270	\$169,341	\$173,246	\$173,197	\$190,422	\$706,206
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	BKG'05	Q1A	Q2A	Q3A	Q4E	FY05E
Baseline Prior to '04	\$144,463	\$139,115	\$137,231	\$133,500	\$554,309	

Q1-2004A	8,714	6,506	6,243	5,500	26,963	
Q2-2004A	6,350	5,276	4,817	4,500	20,943	
Q3-2004A	6,688	5,279	3,341	3,000	18,308	
Q4-2004A	9,946	8,269	7,280	6,500	31,995	
Total FY04	31,698	25,330	21,681	19,500	98,209	

Baseline Prior to '05	176,161	164,445	158,912	153,000	652,518	
Q1-2005E	\$115,363	19,385	12,916	9,120	6,000	47,421
Q2-2005E	136,559		18,660	12,402	9,000	40,062
Q3-2005E	143,318			23,373	16,000	39,373
Q4-2005E	130,000				23,000	23,000
Total FY05	525,240	19,385	31,576	44,895	54,000	149,856

Grand Total	\$525,240	\$195,546	\$196,021	\$203,807	\$207,000	\$802,374
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