

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) November 3, 2003

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.)
200 Smith Ranch Road San Rafael, California		94903
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code 415-472-2211

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Item 7. Financial Statements and Exhibits.

(c) Exhibits

Exhibit Number	Description
99	Press Release dated November 3, 2003

Item 12. Results of Operations and Financial Condition.

On November 3, 2003, Fair Isaac Corporation (the "Company") reported its financial results for the quarter and year ended September 30, 2003. See the Company's press release dated November 3, 2003, which is furnished as Exhibit 99 hereto and incorporated by reference in this Item 12. In the press release, the Company provides the amount of charges resulting from the HNC Software Inc. acquisition included in its financial results for the periods presented and the impact of these charges on earnings per share. This information may be considered to be a "non-GAAP financial measure" under Regulation G adopted by the Securities and Exchange Commission. The Company believes that this information is useful in that it helps investors evaluate the Company's operating performance and compare this performance between periods.

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, thereunto duly authorized.

FAIR ISAAC CORPORATION

By /s/ Kenneth J. Saunders

Kenneth J. Saunders
Vice President and Chief Financial Officer

Date: November 3, 2003

EXHIBIT INDEX

Exhibit Number	Description	Method of Filing
99	Press Release dated November 3, 2003	Filed Electronically

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FAIR ISAAC REPORTS FOURTH QUARTER AND FISCAL 2003 RESULTS

60% Year-Over-Year Revenue Growth with HNC Revenues

SAN RAFAEL, Calif. -- November 3, 2003 -- Fair Isaac Corporation (NYSE:FIC), the leader in customer analytics and decision technology, today announced financial results for the fourth fiscal quarter and full fiscal year ended September 30, 2003.

The company achieved fourth quarter revenues of \$161.0 million in fiscal 2003 versus \$129.3 million reported in the fourth quarter of fiscal 2002. Revenues for fiscal 2003 totaled \$629.3 million as compared to revenues of \$392.4 million in fiscal 2002. Net income for the fourth quarter of fiscal 2003 totaled \$31.7 million, or \$0.64 per share on 52.4 million diluted shares outstanding(1), compared with a net loss of \$(24.2) million, or \$(0.55) per share on 43.7 million diluted shares outstanding reported in the same quarter last year. Net income for fiscal 2003 totaled \$107.2 million, or \$2.12 per share on 50.6 million diluted shares outstanding(1), compared with \$17.9 million, or \$0.48 per share on 37.6 million diluted shares outstanding reported in fiscal 2002.

Results for fiscal 2003 include \$2.5 million in merger-related charges, resulting from the HNC Software acquisition, which resulted in a negative three-cent(2) impact to diluted earnings per share during this period.

"We are very pleased with our revenue and income growth for this fiscal year," said Tom Grudnowski, President and CEO of Fair Isaac. "We continue to believe that Enterprise Decision Management is a growing dimension of customers' technology spending and our portfolio of products and services is well positioned to address their needs."

The company will host a conference call today at 2:00 p.m. Pacific Time / 5:00 p.m. Eastern Time to discuss its fourth quarter and fiscal 2003 results and provide guidance for fiscal 2004. The call can be accessed live on the Investor Relations' section of the company's Web site at www.fairisaac.com, and will be archived on the site immediately following the call.

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. As of August 5, 2002, the business of HNC Software Inc., a leading provider of high-end analytic and decision management software, is part of Fair Isaac. For more information, visit www.fairisaac.com.

FORWARD-LOOKING STATEMENTS

Except for historical information contained herein, the statements contained in this press release that relate to Fair Isaac, including statements regarding our ability to build and maintain customer and other business relationships, 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 its merger with HNC, including expected synergies, cannot be fully realized, the possibility that costs or difficulties related to the integration of our business and HNC's business will be greater than expected, 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, 2002. If any of these risks or uncertainties materializes, Fair Isaac's results could differ materially from Fair Isaac's expectations in these statements. Fair Isaac disclaims any intent or obligation to update these forward-looking statements.

Fair Isaac, HNC 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.

