

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 items

	Fiscal Year 2026	Quarter Ended December 31, 2025	Fiscal Year 2025	Quarter Ended September 30, 2025	Quarter Ended June 30, 2025	Quarter Ended March 31, 2025	Quarter Ended December 31, 2024
<u>Operating Income</u>							
Operating income, as reported	\$ 234,049	\$ 234,049	\$ 924,850	\$ 237,156	\$ 262,518	\$ 245,648	\$ 179,528
Restructuring charges	-	-	10,922	10,922	-	-	-
Share-based compensation expense	44,269	44,269	156,667	32,379	41,930	41,704	40,654
Non-GAAP operating income	\$ 278,318	\$ 278,318	\$ 1,092,439	\$ 280,457	\$ 304,448	\$ 287,352	\$ 220,182
Revenues	\$ 511,959	\$ 511,959	\$ 1,990,869	\$ 515,751	\$ 536,415	\$ 498,735	\$ 439,968
Non-GAAP operating margin	54%	54%	55%	54%	57%	58%	50%
<u>Net Income</u>							
Net income, as reported	\$ 158,373	\$ 158,373	\$ 651,946	\$ 155,014	\$ 181,789	\$ 162,615	\$ 152,528
Restructuring charges	-	-	10,922	10,922	-	-	-
Share-based compensation expense	44,269	44,269	156,667	32,379	41,930	41,704	40,654
Income tax adjustments	(11,375)	(11,375)	(41,393)	(10,833)	(10,332)	(10,366)	(9,863)
Excess tax benefit	(15,657)	(15,657)	(44,159)	(529)	(2,836)	(1,264)	(39,530)
Non-GAAP net income	\$ 175,610	\$ 175,610	\$ 733,983	\$ 186,953	\$ 210,551	\$ 192,689	\$ 143,789
Revenues	\$ 511,959	\$ 511,959	\$ 1,990,869	\$ 515,751	\$ 536,415	\$ 498,735	\$ 439,968
Non-GAAP net margin	34%	34%	37%	36%	39%	39%	33%
<u>Diluted Earnings per Share</u>							
Diluted earnings per share, as reported	\$ 6.61	\$ 6.61	\$ 26.54	\$ 6.42	\$ 7.40	\$ 6.59	\$ 6.14
Restructuring charges	-	-	0.44	0.45	-	-	-
Share-based compensation expense	1.85	1.85	6.38	1.34	1.71	1.69	1.64
Income tax adjustments	(0.47)	(0.47)	(1.69)	(0.45)	(0.42)	(0.42)	(0.40)
Excess tax benefit	(0.65)	(0.65)	(1.80)	(0.02)	(0.12)	(0.05)	(1.59)
Non-GAAP diluted earnings per share	\$ 7.33	\$ 7.33	\$ 29.88	\$ 7.74	\$ 8.57	\$ 7.81	\$ 5.79
<u>Reconciliation to Adjusted EBITDA</u>							
Net income, as reported	\$ 158,373	\$ 158,373	\$ 651,946	\$ 155,014	\$ 181,789	\$ 162,615	\$ 152,528
Interest expense, net	42,006	42,006	133,647	39,882	32,899	31,378	29,488
Income tax provision (benefit)	33,558	33,558	150,649	47,445	55,202	50,401	(2,399)
Other expense (income), net(1)	1,253	1,253	(4,677)	(1,730)	(2,419)	(745)	217
Depreciation	2,692	2,692	10,657	2,697	2,889	2,476	2,595
Share-based compensation expense	44,269	44,269	156,667	32,379	41,930	41,704	40,654
Restructuring charges	-	-	10,922	10,922	-	-	-
Adjusted EBITDA	\$ 282,151	\$ 282,151	\$ 1,109,811	\$ 286,609	\$ 312,290	\$ 287,829	\$ 223,083
Revenues	\$ 511,959	\$ 511,959	\$ 1,990,869	\$ 515,751	\$ 536,415	\$ 498,735	\$ 439,968
Adjusted EBITDA as a percent of revenues	55%	55%	56%	56%	58%	58%	51%
<u>Reconciliation To Free Cash Flow</u>							
Net cash provided by operating activities	\$ 174,082	\$ 174,082	\$ 778,807	\$ 223,669	\$ 286,223	\$ 74,918	\$ 193,997
Reduced by cash flow items:							
Capital expenditures	8,706	8,706	39,407	12,825	9,984	9,427	7,171
Free cash flow	\$ 165,376	\$ 165,376	\$ 739,400	\$ 210,844	\$ 276,239	\$ 65,491	\$ 186,826
Revenues	\$ 511,959	\$ 511,959	\$ 1,990,869	\$ 515,751	\$ 536,415	\$ 498,735	\$ 439,968
Free cash flow as a percent of revenues	32%	32%	37%	41%	51%	13%	42%

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

(1) Excludes gains and losses from securities held under a supplemental retirement and savings plan for certain officers and senior management employee as the offsetting entries are included (as compensation expenses) in operating expenses, resulting in a net zero impact to the company's net income