



FICO: The Decisions Company

Investor Overview

December 2019

Safe Harbor

Some of the statements made by us during this meeting, including statements concerning our expectations about future operations and financial results, 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 those risks and uncertainties described from time to time in our SEC reports, including its report on Form 10-K for the fiscal year ended September 30, 2019.

Product roadmaps and similar marketing materials should be considered forward-looking and subject to future change at FICO’s discretion. Future functionality, features or enhancements as shown are FICO’s current projections of the product direction, but are not specific commitments or obligations.

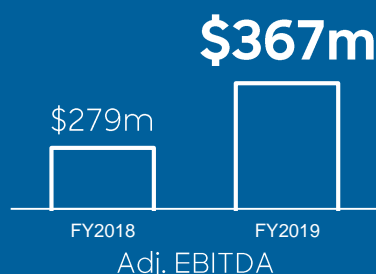
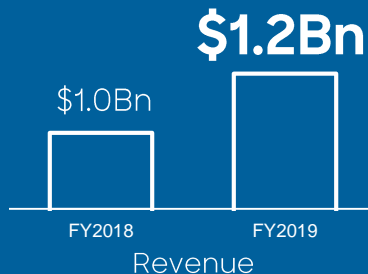
FICO – At A Glance

FICO provides analytics software solutions and services that enable businesses to optimize, automate, and connect decisions to enhance business performance



60+

Year History



40+

Offices Worldwide



~4,000

Employees
2,000 in Bangalore



10,000+

Clients



100+

Client Countries

We Offer A Complete Software Platform for Decision Management

Customer Domains

FICO SCORE

Credit Risk Scoring

Top credit risk scoring system with 10+ billion credit decisions served per year

Credit Risk
 Application Fraud Risk
 Small Business Risk
 Insurance Risk
 Health Care Propensity & Adherence
 Custom Scoring Services
 Financial Inclusion
 Consumer Empowerment
 Asset Backed Securities Risk



Customer Development

Acquisition, Origination & Growth

Analytics-driven customer management system for credit account acquisition, life-cycle management, and engagement

Acquisition
 Origination
 Account Management
 Customer Engagement



Fraud Protection & Compliance

Payments Fraud, Cybersecurity & Compliance

Leading payment card fraud solution with 2.6+ billion payment cards protected

Identity & Authentication
 Account Takeover
 Application Fraud
 Enterprise Payments Fraud
 Financial Crimes
 AML Compliance
 Cybersecurity
 Customer Engagement



Debt Collection & Recovery

Collections & Recovery

Full debt collections and recovery solution, powered by FICO decisioning technology

Pre-delinquency
 Early Stage Collections
 Late Stage Collections
 Agency Management
 Debt Recovery
 CECL / IFRS 9
 Customer Engagement



Decision Management

Analytics, Decisions & Optimization

Comprehensive platform for developing custom decision management solutions

Diagnostic & Descriptive Analytics
 Predictive Analytics
 Optimization
 AI & ML
 Decisioning
 Business Rules Management
 Application Workflow Development

Decision Management Software Platform

FICO® Score - The Standard Measure of Consumer Credit Risk



90%

Of U.S. consumer credit lending decisions use FICO Scores



98.8%

Of total dollars in U.S. Securitizations solely cited FICO Scores as credit risk measure



90

Of the top 100 largest U.S. lenders use FICO Scores



1Bn

Credit-Invisible consumers could get credit through FICO Scores that leverage alternative data



