FAIR ISAAC CORPORATION

2025 ANNUAL REPORT

Dear Shareholders:

FICO had another successful year. We exceeded fiscal year 2025 guidance on all metrics and delivered record annual free cash flow of $739 million*, an increase of 22% year over year. We delivered revenues of $1.99 billion, up 16% from the prior year. GAAP net income reached $652 million or $26.54 of earnings per share, up 27% and 30%, respectively, from fiscal 2024. We continued to return capital to our shareholders, repurchasing $1.4 billion in shares.

Our performance in fiscal 2025 was driven by both our Scores and Software operating segments. The growth of our Scores segment was a result of our innovation, industry leadership and the continued success of the FICO® Score as the standard measure of consumer credit risk in the U.S. The success in our Software segment was primarily due to strong results related to FICO® Platform, our integrated cloud platform that enables clients to make smarter business decisions at scale, powered by AI and advanced analytics.

Scores

In our Scores segment**,** our revenues were $1.169 billion, up 27% versus last year, primarily driven by B2B Scores.

The FICO® Score, used by 90% of top U.S. lenders, remains the standard for use in mortgage underwriting and pricing, investor credit risk and prepayment models, capital requirements, credit agency ratings, and pricing of mortgage-backed securities. It is the only score that has performance data through the Great Recession, and the only score that is widely leveraged throughout secondary mortgage markets.

On October 1, 2025, we announced the strategic decision to launch the FICO® Mortgage Direct License Program, giving tri-merge resellers the option to calculate and distribute FICO® Scores directly to their customers. This expands our distribution channel beyond the three nationwide credit bureaus. We believe this program will drive competition, transparency, and cost savings in mortgage lending, while aligning with calls from policymakers and industry leaders to modernize credit infrastructure and promote affordability, liquidity, and access in the $12 trillion U.S. mortgage industry.

There has been overwhelming interest in the FICO® Mortgage Direct License Program since its announcement, including a multi-year direct license and distribution agreement with Xactus, the largest credit verification and tri-merge provider of FICO® Scores. We are actively engaged with resellers representing approximately 80% of mortgage volume, including the largest tri-merge resellers, as well as technology platform providers that serve the smaller tri-merge resellers.

Our consistent innovation is increasingly recognized by the market. We continue to see growing momentum and adoption of FICO® Score 10T, the most predictive credit scoring model on the market, with enhanced risk assessment capabilities that benefit lenders, mortgage insurers, investors, and other market participants. Nine of the top fifteen mortgage lenders, who cover hundreds of billions of dollars in loan originations, have signed agreements for FICO Score 10T. In December, we announced we reached agreement on terms and conditions for the Government Sponsored Enterprises to release FICO Score 10T historical data allowing conforming mortgage lenders, investors, third party risk modelers, and other stakeholders to soon be able to conduct their own analyses and comparisons of FICO Score 10T.

This year, we partnered with Plaid to deliver the next generation of the UltraFICO® Score, which utilizes cash flow data to provide additional information for lending decisions. We also announced FICO® Score 10 BNPL and FICO® Score 10T BNPL, the first credit scores from a leading credit scoring provider to incorporate Buy Now, Pay Later (BNPL) data. These innovative scores, developed by FICO from data-driven research, give lenders deeper insight into how consumers manage repayment on increasingly popular installment loans.

Software

In our Software segment, we delivered $822 million in revenue, up 3% from last year, driven by 19% growth in FICO® Platform. Our annual contract value bookings reached $102 million, an increase of 21% versus prior year, and our strongest annual performance to date.

Over the past decade, our software development has centered on the accelerated growth of FICO® Platform. Our Software business continues to grow as more financial institutions adopt FICO Platform and existing customers expand to new uses cases across additional decisioning areas. Today we serve over 150 Platform customers, with nearly half still in the early stages of expanding beyond their initial use case.

This was an important year for FICO® Platform innovation, as we announced major developments: Next Generation FICO Platform, FICO® Enterprise Fraud Solution, and FICO® Marketplace. These innovations will deliver a connected end to end customer experience, bring new use cases to the market, enable smarter explainable outcomes, improve performance, improve speed of deployment, and yield better customer Return on Investment. We also announced FICO® Focused Foundation Model for Financial Services. These models deliver greater accuracy and cost efficiency compared to traditional generative AI models.

The strength of our innovations was recognized this year in several analyst reports and industry awards, including “The Forrester Wave: AI Decisioning Platforms, Q2 2025 Report,” where we have achieved leader position in every edition of the report since it was created. Our analytic innovations at FICO are protected by various forms of intellectual property, including our patent portfolio of more than 230 issued patents and nearly 80 pending applications.

In summary, FICO continues to drive market innovation, resulting in near-term growth in fiscal 2025 and a positive outlook for fiscal 2026. Our strategies align with the market’s demand for responsible AI, greater customer centricity, and more powerful predictive solutions to further industry stability and resilience. The FICO team has once again demonstrated why we remain an industry leader, one of the strongest performers in the market, and a champion for innovation that delivers results.

William J. Lansing, CEO

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* This letter refers to the non-GAAP financial measure free cash flow. For a reconciliation of this non-GAAP financial measure to its most comparable GAAP measure, please refer to our earnings release for the fourth quarter of fiscal 2025, as filed with the SEC as Exhibit 99.1 to our Current Report on Form 8-K, dated November 5, 2025, and available at www.sec.gov.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended September 30, 2025

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 1-11689

Fair Isaac Corporation

(Exact name of registrant as specified in its charter)

Delaware	**94-1499887**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
5 West Mendenhall, Suite 105 Bozeman, Montana	**59715**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code:

406-982-7276

Securities registered pursuant to Section 12(b) of the Act:

Title of each Class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	FICO	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer ☒	Accelerated Filer ☐
Non-Accelerated Filer ☐	Smaller Reporting Company ☐
	Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of March 31, 2025, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was $36,060,682,209 based on the last transaction price as reported on the New York Stock Exchange on such date. This calculation does not reflect a determination that certain persons are affiliates of the registrant for any other purposes.

The number of shares of common stock outstanding on October 23, 2025 was 23,709,047 (excluding 65,147,736 shares held by the Company as treasury stock).

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's definitive proxy statement relating to its 2026 Annual Meeting of Stockholders ("2026 Proxy Statement") are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. The 2026 Proxy Statement will be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year to which this report relates.

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FORWARD-LOOKING STATEMENTS

Statements contained in this report that are not statements of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "PSLRA"). In addition, certain statements in our future filings with the Securities and Exchange Commission ("SEC"), in press releases, and in oral and written statements made by us or with our approval that are not statements of historical fact constitute forward-looking statements within the meaning of the PSLRA. Examples of forward-looking statements include, but are not limited to: (i) projections of revenue, income or loss, expenses, earnings or loss per share, the payment or nonpayment of dividends, share repurchases, capital structure and other statements concerning future financial performance; (ii) statements of our plans and objectives by our management or Board of Directors, including those relating to products or services, research and development, and the sufficiency of capital resources; (iii) statements of assumptions underlying such statements, including those related to economic conditions; (iv) statements regarding results of business combinations or strategic divestitures; (v) statements regarding business relationships with vendors, customers or collaborators, including the proportion of revenues generated from international as opposed to domestic customers; and (vi) statements regarding products and services, their characteristics, performance, sales potential or effect in use by customers. Words such as "believes," "anticipates," "expects," "intends," "targeted," "should," "potential," "goals," "strategy," "outlook," "plan," "estimated," "will," variations of these terms and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those in such statements. Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to, those described in Part I, Item 1A, "Risk Factors," below. The performance of our business and our securities may be adversely affected by these factors and by other factors common to other businesses and investments, or to the general economy. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made. We disclaim any intent or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers should carefully review the disclosures and the risk factors described in this and other documents we file from time to time with the SEC, including our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

PART I

Item 1. *Business*

GENERAL

Fair Isaac Corporation (NYSE: FICO) (together with its consolidated subsidiaries, the "Company," which may also be referred to in this report as "we," "us," "our," and "FICO") is a global analytics software leader. We were founded in 1956 on the premise that data, used intelligently, can improve business decisions. Today, FICO's software and the widely used FICO® Score operationalize analytics, enabling thousands of businesses in more than 80 countries to uncover new opportunities, make timely decisions that matter, and execute them at scale. Most leading banks and credit card issuers rely on our solutions, as do insurers, retailers, telecommunications providers, automotive lenders, consumer reporting agencies, public agencies, and organizations in other industries. We also serve consumers through online services that enable people to access and understand their FICO Scores — the standard measure of consumer credit risk in the United States ("U.S.") — empowering them to increase financial literacy and manage their financial health. More information about us can be found on our website, www.fico.com. We make our Annual Reports on Forms 10-K, Quarterly Reports on Forms 10-Q, and Current Reports on Forms 8-K, as well as amendments to those reports, available free of charge through our website as soon as reasonably practicable after we electronically file them with the U.S. Securities and Exchange Commission ("SEC"). References to our website address in this report do not constitute an incorporation by reference. Information on our website is not part of this report.

PRODUCTS AND SERVICES

Our business consists of two operating segments: Scores and Software.

Our Scores segment includes our business-to-business ("B2B") scoring solutions and services which give our clients access to predictive credit and other scores that can be easily integrated into their transaction streams and decision-making processes. This segment also includes our business-to-consumer ("B2C") scoring solutions, including our myFICO.com subscription offerings.

Our Software segment includes pre-configured analytic and decision management solutions designed for a specific type of business need or process — such as account origination, customer management, customer engagement, fraud detection, and marketing — as well as associated professional services. This segment also includes FICO® Platform, a modular software offering designed to support advanced analytic and decision use cases, as well as stand-alone analytic and decisioning software that can be configured by our customers to address a wide variety of business use cases. Our offerings are available to our customers as software-as-a-service ("SaaS") or as on-premises software.

Scores

Our B2B scoring solutions include the FICO® Score, which is the standard measure of consumer credit risk in the U.S. It is used in most U.S. credit decisions, by nearly all major banks, credit card issuers, mortgage lenders, and auto loan originators. Our B2B scoring solutions are primarily distributed through major consumer reporting agencies worldwide. Our B2C scores are sold directly to consumers through our myFICO.com website and other direct-to-consumer channels.

The FICO® Score is a three-digit number ranging from 300-850. Our proprietary analytic algorithms are applied to credit data collected and maintained by the three U.S. national consumer reporting agencies — Experian, TransUnion and Equifax — to produce standard scores that are used across the credit lifecycle, including in origination, account management and consumer marketing. Users of our scores generally pay the consumer reporting agencies a fee for each individual score generated by our algorithms, and the consumer reporting agencies pay an associated fee to us. Except for product development using de-personalized data, FICO does not collect or store the consumer credit data used in the calculation of our scores, and in most cases, we do not sell our scores directly to lenders or other end-users.

Since the introduction of the FICO® Score in the U.S. in 1989, we have regularly updated the score to take advantage of newly available data and enhanced analytics. FICO® Score 9 introduced the utilization of reported rental payment history, while also de-emphasizing medical debt and disregarding paid collections. Our most recent and most predictive scores, FICO® Score 10 and 10 T, were introduced in 2020. To increase its predictive power, FICO Score 10 T builds on FICO Score 10 but also incorporates trended credit data. Trended data considers a longer historical view, giving lenders even more insight into how individuals are managing their credit. Updated versions of our FICO Scores are generally designed to provide greater predictive accuracy than the scores they replace, and to be compatible with prior versions of the FICO Score.

In addition to the FICO® Score, we offer several other broad-based scores, including specific FICO® Industry Scores. For example, in 2021 we introduced Bankcard and Auto Industry versions of FICO® Score 10. We also develop various custom scores for our financial services clients.

The FICO® Resilience Index offering is designed to complement FICO® Score models by identifying those consumers who are more resilient to economic stress relative to other consumers within the same FICO Score bands. The FICO Resilience Index is designed to enable lenders to continue to lend and better manage risk by providing a more precise assessment of loan default risk during periods of economic stress.

FICO has invested significant resources in the development of scores that can help expand credit access and lower borrowing costs for consumers that have limited credit history or who have sparse or inactive credit files. These scores use alternative data sources to enhance conventional consumer reporting agency data and generate scores for otherwise un-scorable consumers and in many cases improve the credit scores of scorable consumers.

- FICO® Score XD uses public records and property data, and a consumer's history with mobile phone, landline phone and cable payments, to generate scores on the same 300-850 scale as standard FICO® Scores. FICO Score XD is available to lenders through our distribution partners, LexisNexis Risk Solutions and Equifax.
- The UltraFICO® Score uses consumer-permissioned data such as checking, savings, or money market account data, to generate scores on the same 300-850 scale as standard FICO® Scores. Incorporating consumer-permissioned data helps empower consumers to establish or improve their creditworthiness by using data that reflects sound financial activity, but that is not part of a conventional credit report.

Both scores maintain the same score to risk relationship as standard FICO® Scores, enhancing their compatibility with existing credit underwriting systems and models.

Outside the U.S., we offer FICO® Scores for consumer loans, and in some cases for small and medium business loans. These scores are typically sold to end-users through consumer reporting agencies in those countries, as they are in the U.S. FICO Scores have been made available in over 40 countries and we have also developed client-specific versions of the FICO Score in over ten countries.

We also provide FICO® Scores to consumers in the U.S. through our B2C scoring solutions. These Scores are distributed directly by us through our myFICO.com subscription offering and indirectly through our licensed distribution partners, including Experian and certain lenders through the FICO® Score Open Access Program. Through myFICO.com and other direct-to-consumer channels, consumers can purchase their FICO Scores, including credit reports associated with the scores, explanations of the factors affecting their scores, and customized educational information on how to manage their scores. Consumers can use products to simulate how taking specific actions could affect their FICO Score. Consumers can also subscribe to credit monitoring, which delivers alerts via email and text when changes to a user's FICO Scores or other credit report content are detected. In addition, consumers can purchase identity theft monitoring products that alert them to potential risks of identity fraud.

Software

Our software harnesses the power of analytics and digital decisioning technology to help businesses automate, improve, and connect decisions across their enterprise. Most of our solutions address customer engagement, including acquisition and pricing, onboarding, servicing and management, and fraud protection. We also help businesses improve non-customer facing decisions such as supply chain optimization, scheduling management and policy adherence.

FICO provides software solutions to business customers in more than 80 countries around the world. Our software can be deployed in the cloud utilizing third-party cloud services, or on-premises using our customers' IT infrastructure. We typically sell our software as multi-year subscriptions, with payments based on usage metrics such as the number of accounts, transactions or decisioning use cases deployed, often subject to contracted minimum payments.

A significant and growing number of our software solutions run natively on FICO® Platform, a modular software offering designed to support advanced analytics and decisioning use cases. While not all our software runs on FICO Platform today, we are continuing to invest significant development resources to enable substantially all of our software to run on FICO Platform in the future.

Principal Areas of Expertise

We specialize in solutions that empower businesses to operationalize analytics to uncover new opportunities, make timely decisions that matter, and execute them at scale. With more than 65 years of analytics and software experience, we have found that bringing human and digital intelligence together allows our customers to target and acquire customers more efficiently, increase customer value, reduce fraud and credit losses, lower operating expenses, and enter new markets more profitably.

Our principal areas of research and development expertise are focused on the following four analytic domains.

- *Predictive Modeling*

  Predictive modeling identifies and mathematically represents underlying relationships in historical data to make predictions or classifications about future events. Predictive models typically analyze current and historical data about individuals to produce easily understood metrics such as scores. These scores rank-order individuals or specific transactions against a particular variable such as the likelihood of making credit payments on time, the likelihood of a transaction being fraudulent or the probability of responding to a particular offer for services. Our predictive models are frequently used in mission-critical transactional systems and drive decisions and actions in near real time.

  Several analytic methodologies underlie our products in this area. These include proprietary applications of both linear and nonlinear optimization algorithms, advanced neural systems, machine learning and artificial intelligence ("AI"). We also apply various statistical techniques for analysis and pattern detection within large datasets and can derive insights and predictive features from various forms of data, including unstructured data.

- *Decision Analysis and Optimization*

  Decision analysis refers to the broad quantitative field that deals with modeling, analyzing, and optimizing decisions made by individuals, groups, and organizations. Whereas predictive models analyze multiple aspects of individual behavior to forecast future behavior, decision analysis analyzes multiple aspects of a given decision to identify the most effective action to take to reach a desired result. This is often referred to as prescriptive analytics. Our integrated approach to decision analysis incorporates a decision model that mathematically maps the entire decision structure; proprietary optimization technology that identifies the most effective strategies, given both the performance objective and constraints; testing and simulation required for active, continuous learning; and the robust extrapolation of an optimized strategy to a wider set of scenarios than historically encountered. Our optimization capabilities also include native support for Python modeling, as well as our own proprietary mathematical modeling and programming language, an easy-to-use authoring environment, a configurable business simulation and scenario management interface and a set of pre-built optimization algorithms.

- *Transaction Profiling*

  Transaction profiling is a patent-protected technique used to extract meaningful information and reduce the complexity of transaction data used in modeling. Many of our products operate using transactional data, such as credit card purchase transactions, consumer interactions, or other types of data that change over time. In its raw form, this data is very difficult to use in predictive models for several reasons. First, an isolated transaction contains very little information about the behavior of the individual who generated the transaction. Second, transaction patterns change rapidly over time. Third, this type of data can often be highly complex. To overcome these issues, we have developed a set of techniques that transform raw transactional data into a mathematical representation that reveals latent information, and which make the data more usable by predictive models. This profiling technology accumulates data across multiple transactions of many types to create and update profiles of transaction patterns. These profiles enable our neural network models to efficiently and effectively make accurate assessments of, for example, fraud risk and credit risk within real-time transaction streams.

- *Customer Data Integration*

  Decisions made about customers or prospects can benefit from data stored in multiple sources, both inside and outside the enterprise. In the areas of analytics and digital decisioning, more data is generally better. We have developed proprietary data ingestion and management tools that are able to assemble and integrate disparate data sources into a unified view of the customer, household, or other subject through the application of persistent keying technology. This data can include structured or unstructured data. In addition, our technology can integrate multiple data sources in real-time and make them available for rapid analysis and decisions such as credit approval, fraud detection and "next best offer" workflows.

We believe our analytic tools and solutions are among the best commercially available, and that we are uniquely positioned to integrate advanced analytic, software and data technologies into mission-critical business solutions that offer superior returns on investment.

FICO® Platform

FICO® Platform is an analytic and decisioning environment that empowers businesses to configure solutions that orchestrate and operationalize high velocity decisions that matter, at scale. Users of FICO Platform can bring together data from multiple sources, apply advanced analytics to derive insights, and translate those insights into actions and workflows that can be executed in real-time. Based on a modular cloud architecture, FICO Platform can be configured by our customers to solve a vast array of business challenges. FICO Platform delivers increasing value to our customers over time as they add additional analytic capabilities, configure their own solutions or utilize pre-configured solutions to address a diverse set of use cases and integrate disparate analytic and decisioning silos onto a centralized, scalable platform. This drives additional subscription software revenue for FICO over time as customers purchase more FICO Platform capabilities and pay for more usage of those capabilities.

Our goal is to move substantially all of FICO's current software products onto FICO® Platform. Many capabilities of FICO's current software products are now part of FICO Platform, addressing use cases such as origination, fraud detection, customer management, and next best action, among others. We believe this strategy of moving our software products to FICO Platform will result in revenue growth through follow-on "land and expand" sales to existing FICO Platform customers and more sales to medium-sized businesses typically served through value-added resellers and systems integrators.

Our annual recurring revenue ("ARR") from FICO® Platform based products was $263.6 million as of September 30, 2025, representing 35% of our total software ARR. For information about ARR, refer to Part II, Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations, Annual Recurring Revenue*, in this Annual Report on Form 10-K.

Our Offerings

We sell our software primarily as analytic and decisioning software or pre-configured solutions. Our software offerings are sold both individually and as integrated bundles of multiple products.

Analytic and Decisioning Software

FICO analytic and decisioning software offerings use proprietary and open source microservices and capabilities to enable both business users and data scientists to develop and execute advanced analytics and decision modeling. Our key products in this category include:

- FICO® Decision Modeler and FICO® Blaze Advisor® are our core decision rules modeling tools, which enable users to flexibly author and manage decision rules and strategies. FICO Decision Modeler delivers the functionality of our industry leading FICO Blaze Advisor product, with the added benefit of seamless integration into FICO® Platform. FICO Blaze Advisor, the predecessor to FICO Decision Modeler, is available as an off-platform product.
- FICO® Xpress Optimization provides operations research professionals and business analysts with world-class solvers and productivity tools to determine optimal outcomes for a wide range of industry problems. FICO Xpress Optimization includes a powerful modeling and programming language to quickly model and solve even the largest optimization problems. FICO Xpress Optimization runs on FICO® Platform.
- FICO® Analytics Workbench is a predictive analytics tool that allows businesses to create and deploy explainable machine learning models for use in decisions that typically require strict governance and compliance, often including regulatory oversight. FICO Analytics Workbench runs on FICO® Platform.
- FICO® Data Orchestrator is a data retrieval and mapping solution that can access, gather, and transform data from corporate or public facing information services. FICO Data Orchestrator runs on FICO® Platform.
- FICO® DMP Streaming is a real-time and batch data ingestion solution that uniquely delivers in-stream analytics for real-time data insights and complex event processing.
- FICO® Business Outcome Simulator enables business users to run a wide variety of insightful scenarios to assess how their business is likely to perform under varying conditions and assumptions. It unlocks insights into how key outcomes will likely shift in the face of changing competitor strategy, macroeconomic changes, evolving customer preferences, and more. FICO Business Outcome Simulator runs on FICO® Platform.
- FICO® Decision Optimizer helps business users understand how different customers will react to a variety of different actions that are being considered. Once that link is understood, FICO Decision Optimizer identifies the combination of actions most likely to lead to the desired portfolio outcomes through decisions such as who to offer a new product, what limit and/or price to offer, or how to treat delinquent customers. FICO Decision Optimizer runs on FICO® Platform.