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- 1 The computation of diluted earnings per share for the quarter ended September 30, 2003 includes 2.7 million shares of common stock issuable upon conversion of our convertible subordinated notes, along with a corresponding adjustment to net income to add back related interest expense, net of tax, of approximately \$1.6 million. The computation of diluted earnings per share for the year ended September 30, 2003 excludes these shares, as they were antidilutive during this period.
 - 2 Calculated as \$2.5 million in merger-related charges less \$0.9 million income tax benefit (by application of the company's 37.75 percent effective tax rate for the fiscal year), or \$1.6 million, divided by 50.6 million diluted shares outstanding for the fiscal year.

FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
For the Quarters and Years Ended September 30, 2003 and 2002
(In thousands, except per share data)
(Unaudited)

	Quarter Ended September 30,		Year Ended September 30,	
	2003	2002	2003	2002
Revenues	\$ 160,965	\$ 129,293	\$ 629,295	\$392,418
Operating expenses:				
Cost of revenues	59,688	55,764	246,592	172,617
Research and development	16,249	12,168	67,574	33,840
Selling, general and administrative	29,466	28,458	124,641	87,045
Amortization of intangibles	3,651	2,637	13,793	4,380
In-process research and development	--	40,200	--	40,200
Restructuring and merger-related	(79)	7,224	2,501	7,224
Total operating expenses	108,975	146,451	455,101	345,306
Operating income (loss)	51,990	(17,158)	174,194	47,112
Other (expense) income, net	(1,572)	1,547	(2,054)	5,986
Income (loss) before income taxes	50,418	(15,611)	172,140	53,098
Provision for income taxes	18,728	8,589	64,983	35,214
Net income (loss)	\$ 31,690	\$ (24,200)	\$ 107,157	\$ 17,884
Earnings (loss) per share:				
Basic	\$ 0.68	\$ (0.55)	\$ 2.23	\$ 0.49
Diluted	\$ 0.64 (a)	\$ (0.55)	\$ 2.12	\$ 0.48
Shares used in computing earnings (loss) per share:				
Basic	46,933	43,717	48,123	36,534
Diluted	52,406 (a)	43,717	50,649	37,550

(a) The computation of diluted earnings per share for the quarter ended September 30, 2003 includes 2.7 million shares of common stock issuable upon conversion of our convertible subordinated notes, along with a corresponding adjustment to net income to add back related interest expense, net of tax, of approximately \$1.6 million. The computation of diluted earnings per share for the year ended September 30, 2003 excludes these shares, as they were antidilutive during this period.

FAIR ISAAC CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
September 30, 2003 and 2002
(In thousands)
(Unaudited)

	September 30, 2003	September 30, 2002
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ASSETS:		
Current assets:		
Cash and investments	\$ 505,351	\$ 281,211
Receivables, net	138,712	126,743
Prepaid expenses and other current assets	23,809	25,507
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Total current assets	667,872	433,461
Investments	164,254	150,202
Property and equipment, net	50,706	62,474
Goodwill and intangibles, net	551,772	520,114
Other noncurrent assets	60,569	51,549
	-----	-----
	\$1,495,173	\$1,217,800
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 40,939	\$ 44,135
Accrued compensation and employee benefits	25,839	28,153
Deferred revenue	31,584	23,208
	-----	-----
Total current liabilities	98,362	95,496
Senior convertible notes	400,000	--
Convertible subordinated notes	141,364	139,922
Other noncurrent liabilities	5,905	8,910
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Total liabilities	645,631	244,328
Stockholders' equity	849,542	973,472
	-----	-----
	\$1,495,173	\$1,217,800
	=====	=====

FAIR ISAAC CORPORATION
REVENUES BY SEGMENT
For the Quarters and Years Ended September 30, 2003 and 2002
(In thousands)
(Unaudited)

	Quarter Ended September 30,		Year Ended September 30,	
	2003	2002	2003	2002
Scoring solutions	\$ 34,487	\$ 33,500	\$135,994	\$127,991
Strategy machine solutions	96,599	70,275	380,550	190,249
Professional services	21,642	21,829	83,975	62,576
Analytic software tools	8,237	3,689	28,776	11,602
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Total revenues	\$160,965	\$129,293	\$629,295	\$392,418
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