30

Countries outside the U.S. use FICO Scores to improve credit decisions



300M

Consumer accounts have free access to FICO Scores

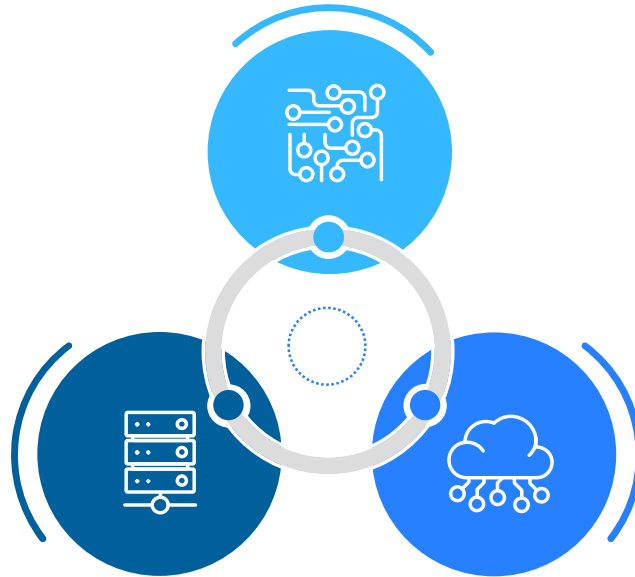
Our Core Market for Decision Management Software is at an Inflection Point

Explosion in Data Volume and Usability

Data volumes have increased at a staggering pace in the last decade, and the availability as well as usability of this data across the enterprise is rapidly increasing

Cutting-Edge Developments in Data Analytics

Advances in AI/ML, computing infrastructure, and analytics techniques have transformed the ways in which data can be applied to business decisions



Trust and Adoption of Cloud-Based SaaS Solutions

Enterprises are rapidly re-platforming to the cloud, including historic laggards such as financial services and healthcare

FICO Offers End-to-End Cloud-Delivered Solutions for Decisions

Complex Data Management

Data preparation, wrangling, cleaning and management

Advanced Analytics and Decisioning

Cutting-edge analytic tools and models applied to business decisions

Decision-Driven Business Outcomes

Industry-leading business rules engine and workflow management tools to create full business process solutions

Delivered in a manner optimized to each client's needs

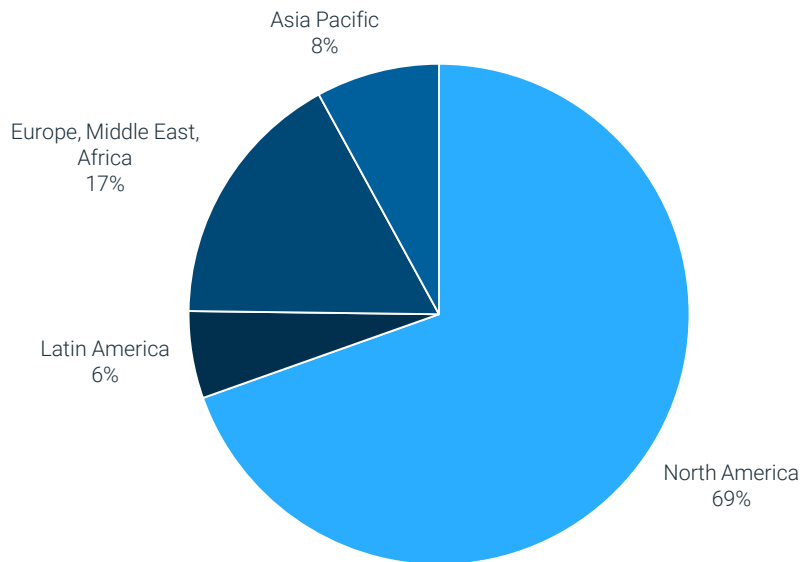
Public Cloud, Hybrid Cloud, Private Cloud, and On-Prem