Pre-Configured Solutions

FICO's pre-configured solutions optimize customer interactions in real-time, driving greater customer engagement and improving business results. They enable acquisition and growth marketing, account activation and management, omni-channel communication, risk assessment, and fraud detection and prevention. Key FICO solutions currently offered include:

- FICO® Fraud Solutions empower organizations to safeguard the business and their customers from payments fraud and application fraud. Leveraging advanced analytic capabilities on a large scale and in real-time, FICO Fraud Solutions identify fraud and enable strategies designed to prevent fraud across payment cards, money transfers, and instances where stolen or synthetic identities are exploited to open accounts. Our models are continually improved using a proprietary, global data set of transaction data contributed by more than 10,000 institutions that participate in the FICO® Falcon® Intelligence Network. Certain Fraud Solutions capabilities are available on FICO® Platform today, and we plan to make additional Fraud Solutions capabilities available on FICO Platform in the future.
- FICO® Originations Solution is an application-to-decision credit originations solution. It enables banks, credit unions, finance companies, online lenders, auto lenders, and other companies to automate and improve the processing of requests for credit. Our Originations Solution increases the speed, consistency and efficiency with which requests are handled, reducing losses, and increasing approval rates through the application of sophisticated policies and analytics that assess applicant risk and reduce the need for manual review by underwriters. Originations capabilities are available on FICO® Platform.
- FICO® Customer Communication Service is an intelligent omnichannel digital communication manager for resolving customer interactions. It enables businesses to automate individualized customer dialogues with the same consistency and regulatory compliance as their human agents. With Customer Communication Service, businesses can be available 24/7 for one-way or two-way communication through any channel their consumers choose. Businesses can rapidly launch mobile alerts, messaging, virtual agents, self-service options, and other auto-resolution capabilities. It helps make the full customer journey more efficient and raises the level of data-driven digital intelligence behind lifecycle communications. Customer Communication capabilities are available on FICO® Platform.
- FICO® Strategy Director and FICO® TRIAD® Customer Manager enable businesses to automate and improve risk-based decisions for their existing credit customers. These products help businesses apply advanced analytics in credit account and customer decisions to increase portfolio revenue and reduce risk exposure and losses, while improving customer retention. They also allow users to manage risk and communications at both the account and customer level from a single place. FICO Strategy Director runs on FICO® Platform. FICO TRIAD Customer Manager, the predecessor to FICO Strategy Director, is available as an off-platform product.

FICO® Professional Services

FICO offers a range of professional services designed to help customers install and configure our software, develop and deploy advanced analytics using our software, and improve customer satisfaction and retention.

- FICO® Implementation Services. We often sell software implementation and configuration services in conjunction with our on-premises and SaaS subscriptions, and our license sales. The FICO implementation services team leverages their deep expertise in our products and their extensive industry-specific knowledge to help our customers implement and configure FICO software rapidly and effectively.
- FICO® Analytic Services. We build custom analytics, decision models and related analytics, and perform machine learning projects for clients in multiple industries. These analytic services help to improve critical business processes and operationalize analytics using FICO software products. Most of our engagements utilize predictive analytics, decision modeling and optimization to provide greater insight into customer preferences and help predict future customer behavior.

Our professional services are sold on an hourly time and materials basis or for a fixed project fee.

MARKETS AND CUSTOMERS

Our scores and software products and services serve clients in multiple industries, including banking, insurance, retail, healthcare and public agencies. End users of our products include three-quarters of each of the largest 100 financial institutions in the U.S. and the largest 100 banks in the world. Our clients also include more than 600 insurers, including eight of the top ten U.S. property and casualty insurers; more than 300 retailers and general merchandisers; and more than 200 government or public agencies. Seven of the top ten companies on the 2025 Fortune 500 list use one or more of our solutions. In addition, our consumer solutions are marketed to more than 200 million U.S. consumers whose credit relationships are reported to the three major U.S. consumer reporting agencies.

The majority of our scores are marketed and sold through consumer reporting agencies. During fiscal 2025, 2024 and 2023, revenues generated from our agreements with Experian, TransUnion and Equifax collectively accounted for 51%, 45% and 41% of our total revenues, respectively. We also sell our scores and credit monitoring directly to consumers through our myFICO.com on-line subscription offerings. Outside of the U.S., we sell our scores through consumer reporting agencies, other third-party distributors, and in some cases directly to large end-users.

We market our software products and services primarily through our own direct sales organization that is organized around vertical and geographic markets. Sales teams are based in our headquarters and in field offices strategically located around the world. We also market our products through indirect channels, including alliance partners and other resellers. As more capabilities are made available on FICO® Platform, we expect our sales through indirect channels to grow. We are investing significant resources to develop our indirect channel relationships.

Our largest market segment is financial services, representing 92% of our total revenue during fiscal 2025. Our largest geographic market is the Americas, representing 87% of our total revenue during fiscal 2025.

COMPETITION

The market for our solutions is intensely competitive and is constantly changing. Our competitors vary both in size and in the scope of the products and services they offer. We encounter competition from several sources, including:

- in-house analytic and systems developers;
- developers and providers of neural networks, machine learning, and AI systems;
- fraud solutions providers;
- scoring model builders;
- providers of credit reports and credit scores, including consumer reporting agencies;
- software companies supplying predictive analytic modeling, rules, or analytic development tools;
- entity resolution and social network analysis solutions providers;
- providers of customer engagement and risk management solutions;
- providers of account workflow management software;
- business process management and decision rules management providers;
- enterprise resource planning and customer relationship management solutions providers;
- business intelligence solutions providers;
- providers of automated application processing services; and
- third-party professional services and consulting organizations.

We believe we offer customers a unique mix of products, expertise and capabilities that allows us to compete effectively in our target markets. However, many of our competitors are larger than FICO, have more development, sales and marketing resources than FICO, and some have larger shares of our target geographic or product markets.

We believe the principal competitive factors affecting our markets include technical performance; access to unique proprietary analytical models and data; product attributes like adaptability, scalability, interoperability, functionality, and ease-of-use; on-premises and SaaS product availability; product price; customer service and support; the effectiveness of sales and marketing efforts; existing market penetration; and reputation. Although we believe our products and services compete favorably with respect to these factors, we may not be able to maintain our competitive position against current and future competitors.

Scores

In our Scores segment, we compete with both outside suppliers and in-house analytics. Primary competitors among outside suppliers of scoring models are the three major consumer reporting agencies in the U.S. and Canada, which are also our partners in offering our scoring solutions, and VantageScore (a joint venture entity established by the three major U.S. consumer reporting agencies), which is selling a credit scoring product competitive with our products. Additional competitors include consumer reporting agencies outside the U.S. like CRIF Ratings, which operates in the European Union, and other data providers like LexisNexis and ChoicePoint, some of which also are our partners.

For our offerings that deliver credit scores, credit reports and consumer credit education solutions directly to consumers, we compete with other direct to consumer credit and identity services such as Credit Karma, Credit Sesame, Experian and TransUnion, some of which are also our partners.

Software

The competition in our Software segment varies by application. In the fraud solutions market for banking, we compete primarily with Nice Actimize, Experian, Pegasystems, BAE Systems Applied Intelligence, SAS, ACI Worldwide, IBM, Feedzai and Featurespace. In the customer origination market, we compete with Experian, Equifax, Moody’s, Meridian Link, and CGI, among others. In the customer management market, we compete with Experian and SAS, among others. In the marketing services market, we compete with Pegasystems, Equifax, Experian, SAS, Adobe and Salesforce, among others. In the decision platform market, we compete with Pegasystems, IBM and SAS, among others.

PRODUCT PROTECTION AND TRADEMARKS

We rely on a combination of patent, copyright, trademark and trade secret laws and confidentiality agreements and procedures to protect our proprietary rights.

We retain the title to and protect the suite of models and software used to develop scoring models as a trade secret. We also restrict access to our source code and limit access to and distribution of our software, documentation, and other proprietary information. We have generally relied upon the laws protecting trade secrets and upon contractual nondisclosure safeguards and restrictions on transferability to protect our software and proprietary interests in our product and service methodology and know-how. Our confidentiality procedures include invention assignment and proprietary information agreements with our employees and independent contractors, and nondisclosure agreements with our distributors, strategic partners, and customers. We also claim copyright protection for certain proprietary software and documentation.

We have patents on many of our technologies and have patent applications pending on other technologies. The patents we hold may not be upheld as valid and may not prevent the development of competitive products. In addition, patents may never be issued on our pending patent applications or on any future applications that we may submit. As of September 30, 2025, we held 204 U.S. and 26 foreign patents, with 79 applications pending.

Despite our precautions, it may be possible for competitors or users to copy or reproduce aspects of our software or to obtain information that we regard as trade secrets. In addition, the laws of some foreign countries do not protect proprietary rights to the same extent as do the laws of the U.S. Patents and other protections for our intellectual property are important, but we believe our success and growth will depend principally on such factors as the knowledge, ability, experience and creative skills of our personnel, new products, frequent product enhancements and name recognition.

We have developed technologies for research projects conducted under agreements with various U.S. government agencies or their subcontractors. Although we have acquired commercial rights to these technologies, the U.S. government typically retains ownership of intellectual property rights and licenses in the technologies that we develop under these contracts. In some cases, the U.S. government can terminate our rights to these technologies if we fail to commercialize them on a timely basis. In addition, under U.S. government contracts, the government may make the results of our research public, which could limit our competitive advantage with respect to future products based on funded research.

We have used, registered and/or applied to register certain trademarks and service marks for our technologies, products and services. As of September 30, 2025, we had 23 trademarks registered in the U.S. and select foreign countries.

GOVERNMENTAL REGULATION

We are subject to a number of U.S. federal, state, local and foreign laws and regulations that involve matters central to our business. Laws and governmental regulation affect how our business is conducted and, in some cases, subject us to the possibility of government supervision or enforcement and future lawsuits arising from our products and services. Laws and governmental regulations also influence our current and prospective customers' activities, as well as their expectations and needs in relation to our products and services. Laws and regulations that may affect our business and our current and prospective customers' activities include, but are not limited to, those summarized below.

Many U.S. and foreign jurisdictions have passed, or are currently contemplating, a variety of consumer protection, data privacy, and cyber and data security laws and regulations that may relate to our business or the business of our customers or affect the demand for our products and services. For example, the General Data Protection Regulation (the "GDPR") in the United Kingdom ("U.K.") and the European Union ("E.U.") imposes, among other things, strict obligations and restrictions on the collection and use of U.K. and E.U. personal data, a requirement for prompt notice of data breaches in certain circumstances, a requirement for implementation of certain approved safeguards (such as the use of approved "standard contractual clauses" and the performance of appropriate data transfer impact assessments) for transfers of personal data to other countries that have not been determined by the E.U. or the U.K. to provide adequate data privacy protections, and possible substantial fines for any violations. Our implementation of processes to meet such requirements for affected data flows, which may involve interpretive issues, and may have an adverse impact on cross-border transfers of personal data, may subject us or our customers to additional scrutiny from E.U. and U.K. regulators or may increase our costs of compliance associated with maintaining appropriate certifications, performing any necessary assessments, engaging in contract negotiations with third parties and implementing approved standard contractual clauses, and/or (if appropriate) localizing certain data processing activities. Numerous other countries have introduced and, in some cases, enacted, similar data privacy and cyber and data security laws.

The California Consumer Privacy Act of 2018 ("CCPA") gives California residents certain privacy rights in the collection and disclosure of their personal information and requires businesses to make certain disclosures and take certain other acts in furtherance of those rights. Additionally, effective January 1, 2023, the California

Privacy Rights Act (the "CPRA") revised and significantly expanded the scope of the CCPA. The CPRA also created a new agency, the California Privacy Protection Agency, authorized to implement and enforce the CCPA and the CPRA. Numerous other U.S. states have passed similar privacy laws, and other states are considering such legislation.

The Gramm-Leach-Bliley Act ("GLBA") regulates, among other things, the receipt, use, disclosure, and security of non-public personal information of consumers held by "financial institutions" and applies indirectly to companies that provide services to financial institutions. As a provider of services to financial institutions, portions of our business are subject to obligations to comply with certain GLBA provisions, including limitations on the use or disclosure of the underlying data and rules relating to the technological, physical and administrative safeguarding of non-public personal information.

The Health Insurance Portability and Accountability Act of 1996, as amended by the American Recovery and Reinvestment Act of 2009 ("HIPAA") and the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and their respective implementing regulations impose specified requirements relating to the privacy, security and transmission of individually identifiable health information. Among other things, HITECH makes HIPAA's security standards directly applicable to "business associates." We function as a business associate for certain of our customers that are HIPAA-covered entities and service providers and, in that context, we are regulated as a business associate for the purposes of HIPAA.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") prohibits unfair, deceptive, or abusive acts or practices ("UDAAP") with respect to the offering of consumer financial products and services and provides the Consumer Financial Protection Bureau (the "CFPB") with authority to enforce those provisions as well as certain enumerated federal consumer financial laws. In certain circumstances, the CFPB also has examination and supervision powers with respect to service providers who provide a material service to a covered financial institution offering consumer financial products and services. Further, the CFPB has authority to issue rules designating non-depository "larger participants" in certain markets for consumer financial services and products for purposes of the CFPB's supervisory authority under the Dodd-Frank Act, which the CFPB has done for several markets including the consumer reporting market. Such designated "larger participants" are subject to reporting and on-site compliance examinations by the CFPB, which may result in increased compliance costs and potentially greater enforcement risks based on these supervisory activities. In addition, the laws and regulations issued by U.S. and foreign regulators of some of our largest financial institution customers may require them to flow down certain contractual obligations, exercise greater oversight, and perform more rigorous audits of their key service providers such as us.

The Federal Trade Commission Act (the "FTC Act") prohibits unfair methods of competition and unfair or deceptive acts or practices. Under the FTC Act, the FTC's jurisdiction includes the ability to bring enforcement actions based on the security measures we employ to safeguard the personal data of consumers. Allegations that we failed to safeguard or handle such data in a reasonable manner may subject us to regulatory scrutiny or enforcement action.

The U.S. Fair Credit Reporting Act (the "FCRA") applies to consumer reporting agencies, as well as data furnishers, and users of consumer reports such as banks and other companies, many of which are our customers. The FCRA provisions govern the accuracy, fairness and privacy of information in the files of consumer reporting agencies that engage in the practice of assembling or evaluating information relating to consumers for certain specified purposes. The FCRA limits the type of information that may be reported by consumer reporting agencies, limits the distribution and use of consumer reports, establishes consumer rights to access and dispute their own credit files, includes provisions designed to prevent identity theft and assist fraud victims, requires consumer reporting agencies to make a free annual credit report available to consumers and imposes many other requirements on consumer reporting agencies, data furnishers and users of consumer report information. These requirements can affect the manner and extent to which our customers use our products and services.

A number of states have enacted requirements similar to the FCRA. Some of these state laws impose additional, or more stringent, requirements than the FCRA, especially in connection with investigations and responses to reported inaccuracies in consumer reports. The FCRA preempts some of these state laws, but the scope of preemption continues to be defined by the courts. Various consumer credit laws and regulations in the foreign countries where we conduct business also affect the products and services we offer to our customers.

The Credit Repair Organizations Act (the "CROA") regulates companies that claim to be able to assist consumers in improving their credit standing. There have been efforts to apply the CROA to credit monitoring services offered by consumer reporting agencies and others, which may impact certain of our products and services.

Special requirements may apply to us when providing services directly or indirectly to U.S. federal, state and local government agencies. The applicable requirements depend upon the monetary value of the awarded contract, the particular government agency awarding or funding the contract, the scope of services to be delivered, and the level of access that the agency will need to provide to us to enable us to perform the contract. For example, we may need to abide by the Privacy Act of 1974, the Internal Revenue Service's Publication 4812, and the Federal Acquisition Regulation and associated supplemental contract clauses. Each of these laws, regulations and contract clauses imposes certain requirements, including measures for the protection of personal information or information that is otherwise categorized as sensitive by the government. Government agencies frequently modify or supplement these requirements, and consequences for violations of applicable requirements may include penalties, civil liability and for severe infractions, criminal liability.

There has been an increased focus on laws and regulations related to our business and the business of our customers relating to policy concerns regarding the operation of consumer reporting agencies, the use and accuracy of credit and alternative data, the costs of consumer reports and credit scores, the use of credit scores and fair lending, and the use, transparency, and fairness of algorithms, AI, and machine learning in business processes.

The European Commission has finalized the EU AI Act, which establishes requirements for the provision and use of products that leverage AI systems, including in credit scoring. The EU AI Act entered into force on August 1, 2024 and its provisions take effect between six and 36 months after that date, with most of those provisions becoming effective in 2026. Other countries, as well as the executive branch of the U.S. government and a number of U.S. states, are considering or have implemented laws, regulations, or standards applicable to AI technologies.

Additional laws and regulations in the U.S. and abroad that may affect our business and our current and prospective customers' activities include, but are not limited to, those in the following significant regulatory areas:

- Laws and regulations that limit the use of credit scoring models (e.g., state "mortgage trigger" or "inquiries" laws, state insurance restrictions on the use of credit-based insurance scores, and the E.U. Consumer Credit Directive).
- Fair lending laws (e.g., the Equal Credit Opportunity Act and Regulation B, and the Fair Housing Act) and laws and regulations that may impose requirements relating to algorithmic fairness or accountability.
- Laws and regulations related to data and cybersecurity, such as the Cybersecurity Act of 2015; the U.S. Department of Commerce's National Institute of Standards and Technology's Cybersecurity Framework; the Clarifying Lawful Overseas Use of Data Act; cyber incident notice requirements for banks and their service providers under rules and regulations issued by federal banking regulators; cybersecurity incident disclosure requirements for public companies under regulations issued by the SEC; and identity theft, file freezing, and similar state privacy laws.
- Laws and regulations related to extension of credit to consumers through the Electronic Fund Transfers Act and Regulation E, as well as non-governmental VISA and MasterCard electronic payment standards.
- Laws and regulations applicable to secondary market participants (e.g., The Federal National Mortgage Association ("Fannie Mae") and The Federal Home Loan Mortgage Corporation ("Freddie Mac")) that could have an impact on our scoring products and revenues, including 12 CFR Part 1254 (Validation and Approval of Credit Score Models) issued by the Federal Housing Finance Agency in accordance

with Section 310 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (Public Law 115-174), and any regulations, standards or criteria established pursuant to such laws or regulations, including the ongoing validation and approval of the use of the FICO® Score by Fannie Mae, Freddie Mac, and the Federal Housing Finance Agency.

- Laws and regulations applicable to our customer communication clients and their use of our products and services (e.g., the Telemarketing Sales Rule, the Telephone Consumer Protection Act, the CAN-SPAM Act, the Fair Debt Collection Practices Act, and regulations promulgated thereunder, and similar state laws and similar laws in other countries).
- Laws and regulations applicable to our insurance clients and their use of our insurance products and services.
- The application or extension of consumer protection laws, including implementing regulations (e.g., the Consumer Financial Protection Act, the Truth In Lending Act and Regulation Z, the Fair Debt Collection Practices Act and Regulation F, the Servicemembers Civil Relief Act, and the Military Lending Act, and similar state consumer protection laws).
- Laws and regulations governing the use of the Internet and social media, telemarketing, advertising, endorsements and testimonials.
- Anti-money laundering laws and regulations (e.g., the Bank Secrecy Act and the USA PATRIOT Act).
- Laws and regulations restricting transactions with sanctioned parties and regarding export controls as they apply to FICO products delivered in non-U.S. countries or to foreign nationals (e.g., Office of Foreign Asset Control sanctions and Export Administration Regulations).
- Financial regulatory standards (e.g., Sarbanes-Oxley Act requirements to maintain and verify internal process controls, including controls for material event awareness and notification).
- Laws and regulations that apply to outsourcing of services by our clients, and that set forth requirements for managing third parties (e.g., vendors, contractors, suppliers and distributors).
- Laws and regulations relating to the environmental, social and governance, or sustainability, practices of companies, including enhanced climate-related disclosure requirements from regulators, such as California’s climate disclosure rules and the E.U.’s Corporate Sustainability Reporting Directive.

We are also subject to federal and state laws that are generally applicable to any U.S. business with national or international operations, such as antitrust and unfair competition laws, the Foreign Corrupt Practices Act, the Americans with Disabilities Act, state unfair or deceptive practices acts and various employment laws.

HUMAN CAPITAL RESOURCES

Our People

As of September 30, 2025, we employed 3,811 persons across 28 countries. Of these, our largest representation included 1,335 (35%) based in the U.S., 1,506 (40%) based in India and 271 (7%) based in the U.K. Other than to the extent mandated by applicable law in certain foreign jurisdictions, none of our employees are covered by a collective bargaining agreement, and no work stoppages were experienced during fiscal 2025.

Our Board of Directors (our “Board”) and executive leadership team believe that our people are vital to our success. The Leadership Development and Compensation Committee (the “LDCC”) of our Board oversees all human capital management policies, programs, and strategies, including but not limited to those regarding talent recruitment, development, retention, succession planning, health and safety, organizational culture, employee engagement, diversity, and compensation and benefit programs. The LDCC also periodically reviews and reports to the Board with respect to succession planning for our Chief Executive Officer and other senior management positions. In addition, our Chief Human Resources Officer reports to our Board periodically on people-focused programs.

Employee Engagement

For the past decade, we have conducted quarterly workforce surveys to measure employee engagement and gain feedback and insights from our people about ways to improve the employee experience and the effectiveness of our business operations. Detailed findings from these surveys are promptly communicated to all employees, individual managers, the executive team and our Board and the findings are leveraged to drive positive organizational change. We involve designated human resources business partners and learning consultants who work with senior leaders to explore findings, identify high value actions and amplify messaging to help our people understand how survey participation can connect to positive change.

Examples of organizational changes that have been driven by the insights from these surveys include investments in expanded workforce capacity, broadened and more frequent company-wide communications, increased employee stock ownership by significantly expanding the recipients of equity-based awards and encouraging all employees to take advantage of our Employee Stock Purchase Plan, expanded benefit programs including paid parental leave, well-being, family building, childcare reimbursement and company-funded transportation programs, enhanced incentive plan funding, and expanded investments in professional development targeting leadership and technical skills, as well as initiatives to promote a culture where all employees feel welcome at work.

Our engagement scores have steadily strengthened and we have enjoyed strong workforce retention over the past year. Each of 22 engagement driver scores from our most recent surveys are at or above our external benchmark scores.

Organizational Culture

FICO is committed to building and reinforcing a culture where all employees feel welcome and where individual perspectives are valued. FICO believes that a highly talented workforce that includes people with a wide range of backgrounds, experiences and perspectives drives innovation while helping us relate to our global customer base. Our goal is to achieve this innovation and connection to our customer base through a culture that attracts the broadest talent audience possible, while always striving to select the most qualified individuals. We also believe that promoting a culture where each individual is truly valued allows our people to reach their full potential.

Our FICO Cares organization encourages our people to connect with and contribute to their community. We encourage employees to participate in volunteer activities by providing work schedule flexibility and paid Community Volunteer Leave. We also encourage and match employee cash donations and volunteer time to qualified charitable organizations through our Corporate Matching Gift Program.

Across our global workforce, as of September 30, 2025, the percentage of males and females was 67% and 33%, respectively. Looking at our U.S. workforce, as of September 30, 2025, 46% were racially/ethnically diverse employees who are members of a protected class.

Additional information on our talent programs is available on the Corporate Responsibility page of our website at *www.fico.com/en/corporate-responsibility*. Information contained on our website is not deemed part of or incorporated by reference into this Annual Report on Form 10-K.

Talent Recruitment

We leverage organizational culture as a competitive advantage in our efforts to attract people from the broadest possible talent pool. We deploy selection practices designed to ensure strong alignment between candidate qualifications and knowledge and skills needed for success in each role, and we invest in hiring manager training focused on effective selection strategies. Further, in the U.S., we detail our targeted base pay ranges on all public job postings and prohibit our recruiters from inquiring about a candidate's current level of compensation. Our focus on the professional development of our people drives the internal posting of virtually all job opportunities. And, consistent with our remarkably low undesired attrition rate, FICO has significantly strengthened its position as an employer of choice, resulting in attractive external candidate pools.

Professional Development

To support professional development, we offer a structured onboarding program with training specific to a variety of identified career paths to help new employees become rapidly engaged and productive. We have invested in building the FICO Integrated Learning Organization ("ILO"), which is led by our Chief Learning Officer. The ILO develops customized learning content for colleagues, clients and partners around the world. We deliver high quality, targeted new hire onboarding, technology and product skill training, compliance and management and leadership education through this "FICO Learning" platform. This allows our employees to obtain the knowledge and skills to effectively perform in their current roles, while also preparing them for new opportunities. We also offer financial support for degreed or certificated programs through a tuition reimbursement program.

We have defined specific career paths for all major functions in our organization so that our people understand how they can progress in their career by expanding their knowledge and skills. In doing so, our job titling system reflects both individual contributor (or technical) career tracks and people management career tracks to reinforce our philosophy that people can grow professionally in either track.

To further consistent administration, we conduct annual company-wide performance reviews supported by the use of performance rubrics for each major function. These rubrics set forth clear behavioral expectations for each function through a set of objective descriptors organized across our three levels of performance (Improvement Needed, Achieved Expectations, and Outstanding). In addition to rubrics, outcome-based goals are established for each individual based upon his/her specific role and priorities. Evaluation across both behavioral and outcome-based dimensions yields an overall performance assessment.

We define a "promotion" as an increase in pay band linked to the proven ability to be successful in the next level of responsibility. Our structured promotion process takes place twice annually with promotions to all job levels including senior job levels occurring with our year-end cycle (October/November) and promotions to lower and middle job levels taking place with our mid-year cycle (April/May). This process supports an integrated approach yielding improved consistency in promotion decisions, including that all groups are representatively recognized. Approximately 25% of our people are recognized via promotion each year.

Succession Planning

Our Board spends considerable time each year reviewing CEO and key leadership succession and development plans. These discussions include an annual dedicated review of CEO succession, as well as discussions at multiple meetings, including in executive session as needed, regarding broader key leader succession, organizational health and scenario planning in the event of unexpected leadership changes. The Board also has regular and direct exposure to senior leadership and high potential officers through formal and informal avenues throughout the year. Beyond the C-suite, we actively assess talent across the organization to optimize deployment of resources, encourage professional development, drive accountability, and identify and take actions to mitigate undesired attrition risk. At the mid-point of each fiscal year, talent assessments are performed by people managers for each team member. These assessments include a mid-year performance rating and a leadership strength rating, the combination of which yields a Talent Management Score ranging from one to nine with recommended follow-up actions associated with each score. In addition, managers identify any significant attrition risks and underlying drivers and develop related mitigation plans. Finally, for each senior leader role, managers identify potential successor candidates along with targeted development needs to encourage readiness.

For vice president-level roles, the executive team plays a central role through a process we refer to as "Session C." This process involves a detailed evaluation of each vice president incumbent using several tools including a personal biography written by the incumbent identifying key accomplishments, career growth aspirations, and champions that can articulate their contributions. In addition, managers complete a Leader Profile for each vice president incumbent highlighting key strengths, development progress over the past year, go-forward development plans, attrition risks and drivers, and succession insights. All of these materials are centrally reviewed and discussed by the executive team during a multi-day meeting. After discussing incumbent vice presidents, the executive team evaluates any proposed candidates for promotion to vice president using a combination of promotion recommendation forms prepared by the sponsoring manager, a 360-degree performance evaluation involving self-evaluation, manager evaluation, direct report evaluation, and insights gathered from key stakeholders. Candidates for vice president-level promotion are placed "on-deck" for a one- to three-year period for observation prior to any promotion decision being finalized. This approach drives high quality, consistent decisions while ensuring our highest potential candidates are properly developed and ready when promoted.

Compensation and Benefit Programs

We regularly participate in market-based compensation surveys, seek the advice of outside experts, and leverage new hire, peer equity, and unplanned attrition trend data to ensure that our base pay and incentive structures are competitive. We create a strong sense of shared purpose by having our CEO and each member of our executive leadership team participate in the same annual cash incentive bonus design as all non-sales employees across our organization.

Beyond our structured promotion cycles, all compensation actions are determined in November following the conclusion of the year-end performance review process in October. This includes promotion and market-based base pay adjustments, annual bonus awards, and long-term incentive awards. This rewards-planning cycle ensures strong linkage between performance and rewards, and it allows for centralized review and refinement of reward recommendations leading to high quality and representative decisions.

Over the course of the past decade, we've steadily and significantly expanded participation in our annual performance-based equity program from 7% to just over 33% of our workforce. In addition, we offer an Employee Stock Purchase Plan for eligible employees, which is designed to promote even broader equity participation.

We offer competitive health and welfare benefit plans with significant company subsidies to offset premiums, retirement plans with a competitive company match to encourage participation and flexible paid-time-off programs including vacation, sick time and disability time. We have paid Maternity and Parental Leave benefits totaling up to 12 weeks, and we have adopted a Well-Being Program designed to provide broad-based physical and mental health education and personal health coaching, as well as quarterly cash Wellness Awards designed to help employees fund wellness-related purchases which they find most valuable. In addition, we have a global Family Building Benefit program, which provides infertility, cryopreservation, surrogacy and adoption support services. In India, we have a Childcare Reimbursement program to assist parents of young children.

Promoting a Healthy and Safe Work Environment

We are committed to providing a safe and healthy workplace. We continuously strive to meet or exceed compliance with all laws, regulations and accepted practices pertaining to workplace safety. All employees and contractors are required to comply with established safety policies, standards, and procedures.

We foster a healthy work/life balance for our people including both remote and hybrid work location policies that provide significant flexibility surrounding work location and work schedules.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

Our executive officers as of September 30, 2025 were as follows:

Name	Positions Held	Age
William J. Lansing	January 2012–present, Chief Executive Officer and member of the Board of Directors of the Company. February 2009–November 2010, Chief Executive Officer and President, Infospace, Inc. 2004–2007, Chief Executive Officer and President, ValueVision Media, Inc. 2001–2003, General Partner, General Atlantic LLC. 2000–2001, Chief Executive Officer, NBC Internet, Inc. 1998–2000, President/ Chief Executive Officer, Fingerhut Companies, Inc. 1996–1998, Vice President, Corporate Business Development, General Electric Company. 1996, Executive Vice President, Chief Operating Officer, Prodigy, Inc. 1986–1995, various positions, McKinsey & Company, Inc.	67
Steven P. Weber	May 2023–present, Executive Vice President, Chief Financial Officer of the Company. January 2023–May 2023, Vice President, Interim Chief Financial Officer of the Company. March 2021–January 2023, Vice President, Treasurer, Tax and Investor Relations of the Company. November 2010–March 2021, Vice President of Investor Relations and Treasurer of the Company. April 2003–November 2010, various positions with the Company. September 2001–April 2003, Senior Financial Analyst, Metris Companies. 1990–2001, various positions, Foodservice News.	62
Nikhil Behl	March 2025–present, President, Software of the Company. July 2024–March 2025, Executive Vice President, Software of the Company. August 2023–July 2024, Executive Vice President, Chief Marketing Officer of the Company. April 2014–August 2023, Vice President, Chief Marketing Officer of the Company. October 2013–April 2014, Consultant to the Company. February 2012–October 2013, Chief Executive Officer of Supplizer. August 2011–January 2012, Chief Executive Officer of Zoostores.com. July 2010–August 2011, Chief Executive Officer, Mercantila Business Unit of Infospace. 2007–2010, Chief Merchandising Officer of Mercantila. 1995–June 2007, various positions, including VP Sales & Operations and VP Sales & Customer Service, Home & Home Office Store of Hewlett Packard.	51
Thomas A. Bowers	August 2020–present, Executive Vice President, Corporate Strategy of the Company. September 2019–August 2020, Vice President, Business Consulting of the Company. April 2018–September 2019, Founder and Managing Partner, M Cubed Development, LLC. August 2012–March 2018, Executive Vice President, American Savings Bank. 1987–2012, Senior partner and various positions, McKinsey & Company, Inc.	70
Richard S. Deal	November 2015–present, Executive Vice President, Chief Human Resources Officer of the Company. August 2007–November 2015, Senior Vice President, Chief Human Resources Officer of the Company. January 2001–August 2007, Vice President, Human Resources of the Company. 1998–2001, Vice President, Human Resources, Arcadia Financial, Ltd. 1993–1998, managed broad range of human resources corporate and line consulting functions with U.S. Bancorp.	58

Name	Positions Held	Age
Michael S. Leonard	November 2011–present, Vice President, Chief Accounting Officer of the Company. November 2007–November 2011, Senior Director, Finance of the Company. July 2000–November 2007, Director, Finance of the Company. 1998–2000, Controller of Natural Alternatives International, Inc. 1994–1998, various audit staff positions at KPMG LLP.	60
Mark R. Scadina	February 2009–present, Executive Vice President, General Counsel and Corporate Secretary of the Company. June 2007–February 2009, Senior Vice President, General Counsel and Corporate Secretary of the Company. 2003–2007, various senior positions including Executive Vice President, General Counsel and Corporate Secretary, Liberate Technologies, Inc. 1999–2003, various leadership positions including Vice President and General Counsel, Intertrust Technologies Corporation. 1994–1999, Associate, Pennie and Edmonds LLP.	56

Item 1A. *Risk Factors*

Business, Market and Strategy Risks

We may not be successful in executing the business strategy for our Software segment, which could cause our growth prospects and results of operations to suffer.

We have increasingly focused our Software segment's business strategy on investing significant development resources to enable substantially all of our software to run on FICO® Platform, our modular software offering designed to enable advanced analytics and decisioning use cases. This business strategy is designed to enable us to increase our business by selling multiple connectable and extensible products to clients, and to allow our clients to more easily expand their usage and the use cases they enable over time. The market may be unreceptive to our general business approach, including being unreceptive to our cloud-based offerings and unreceptive to purchasing multiple products from us. As we continue to pursue this business strategy, we may experience volatility in our Software segment's revenues and operating results caused by various factors, including the differences in revenue recognition treatment and timing between our cloud-based offerings and on-premises software licenses, the timing of investments and other expenditures necessary to develop and operate our cloud-based offerings, and the adoption of new sales, delivery and distribution methods. If this business strategy is not successful, we may not be able to grow our Software segment's business, growth may occur more slowly than we anticipate, or revenues and profits may decline.

We derive a substantial portion of our revenues from a small number of products and services, and if the market does not continue to accept these products and services, our revenues will decline.

We expect that revenues derived from our scoring solutions, fraud solutions, customer communication services, customer management solutions and decision management software will continue to account for a substantial portion of our total revenues for the foreseeable future. Our revenues will decline if the market does not continue to accept these products and services. Factors that might affect the market acceptance of these products and services include the following:

- changes in the business analytics industry;
- changes in technology, including increased use of artificial intelligence ("AI");
- our inability to obtain or use key data for our products;
- saturation or contraction of market demand;
- loss of key customers;

- industry consolidation;
- failure to successfully adopt cloud-based technologies;
- our inability to obtain regulatory approvals for our products and services, including credit score models;
- the increasing availability of free or relatively inexpensive consumer credit, credit score and other information from public or commercial sources, including those that use AI technologies;
- failure to execute our selling approach; and
- inability to successfully sell our products in new vertical markets.

Our ability to increase our revenues depends to some extent upon introducing new products and services, upon introducing enhancements and improvements to existing products and services and upon entering new markets for products and services. If we are unable to successfully develop, or if the marketplace does not accept, new, enhanced or improved products and services, or if we experience defects, failures or delays associated with the introduction of new, enhanced or improved products or services, our business could suffer serious harm.

Our revenue growth and the success of our business strategy depend upon our ability to enhance and improve existing products and services, and to continue to introduce new products and services that keep pace with technological developments, satisfy increasingly sophisticated customer requirements and achieve market acceptance. If we are unable to develop new, enhanced or improved products and services, including those that utilize AI technologies, or if we are not successful in introducing such products and services, we may not be able to grow our business or growth may occur more slowly than we anticipate. In addition, significant undetected errors or delays in new products or new versions of products may affect market acceptance of our products and could harm our business, financial condition or results of operations. In the past, we have experienced delays while developing and introducing new products and product enhancements, primarily due to difficulties developing models, acquiring data, and adapting to particular software operating environments and certain client or other systems. We have also experienced errors or "bugs" in our software products, despite testing prior to release of the products. These errors could affect the ability of our products to work with other hardware or software products, could delay the development or release of new products or new versions of products, and could adversely affect market acceptance of our products. Errors or defects in our products that are significant, or are perceived to be significant, could result in rejection of our products, damage to our reputation, loss of revenues, diversion of development resources, an increase in product liability claims, and increases in service and support costs and warranty claims. Our use of AI in the development of our products and our incorporation of AI features into some of our products could introduce errors, defects, or delays impacting our ability to successfully develop new products.

We also believe that much of the future growth of our business and the success of our business strategy may depend on our ability to continue to expand into newer markets for our products and services. Such areas are relatively new to our product development and sales and marketing personnel. Products and services that we plan to market in the future are in various stages of development. If these newer markets are not willing to adopt our products and services, either as a result of the quality of these products and services or due to other factors, such as economic conditions, our revenues may decrease.

We rely on relatively few customers, as well as our contracts with the three major consumer reporting agencies, for a significant portion of our revenues and profits. Many of our customers are significantly larger than we are and may have greater bargaining power. The businesses of our largest customers depend, in large part, on favorable macroeconomic conditions. If these customers are negatively impacted by weak global economic conditions, global economic volatility or the terms of these relationships otherwise change, our revenues and operating results could decline.

Most of our customers are relatively large enterprises, such as banks, credit card issuers, insurers, retailers, telecommunications providers, automotive lenders, consumer reporting agencies, public agencies, and organizations in other industries. As a result, many of our customers and potential customers are significantly larger than we are and may have sufficient bargaining power to demand reduced prices and favorable nonstandard terms.

In addition, the U.S. and other key international economies periodically experience downturns in which economic activity is impacted by falling demand for a variety of goods and services, increased volatility of interest rates, fluctuating rates of inflation, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, trade policies and tariffs, equity and foreign exchange markets, bankruptcies and overall uncertainty with respect to the economy. The potential for economic disruption presents considerable risks to our business, including potential bankruptcies or credit deterioration of financial institutions with which we have substantial relationships. Economic disruption could result in a decline in the sales of new products to our customers and the volume of transactions that we execute for existing customers. In addition, the volume of our Scores sales depends heavily on macroeconomic conditions, including, for example, the volume of transactions in the U.S. mortgage and credit card markets, which account for a significant portion of the revenues in our Scores segment.

We also derive a substantial portion of our Scores segment revenues and operating income from our contracts with the three major consumer reporting agencies in the U.S., Experian, TransUnion and Equifax, and other parties that distribute our products to certain markets. The loss of or a significant change in a relationship with one of the three consumer reporting agencies with respect to their distribution of our products or with respect to our myFICO® offerings, the loss of or a significant change in a relationship with a major customer, the loss of or a significant change in a relationship with a significant third-party distributor (including payment card processors), or the loss of or delay of significant revenues from these sources, could have a material adverse effect on our revenues and results of operations.

Our revenues depend, to a great extent, upon conditions in the banking (including consumer credit) industry. If our clients' industry experiences uncertainty, it will likely harm our business, financial condition or results of operations.

During fiscal 2025, 92% of our revenues were derived from sales of products and services to the banking industry. Periods of global economic uncertainty experienced in the past have produced substantial stress, volatility, illiquidity and disruption of global credit and other financial markets, resulting in the bankruptcy or acquisition of, or government assistance to, several major domestic and international financial institutions. The potential for future stress and disruptions, including in connection with geopolitical tensions, military conflicts, trade policies and tariffs, the level of inflation and the volatility of interest rates, presents considerable risks to our businesses and operations. These risks include potential bankruptcies or credit deterioration of financial institutions, many of which are our customers. Such disruption would result in a decline in the revenue we receive from financial and other institutions. In addition, if consumer demand for financial services and products and the number of credit applications decrease, the demand for our products and services could also be materially reduced. These types of disruptions could lead to a decline in the volumes of products and services we provide our customers and could negatively impact our revenue and results of operations.

While the rate of account growth in the U.S. banking industry has been slow, we have generated most of our revenue growth in the banking industry by selling and cross-selling our products and services to large banks and other credit issuers. If the banking industry experiences contraction in the number of participating institutions, we may have fewer opportunities for revenue growth due to reduced or changing demand for our products and services that support customer acquisition programs of our customers. In addition, industry contraction could affect the base of recurring revenues derived from contracts in which we are paid on a per-transaction basis as formerly separate customers combine their operations under one contract. There can be no assurance that we will be able to prevent future revenue contraction or effectively promote future revenue growth in our businesses.

While we expand our sales into international markets, the risks are greater as some of these markets have experienced and may in the future experience substantial disruption and we are less well-known in them.

If use of the FICO® Score by Fannie Mae and Freddie Mac were to cease or decline, it could have a material adverse effect on our revenues, results of operations and stock price.

A significant portion of our revenues in our Scores segment is attributable to the U.S. mortgage market, which includes, for mortgages eligible for purchase by The Federal National Mortgage Association ("Fannie Mae") and The Federal Home Loan Mortgage Corporation ("Freddie Mac"), a requirement by those enterprises that U.S. lenders provide FICO® Scores for each mortgage delivered to them. However, their continued use of the FICO Score is subject to ongoing validation and approval by those enterprises and the Federal Housing Finance Agency ("FHFA"). If other credit score models are approved for use with mortgages delivered to Fannie Mae and Freddie Mac, or the FICO Score is not approved for continued use with those mortgages, it could have a material adverse effect on our revenues, results of operations and stock price. Other changes implemented by FHFA, Fannie Mae or Freddie Mac could also affect the demand for FICO Scores and thus could have similar adverse effects on our business, including, for example, the change announced by the FHFA Director in July 2025 permitting mortgage originators to choose the credit score they submit with mortgages delivered to Fannie Mae and Freddie Mac or a potential future change permitting mortgage originators to underwrite loans using credit scores from fewer than three national consumer reporting agencies. The ability of our FICO Score to compete effectively in the U.S. mortgage market may be constrained by the pricing and other business practices of the consumer reporting agencies, which could have a material adverse effect on our revenues, results of operations and stock price.

We are subject to significant competition in the markets in which we operate, and our products and pricing strategies, and those of our competitors, could decrease our product sales and market share.

Demand for our products and services may be sensitive to product and pricing changes we implement, and our product and pricing strategies may not be accepted by the market. If our customers fail to accept our product and pricing strategies, our revenues, results of operations and business may suffer. The market for our solutions is intensely competitive and is constantly changing, and we expect competition to persist and intensify. Our regional and global competitors vary in size and in the scope of the products and services they offer, and include:

- in-house analytic and systems developers;
- developers and providers of neural networks, machine learning, and AI systems;
- fraud solutions providers;
- scoring model builders;
- providers of credit reports and credit scores, including consumer reporting agencies;
- software companies supplying predictive analytic modeling, rules, or analytic development tools;
- entity resolution and social network analysis solutions providers;
- providers of customer engagement and risk management solutions;
- providers of account workflow management software;
- business process management and decision rules management providers;
- enterprise resource planning and customer relationship management solutions providers;
- business intelligence solutions providers;
- providers of automated application processing services; and
- third-party professional services and consulting organizations.

We expect to experience additional competition from other established and emerging companies. This could include customers of ours that develop their own scoring models or other products, and as a result no longer purchase or reduce their purchases from us. We also expect to experience competition from other technologies. For example, certain of our fraud solutions products compete against other methods of preventing payment card fraud, such as cardholder verification and authentication solutions; mobile device payments and associated biometric measures on devices including fingerprint and face matching; and other card authorization and user verification techniques.