FICO – Truly Global and Diversified

Revenue – Geographic Breakdown

FY2019

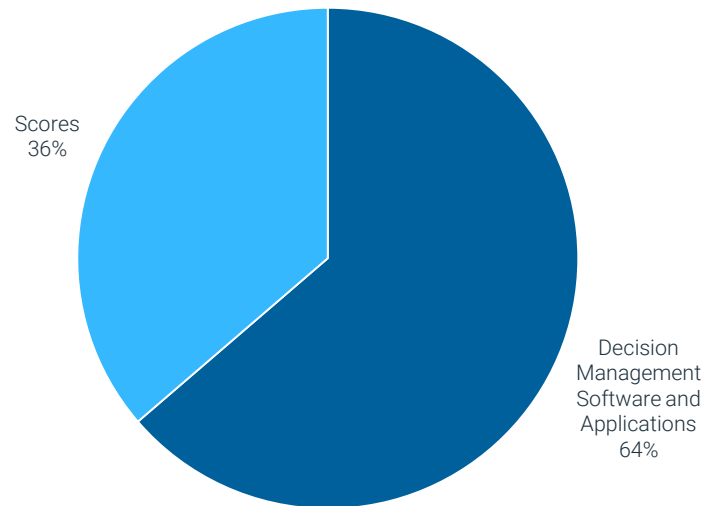
~31% of revenue from international business, and growing



Revenue – Segment Breakdown

FY2019

More than 60% of revenue is derived from Decision Management Software and Applications



Robust Cash Flow Profile & Balance Sheet with Conservative Financial Policy

Robust Cash Flow Profile & Balance Sheet

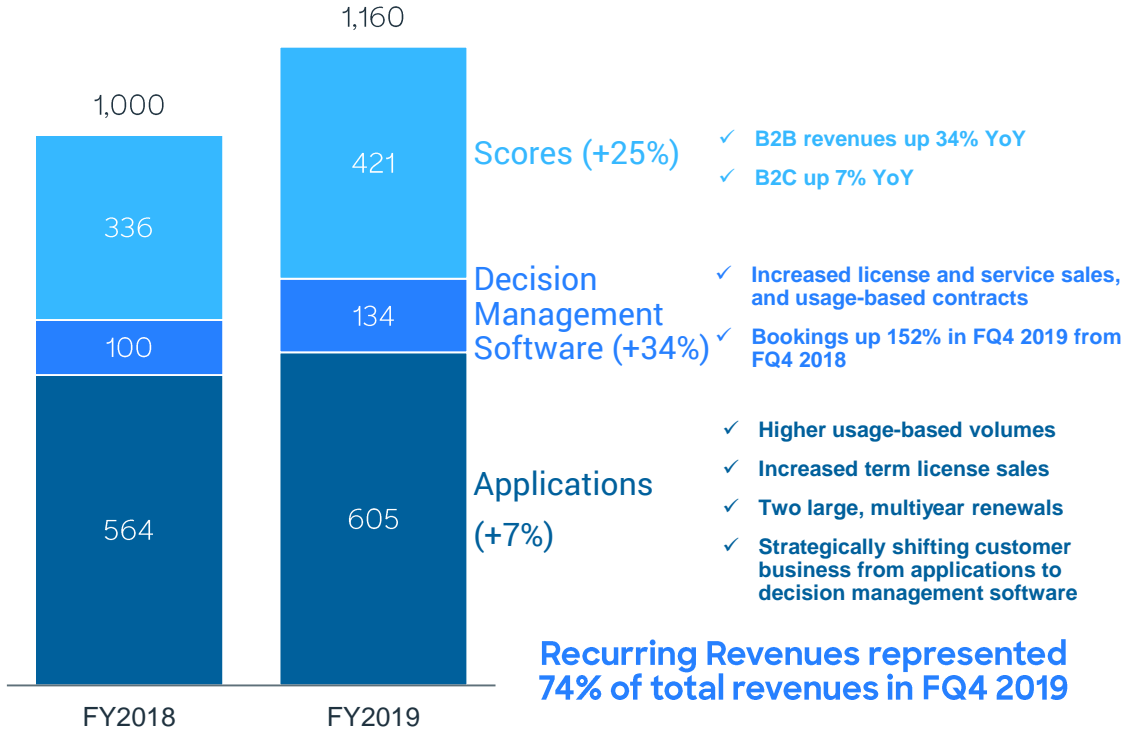
- Consistent and increasing cash flow generation
- Deeply embedded software and technology solutions with significant innovations that deliver profitable, growing, recurring revenue
- Strong liquidity profile with consistent cash generation, supplemented by access to revolving credit facility