Many of our existing and anticipated competitors have greater financial, technical, marketing, professional services and other resources than we do, and industry consolidation is creating even larger competitors in many of our markets. As a result, our competitors may be able to respond more quickly to new or emerging technologies and changes in customer requirements. They may also be able to devote greater resources than we can to develop, promote and sell their products. Many of these companies have extensive customer relationships, including relationships with many of our current and potential customers. For example, Experian, TransUnion and Equifax have formed a joint venture that is selling a credit scoring product competitive with our products. Furthermore, new competitors or alliances among competitors may emerge and rapidly gain significant market share. If we are unable to respond as quickly or effectively to changes in customer requirements as our competition, our ability to expand our business and sell our products will be negatively affected.

Our competitors may be able to sell existing or new products competitive to ours at lower prices individually or as part of integrated suites of several related products. This ability may cause our customers to purchase products that directly compete with our products from our competitors, which could decrease our product sales and market share. Price reductions by our competitors could pressure us to reduce our product prices in a manner that negatively impacts our margins and could also harm our ability to obtain new long-term contracts and renewals of existing long-term contracts on favorable terms.

We rely on relationships with third parties for marketing, distribution and certain services. If we experience difficulties in these relationships, including competition from these third parties, our future revenues may be adversely affected.

Many of our products are sold by distributors or partners, and we intend to continue to market and distribute our products through these existing distributor and partner relationships, as well as invest resources to develop additional sales, distribution and marketing relationships. For example, our Scores segment relies on, among others, Experian, TransUnion and Equifax. Failure of our existing and future distributors or partners to generate significant revenues or otherwise perform their expected services or functions, demands by such distributors or partners to change the terms on which they offer our products, or our failure to establish additional distribution or sales and marketing alliances, could have a material adverse effect on our business, operating results and financial condition. In addition, certain of our distributors and partners presently compete with us and may compete with us in the future, either by developing competitive products themselves or by distributing competitive offerings. For example, Experian, TransUnion and Equifax have developed a credit scoring product to compete directly with our products and are actively selling that product. Competition from distributors or other sales and marketing partners could significantly harm sales of our products and services.

We will continue to rely upon proprietary technology rights, and if we are unable to protect them, our business could be harmed.

Our success depends, in part, upon our proprietary technology and other intellectual property rights. To date, we have relied primarily on a combination of copyright, patent, trade secret, and trademark laws, and nondisclosure and other contractual restrictions on copying and distribution, to protect our proprietary technology. This protection of our proprietary technology is limited, and our proprietary technology could be used by others without our consent. In addition, patents may not be issued with respect to our pending or future patent applications, and our patents may not be upheld as valid or may not prevent the development of competitive products. Any disclosure, loss, invalidity of, or failure to protect our intellectual property could negatively impact our competitive position, and ultimately, our business. The extent to which our intellectual property rights can be protected differs by jurisdiction, and is rapidly evolving with respect to AI technologies. There can be no assurance that our protection of our intellectual property rights in the U.S. or abroad will be adequate or that others, including our competitors, will not use our proprietary technology without our consent. Furthermore, litigation may be necessary to enforce our intellectual property rights, to protect our trade secrets, or to determine the validity and scope of the proprietary rights of others. Such litigation could result in substantial costs and diversion of resources and could harm our business, financial condition or results of operations.

Some of our technologies were developed under research projects conducted under agreements with various U.S. government agencies or subcontractors. Although we have commercial rights to these technologies, the U.S. government typically retains ownership of intellectual property rights and licenses in the technologies developed by us under these contracts, and in some cases can terminate our rights in these technologies if we fail to commercialize them on a timely basis. Under these contracts with the U.S. government, the results of research may be made public by the government, limiting our competitive advantage with respect to future products based on our research.

If we fail to keep up with rapidly changing technologies, our products could become less competitive or obsolete.

In our markets, technology changes rapidly, and there are continuous improvements in computer hardware, network operating systems, programming tools, programming languages, operating systems, database technologies, cloud-based technologies and the use of the Internet. For example, AI technologies, including generative AI, and their use are currently undergoing rapid change. If we fail to enhance our current products and develop new products in response to changes in technology or industry standards, or if we fail to bring product enhancements or new product developments to market quickly enough, our products could rapidly become less competitive or obsolete. Our future success will depend, in part, upon our ability to:

- innovate by internally developing new and competitive technologies;
- use leading third-party technologies effectively;
- continue to develop our technical expertise;
- anticipate and effectively respond to changing customer needs;
- initiate new product introductions in a way that minimizes the impact of customers delaying purchases of existing products in anticipation of new product releases; and
- influence and respond to emerging industry standards and other technological changes, including relating to AI.

Our reengineering efforts may cause our growth prospects and profitability to suffer.

As part of our management approach, we pursue ongoing reengineering efforts designed to grow revenues through strategic resource allocation and improve profitability through cost reductions. Our reengineering efforts may not be successful over the long term should we fail to reduce expenses or increase revenues to anticipated levels or at all. If our reengineering efforts are not successful over the long term, our revenues, results of operations and business may suffer.

If we are unable to access new markets or develop new sales and distribution channels, our business and growth prospects could suffer.

We expect our future growth to depend, in part, on the sale of products and service solutions in industries and markets we do not currently serve. We also expect to grow our business by delivering our solutions through additional sales and distribution channels. If we fail to penetrate these industries and markets to the degree we anticipate, or if we fail to develop additional sales and distribution channels, we may not be able to grow our business, growth may occur more slowly than we anticipate, or our revenues and profits may decline.

Our acquisition activities may disrupt our ongoing business and may involve increased expenses, and we may not realize the financial and strategic goals contemplated at the time of a transaction.

We have acquired, and may in the future acquire, companies, businesses, products, services and technologies. Acquisitions involve significant risks and uncertainties, including:

- our ongoing business may be disrupted and our management's attention may be diverted by acquisition, transition or integration activities;
- an acquisition may not further our business strategy as we expected, we may not integrate acquired operations, systems or technology as successfully as we expected or we may overpay for our investments, or otherwise not realize the expected return, which could adversely affect our business or operating results;
- we may be unable to retain the key employees, customers and other business partners of the acquired operation;
- we may have difficulties entering new markets where we have no or limited direct prior experience or where competitors may have stronger market positions;
- our operating results or financial condition may be adversely impacted by known or unknown contingent liabilities, other liabilities or claims we assume in an acquisition or that are imposed on us as a result of an acquisition, including claims by government agencies or authorities, terminated employees, current or former customers, former stockholders or other third parties;
- we could incur material charges in connection with the impairment of goodwill or other assets that we acquire;
- a company that we acquire may have experienced a security incident that it has yet to discover, investigate and remediate, may have other cybersecurity vulnerabilities, or may have unsophisticated security measures, any of which we might not identify in a timely manner and which could spread more broadly to other parts of our company during the integration effort;
- we may incur material charges as a result of acquisition costs or costs incurred in combining and/or operating the acquired business that are greater than anticipated;
- we may not realize the anticipated increase in our revenues from an acquisition for a number of reasons, including if a larger than predicted number of customers decline to renew their contracts, if we are unable to incorporate the acquired technologies or products with our existing product lines in a uniform manner, if we are unable to sell the acquired products to our customer base or if contract models of an acquired company or changes in accounting treatment do not allow us to recognize revenues on a timely basis;
- our use of cash to pay for acquisitions may limit other potential uses of our cash, including stock repurchases, and retirement of outstanding indebtedness; and
- to the extent we issue a significant amount of equity securities in connection with future acquisitions, existing stockholders may be diluted and earnings per share may decrease.

Because acquisitions are inherently risky, our transactions may not be successful and may have a material adverse effect on our business, results of operations, financial condition or cash flows. Acquisitions of businesses having a significant presence outside the U.S. will increase our exposure to the risks of conducting operations in international markets.

There can be no assurance that strategic divestitures will provide business benefits.

As part of our strategy, we continuously evaluate our portfolio of businesses. As a result of these reviews, we have made decisions to divest certain products and lines of business, and we may do so again in the future. These divestitures involve risks, including:

- disruption of our operations or businesses;
- reductions of our revenues or earnings per share;
- difficulties in the separation of operations, services, products and personnel;
- failure to effectively transfer liabilities, contracts, facilities and employees to a purchaser;
- divestiture terms that contain potential future purchase price adjustments or require that assets or liabilities be divested, managed or run off separately;
- diversion of management's attention from our other businesses;
- the potential loss of key personnel;
- adverse effects on relationships with our customers, suppliers or their businesses;
- the erosion of employee morale or customer confidence; and
- the retention of contingent liabilities and the possibility that we will become subject to third-party claims related to the divested business.

If we do not successfully manage the risks associated with divestitures, our business, financial condition, and results of operations could be adversely affected as the potential strategic benefits may not be realized or may take longer to realize than expected.

Our revenues, results of operations and overall financial performance may be negatively impacted by health epidemics or other disease outbreaks.

Our customers, and therefore our business and revenues, are sensitive to negative changes in general economic conditions and lending activities. Health epidemics or disease outbreaks could impact the rate of spending on our solutions and could adversely affect our customers' ability or willingness to purchase our products and services, cause prospective customers to change product selections or term commitments, delay or cancel their purchasing decisions, extend sales cycles, and potentially increase payment defaults, all of which could adversely affect our future revenues, results of operations and overall financial performance.

Operational Risks

If our cybersecurity measures are compromised or unauthorized access to customer or consumer data is otherwise obtained, our products and services may be perceived as not being secure, customers may curtail or cease their use of our products and services, our reputation may be damaged and we could incur significant liabilities.

Because our business requires the storage, transmission and utilization of sensitive consumer and customer information, we will continue to routinely be the target of attempted cybersecurity and other security threats by technically sophisticated and well-resourced outside third parties, among others, attempting to access or steal the data we store. Many of our products are provided by us through the Internet. We are exposed to additional cybersecurity threats as we continue to migrate our software solutions and data from our legacy systems to cloud-based solutions. We operate in an environment of significant risk of cybersecurity incidents resulting from unintentional events or deliberate attacks by third parties or insiders, which may involve exploiting security vulnerabilities or sophisticated attack methods. These threats include social engineering attacks, phishing attacks and other cyber-attacks, including state-sponsored cyber-attacks, industrial espionage, insider threats, denial-of-service attacks, computer viruses, ransomware and other malware, payment fraud or other cyber incidents. As a software and technology vendor, we may incorporate or distribute software or other materials from third parties. Attacks or other threats to our supply chain for such software and materials may render us unable to provide assurances of the origin of such software and materials, and could put us at risk of distributing software or other materials that may cause harm to ourselves, our customers or other third parties. In addition, increased attention on and use of AI increases the risk of cyber-attacks and data breaches, which can occur more quickly and evolve more rapidly when AI is used. Further, use of AI by our employees, whether authorized or unauthorized, increases the risk that our intellectual property and other proprietary information will be unintentionally disclosed.

Cybersecurity breaches, including those that impact our third-party vendors and other security providers, could expose us to a risk of loss, the unauthorized disclosure of consumer or customer information, significant litigation, regulatory fines, penalties, loss of customers or reputational damage, indemnity obligations and other liability. There is no assurance that the programs, technologies and processes that we have put in place in an effort to maintain the security and protection of our non-public information and that of our customers will be fully implemented, complied with or effective. If our cybersecurity measures are breached as a result of third-party action, employee error, malfeasance or otherwise, and as a result, someone obtains unauthorized access to our systems or to consumer or customer information, sensitive data may be accessed, stolen, disclosed or lost, our reputation may be damaged, our business may suffer and we could incur significant liability. Because the techniques used to obtain unauthorized access, disable or degrade service or to sabotage systems change frequently and generally are not recognized until launched against a target, or even for some time after, we may be unable to anticipate these techniques, implement adequate preventative measures or remediate any intrusion on a timely or effective basis. Because a successful breach of our computer systems, software, networks or other technology asset could occur and persist for an extended period of time before being detected, we may not be able to immediately address the consequences of a cybersecurity incident.

Malicious third parties may also conduct attacks designed to temporarily deny customers, distributors and vendors access to our systems and services, and may demand payment by us in order to restore access. Cybersecurity breaches experienced by our vendors, by our distributors, by our customers, by companies that we acquire, or by us may trigger governmental notice requirements and public disclosures, which may lead to widespread negative publicity, statutory damages, and lawsuits filed by individuals impacted by cybersecurity breaches under privacy and cybersecurity statutes that create rights of action. We may also be affected by cybersecurity breaches experienced by customers who use our products on-premises, and those breaches may occur due to factors not under our control, including a customer's failure to timely install updates and fixes to our products, vulnerabilities in a customer's own cybersecurity measures, and other factors. Any cybersecurity breach, whether actual or perceived, could harm our reputation, erode customer confidence in the effectiveness of our security measures, negatively impact our ability to attract new customers, cause existing customers to curtail or cease their use of our products and services, cause regulatory or industry changes that impact our products and services, or subject us to third-party lawsuits, regulatory fines or other action or liability, all of which could materially and adversely affect our business and operating results.

If we experience business interruptions or failure of our information technology and communication systems, the availability of our products and services could be interrupted which could adversely affect our reputation, business and financial condition.

Our ability to provide reliable products and services to our customers depends on the efficient and uninterrupted operation of our and our external service providers' data centers, information technology and communication systems. Any disruption of or interference with our use of data centers, information technology or communication systems of our external service providers would adversely affect our operations and our business. As we continue to grow our Software segment's business, our dependency on the continuing operation and availability of these systems increases. Our systems and data centers, and those of our external service providers, could be exposed to damage or interruption. These interruptions can include software or hardware malfunctions, communication failures, outages or other failures of third-party environments or service providers, or be due to defective updates, fires, floods, earthquakes, pandemics, war, terrorist acts or civil unrest, power losses, equipment failures, supply chain disruptions, computer viruses, denial-of-service or other cybersecurity attacks, employee or insider malfeasance, human error and other events beyond our control. Any steps that we or our external service providers have taken to prevent or reduce disruption may not be sufficient to prevent an interruption of services and disaster recovery planning may not account for all eventualities.

An operational failure or outage in any of these systems, or damage to or destruction of these systems, which causes disruptions in our services, could result in loss of customers, damage to customer relationships, reduced revenues and profits, refunds of customer charges and damage to our brand and reputation and may require us to incur substantial additional expense to repair or replace damaged equipment and recover data loss caused by the interruption. Any one or more of the foregoing occurrences could have a material adverse effect on our reputation, business, financial condition, cash flows and results of operations.

The failure to obtain certain forms of data from our customers or others for our use in product development could harm our business.

Our business requires that we develop or obtain a reliable source of sufficient amounts of current and statistically relevant data to analyze transactions and update some of our products. In most cases, this data must be periodically updated and refreshed to enable our products to continue to work effectively in a changing environment. We do not own or control much of the data that we require, most of which is collected privately and maintained in proprietary databases. Customers and key business partners provide us with the data we require to analyze transactions, report results and build new models. Our business strategy depends in part upon our ability to access new forms of data to develop custom and proprietary analytic tools. If we fail to maintain sufficient data sourcing relationships with our customers and business partners, or if they decline to provide such data due to privacy, security, competitive concerns, regulatory concerns, or prohibitions or a lack of permission from their customers or partners, we could lose access to required data and our products. If this were to happen, our development of new products might become less effective. We could also become subject to increased legislative, regulatory or judicial restrictions or mandates on the collection, disclosure, transfer or use of such data, in particular if such data is not collected by our providers in a way that allows us to legally use the data. Third parties have asserted copyright and other intellectual property interests in this data, and these assertions, if successful, could prevent us from using this data. We may not be successful in maintaining our relationships with these external data source providers or in continuing to obtain data from them on acceptable terms or at all. Any interruption of our supply of data could seriously harm our business, financial condition or results of operations.

The failure to recruit and retain qualified personnel could hinder our ability to successfully manage our business.

Our business strategy and our future success will depend in large part on our ability to attract and retain experienced sales, consulting, research and development, marketing, technical support and management personnel. The labor market for these individuals, particularly in the complex disciplines of enterprise platform sales, software engineering, data science, AI and cybersecurity, is very competitive due to the limited number of people available with the necessary skills and understanding to build, sell and support our complex products and it may become more competitive with general market growth. We cannot be certain that our compensation strategies will be perceived as competitive by current or prospective employees. This and other competitive factors could impair our ability to recruit and retain personnel. We have experienced past difficulty in recruiting and retaining qualified personnel, especially in these intensely competitive and technical skill areas, and we may experience future difficulty in recruiting and retaining such personnel, at a time when we may need additional staff to support expanded research and development efforts, new customers and/or increased customer needs. We may also recruit skilled technical professionals from other countries to work in the U.S., and from the U.S. and other countries to work abroad. Limitations imposed by current and changing immigration laws in the U.S. and abroad and the availability of visas in the countries where we do business could hinder our ability to attract and retain necessary qualified personnel and harm our business and future operating results. There is a risk that even if we invest significant resources in attempting to attract, train and retain qualified personnel, we will not succeed in our efforts, and our business could be harmed. The failure of the value of our stock to appreciate may adversely affect our ability to use equity and equity-based incentive plans to attract and retain personnel, and may require us to use alternative forms of compensation for this purpose.

Legal, Regulatory and Compliance Risks

Increased regulatory focus on U.S. residential mortgage closing costs may affect our ability to implement price changes for FICO® Scores used in mortgage originations and thus limit the revenues and profitability of the FICO Score. If new laws, regulations or other governmental action affecting the FICO Score or our other products, services and solutions are implemented or carried out, it could adversely affect our business and results of operations.

There has been increased regulatory focus in the U.S. related to the transparency and fairness of certain fees charged to consumers in connection with the closing of a residential mortgage loan, including fees for credit reports and credit scores. If new laws, regulations or other governmental action limit the fees that can be charged for credit scores by us, consumer reporting agencies, or end users of our FICO® Scores, or that place other restrictions on the sale or distribution of credit scores, our ability in the future to increase pricing for FICO Scores used in mortgage originations may be impacted and thus the revenues and profitability of the FICO Score may be adversely affected and the growth of our Scores business may be constrained.

There has also been increased focus more broadly on laws and regulations in the U.S. related to our business and the business of consumer reporting agencies, including by U.S. state and federal regulators, relating to policy concerns with regard to the operation of consumer reporting agencies, the sale and distribution of credit scores and credit reports, the use and accuracy of credit and alternative data, the use of credit scores and fair lending, and the use, transparency, and fairness of algorithms, AI, and machine learning in business processes. The costs and other burdens of compliance with such laws and regulations, and with new or revised laws and regulations that may be implemented addressing these topics, could negatively impact the use and adoption of our solutions, reduce overall demand for them, and harm our business, financial condition or results of operations.

Laws and regulations in the U.S. and abroad that apply to us and/or to our customers may expose us to liability, cause us to incur significant expense, affect our ability to compete in certain markets, limit the profitability of or demand for our products, or render our products obsolete. If these laws and regulations require us to change our products and services, it could adversely affect our business and results of operations. New legislation or regulations, or changes to existing laws and regulations, may also negatively impact our business and increase our costs of doing business.

Laws and governmental regulation affect how our business is conducted and, in some cases, subject us to the possibility of government supervision or enforcement and future lawsuits arising from our products and services. Laws and governmental regulations also influence our current and prospective customers' activities, as well as their expectations and needs in relation to our products and services, and may require them to flow down certain contractual obligations, exercise greater oversight, and perform more rigorous audits of their key service providers such as us. Laws and regulations in the U.S. and abroad that may affect our business and/or our current and prospective customers' activities include, but are not limited to, those in the following significant regulatory areas:

- Privacy and security laws and regulations that limit the use and disclosure, require security procedures, or otherwise apply to the collection, processing, storage, use and transfer of personal data of individuals (e.g., the U.S. Financial Services Modernization Act of 1999, also known as the Gramm Leach Bliley Act; identity theft, file freezing, security breach notification and similar state privacy laws; and the data protection laws of other countries such as the General Data Protection Regulation (the "GDPR") in the European Union ("E.U.") and the United Kingdom ("U.K."));
- Laws and regulations relating to the privacy, security and transmission of protected health information of individuals, including the Health Insurance Portability and Accountability Act of 1996, as amended

by the American Recovery and Reinvestment Act of 2009 (“HIPAA”) and the Health Information Technology for Economic and Clinical Health Act (“HITECH”) and their respective implementing regulations;

- Financial regulatory reform stemming from the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the many regulations mandated by that Act, including regulations issued by, and the supervisory and investigative authority of, the Consumer Financial Protection Bureau (“CFPB”) with respect to enumerated federal consumer financial laws and unfair, deceptive, or abusive acts or practices (“UDAAP”);
- The application or extension of consumer protection laws, including implementing regulations (e.g., the Consumer Financial Protection Act, the Federal Trade Commission Act, the Truth In Lending Act and Regulation Z, the Fair Debt Collection Practices Act and Regulation F, the Servicemembers Civil Relief Act, the Military Lending Act, and the Credit Repair Organizations Act, and similar state consumer protection laws);
- Use of data by creditors and consumer reporting agencies (e.g., the U.S. Fair Credit Reporting Act and similar state laws);
- Special requirements that may apply when we provide products or services directly or indirectly to U.S. federal, state and local government agencies (e.g., the Privacy Act of 1974, the Internal Revenue Service’s Publication 4812, and the Federal Acquisition Regulation);
- Laws and regulations that limit the use of credit scoring models (e.g., state “mortgage trigger” or “inquiries” laws, state insurance restrictions on the use of credit-based insurance scores, and the E.U. Consumer Credit Directive);
- Fair lending laws (e.g., the Equal Credit Opportunity Act and Regulation B, and the Fair Housing Act) and laws and regulations that may impose requirements relating to algorithmic fairness or accountability;
- Data and cybersecurity laws and regulations, including: the Cybersecurity Act of 2015; the U.S. Department of Commerce’s National Institute of Standards and Technology’s Cybersecurity Framework; the Clarifying Lawful Overseas Use of Data Act; cyber incident notice requirements for banks and their service providers under rules and regulations issued by federal banking regulators; cybersecurity incident disclosure requirements for public companies under regulations issued by the SEC; and identity theft, file freezing, and similar state privacy laws;
- Laws and regulations related to extension of credit to consumers through the Electronic Fund Transfers Act and Regulation E, as well as non-governmental VISA and MasterCard electronic payment standards;
- Laws and regulations applicable to secondary market participants (e.g., Fannie Mae and Freddie Mac) that could have an impact on our scoring products and revenues, including 12 CFR Part 1254 (Validation and Approval of Credit Score Models) issued by the FHFA in accordance with Section 310 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (Public Law 115-174), and any regulations, standards or criteria established pursuant to such laws or regulations, including the ongoing validation and approval of the use of the FICO® Score by Fannie Mae, Freddie Mac, and the FHFA;
- Laws and regulations applicable to our customer communication clients and their use of our products and services (e.g., the Telemarketing Sales Rule, Telephone Consumer Protection Act, the CAN-SPAM Act, the Fair Debt Collection Practices Act, and regulations promulgated thereunder, and similar state laws and similar laws in other countries);
- Laws and regulations applicable to our insurance clients and their use of our insurance products and services;
- Laws and regulations governing the use of the Internet and social media, telemarketing, advertising, endorsements and testimonials;

- Antitrust and unfair competition laws;
- Anti-money laundering laws and regulations (e.g., the Bank Secrecy Act and the USA PATRIOT Act);
- Laws and regulations restricting transactions with sanctioned parties and regarding export controls as they apply to FICO products delivered in non-U.S. countries or to foreign nationals (e.g., Office of Foreign Asset Control sanctions and Export Administration Regulations);
- Anti-bribery and corruption laws and regulations (e.g., the Foreign Corrupt Practices Act and the UK Bribery Act 2010);
- Financial regulatory standards (e.g., Sarbanes-Oxley Act requirements to maintain and verify internal process controls, including controls for material event awareness and notification);
- Laws and regulations that apply to outsourcing of services by our clients, and that set forth requirements for managing third parties (e.g., vendors, contractors, suppliers and distributors); and
- Laws and regulations relating to the environmental, social and sustainability practices of companies, including enhanced climate-related disclosure requirements from regulators, such as California's climate disclosure rules and the E.U.'s Corporate Sustainability Reporting Directive.

Many U.S. and foreign jurisdictions have passed, or are currently contemplating, a variety of consumer protection, data privacy, and cyber and data security laws and regulations that may relate to our business or the business of our customers or affect the demand for our products and services. For example, the GDPR in the E.U. and the U.K. imposes strict obligations and restrictions on the collection and use of E.U. and U.K. personal data, and also on the transfer of such data to countries that have not been determined by the E.U. or the U.K. to provide adequate data privacy protections, unless there are additional approved transfer safeguards in place (such as the use of "standard contractual clauses" and the performance of appropriate data transfer impact assessments). Our implementation of processes to meet such requirements for affected data flows may involve additional compliance costs associated with maintaining appropriate regulatory certifications, performing any necessary assessments, engaging in contract negotiations with third parties and implementing approved standard contractual clauses, and/or (if appropriate) localizing certain data processing activities. Furthermore, such data transfer restrictions, which may involve interpretive issues, may have an adverse impact on cross-border transfers of personal data and may subject us and our customers to additional scrutiny from E.U. or U.K. data protection authorities.

Numerous other countries have introduced and, in some cases, enacted, similar data privacy and cyber and data security laws.

The California Consumer Privacy Act of 2018 ("CCPA") gives California residents certain privacy rights in the collection and disclosure of their personal information and requires businesses to make certain disclosures and take certain other acts in furtherance of those rights. Additionally, effective January 1, 2023, the California Privacy Rights Act (the "CPRA") revised and significantly expanded the scope of the CCPA. The CPRA also created a new agency, the California Privacy Protection Agency, authorized to implement and enforce the CCPA and the CPRA. Numerous other U.S. states have passed similar privacy laws, and other states are considering such legislation.

The European Commission has finalized the EU AI Act, which establishes requirements for the provision and use of products that leverage AI systems, including in credit scoring. The EU AI Act entered into force on August 1, 2024, and its provisions take effect between six and 36 months after that date, with most of those provisions becoming effective in 2026. Other countries, as well as the executive branch of the U.S. government and a number of U.S. states, are considering or have implemented laws, regulations or standards applicable to the provision and use of AI technologies.

The costs and other burdens of compliance with such laws and regulations, along with the potential for increased regulatory actions, could negatively impact the use and adoption of our solutions and reduce overall demand for them. Additionally, concerns regarding data privacy and cyber and data security may cause our customers, or their customers and potential customers, to resist providing the data necessary to allow us to deliver our solutions effectively. Even the perception that the privacy or security of personal information is not satisfactorily protected or does not meet regulatory requirements could inhibit sales of our solutions and any failure to comply with such laws and regulations could lead to significant fines, penalties or other liabilities. Any such decrease in demand or incurred fines, penalties or other liabilities could have a material adverse effect on our business, results of operations, and financial condition.

In addition to existing laws and regulations, changes in the U.S. or foreign legislative, judicial, regulatory or consumer environments could harm our business, financial condition or results of operations. The laws and regulations above, and changes to them or their interpretation by the courts, could affect the demand for or profitability of our products, including scoring and consumer products. New laws and regulations pertaining to our customers could cause them to pursue new strategies, reducing the demand for our products. We expect there will continue to be an increased focus on laws and regulations related to our business and/or the business of our clients, including with regard to the operation of consumer reporting agencies, the collection, use, accuracy, correction and sharing of personal information, credit scoring, the use of AI and machine learning, and algorithmic accountability and fair lending.

If we are subject to infringement claims, it could harm our business.

Products in the industry segments in which we compete, including software products, are often subject to claims of patent and other intellectual property infringement, and such claims could increase as the number of products and competitors in our industry segments grow. We may need to defend claims that our products infringe intellectual property rights, and as a result we may:

- incur significant defense costs or substantial damages;
- be required to cease the use or sale of infringing products;
- expend significant resources to develop or license a substitute non-infringing technology;
- discontinue the use of some technology; or
- be required to obtain a license under the intellectual property rights of the third-party claiming infringement, which license may not be available or might require substantial royalties or license fees that would reduce our margins.

Moreover, in recent years, individuals and groups that are non-practicing entities, commonly referred to as "patent trolls," have purchased patents and other intellectual property assets for the purpose of making claims of infringement in order to extract settlements. From time to time, we may receive threatening letters or notices or may be the subject of claims that our solutions and underlying technology infringe or violate the intellectual property rights of others. Responding to such claims, regardless of their merit, can be time consuming, costly to defend in litigation, divert management's attention and resources, damage our reputation and brand, and cause us to incur significant expenses.

Global Operational Risks

In operations outside the U.S., we are subject to additional risks that may harm our business, financial condition or results of operations.

A large portion of our revenues is derived from international sales. During fiscal 2025, 23% of our revenues were derived from business outside the U.S. As part of our growth strategy, we plan to continue to pursue opportunities outside the U.S., including opportunities in countries with economic systems that are in early stages of development and that may not mature sufficiently to result in growth for our business. Accordingly, our future operating results could be negatively affected by a variety of factors arising out of international commerce, some of which are beyond our control. These factors include:

- general economic and political conditions in countries where we sell our products and services;
- difficulty in staffing and efficiently managing our operations in multiple geographic locations and in various countries;
- effects of a variety of foreign laws and regulations, including restrictions on access to personal information;
- data privacy and consumer protection laws and regulations;
- import and export licensing requirements;
- longer payment cycles;
- difficulties in enforcing contracts and collecting accounts receivable;
- reduced protection for intellectual property rights;
- currency fluctuations;
- unfavorable tax rules;
- changes in tariffs and other trade barriers;
- the presence and acceptance of varying levels of business corruption in international markets;
- geopolitical tensions, instability, terrorism, and military conflicts;
- natural disasters and pandemics, including individual countries' reactions to them; and
- difficulties and delays in translating products and related documentation into foreign languages.

There can be no assurance that we will be able to successfully address each of these challenges. Additionally, some of our business is and will be conducted in currencies other than the U.S. dollar. Substantial movements in foreign exchange rates relative to the dollar could adversely impact our cash flows, results of operations and financial position.

In addition to the risk of depending on international sales, we have risks incurred in having research and development personnel located in various international locations. We currently have a substantial portion of our product development staff in international locations, some of which have political and developmental risks. For example, approximately one-third of our workforce is located in India, which could be negatively impacted by heightened tensions between India and Pakistan. If any of such risks materialize, our business could be damaged.

Material adverse developments in global economic conditions, or the occurrence of certain other world events, could affect demand for our products and services and harm our business.

Purchases of technology products and services and decisioning solutions are subject to adverse economic conditions. When an economy is struggling, companies in many industries delay or reduce technology purchases, and we experience softened demand for our decisioning solutions and other products and services. Global economic uncertainty has produced, and continues to produce, substantial stress, volatility, illiquidity and disruption of global credit and other financial markets. Various factors contribute to the uncertain economic environment, including geopolitical tensions, military conflicts, the level and volatility of interest rates, the level of inflation, an actual recession or fears of a recession, trade policies and tariffs, and political and governmental instability.

Economic uncertainty has and could continue to negatively affect the businesses and purchasing decisions of companies in the industries we serve. Such disruptions present considerable risks to our businesses and operations. As global economic conditions experience stress and negative volatility, including any stress or negative volatility related to the imposition of, and threatened imposition of, tariffs and retaliatory tariffs, economic sanctions and increased trade tensions or if there is an escalation in regional or global conflicts, or terrorism, we will likely experience reductions in the number of available customers and in capital expenditures by our remaining customers, longer sales cycles, deferral or delay of purchase commitments for our products and increased price competition, which may adversely affect our business, results of operations and liquidity.

As a result of these conditions, risks and uncertainties, we may need to modify our strategies, businesses or operations, and we may incur additional costs in order to compete in a changed business environment. Given the volatile nature of the global economic environment and the uncertainties underlying efforts to stabilize it, we may not timely anticipate or manage existing, new or additional risks, as well as contingencies or developments, which may include regulatory developments and trends in new products and services. Our failure to do so could materially and adversely affect our business, financial condition, results of operations and prospects.

Financial Risks

Our products have long and variable sales cycles. If we do not accurately predict these cycles, we may not forecast our financial results accurately, and our stock price could be adversely affected.

In our Software segment, the length of our sales cycles makes it difficult for us to predict the quarter in which sales will occur. In addition, our selling approach is complex as we look to sell multiple products and services across our customers' organizations. This makes forecasting of revenues in any given period more difficult. For example, the sales cycle of our products can extend to greater than a year and as a result, revenues and operating results may vary significantly from period to period. Customers are often cautious in making decisions to acquire our products because purchasing our products typically involves a significant commitment of capital and may involve shifts by the customer to a new software and/or hardware platform or changes in the customer's operational procedures. This may cause customers, particularly those experiencing financial stress, to make purchasing decisions more cautiously. Delays in completing sales can arise while customers complete their internal procedures to approve large capital expenditures and test and accept our applications. Consequently, we face difficulty predicting the quarter in which sales to expected customers will occur and experience fluctuations in our revenues and operating results.

In our Scores segment, a majority of our revenues come from the sale of our Scores through partners. We have limited visibility on those sales until we receive royalty reports from those partners at the end of each billing period. Furthermore, the volume of our Scores sales depends heavily on macroeconomic conditions that are hard to forecast, including, for example, the volume of transactions in the U.S. mortgage and credit card markets, which account for a significant portion of the revenues in our Scores segment.

If we are unable to accurately forecast our revenues, our ability to plan, budget or provide accurate guidance could be limited, and our stock price could be adversely affected.

Our financial results and key metrics fluctuate within each quarter and from quarter to quarter, making our future revenue, annual recurring revenue ("ARR"), and financial results difficult to predict, which may cause us to miss analyst expectations and may cause the price of our common stock to decline.

Our quarterly financial results and key metrics have fluctuated in the past and will continue to do so in the future, and therefore period-to-period comparisons should not be relied upon as an indication of future performance. These fluctuations could cause our stock price to change significantly or experience declines. We also may provide investors with quarterly and annual financial forward-looking guidance that could prove to be inaccurate as a result of these fluctuations and other factors. In addition to the other risks described in these risk factors, some of the factors that could cause our financial results and key metrics to fluctuate include:

- variability in demand from our existing customers;

- the lengthy and variable sales cycle of many products, combined with the relatively large size of orders for our products, increases the likelihood of short-term fluctuation in revenues;
- consumer or customer dissatisfaction with, or problems caused by, the performance of our products;
- the timing of new product announcements and introductions in comparison with our competitors;
- the level of our operating expenses;
- changes in demand and competitive and other conditions in the consumer credit, banking and insurance industries;
- the level and volatility of interest rates and the level of inflation;
- fluctuations in domestic and international economic conditions;
- our ability to complete large installations, and to adopt and configure cloud-based deployments, on schedule and within budget;
- announcements relating to litigation or regulatory matters;
- changes in senior management or key personnel;
- acquisition-related expenses and charges; and
- timing of orders for and deliveries of software systems.

Our operating expenses are based in part on our expectations for future revenue and many are fixed and cannot be quickly adjusted as revenue changes. Accordingly, any revenue shortfall below expectations has had, and in the future could have, an immediate and significant adverse effect on our operating results and profitability. Greater than anticipated expenses or a failure to maintain rigorous cost controls would also negatively affect profitability.

General Risk Factors

Our stock price has been subject to fluctuations, and will likely continue to be subject to fluctuations, or may decline, regardless of our operating performance.

Our stock price has been subject to fluctuations due to a number of factors, including variations in our revenues and operating results. The financial markets have at various times experienced significant price and volume fluctuations that have particularly affected the stock prices of many technology companies and financial services companies, and these fluctuations sometimes have been unrelated to the operating performance of these companies. Broad market fluctuations, as well as industry-specific and general economic conditions, may negatively affect our business and require us to record an impairment charge related to goodwill, which could adversely affect our results of operations, stock price and business.

If we experience changes in tax laws or adverse outcomes resulting from examination of our income tax returns, it could adversely affect our results of operations.

We are subject to federal and state income taxes in the U.S. and in certain foreign jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes. Our future effective tax rates could be adversely affected by changes in tax laws, by our ability to generate taxable income in foreign jurisdictions in order to utilize foreign tax losses, and by the valuation of our deferred tax assets. In addition, we are subject to the examination of our income tax returns by the Internal Revenue Service and other tax authorities. We regularly assess the likelihood of adverse outcomes resulting from such examinations to determine the adequacy of our provision for income taxes. There can be no assurance that the outcomes from such examinations will not have an adverse effect on our operating results and financial condition.

Our anti-takeover defenses could make it difficult for another company to acquire control of FICO, thereby limiting the demand for our securities by certain types of purchasers or the price investors are willing to pay for our stock.

Certain provisions of our Restated Certificate of Incorporation, as amended, could make a merger, tender offer or proxy contest involving us difficult, even if such events would be beneficial to the interests of our stockholders. These provisions include giving our Board the ability to issue preferred stock and determine the rights and designations of the preferred stock at any time without stockholder approval. The rights of the holders of our common stock will be subject to, and may be adversely affected by, the rights of the holders of any preferred stock that may be issued in the future. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could have the effect of making it more difficult for a third-party to acquire, or discouraging a third-party from acquiring, a majority of our outstanding voting stock. These factors and certain provisions of the Delaware General Corporation Law may have the effect of deterring hostile takeovers or otherwise delaying or preventing changes in control or changes in our management, including transactions in which our stockholders might otherwise receive a premium over the fair market value of our common stock.

Item 1B. *Unresolved Staff Comments*

Not applicable.

Item 1C. *Cybersecurity*

Cybersecurity Risk Management and Strategy

We recognize the importance of assessing, identifying, and managing material risks associated with cybersecurity threats, as such term is defined in Item 106(a) of Regulation S-K. These risks include, among other things: operational risks, intellectual property theft, fraud, extortion, harm to employees or customers and violation of data privacy or security laws.

Identifying and assessing cybersecurity risk is integrated into our overall risk management systems and processes. Cybersecurity risks related to our business, technical operations, privacy and compliance issues are identified and managed through a multi-faceted approach including third-party assessments, internal IT Audit, IT security, governance, risk and compliance reviews. To defend, detect and respond to cybersecurity incidents, we, among other things: conduct proactive privacy and cybersecurity reviews of systems and applications, audit applicable data policies, perform penetration testing using external third-party tools and techniques to test security controls, conduct employee training, monitor emerging laws and regulations related to data protection and information security (including our consumer products) and implement appropriate changes.

We employ an experienced team of cybersecurity professionals with a variety of backgrounds. We seek to address material cybersecurity risks through a company-wide approach that assesses, ranks and prioritizes cybersecurity threats, vulnerabilities and issues as they are identified to maintain the confidentiality, integrity and availability of our information systems and the information that we collect and store. The Company's cybersecurity policies, standards, processes and practices are informed by recognized frameworks established by the National Institute of Standards and Technology, the International Organization for Standardization and an array of other applicable standards-setting bodies, which are integrated into a broader risk management framework and related processes. We also hold various security-related industry certifications and attestations that have been validated by external auditors, including: SOC 1, SOC 2 Type II, ISO 27001, CSA STAR Level 2, PCI-DSS and others.

Leveraging threat intelligence and other signals, the Company undergoes periodic testing, audits and reviews of its policies, standards, processes and practices to identify, assess and address cybersecurity risks and events. The Company also undergoes routine internal and external penetration testing. The results of such tests and assessments are evaluated by management and periodically reported to the Audit Committee. The Company further adjusts its cybersecurity policies, standards, processes and practices based on these results. The Company also makes available to clients attestations of its various certifications, audits, and penetration tests.

We have not identified any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected, or are reasonably likely to materially affect, the Company, including its business strategy, results of operations, or financial condition. However, we face ongoing and increasing cybersecurity risks, including from bad actors that are becoming more sophisticated and effective over time, as well as a result of potential defects or disruptions in our or our customers' services. Additional information on the cybersecurity risks that could materially affect us is discussed in Part I, Item 1A, "Risk Factors."

Management Oversight and Governance

The Company's Chief Information Security Officer ("CISO"), who reports to the President, Software, is responsible for the design and implementation of our security program and strategy based on the mandate provided by the Board and senior management. The CISO has extensive experience in the management of cybersecurity risk management programs, having served in various leadership roles in information technology and information security for over 20 years, including serving as the Chief Security Officer of two other large public technology companies. We believe the Company's business leaders have the appropriate expertise, background and depth of experience to manage risks arising from cybersecurity threats.

The CISO, in coordination with other members of senior management, works collaboratively across the Company to implement a program designed to protect the Company's information systems from cybersecurity threats and to promptly respond to cybersecurity incidents in accordance with the Company's incident response and recovery plans. To facilitate the success of the Company's cybersecurity program, cross-functional teams throughout the Company are tasked with addressing cybersecurity threats and responding to cybersecurity incidents. Through ongoing communications with these teams, the CISO and senior management are informed promptly about, and monitor the prevention, detection, investigation, mitigation and remediation of, cybersecurity threats. These teams are expected to operate pursuant to documented plans and playbooks that include processes for escalation of incidents to leadership and to the Audit Committee and the Board, as appropriate, based on the severity level of an incident. In addition, the Company periodically consults with outside advisors and experts to assist with assessing, identifying and managing cybersecurity risks, including to anticipate future threats and trends, and their impact on the Company's risk management environment.

Specifically, management implements the Company's cybersecurity and risk management strategy across several areas:

- *Identification and Reporting*. The Company has implemented a robust, cross-functional approach to identifying, assessing and managing cybersecurity threats and risks. The Company's program includes controls and procedures designed to properly identify, classify, and escalate cybersecurity risks to provide management with visibility and prioritization of risk mitigation efforts and to publicly report material cybersecurity incidents if and when appropriate.
- *Threat Intelligence*. The Company maintains a Threat Intelligence team focused on profiling, intelligence collection, and threat analysis supporting the Company's ongoing efforts to identify, assess and manage cybersecurity threats. The team's input supports both near-term response to cybersecurity events, and long-term strategic planning and development of the Company's cybersecurity risk management framework.
- *Technical Safeguards*. The Company implements technical safeguards that are designed to protect both the Company's service offerings and other information systems it controls from cybersecurity threats, including firewalls, intrusion prevention and detection systems, anti-malware functionality, vulnerability management, encryption processes and access controls, all of which are periodically

evaluated and improved through risk and control assessments and in response to cybersecurity threat intelligence as well as outside audits and certifications.

- *Incident Response and Recovery Planning*. The Company has established and maintains robust incident response, business continuity and disaster recovery plans designed to address the Company's response to a cybersecurity incident, including any required public disclosure and reporting of material incidents in a timely manner. These plans and procedures serve to guide and document a rigorous incident response program that reflects the roles of an array of stakeholders, including personnel providing technical, operational, engineering, legal and other perspectives across the Company. The Company conducts regular tabletop exercises involving multiple operational teams, including senior management, to test these plans and to familiarize personnel with their roles in a response scenario.
- *Third-Party Risk Management*. The Company maintains a robust, risk-based approach to identifying and overseeing cybersecurity threats presented by certain third parties, including vendors, service providers and other external users of the Company's systems, as well as the systems of third parties that could adversely impact our business in the event of a significant cybersecurity incident affecting those third-party systems.
- *Education and Awareness*. The Company regularly provides employee training on security-related duties and responsibilities, including knowledge about how to recognize security incidents and how to proceed if an actual or suspected incident should occur. This training is mandatory for employees across the Company, and is intended to provide the Company's employees with effective tools to address cybersecurity threats, and to communicate the Company's evolving information security policies, standards, processes and practices.