Conservative Financial Policy

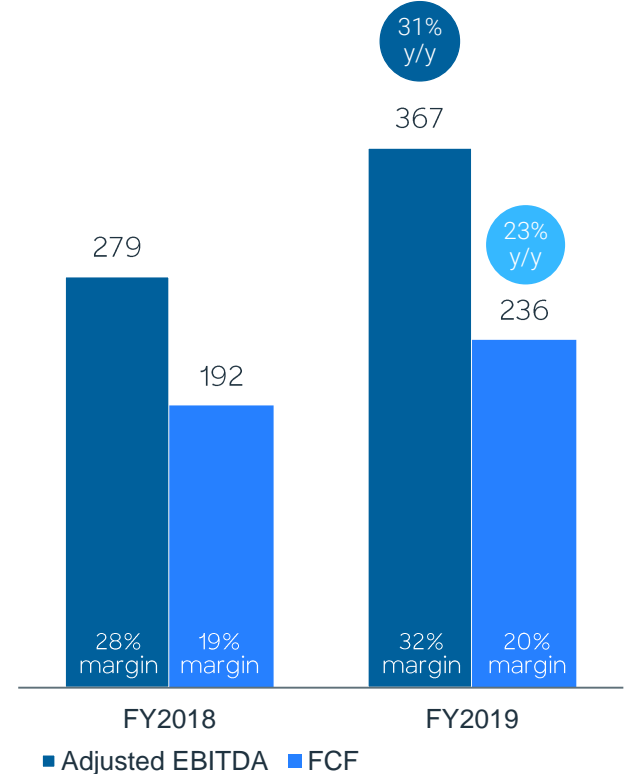
- Conservative approach to financial leverage
- Committed to current ratings and upward ratings trajectory over time
- Well defined return of capital policy
- Focus on organic growth supplemented by tuck-in M&A funded from internally generated cash flow

Strong Growth in All Business Segments with Significant Operating Leverage

Revenue – Segment Breakdown
(\$ in Millions)