Board Oversight and Governance

Our management is responsible for identifying the various risks facing the Company, formulating risk management policies and procedures, and managing the Company's risk exposures. Our Board responsibility is to monitor the Company's risk management processes by informing itself concerning our material risks and evaluating whether management has reasonable controls in place to address the material risks. The Audit Committee of the Board is responsible for discussing with management the Company's major risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies. Accordingly, our internal risk management team regularly reports to the Audit Committee on our major risk exposures and the steps management has taken to monitor and control such exposures, including our risk assessment and risk management policies. The Audit Committee, in turn, reports on the matters discussed at the committee level to the full Board.

As part of its oversight of the Company's risk management noted above, the Audit Committee oversees, reviews and discusses with management the Company's risks from cybersecurity threats and management's role in assessing and managing such risks. The Audit Committee receives regular presentations, reports and updates from the CISO and other members of management on developments regarding the Company's cybersecurity program, broader cybersecurity trends, evolving industry standards, the threat environment and other topics.

The Company's processes also allow for the Board and the Audit Committee to be informed of key cybersecurity risks outside the regular reporting schedule. While regular meetings of the Audit Committee are scheduled on a quarterly cadence, the Audit Committee is authorized to meet with management at any time it deems appropriate to discuss matters relevant to the Audit Committee. The Company's policy is for the Board and the Audit Committee to receive prompt and timely information regarding any cybersecurity risk (including any incident) that meets pre-established reporting thresholds, as well as ongoing updates regarding any such risk.

Item 2. ***Properties***

The Company's headquarters are located in Bozeman, Montana. As of September 30, 2025, the Company leased office facilities in geographically dispersed locations primarily for corporate functions, sales, research and development, data centers and other purposes. The Company believes its existing facilities, which are used by both reportable segments, are in good operating condition and are suitable to meet operating needs.

Item 3. ***Legal Proceedings***

FICO is a defendant in consolidated putative class action lawsuits brought in the Northern District of Illinois against FICO and the credit bureaus, Equifax, Experian and TransUnion, alleging antitrust claims in connection with the distribution of FICO Scores. On November 24, 2024, the court ruled on FICO's and the credit bureaus' motions to dismiss the plaintiffs' amended complaints. The court dismissed with prejudice all claims in the lawsuit other than a Sherman Act Section 2 claim and accompanying state law claims against FICO, which were allowed to proceed through the discovery stage of the litigation. FICO intends to vigorously defend against the remaining claims in this proceeding.

Item 4. ***Mine Safety Disclosures***

Not applicable.

PART II

Item 5. ***Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Market Information

Our common stock trades on the New York Stock Exchange under the symbol: FICO. According to records of our transfer agent, at October 23, 2025, we had 208 stockholders of record of our common stock.

Dividends

We have not declared or paid any cash dividends on our common stock since May 2017, and we do not presently plan to pay cash dividends on our common stock in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of our Board after taking into account various factors, including our financial condition, operating results, current and anticipated cash needs, outstanding indebtedness, plans for expansion and restrictions imposed by our debt arrangements, if any.

Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable.

Issuer Purchases of Equity Securities

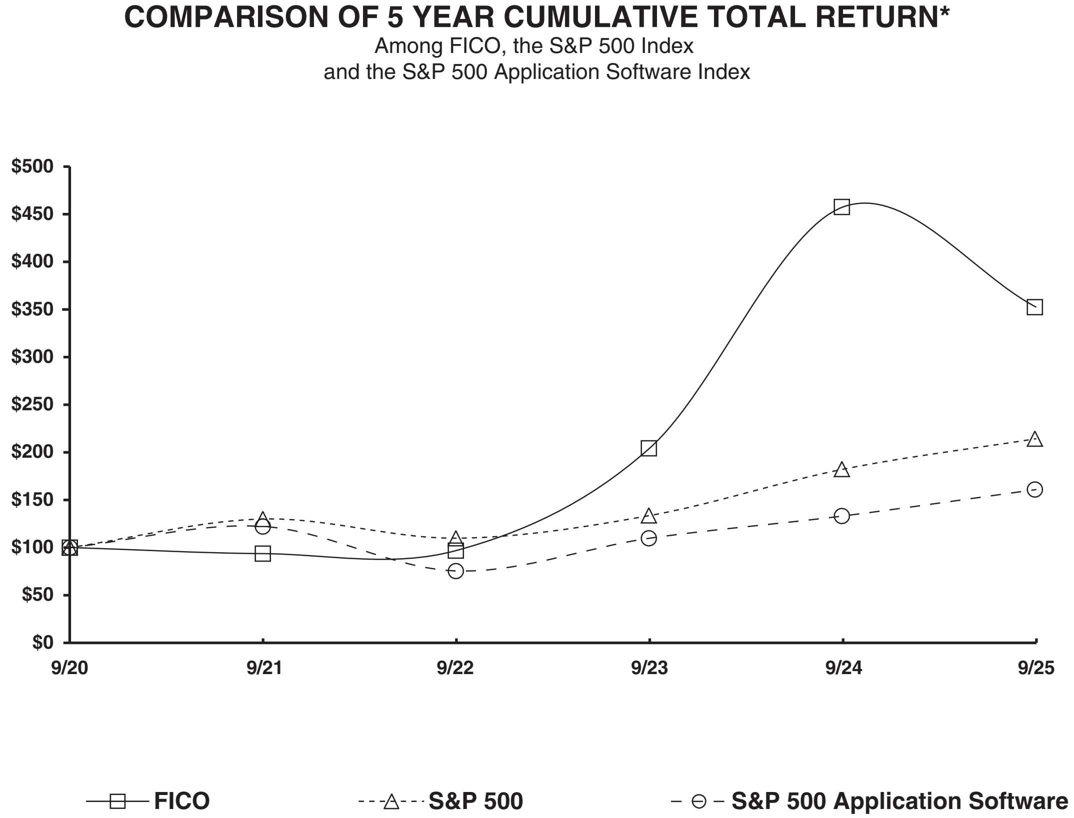
Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (2)
July 1, 2025 through July 31, 2025	131,572	$1,620.27	131,046	$667,795,277
August 1, 2025 through August 31, 2025	145,749	$1,373.86	145,457	$467,959,531
September 1, 2025 through September 30, 2025	81,456	$1,528.23	81,376	$343,600,296
	358,777	$1,499.27	357,879	$343,600,296

(1) Includes 898 shares delivered in satisfaction of the tax withholding obligations resulting from the vesting of restricted stock units held by employees during the quarter ended September 30, 2025.

(2) In June 2025, our Board approved a new stock repurchase program (the "June 2025 program"), replacing the previously authorized July 2024 stock repurchase program, which was terminated prior to its expiration. The June 2025 program is open-ended and authorizes repurchases of shares of our common stock from time to time up to an aggregate cost of $1.0 billion in the open market or in negotiated transactions. The June 2025 program remains in effect until the total authorized amount is expended or until further action by our Board.

Performance Graph

The following graph shows the total stockholder return of an investment of $100 in cash on September 30, 2020, in (a) the Company's common stock, (b) the Standard & Poor's 500 Stock Index and (c) the Standard & Poor's 500 Application Software Index, in each case with reinvestment of dividends. Our past performance may not be indicative of future performance.



*$100 invested on 9/30/20 in stock or index, including reinvestment of dividends.
Fiscal year ending September 30.

Item 6. [Reserved]

Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

Our Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") includes the following: a business overview that provides a high-level summary of our strategies and initiatives, highlights from fiscal year 2025 and key performance metrics for our Software segment; a more detailed analysis of our results of operations; our capital resources and liquidity, which discusses key aspects of our statements of cash flows, changes in our balance sheets and our financial commitments; and a summary of our critical accounting estimates that involve a significant level of estimation uncertainty. Our MD&A should be read in conjunction with Item 8, *Financial Statements and Supplementary Data*, of this Annual Report on Form 10-K. The following discussion contains forward-looking statements that are subject to risks and uncertainties. Actual results may differ from those referred to herein due to a number of factors, including but not limited to risks described in Item 1A, *Risk Factors*, in this Annual Report on Form 10-K.

Our MD&A focuses on discussion of year-over-year comparisons between fiscal 2025 and fiscal 2024. Discussion of fiscal 2023 results and year-over-year comparisons between fiscal 2024 and fiscal 2023 that are not included in this Annual Report on Form 10-K can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended September 30, 2024.

BUSINESS OVERVIEW

Strategies and Initiatives

In fiscal 2025, our B2B scoring solutions, including the flagship FICO® Score, continued to be the standard measure of consumer credit risk in the U.S. The adoption of our most predictive scores, FICO® Score 10 and FICO® Score 10 T, gained increased traction for non-conforming mortgages and was approved for conforming mortgages by the Federal Housing Finance Agency for enterprise credit scoring requirements. In addition, we launched FICO® Score 10 BNPL and FICO® Score 10 T BNPL, the first credit scores from a leading credit scoring provider to incorporate Buy Now, Pay Later ("BNPL") data. These innovative scores represent a significant advancement in credit scoring, accounting for the growing importance of BNPL loans in the U.S. credit ecosystem. Internationally, we launched a FICO Score in Kenya, which leverages TransUnion data and CreditVision variables to redefine risk management and help expand access to financial services across Kenya. In fiscal 2025, in support of our B2C business and financial inclusion, we launched the FICO® Score Mortgage Simulator, which is the only simulator in the market built by FICO data scientists and powered by the FICO Score algorithm. We also introduced our Lenders Leading Financial Inclusion program that aims to expand credit access for underserved communities and we hosted free Score A Better Future® financial education workshops for students and adults from traditionally underserved communities.

During fiscal 2025, the strategy for our Software segment continued to advance and drive growth through our platform-first products. We expanded our FICO® Platform reach, both by geography and customer type, with the launch of FICO® Marketplace, enabling organizations to operationalize analytics, power customer connections, and make decisions at scale. Marketplace offers easy access to data, artificial intelligence ("AI") models, optimization tools, decision rulesets, and machine learning models, which deliver enterprise business outcomes from AI. We continue to innovate and bring new capabilities to FICO Platform, demonstrating its value with new customers and expanding use cases with existing customers and partners. We announced newly granted patents around advancing responsible AI, machine learning, and applied intelligence technology. Additionally, we continue to expand our FICO® Educational Analytics Challenge program that was created to empower students and help educate the next generation of data scientists.

We also continued to enhance stockholder value by returning cash to stockholders through our stock repurchase program. During fiscal 2025, we repurchased 0.8 million shares at a total repurchase price of $1.4 billion.

Highlights from Fiscal 2025

- Total revenues were $2.0 billion during fiscal 2025, a 16% increase from fiscal 2024.
- Revenues for our Scores segment were $1.2 billion during fiscal 2025, a 27% increase from fiscal 2024.
- Annual Recurring Revenue for our Software segment as of September 30, 2025 was $747.3 million, a 4% increase from September 30, 2024.
- Dollar-Based Net Retention Rate for our Software segment was 102% as of September 30, 2025.
- Operating income was $924.9 million during fiscal 2025, a 26% increase from fiscal 2024.
- Net income was $651.9 million during fiscal 2025, a 27% increase from fiscal 2024.
- Diluted EPS was $26.54 during fiscal 2025, a 30% increase from fiscal 2024.
- Cash flow from operating activities was $778.8 million during fiscal 2025, compared with $633.0 million during fiscal 2024.
- Cash and cash equivalents were $134.1 million as of September 30, 2025, compared with $150.7 million as of September 30, 2024.
- We issued $1.5 billion of senior notes and used the net proceeds to repay all the outstanding balances on our term loans. We also amended our credit agreement to increase our borrowing capacity under the unsecured revolving line of credit to $1.0 billion and extended its maturity. Total debt balance was $3.1 billion as of September 30, 2025, compared with $2.2 billion as of September 30, 2024.
- Total share repurchases during fiscal 2025 were $1.4 billion, compared with $0.8 billion during fiscal 2024.

Key performance metrics for Software segment

Annual Contract Value Bookings ("ACV Bookings")

Management regards ACV Bookings as an important indicator of future revenues, but it is not comparable to, nor is it a substitute for, an analysis of our revenues and other U.S. generally accepted accounting principles ("U.S. GAAP") measures. We define ACV Bookings as the average annualized value of software contracts signed in the current reporting period that generate current and future on-premises and SaaS software revenue. We only include contracts with an initial term of at least 24 months and we exclude perpetual licenses and other software revenues that are non-recurring in nature. For renewals of existing software subscription contracts, we count only incremental annual revenue expected over the current contract as ACV Bookings.

ACV Bookings is calculated by dividing the total expected contract value by the contract term in years. The expected contract value equals the fixed amount — including guaranteed minimums, if any — stated in the contract, plus estimates of future usage-based fees. We develop estimates from discussions with our customers and examinations of historical data from similar products and customer arrangements. Differences between estimates and actual results occur due to variability in the estimated usage. This variability can be the result of the economic trends in our customers' industries, individual performance of our customers relative to their competitors, and regulatory and other factors that affect the business environment in which our customers operate. For the periods presented, ACV Bookings related to estimates of future usage-based fees was approximately 30% of the total ACV Bookings amount on an annualized basis. Differences between the initial estimates of future usage-based fees and actual results historically have not been material and we do not currently expect that they will be materially different in the future.

We disclose estimated revenue expected to be recognized in the future related to remaining performance obligations in Note 9 to the accompanying consolidated financial statements. However, we believe ACV Bookings is a useful supplemental measure of our business as it includes estimated revenues and future billings excluded from Note 9, such as usage-based fees and guaranteed minimums derived from our on-premises software licenses, among others.

The following table summarizes our ACV Bookings during the periods indicated:

	Quarter Ended September 30, 2025	Quarter Ended September 30, 2024	Year Ended September 30, 2025	Year Ended September 30, 2024
	(In millions)			
Total on-premises and SaaS software	$32.7	$22.1	$102.4	$84.7

Annual Recurring Revenue ("ARR")

Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers,* requires us to recognize a significant portion of revenue from our on-premises software subscriptions at the point in time when the software is first made available to the customer, or at the beginning of the subscription term, despite the fact that our contracts typically call for billing these amounts ratably over the life of the subscription. The remaining portion of our on-premises software subscription revenue including maintenance and usage-based fees are recognized over the life of the contract. This point-in-time recognition of a portion of our on-premises software subscription revenue creates significant variability in the revenue recognized period to period based on the timing of the subscription start date and the subscription term. Furthermore, this point-in-time revenue recognition can create a significant difference between the timing of our revenue recognition and the actual customer billing under the contract. We use ARR to measure the underlying performance of our subscription-based contracts and mitigate the impact of this variability. ARR is defined as the annualized revenue run-rate of on-premises and SaaS software agreements within a quarterly reporting period, and as such, is different from the timing and amount of revenue recognized. All components of our software licensing and subscription arrangements that are not expected to recur (primarily perpetual licenses) are excluded. We calculate ARR as the quarterly recurring revenue run-rate multiplied by four.

The following table summarizes our ARR for on-premises and SaaS software exiting each of the dates presented:

	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025
	(In millions)							
ARR								
Platform	$190.3	$201.4	$215.1	$227.0	$227.7	$234.7	$254.2	$263.6
Non-platform	497.4	495.6	494.5	494.2	501.6	479.9	484.9	483.7
Total	$687.7	$697.0	$709.6	$721.2	$729.3	$714.6	$739.1	$747.3
Percentage								
Platform	28%	29%	30%	31%	31%	33%	34%	35%
Non-platform	72%	71%	70%	69%	69%	67%	66%	65%
Total	100%	100%	100%	100%	100%	100%	100%	100%
YoY Change								
Platform	43%	32%	31%	31%	20%	17%	18%	16%
Non-platform	11%	8%	3%	— %	1%	(3)%	(2)%	(2)%
Total	18%	14%	10%	8%	6%	3%	4%	4%

Dollar-Based Net Retention Rate ("DBNRR")

We consider DBNRR to be an important measure of our success in retaining and growing revenue from our existing customers. To calculate DBNRR for any period, we compare the ARR at the end of the prior comparable quarter ("base ARR") to the ARR from that same cohort of customers at the end of the current quarter ("retained ARR"); we then divide the retained ARR by the base ARR to arrive at the DBNRR. Our calculation includes the positive impact among this cohort of customers of selling additional products, price increases and increases in usage-based fees, and the negative impact of customer attrition, price decreases, and decreases in usage-based fees during the period. However, the calculation does not include the positive impact from sales to any new customers acquired during the period. Our DBNRR may increase or decrease from period to period as a result of various factors, including the timing of new sales and customer renewal rates.

The following table summarizes our DBNRR for on-premises and SaaS software exiting each of the dates presented:

	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025
DBNRR								
Platform	136%	126%	124%	123%	112%	110%	115%	112%
Non-platform	108%	106%	101%	99%	100%	96%	97%	97%
Total	114%	112%	108%	106%	105%	102%	103%	102%

RESULTS OF OPERATIONS

We are organized into two reportable segments: Scores and Software. Although we sell solutions and services into a large number of end user product and industry markets, our reportable business segments reflect the primary method in which management organizes and evaluates internal financial information to make operating decisions and assess performance.

Segment revenues, operating income, and related financial information, including disaggregation of revenue, for the years ended September 30, 2025, 2024 and 2023 are set forth in Note 9 and Note 15 to the accompanying consolidated financial statements.

Revenues

The following tables set forth certain summary information on a segment basis related to our revenues for fiscal 2025, 2024 and 2023:

	Year Ended September 30,			Period-to-Period Change		Period-to-Period Percentage Change	
Segment	**2025**	**2024**	**2023**	**2025 to 2024**	**2024 to 2023**	**2025 to 2024**	**2024 to 2023**
		(In thousands)		(In thousands)			
Scores	$1,168,575	$ 919,650	$ 773,828	$248,925	$145,822	27%	19%
Software	822,294	797,876	739,729	24,418	58,147	3%	8%
Total	$1,990,869	$1,717,526	$1,513,557	273,343	203,969	16%	13%

	Percentage of Revenues Year Ended September 30,		
Segment	**2025**	**2024**	**2023**
Scores	59%	54%	51%
Software	41%	46%	49%
Total	100%	100%	100%

Scores

Scores segment revenues increased $248.9 million in fiscal 2025 from 2024 due to an increase of $236.7 million in our business-to-business scores revenue and an increase of $12.2 million in our business-to-consumer scores revenue. The increase in business-to-business scores revenue was primarily attributable to a higher unit price, an increase in volume of mortgage originations and a multi-year license renewal in the U.S. recognized on our insurance score product during fiscal 2025. The increase in business-to-consumer scores revenue was primarily attributable to an increase in royalties derived from scores sold indirectly to consumers through consumer reporting agencies.

Software

The following table provides information about disaggregated revenue for our Software segment by revenue types:

	Year Ended September 30,			Period-to-Period Change		Period-to-Period Percentage Change	
	2025	2024	2023	2025 to 2024	2024 to 2023	2025 to 2024	2024 to 2023
	(In thousands)			(In thousands)			
On-premises and SaaS software	$740,145	$711,340	$640,182	$28,805	$ 71,158	4%	11%
Professional services	82,149	86,536	99,547	(4,387)	(13,011)	(5)%	(13)%
Total	$822,294	$797,876	$739,729	24,418	58,147	3%	8%

The following table provides information about disaggregated revenue for on-premises and SaaS software within our Software segment by timing of revenue recognition:

	Year Ended September 30,			Period-to-Period Change		Period-to-Period Percentage Change	
	2025	2024	2023	2025 to 2024	2024 to 2023	2025 to 2024	2024 to 2023
	(In thousands)			(In thousands)			
Software recognized at a point in time (1)	$ 90,238	$ 76,284	$ 72,843	$13,954	$ 3,441	18%	5%
Software recognized over contract term (2)	649,907	635,056	567,339	14,851	67,717	2%	12%
Total	$740,145	$711,340	$640,182	$28,805	71,158	4%	11%

(1) Includes license portion of our on-premises subscription software and perpetual licenses, both of which are recognized when the software is made available to the customer, or at the start of the subscription.

(2) Includes maintenance portion and usage-based fees of our on-premises subscription software, maintenance revenue on perpetual licenses, as well as SaaS revenue.

Software segment revenues increased $24.4 million in fiscal 2025 from 2024 due to a $28.8 million increase in on-premises and SaaS software revenue, partially offset by a $4.4 million decrease in professional services revenue. The increase in our on-premises and SaaS software revenue was primarily attributable to an increase in revenue recognized over time largely driven by SaaS growth for our Platform products and an increase in license revenue recognized at a point in time due to a large license renewal.

Operating Expenses and Other Income (Expense), Net

The following tables set forth certain summary information related to our consolidated statements of income and comprehensive income for fiscal 2025, 2024 and 2023:

	Year Ended September 30,			Period-to-Period Change		Period-to-Period Percentage Change	
	2025	2024	2023	2025 to 2024	2024 to 2023	2025 to 2024	2024 to 2023
	(In thousands, except employees)			(In thousands, except employees)			
Revenues	$1,990,869	$1,717,526	$1,513,557	$273,343	$203,969	16%	13%
Operating expenses:							
Cost of revenues	353,722	348,206	311,053	5,516	37,153	2%	12%
Research and development	188,347	171,940	159,950	16,407	11,990	10%	7%
Selling, general and administrative	513,028	462,834	400,565	50,194	62,269	11%	16%
Amortization of intangible assets	—	917	1,100	(917)	(183)	(100)%	(17)%
Restructuring charges	10,922	—	—	10,922	—	— %	— %
Gain on product line asset sale	—	—	(1,941)	—	1,941	— %	(100)%
Total operating expenses	1,066,019	983,897	870,727	82,122	113,170	8%	13%
Operating income	924,850	733,629	642,830	191,221	90,799	26%	14%
Interest expense, net	(133,647)	(105,638)	(95,546)	(28,009)	(10,092)	27%	11%
Other income, net	11,392	14,034	6,340	(2,642)	7,694	(19)%	121%
Income before income taxes	802,595	642,025	553,624	160,570	88,401	25%	16%
Provision for income taxes	150,649	129,214	124,249	21,435	4,965	17%	4%
Net income	$ 651,946	$ 512,811	$ 429,375	139,135	83,436	27%	19%
Number of employees at fiscal year-end	3,811	3,586	3,455	225	131	6%	4%

	Percentage of Revenues Year Ended September 30,		
	2025	2024	2023
Revenues	100%	100%	100%
Operating expenses:			
Cost of revenues	18%	20%	21%
Research and development	9%	10%	11%
Selling, general and administrative	26%	27%	26%
Amortization of intangible assets	— %	— %	— %
Restructuring charges	1%	— %	— %
Gain on product line asset sale	— %	— %	— %
Total operating expenses	54%	57%	58%
Operating income	46%	43%	42%
Interest expense, net	(7)%	(6)%	(6)%
Other income, net	1%	1%	— %
Income before income taxes	40%	38%	36%
Provision for income taxes	7%	8%	8%
Net income	33%	30%	28%

Cost of Revenues

Cost of revenues consists primarily of employee salaries, incentives, and benefits for personnel directly involved in delivering software products, operating SaaS infrastructure, and providing support, implementation and consulting services; overhead, facilities and data center costs; software royalty fees; consumer reporting agency data and processing services; third-party hosting fees related to our SaaS services; travel costs; and outside services.