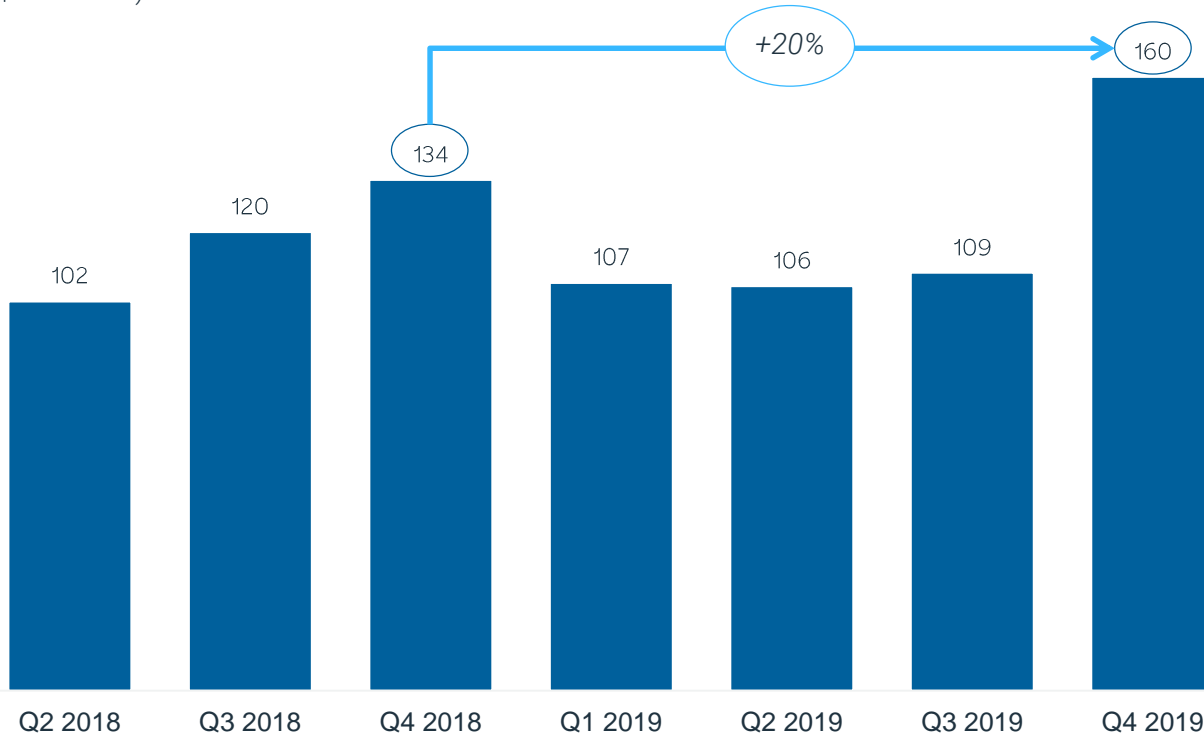


Adjusted EBITDA and FCF
(\$ in Millions)



Consistently Strong Bookings Quarter After Quarter

Bookings
(\$ in Millions)



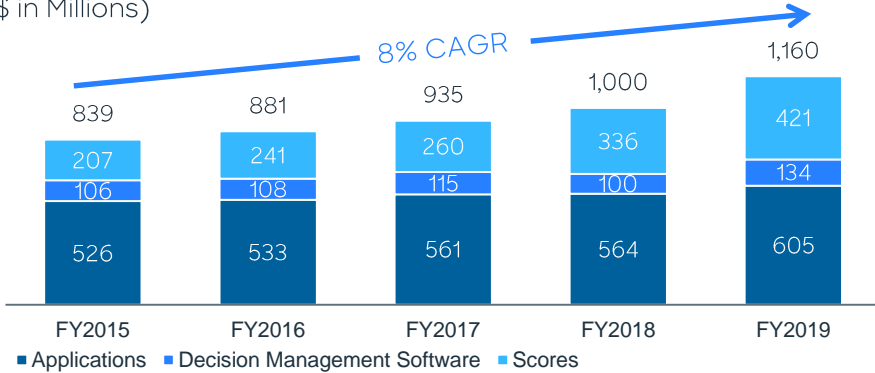
Key Highlights

- ✓ 20% YoY growth in 4Q19 bookings
- ✓ Decision management software bookings \$61MM up 152% in Q4 2019
- ✓ SaaS bookings were \$189MM for FY2019, up 24% from 2018
- ✓ 34 bookings over \$1MM in Q4 2019 and 95 in FY2019 vs. 24 and 80 in 2018 respectively representing 42% and 19% YoY growth

Historical Financial Summary

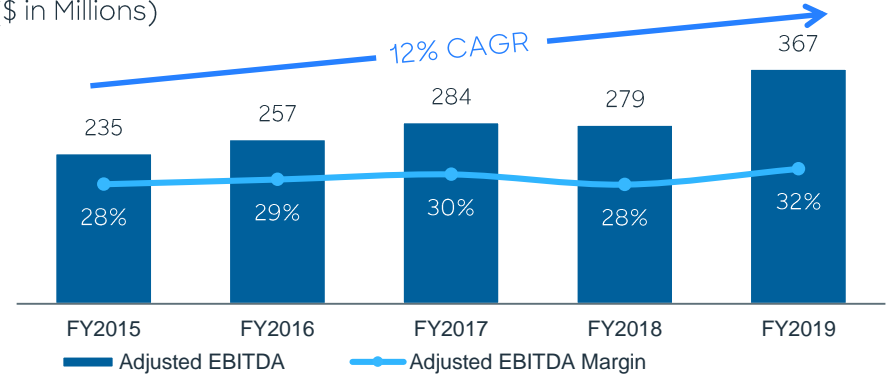
Total Revenue by Segment

(\$ in Millions)



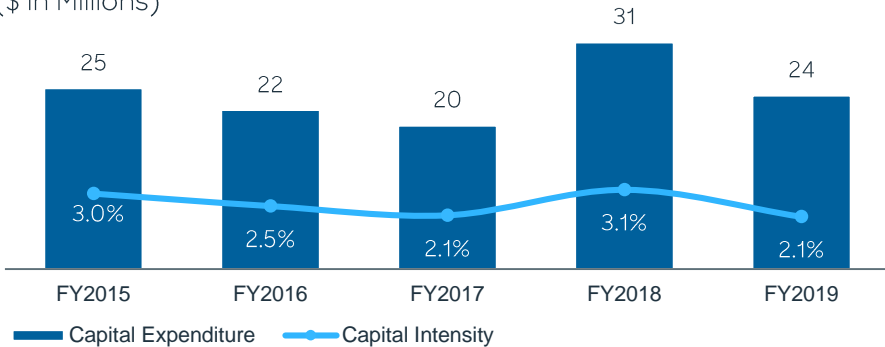
Adjusted EBITDA

(\$ in Millions)



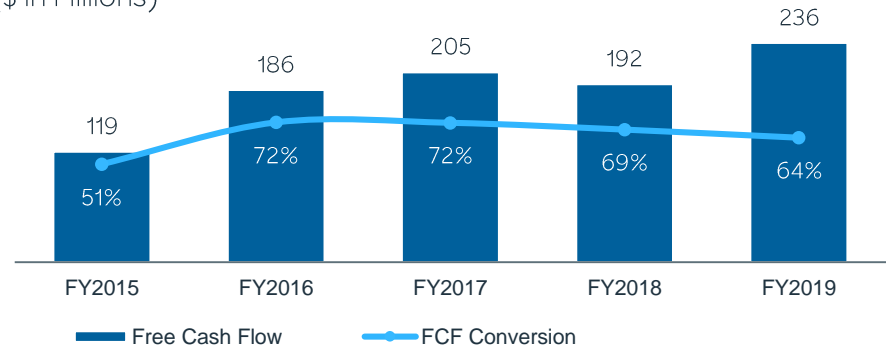
Capital Expenditure

(\$ in Millions)



Free Cash Flow

(\$ in Millions)



Notes

1. FCF defined as net cash provided by operating activities less capital expenditures
2. FCF conversion calculated as free cash flow divided by Adjusted EBITDA
3. Note: Fiscal year end 9/30

GAAP to Non-GAAP Reconciliation

| Reconciliation to Adjusted EBITDA | FY2019 | FY2018 |
|---------------------------------------|-----------|-----------|
| Net income, as reported | \$192,124 | \$126,482 |
| Interest expense, net | 39,752 | 31,311 |
| Provision for income taxes | 23,948 | 30,450 |
| Other expense (income), net | (2,276) | (12,884) |
| Amortization of intangible assets | 6,126 | 6,594 |
| Depreciation | 24,205 | 22,633 |
| Stock-based compensation expense | 82,973 | 74,813 |
| Restructuring and acquisition-related | - | - |
| Adjusted EBITDA | \$366,852 | \$279,399 |

| Reconciliation To Free Cash Flow | FY2019 | FY2018 |
|---|-----------|-----------|
| Net cash provided by operating activities | \$260,350 | \$223,052 |
| Reduced by cash flow items: | | |
| Capital expenditures | (23,981) | (31,299) |
| Dividends paid | - | - |
| Free cash flow | \$236,369 | \$191,753 |