The fiscal 2025 over 2024 increase in cost of revenues of $5.5 million was primarily attributable to an $8.7 million increase in infrastructure and facilities costs, partially offset by a $2.1 million decrease in outside services costs and a $1.4 million decrease in personnel and labor costs. The increase in infrastructure and facilities costs was primarily attributable to an increase in third-party data center hosting costs and an increase in depreciation on data center computer hardware. The decrease in outside services costs was primarily attributable to decreased third-party contractor costs. The decrease in personnel and labor costs was primarily attributable to decreased incentive expense. Cost of revenues as a percentage of revenues decreased to 18% during fiscal 2025 from 20% during fiscal 2024, primarily due to increased sales of our higher-margin Scores products.

Research and Development

Research and development expenses include personnel and related overhead costs incurred in the development of new products and services, including research of mathematical and statistical models and development of new versions of Software products.

The fiscal 2025 over 2024 increase in research and development expenses of $16.4 million was primarily attributable to a $6.9 million increase in infrastructure and facilities costs, a $5.7 million increase in outside services costs, and a $3.8 million increase in personnel and labor costs. The increase in infrastructure and facilities costs was primarily attributable to increased third-party data center hosting costs and third-party SaaS services costs. The increase in outside services costs was primarily attributable to increased third-party contractor costs. The increase in personnel and labor costs was primarily attributable to increased headcount. Research and development expenses as a percentage of revenues decreased to 9% during fiscal 2025 from 10% during fiscal 2024.

Selling, General and Administrative

Selling, general and administrative expenses consist principally of employee salaries, incentives, commissions and benefits; travel costs; overhead costs; advertising and other promotional expenses; corporate facilities expenses; legal expenses; and business development expenses.

The fiscal 2025 over 2024 increase in selling, general and administrative expenses of $50.2 million was primarily attributable to a $23.7 million increase in personnel and labor costs, a $22.4 million increase in advertising and other promotional costs, and a $3.3 million increase in travel costs. The increase in personnel and labor costs was primarily attributable to increased headcount, market base-pay adjustments, commission expense, and share-based compensation expense, partially offset by decreased fringe benefit costs related to our supplemental retirement and savings plan. The increase in advertising and other promotional costs was primarily attributable to increased costs for advertising campaigns and corporate events. The increase in travel costs was primarily attributable to promotional and corporate events. Selling, general and administrative expenses as a percentage of revenues decreased to 26% during fiscal 2025 from 27% during fiscal 2024.

Restructuring Charges

During the fourth quarter of fiscal 2025, we incurred charges of $10.9 million in employee separation costs due to the elimination of 226 positions throughout the Company. Cash payments for all the employee separation costs will be paid by the end of our fiscal 2026.

Interest Expense, Net

Interest expense includes interest on the senior notes issued in May 2025, December 2021, December 2019, and May 2018, as well as interest and credit agreement fees on the revolving line of credit and term loans. On our consolidated statements of income and comprehensive income, interest expense is netted with interest income, which is derived primarily from the investment of funds in excess of our immediate operating requirements.

The fiscal 2025 over 2024 increase in net interest expense of $28.0 million was primarily attributable to the $1.5 billion of 2025 Senior Notes (as defined below), partially offset by a lower average outstanding balance and a lower average interest rate on borrowings under our credit agreement during fiscal 2025.

Other Income, Net

Other income, net consists primarily of unrealized investment gains/losses and realized gains/losses on marketable securities classified as trading securities, exchange rate gains/losses resulting from remeasurement of foreign-currency-denominated receivable and cash balances held by our various reporting entities into their respective functional currencies at period-end market rates, net of the impact of offsetting foreign currency forward contracts, and other non-operating items.

The fiscal 2025 over 2024 decrease in other income, net of $2.6 million was primarily attributable to a decrease in net unrealized gains on investments classified as trading securities in our supplemental retirement and savings plan, partially offset by an increase in net exchange rate gains resulting from remeasurement of foreign-currency-denominated receivable and cash balances held by our various reporting entities into their respective functional currencies at period-end market rates, net of the impact of offsetting foreign currency forward contracts.

Provision for Income Taxes

Our effective income tax rates were 18.8%, 20.1% and 22.4% in fiscal 2025, 2024 and 2023, respectively.

The decrease in our effective tax rate in fiscal 2025 compared to fiscal 2024 was due to an increase in excess tax benefits related to share-based compensation.

Operating Income

The following tables set forth certain summary information on a segment basis related to our operating income for fiscal 2025, 2024 and 2023:

	Year Ended September 30,			Period-to-Period Change		Period-to-Period Percentage Change	
Segment	**2025**	**2024**	**2023**	**2025 to 2024**	**2024 to 2023**	**2025 to 2024**	**2024 to 2023**
		(In thousands)		(In thousands)			
Scores	$1,026,243	$ 813,354	$ 681,071	$212,889	$132,283	26%	19%
Software	247,694	257,529	241,191	(9,835)	16,338	(4)%	7%
Total segment operating income	1,273,937	1,070,883	922,262	203,054	148,621	19%	16%
Unallocated corporate expenses	(181,498)	(186,898)	(156,426)	5,400	(30,472)	(3)%	19%
Unallocated share-based compensation	(156,667)	(149,439)	(123,847)	(7,228)	(25,592)	5%	21%
Unallocated amortization expense	—	(917)	(1,100)	917	183	(100)%	(17)%
Unallocated restructuring charges	(10,922)	—	—	(10,922)	—	— %	— %
Gain on product line asset sale	—	—	1,941	—	(1,941)	— %	(100)%
Operating income	$ 924,850	$ 733,629	$ 642,830	191,221	90,799	26%	14%

Scores

	Year Ended September 30,			Percentage of Revenues		
	2025	2024	2023	2025	2024	2023
	(In thousands)					
Segment revenues	$1,168,575	$ 919,650	$773,828	100%	100%	100%
Segment operating expenses	(142,332)	(106,296)	(92,757)	(12)%	(12)%	(12)%
Segment operating income	$1,026,243	$ 813,354	$681,071	88%	88%	88%

Software

	Year Ended September 30,			Percentage of Revenues		
	2025	2024	2023	2025	2024	2023
	(In thousands)					
Segment revenues	$ 822,294	$ 797,876	$ 739,729	100%	100%	100%
Segment operating expenses	(574,600)	(540,347)	(498,538)	(70)%	(68)%	(67)%
Segment operating income	$ 247,694	$ 257,529	$ 241,191	30%	32%	33%

The fiscal 2025 over 2024 increase in operating income of $191.2 million was primarily attributable to a $273.3 million increase in segment revenues and a $5.4 million decrease in corporate expenses, partially offset by a $70.2 million increase in segment operating expenses, a $10.9 million increase in restructuring charges, and a $7.2 million increase in share-based compensation cost.

At the segment level, the $203.1 million increase in segment operating income was the result of a $212.9 million increase in our Scores segment operating income, partially offset by a $9.8 million decrease in our Software segment operating income.

The $212.9 million increase in our Scores segment operating income was attributable to a $248.9 million increase in segment revenue, partially offset by a $36.0 million increase in segment operating expenses. Segment operating income as a percentage of segment revenue for Scores was 88%, consistent with fiscal 2024.

The $9.8 million decrease in our Software segment operating income was attributable to a $34.2 million increase in segment operating expenses, partially offset by a $24.4 million increase in segment revenue. Segment operating income as a percentage of segment revenue for Software decreased to 30% from 32%, primarily attributable to the increases in third-party data center hosting costs and in personnel and labor costs.

CAPITAL RESOURCES AND LIQUIDITY

Outlook

As of September 30, 2025, we had $134.1 million in cash and cash equivalents, which included $118.8 million held by our foreign subsidiaries. We believe our cash and cash equivalents balances, including those held by our foreign subsidiaries, as well as available borrowings from our $1.0 billion revolving line of credit and anticipated cash flows from operating activities, will be sufficient to fund our working and other capital requirements for at least the next 12 months and thereafter for the foreseeable future, including the $400.0 million principal payment on the 2018 Senior Notes (as defined below) due over the next 12 months. Under our current financing arrangements, we have no other significant debt obligations maturing over the next 12 months. For jurisdictions outside the U.S. where cash may be repatriated in the future, the Company expects the net impact of any repatriations to be immaterial to the Company's overall tax liability.

In the normal course of business, we evaluate the merits of acquiring technology or businesses, or establishing strategic relationships with or investing in these businesses. We may elect to use available cash and cash equivalents to fund such activities in the future. In the event additional needs for cash arise, or if we refinance our existing debt, we may raise additional funds from a combination of sources, including the potential issuance of debt or equity securities. Additional financing might not be available on terms favorable to us, or at all. If adequate funds were not available or were not available on acceptable terms, our ability to take advantage of unanticipated opportunities or respond to competitive pressures could be limited.

Summary of Cash Flows

	Year Ended September 30,		
	2025	2024	2023
		(In thousands)	
Cash provided by (used in):			
Operating activities	$ 778,807	$ 632,964	$ 468,915
Investing activities	(43,719)	(27,993)	(15,954)
Financing activities	(750,329)	(592,923)	(455,001)
Effect of exchange rate changes on cash	(1,290)	1,841	5,616
Increase (decrease) in cash and cash equivalents	$ (16,531)	$ 13,889	$ 3,576

Cash Flows from Operating Activities

Our primary method for funding operations and growth has been through cash flows generated from operating activities. Net cash provided by operating activities totaled $778.8 million in fiscal 2025 compared to $633.0 million in fiscal 2024. The $145.8 million increase was attributable to a $139.1 million increase in net income, a $4.8 million increase in non-cash items, and a $1.9 million increase that resulted from timing of receipts and payments in our ordinary course of business.

Cash Flows from Investing Activities

Net cash used in investing activities totaled $43.7 million in fiscal 2025 compared to $28.0 million in fiscal 2024. The $15.7 million increase was attributable to a $13.8 million increase in capitalized internal-use software costs and a $1.9 million decrease in proceeds from sales, net of purchases, of marketable securities.

Cash Flows from Financing Activities

Net cash used in financing activities totaled $750.3 million in fiscal 2025 compared to $592.9 million in fiscal 2024. The $157.4 million increase was primarily attributable to a $988.8 million increase in payments, net of proceeds, on our revolving line of credit and term loans, a $592.8 million increase in repurchases of common stock, a $65.4 million increase in taxes paid related to net share settlement of equity awards, and a $16.5 million increase in debt issuance costs, partially offset by the proceeds from the issuance of our $1.5 billion 2025 Senior Notes (as defined below).

Repurchases of Common Stock

In July 2024, our Board approved a stock repurchase program (the "July 2024 program"), replacing our previously authorized January 2024 stock repurchase program, which was terminated prior to its expiration. The July 2024 program was open-ended and authorized repurchases of shares of our common stock from time to time up to an aggregate cost of $1.0 billion in the open market or in negotiated transactions. In June 2025, our Board approved a new stock repurchase program (the "June 2025 program"), replacing the July 2024 program, which was terminated prior to its expiration. The June 2025 program is open-ended and authorizes repurchases of shares of our common stock from time to time up to an aggregate cost of $1.0 billion in the open market or in negotiated transactions. The June 2025 program remains in effect until the total authorized amount is expended or until further action by our Board. As of September 30, 2025, we had $343.6 million remaining under the June 2025 program. During fiscal 2025 and 2024, we expended $1.4 billion and $0.8 billion, respectively, under the June 2025 program and previously authorized stock repurchase programs, as applicable.

Revolving Line of Credit and Term Loans

On May 13, 2025, we amended our credit agreement with a syndicate of banks, increasing our borrowing capacity under the unsecured revolving line of credit from $600 million to $1.0 billion and extending its maturity to May 13, 2030. Also on May 13, 2025, we repaid in full and terminated the $300 million unsecured term loan (the "$300 Million Term Loan") and the $450 million unsecured term loan (the "$450 Million Term Loan") outstanding under our credit agreement, utilizing proceeds from the issuance of the 2025 Senior Notes (as defined below). Borrowings under the revolving line of credit can be used for working capital and general corporate purposes and may also be used for the refinancing of existing debt, acquisitions, and the repurchase of our common stock. Interest rates on amounts borrowed under the revolving line of credit are based on (i) an adjusted base rate, which is the greatest of (a) the prime rate, (b) the Federal Funds rate plus 0.5%, and (c) the Daily Simple Secured Overnight Financing Rate ("SOFR") plus 1%, plus, in each case, an applicable margin, (ii) the Daily Simple SOFR plus an applicable margin (or, if such rate is no longer available, a successor benchmark rate determined in accordance with the terms of the credit agreement), or (iii) term SOFR (without a credit spread adjustment) plus an applicable margin (or, if such rate is no longer available, a successor benchmark rate determined in accordance with the terms of the credit agreement). The applicable margin for base rate borrowings and for SOFR borrowings is determined based on our consolidated leverage ratio. The applicable margin for base rate borrowings ranges from 0% to 0.75% per annum and for SOFR borrowings ranges from 1% to 1.75% per annum. In addition, we must pay certain credit facility fees. The credit agreement contains certain restrictive covenants including a maximum consolidated leverage ratio of 3.5 to 1.0, subject to a step up to 4.0 to 1.0 following certain permitted acquisitions and subject to certain conditions, and contains other covenants typical of an unsecured credit facility.

As of September 30, 2025, we had $275.0 million in borrowings outstanding under the revolving line of credit at a weighted-average interest rate of 5.423% and we were in compliance with all financial covenants under the credit agreement.

Senior Notes

On May 8, 2018, we issued $400 million of senior notes in a private offering to qualified institutional investors (the "2018 Senior Notes"). The 2018 Senior Notes require interest payments semi-annually at a rate of 5.25% per annum and will mature on May 15, 2026. On December 6, 2019, we issued $350 million of senior notes in a private offering to qualified institutional investors (the "2019 Senior Notes"). The 2019 Senior Notes require interest payments semi-annually at a rate of 4.00% per annum and will mature on June 15, 2028. On December 17, 2021, we issued $550 million of additional senior notes of the same class as the 2019 Senior Notes in a private offering to qualified institutional investors (the "2021 Senior Notes"). The 2021 Senior Notes require interest payments semi-annually at a rate of 4.00% per annum and will mature on June 15, 2028, the same date as the 2019 Senior Notes. On May 13, 2025, we issued $1.5 billion of senior notes in a private offering to qualified institutional investors (the "2025 Senior Notes," and collectively with the 2018 Senior Notes, the 2019 Senior Notes and the 2021 Senior Notes, the "Senior Notes"). The 2025 Senior Notes require interest payments semi-annually at a rate of 6.00% per annum and will mature on May 15, 2033. The indentures for the Senior Notes contain certain covenants typical of unsecured obligations. As of September 30, 2025, the carrying value of the Senior Notes was $2.8 billion and we were in compliance with all financial covenants under these obligations.

Contractual Obligations

The following table presents a summary of our contractual obligations at September 30, 2025:

	Year Ending September 30,						
	2026	2027	2028	2029	2030	Thereafter	Total
	(In thousands)						
Senior Notes (1)	$400,000	$ —	$ 900,000	$ —	$ —	$1,500,000	$2,800,000
Revolving line of credit (1)	—	—	—	—	275,000	—	275,000
Interest due on Senior Notes	147,500	126,000	126,000	90,000	90,000	270,000	849,500
Operating lease obligations	11,214	8,125	5,576	3,767	1,917	2,191	32,790
Finance lease obligations	3,625	3,625	441	—	—	—	7,691
Purchase obligations (2)	$ 72,128	19,437	5,035	2,375	273	—	99,248
Unrecognized tax benefits (3)	—	—	—	—	—	—	19,505
Total commitments	$634,467	$157,187	$1,037,052	$96,142	$367,190	$1,772,191	$4,083,734

(1) Represents the unpaid principal payments due under the Senior Notes and revolving line of credit.

(2) Represents purchase obligations primarily consisting of commitments to purchase certain services. For services that have been delivered under these arrangements as of September 30, 2025, we recorded related liabilities within accounts payable or other accrued liabilities on our consolidated balance sheet, which are excluded from the purchase obligations amount.

(3) Represents unrecognized tax benefits related to uncertain tax positions. As we are not able to reasonably estimate the timing of the payments or the amount by which the liability will increase or decrease over time, the related balances have not been reflected in the section of the table showing payment by fiscal year.

CRITICAL ACCOUNTING ESTIMATES

We prepare our consolidated financial statements in conformity with U.S. GAAP. These accounting principles require management to make certain judgments and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. We periodically evaluate our estimates including those relating to revenue recognition, goodwill resulting from business combinations and other long-lived assets – impairment assessment, share-based compensation, income taxes, and contingencies and litigation. We base our estimates on historical experience and various other assumptions that we believe to be reasonable based on the specific circumstances, the results of which form the basis for making judgments about the carrying value of certain assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and such differences could be material to our financial condition and results of operations. Critical accounting estimates are those that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition and results of operations.

While our significant accounting policies are more fully described in Note 1 and Note 9 to our consolidated financial statements included elsewhere in this report, we believe the following accounting policies require the most critical accounting estimates, which involve significant subjectivity and judgment, and changes to such estimates or assumptions could have a material impact on our financial condition or operating results. Therefore, we consider an understanding of the variability and judgment required in making these estimates and assumptions to be critical in fully understanding and evaluating our reported financial results.

Revenue Recognition

For our SaaS subscriptions, we estimate the total variable consideration at contract inception — subject to any constraints that may apply — and update the estimates as new information becomes available and recognize the amount ratably over the SaaS service period, unless we determine it is appropriate to allocate the variable amount to each distinct service period and recognize revenue as each distinct service period is performed. Variable consideration is included in the transaction price if, in our judgment, it is probable that a significant future reversal of cumulative revenue recognized under the contract will not occur. Variable consideration is estimated based on either the expected value or the most likely amount method depending on which method we expect to better predict the amount of consideration to which we will be entitled. Our estimates of variable consideration are based largely on an assessment of our anticipated performance and all information (historical, current and forecasted) that is reasonably available to us at contract inception and require judgment. For the periods presented, we have not experienced significant changes to our estimates and judgments related to variable consideration in our contracts.

Our contracts with customers often include promises to transfer multiple products and services to a customer. Determining whether products and services are considered distinct and should be accounted for separately may require significant judgment. Specifically, when implementation service is included in the original software or SaaS offerings, judgment is required to determine if the implementation service significantly modifies or customizes the software or SaaS service in such a way that the risks of providing it and the customization service are inseparable. In rare instances, contracts may include significant modification or customization of the software of SaaS service and will result in the combination of software or SaaS service and implementation service as one performance obligation. For the periods presented, we have not experienced significant changes to our estimates and judgments related to the identification of performance obligations for our contracts.

We determine the standalone selling prices ("SSP") using data from our historical standalone sales, or, in instances where such information is not available (such as when we do not sell the product or service separately), we consider factors such as the stated contract prices, our overall pricing practices and objectives, go-to-market strategy, size and type of the transactions, and effects of the geographic area on pricing, among others. When the selling price of a product or service is highly variable, we may use the residual approach to determine the SSP of that product or service. Significant judgment may be required to determine the SSP for each distinct performance obligation when it involves the consideration of many market conditions and entity-specific factors discussed above. For the periods presented, we have not experienced significant changes to our estimates and judgments related to the determination of our SSPs.

Goodwill and Other Long-Lived Assets - Impairment Assessment

Goodwill represents the excess of cost over the fair value of identifiable assets acquired and liabilities assumed in business combinations. We assess goodwill for impairment for each of our reporting units on an annual basis during our fourth fiscal quarter using a July 1 measurement date unless circumstances require a more frequent measurement.

We have determined that our reporting units are the same as our reportable segments. When evaluating goodwill for impairment, we may first perform an assessment qualitatively whether it is more likely than not that a reporting unit's carrying amount exceeds its fair value, referred to as a "step zero" approach. If, based on the review of the qualitative factors, we determine it is not more likely than not that the fair value of a reporting unit is less than its carrying value, we would bypass the two-step impairment test. Events and circumstances we consider in performing the "step zero" qualitative assessment include macro-economic conditions, market and industry conditions, internal cost factors, share price fluctuations, and the operational stability and overall financial performance of the reporting units. If we conclude that it is more likely than not that a reporting unit's fair value is less than its carrying amount, we would perform the first step ("step one") of the two-step impairment test and calculate the estimated fair value of the reporting unit by using discounted cash flow valuation models and by comparing our reporting units to guideline publicly-traded companies. These methods require estimates of our future revenues, profits, capital expenditures, working capital, and other relevant factors, as well as selecting appropriate guideline publicly-traded companies for each reporting unit. We estimate these amounts by evaluating historical trends, current budgets, operating plans, industry data, and other relevant factors. Alternatively, we may bypass the qualitative assessment described above for any reporting unit in any period and proceed directly to performing step one of the goodwill impairment test.

Our other long-lived assets are assessed for potential impairment when there is evidence that events and circumstances related to our financial performance and economic environment indicate the carrying amount of the assets may not be recoverable. When impairment indicators are identified, we test for impairment using undiscounted projected cash flows. If such tests indicate impairment, then we measure and record the impairment as the difference between the carrying value of the asset and the fair value of the asset. Significant management judgment is required in forecasting future operating results used in the preparation of the projected cash flows. Should different conditions prevail, material write downs of our other long-lived assets could occur.

As discussed above, while we believe that the assumptions and estimates utilized were appropriate based on the information available to management, different assumptions, judgments and estimates could materially affect our impairment assessments for our goodwill and other long-lived assets. For the periods presented, we have not experienced significant changes to our estimates and judgments related to our goodwill or other long-lived assets impairment assessment. We believe our projected operating results and cash flows would need to be significantly less favorable to have a material impact on our impairment assessment. However, based upon our historical experience with operations, we do not believe there is a reasonable likelihood of a significant change in our projections.

Share-Based Compensation

We measure share-based compensation cost at the grant date based on the fair value of the award and recognize it as expense, net of estimated forfeitures, over the vesting or service period, as applicable, of the stock award (generally three to four years). We use the Black-Scholes valuation model to determine the fair value of our stock options and a Monte Carlo valuation model to determine the fair value of our market share units. Our valuation models and generally accepted valuation techniques require us to make assumptions and to apply judgment to determine the fair value of our awards. These assumptions and judgments include estimating the volatility of our stock price, expected dividend yield, employee turnover rates and employee stock option exercise behaviors. For the periods presented, we have not experienced significant changes to our estimates and judgments related to the fair value of our awards. See Note 13 to the accompanying consolidated financial statements for further discussion of our share-based employee benefit plans.

Income Taxes

We estimate our income taxes based on the various jurisdictions where we conduct business, which involves significant judgment in determining our income tax provision. We estimate our current tax liability using currently enacted tax rates and laws and assess temporary differences that result from differing treatments of certain items for tax and accounting purposes. These differences result in deferred tax assets and liabilities recorded on our consolidated balance sheets using the currently enacted tax rates and laws that will apply to taxable income for the years in which those tax assets are expected to be realized or settled. We then assess the likelihood our deferred tax assets will be realized and to the extent we believe realization is not more likely than not, we establish a valuation allowance. When we establish a valuation allowance or increase this allowance in an accounting period, we record a corresponding income tax expense in our consolidated statements of income and comprehensive income. In assessing the need for the valuation allowance, we consider future taxable income in the jurisdictions we operate; our ability to carry back tax attributes to prior years; an analysis of our deferred tax assets and the periods over which they will be realizable; and ongoing prudent and feasible tax planning strategies. An increase in the valuation allowance would have an adverse impact, which could be material, on our income tax provision and net income in the period in which we record the increase.

We recognize and measure benefits for uncertain tax positions using a two-step approach. The first step is to evaluate the tax position taken or expected to be taken in a tax return by determining if the technical merits of the tax position indicate it is more likely than not that the tax position will be sustained upon audit, including resolution of any related appeals or litigation processes. For tax positions more likely than not of being sustained upon audit, the second step is to measure the tax benefit as the largest amount more than 50% likely of being realized upon settlement. Significant judgment is required to evaluate uncertain tax positions and they are evaluated on a quarterly basis. Our evaluations are based upon a number of factors, including changes in facts or circumstances, changes in tax law, correspondence with tax authorities during the course of audits and effective settlement of audit issues. Changes in the recognition or measurement of uncertain tax positions could result in material increases or decreases in our income tax expense in the period in which we make the change, which could have a material impact on our effective tax rate and operating results.

Contingencies and Litigation

We are subject to various proceedings, lawsuits and claims relating to products and services, technology, labor, stockholder and other matters. We are required to assess the likelihood of any adverse outcomes and the potential range of probable losses in these matters. If the potential loss is considered probable and the amount can be reasonably estimated, we accrue a liability for the estimated loss. If the potential loss is considered less than probable or the amount cannot be reasonably estimated, disclosure of the matter is considered. The amount of loss accrual or disclosure, if any, is determined after analysis of each matter, and is subject to adjustment if warranted by new developments or revised strategies. Due to uncertainties related to these matters, accruals or disclosures are based on the best information available at the time. Significant judgment is required in both the assessment of likelihood and in the determination of a range of potential losses. Revisions in the estimates of the potential liabilities could have a material impact on our consolidated financial position or consolidated results of operations. For the periods presented, we have not experienced significant changes to our estimates and judgments related to the assessment of likelihood and in the determination of a range of potential losses.

New Accounting Pronouncements

For information about recent accounting pronouncements recently adopted and not yet adopted and the impact on our consolidated financial statements, refer to Part II, Item 8, *Financial Statements and Supplementary Data*, Note 1, *Nature of Business and Summary of Significant Accounting Policies,* in our accompanying Notes to Consolidated Financial Statements in this Annual Report on Form 10-K.

Item 7A. *Quantitative and Qualitative Disclosures about Market Risk*

Market Risk Disclosures

We are exposed to market risk related to changes in interest rates and foreign exchange rates. We do not use derivative financial instruments for speculative or trading purposes.

Interest Rate

We maintain an investment portfolio consisting of bank deposits and money market funds. The funds provide daily liquidity and may be subject to interest rate risk and fall in value if market interest rates increase. We do not expect our operating expenses to be affected to any significant degree by a sudden change in market interest rates. The following table presents the principal amounts and related weighted-average yields for our investments with interest rate risk at September 30, 2025 and 2024:

	September 30, 2025			September 30, 2024		
	Cost Basis	Carrying Amount	Average Yield	Cost Basis	Carrying Amount	Average Yield
	(Dollars in thousands)					
Cash and cash equivalents	$134,136	$134,136	1.77%	$150,667	$150,667	2.88%

The fair value of the Senior Notes may increase or decrease due to various factors, including fluctuations in market interest rates and fluctuations in general economic conditions. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Capital Resources and Liquidity" for additional information on the Senior Notes. The following table presents the face values and fair values for the Senior Notes at September 30, 2025 and 2024:

	September 30, 2025		September 30, 2024	
	Face Value	Fair Value	Face Value	Fair Value
	(In thousands)			
The 2018 Senior Notes	$ 400,000	399,500	$ 400,000	$ 399,500
The 2019 Senior Notes and the 2021 Senior Notes	900,000	875,250	900,000	864,000
The 2025 Senior Notes	1,500,000	1,518,750	—	—
Total	$2,800,000	$2,793,500	$1,300,000	$1,263,500

We have interest rate risk with respect to our unsecured revolving line of credit. Interest rates on amounts borrowed under the revolving line of credit are based on (i) an adjusted base rate, which is the greatest of (a) the prime rate, (b) the Federal Funds rate plus 0.5%, and (c) the Daily Simple Secured Overnight Financing Rate ("SOFR") plus 1%, plus, in each case, an applicable margin, (ii) the Daily Simple SOFR plus an applicable margin (or, if such rate is no longer available, a successor benchmark rate determined in accordance with the terms of the credit agreement), or (iii) term SOFR (without a credit spread adjustment) plus an applicable margin (or, if such rate is no longer available, a successor benchmark rate determined in accordance with the terms of the credit agreement). The applicable margin for base rate borrowings and for SOFR borrowings is determined based on our consolidated leverage ratio. The applicable margin for base rate borrowings ranges from 0% to 0.75% per annum and for SOFR borrowings ranges from 1% to 1.75% per annum. A change in interest rates on this variable rate debt impacts the interest incurred and cash flows, but does not impact the fair value of the instrument. As of September 30, 2025, we had $275.0 million in borrowings outstanding under the revolving line of credit at a weighted-average interest rate of 5.423%.

Foreign Currency Forward Contracts

We maintain a program to manage our foreign exchange rate risk on existing foreign-currency-denominated receivable and cash balances by entering into forward contracts to sell or buy foreign currencies. At period end, foreign-currency-denominated receivable and cash balances held by our various reporting entities are remeasured into their respective functional currencies at current market rates. The change in value from this remeasurement is then reported as a foreign exchange gain or loss for that period in our accompanying consolidated statements of income and comprehensive income and the resulting gain or loss on the forward contract mitigates the foreign exchange rate risk of the associated assets. All of our foreign currency forward contracts have maturity periods of less than three months. Such derivative financial instruments are subject to market risk.

The following tables summarize our outstanding foreign currency forward contracts, by currency, at September 30, 2025 and 2024:

	September 30, 2025			
	Contract Amount			Fair Value
	Foreign Currency		USD	USD
	(In thousands)			
Sell foreign currency:				
Euro (EUR)	EUR	7,700	$ 9,034	—
Buy foreign currency:				
British pound (GBP)	GBP	10,019	$13,500	—
Singapore dollar (SGD)	SGD	8,087	$ 6,300	—

	September 30, 2024			
	Contract Amount			Fair Value
	Foreign Currency		USD	USD
	(In thousands)			
Sell foreign currency:				
Euro (EUR)	EUR	13,000	$14,531	—
Buy foreign currency:				
British pound (GBP)	GBP	12,237	$16,400	—
Singapore dollar (SGD)	SGD	7,404	$ 5,800	—

The foreign currency forward contracts were entered into on September 30, 2025 and 2024; therefore, their fair value was $0 at each of these dates.

Item 8. ***Financial Statements and Supplementary Data***

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of
Fair Isaac Corporation

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Fair Isaac Corporation and subsidiaries (the "Company") as of September 30, 2025 and 2024, the related consolidated statements of income and comprehensive income, stockholders' deficit, and cash flows, for each of the three years in the period ended September 30, 2025, and the related notes (collectively referred to as the "financial statements"). We also have audited the Company's internal control over financial reporting as of September 30, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of September 30, 2025 and 2024, and the results of operations and cash flows for each of the three years in the period ended September 30, 2025, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 30, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

Basis for Opinions

The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on these financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition – Contracts with Customers – Refer to Note 1 and Note 9 to the financial statements

Critical Audit Matter Description

Revenue is recognized when control of the promised goods or services is transferred to the Company's customers, in an amount that reflects the consideration to which the Company expects to be entitled to in exchange for those goods or services. The Company's revenue is primarily derived from on-premises software and software-as-a-service (SaaS) subscriptions, professional services, and scoring services.

For contracts with customers that contain various combinations of products and services, the Company evaluates whether the products or services are distinct — distinct products or services will be accounted for as separate performance obligations, while non-distinct products or services are combined with others to form a single performance obligation.

For on-premises software, which includes a term-based license and post-contract support or maintenance, the transaction price is either a fixed fee, or a usage-based fee — sometimes subject to a guaranteed minimum. Any usage-based fees not subject to a guaranteed minimum or earned in excess of the minimum amount are recognized when the subsequent usage occurs.

For SaaS products, the Company estimates the total variable consideration at contract inception — subject to any constraints that may apply — and updates the estimates as new information becomes available and recognizes the amount ratably over the SaaS service period, unless the Company determines it is appropriate to allocate the variable amount to each distinct service period and recognize revenue as each distinct service period is performed.

The Company's professional services include software implementation, consulting, model development and training. The transaction price can be a fixed amount or a variable amount based upon the time and materials expended. Revenue on fixed-price services is recognized using an input method based on labor hours expended, which the Company believes provides a faithful depiction of the transfer of services.

The Company's scoring services include both business-to-business and business-to-consumer offerings. The Company's business-to-business scoring services typically include a license that grants consumer reporting agencies the right to use the scoring solutions in exchange for a usage-based royalty. Revenue is generally recognized when the usage occurs. Business-to-consumer offerings provide consumers with access to their FICO® Scores and credit reports, as well as other value-add services. These are provided as either a one-time or ongoing subscription service renewed monthly or annually, all with a fixed consideration.

Given the complexity of certain of the Company's contracts, together with the judgment involved in identifying performance obligations and estimating variable consideration, auditing the related revenue required both extensive audit effort due to the volume and complexity of the contracts and a high degree of auditor judgment when performing audit procedures and evaluating the results of those procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to revenue recognition over the Company's identification of performance obligations and estimation of variable consideration, included the following, among others:

- We tested the effectiveness of controls over contract revenue, including management's controls over the identification of performance obligations and estimation of variable consideration.
- We selected a sample of contracts and performed the following procedures:
  - Obtained and read the contract, including master agreements, renewal agreements, and other source documents that are part of the contract.
  - Confirmed the terms of the contract directly with the customer, including whether there are terms not formally included in the contract that may impact the identification of performance obligations and revenue recognition and performed alternative procedures in the event of nonreplies.
  - Tested management's identification of the performance obligations within the customer contract.
  - Tested management's estimation of variable consideration in the transaction price by evaluating the reasonableness of the inputs used in management's estimates.

/s/ Deloitte & Touche LLP
San Diego, CA
November 7, 2025
We have served as the Company's auditor since 2004.

FAIR ISAAC CORPORATION
CONSOLIDATED BALANCE SHEETS

	September 30, 2025	September 30, 2024
	(In thousands, except par value data)	
Assets		
Current assets:		
Cash and cash equivalents	$ 134,136	$ 150,667
Accounts receivable, net	529,148	426,642
Prepaid expenses and other current assets	41,881	40,104
Total current assets	705,165	617,413
Marketable securities	54,625	45,289
Property and equipment, net	67,713	38,465
Operating lease right-of-use assets	26,213	29,580
Goodwill	783,340	782,752
Deferred income taxes	118,553	86,513
Other assets	112,524	117,872
Total assets	$ 1,868,133	$ 1,717,884
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	$ 32,315	$ 22,473
Accrued compensation and employee benefits	115,369	106,103
Other accrued liabilities	114,618	79,812
Deferred revenue	187,372	156,897
Current maturities on debt	399,541	15,000
Total current liabilities	849,215	380,285
Long-term debt	2,656,150	2,194,021
Operating lease liabilities	19,187	21,963
Other liabilities	89,365	84,294
Total liabilities	3,613,917	2,680,563
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock ($0.01 par value; 1,000 shares authorized; none issued and outstanding)	—	—
Common stock ($0.01 par value; 200,000 shares authorized, 88,857 shares issued and 23,764 and 24,392 shares outstanding at September 30, 2025 and September 30, 2024, respectively)	238	244
Additional paid-in-capital	1,331,120	1,366,572
Treasury stock, at cost (65,093 and 64,465 shares at September 30, 2025 and September 30, 2024, respectively)	(7,537,908)	(6,138,736)
Retained earnings	4,552,816	3,900,870
Accumulated other comprehensive loss	(92,050)	(91,629)
Total stockholders' deficit	(1,745,784)	(962,679)
Total liabilities and stockholders' deficit	$ 1,868,133	$ 1,717,884

See accompanying notes.

FAIR ISAAC CORPORATION
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

	Year Ended September 30,		
	2025	2024	2023
	(In thousands, except per share data)		
Revenues:			
On-premises and SaaS software	$ 740,145	$ 711,340	$ 640,182
Professional services	82,149	86,536	99,547
Scores	1,168,575	919,650	773,828
Total revenues	1,990,869	1,717,526	1,513,557
Operating expenses:			
Cost of revenues	353,722	348,206	311,053
Research and development	188,347	171,940	159,950
Selling, general and administrative	513,028	462,834	400,565
Amortization of intangible assets	—	917	1,100
Restructuring charges	10,922	—	—
Gain on product line asset sale	—	—	(1,941)
Total operating expenses	1,066,019	983,897	870,727
Operating income	924,850	733,629	642,830
Interest expense, net	(133,647)	(105,638)	(95,546)
Other income, net	11,392	14,034	6,340
Income before income taxes	802,595	642,025	553,624
Provision for income taxes	150,649	129,214	124,249
Net income	651,946	512,811	429,375
Other comprehensive income (loss):			
Foreign currency translation adjustments	(421)	10,516	22,557
Comprehensive income	$ 651,525	$ 523,327	$ 451,932
Earnings per share:			
Basic	$ 26.90	$ 20.78	$ 17.18
Diluted	$ 26.54	$ 20.45	$ 16.93
Shares used in computing basic earnings per share:			
Basic	24,239	24,676	24,986
Diluted	24,561	25,079	25,367

See accompanying notes.

FAIR ISAAC CORPORATION
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
Years Ended September 30, 2025, 2024 and 2023

(In thousands)	Common Stock Shares	Common Stock Par Value	Additional Paid-in-Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Deficit
Balance at September 30, 2022	**25,154**	**$252**	**$1,299,588**	**$(4,935,769)**	**$2,958,684**	**$(124,702)**	**$ (801,947)**
Share-based compensation	—	—	123,847	—	—	—	123,847
Issuance of treasury stock under employee stock plans	231	2	(72,722)	18,245	—	—	(54,475)
Repurchases of common stock	(615)	(6)	—	(407,341)	—	—	(407,347)
Net income	—	—	—	—	429,375	—	429,375
Foreign currency translation adjustments	—	—	—	—	—	22,557	22,557
Balance at September 30, 2023	**24,770**	**248**	**1,350,713**	**(5,324,865)**	**3,388,059**	**(102,145)**	**(687,990)**
Share-based compensation	—	—	149,439	—	—	—	149,439
Issuance of treasury stock under employee stock plans	228	2	(133,580)	19,395	—	—	(114,183)
Repurchases of common stock	(606)	(6)	—	(833,266)	—	—	(833,272)
Net income	—	—	—	—	512,811	—	512,811
Foreign currency translation adjustments	—	—	—	—	—	10,516	10,516
Balance at September 30, 2024	**24,392**	**244**	**1,366,572**	**(6,138,736)**	**3,900,870**	**(91,629)**	**(962,679)**
Share-based compensation	—	—	156,667	—	—	—	156,667
Issuance of treasury stock under employee stock plans	205	2	(192,119)	20,347	—	—	(171,770)
Repurchases of common stock	(833)	(8)	—	(1,419,519)	—	—	(1,419,527)
Net income	—	—	—	—	651,946	—	651,946
Foreign currency translation adjustments	—	—	—	—	—	(421)	(421)
Balance at September 30, 2025	**23,764**	**$238**	**$1,331,120**	**$(7,537,908)**	**$4,552,816**	**$ (92,050)**	**$(1,745,784)**

See accompanying notes.

FAIR ISAAC CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended September 30,		
	2025	2024	2023
	(In thousands)		
Cash flows from operating activities:			
Net income	$ 651,946	$ 512,811	$ 429,375
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	14,952	13,827	14,638
Share-based compensation	156,667	149,439	123,847
Deferred income taxes	(32,486)	(27,330)	(47,378)
Net gain on marketable securities	(5,024)	(9,834)	(2,908)
Non-cash operating lease costs	9,604	12,423	14,708
Provision of doubtful accounts	1,485	1,675	1,475
Gain on product line asset sale	—	—	(1,941)
Net loss on sales and abandonment of property and equipment	210	438	547
Changes in operating assets and liabilities:			
Accounts receivable	(100,377)	(34,144)	(70,117)
Prepaid expenses and other assets	610	(14,034)	(11,904)
Accounts payable	9,849	3,316	2,236
Accrued compensation and employee benefits	10,065	3,195	4,631
Other liabilities	31,566	7,216	(7,057)
Deferred revenue	29,740	13,966	18,763
Net cash provided by operating activities	778,807	632,964	468,915
Cash flows from investing activities:			
Purchases of property and equipment	(8,922)	(8,884)	(4,237)
Capitalized internal-use software costs	(30,485)	(16,667)	—
Proceeds from sales of marketable securities	2,184	15,930	5,032
Purchases of marketable securities	(6,496)	(18,372)	(10,623)
Cash transferred, net of proceeds, from product line asset sale	—	—	(6,126)
Net cash used in investing activities	(43,719)	(27,993)	(15,954)
Cash flows from financing activities:			
Proceeds from revolving line of credit and term loans	725,000	947,000	407,000
Payments on revolving line of credit and term loans	(1,368,750)	(602,000)	(402,000)
Proceeds from issuance of senior notes	1,500,000	—	—
Payments on debt issuance costs	(17,163)	(706)	—
Payments on finance leases	(3,144)	(1,333)	—
Proceeds from issuance of treasury stock under employee stock plans	32,823	25,006	22,198
Taxes paid related to net share settlement of equity awards	(204,593)	(139,188)	(76,673)
Repurchases of common stock	(1,414,502)	(821,702)	(405,526)
Net cash used in financing activities	(750,329)	(592,923)	(455,001)
Effect of exchange rate changes on cash	(1,290)	1,841	5,616
Increase (decrease) in cash and cash equivalents	(16,531)	13,889	3,576
Cash and cash equivalents, beginning of year	150,667	136,778	133,202
Cash and cash equivalents, end of year	$ 134,136	$ 150,667	$ 136,778
Supplemental disclosures of cash flow information:			
Cash paid for income taxes, net of refunds of $8,649, $859 and $640 during the years ended September 30, 2025, 2024 and 2023, respectively	$ 162,089	$ 133,716	$ 152,775
Cash paid for interest	$ 103,564	$ 106,388	$ 96,877
Supplemental disclosures of non-cash investing and financing activities:			
Unsettled repurchases of common stock	$ 18,416	$ 13,391	$ 1,821
Purchase of property and equipment included in accounts payable	$ 47	$ 62	$ 106
Finance lease obligation incurred	$ —	$ 11,740	$ —

See accompanying notes.

FAIR ISAAC CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended September 30, 2025, 2024 and 2023

1. Nature of Business and Summary of Significant Accounting Policies

Fair Isaac Corporation

Fair Isaac Corporation (NYSE: FICO) (together with its consolidated subsidiaries, the "Company," which may also be referred to in this report as "we," "us," "our," or "FICO") is a global analytics software leader. We were founded in 1956 on the premise that data, used intelligently, can improve business decisions. Today, FICO's software and the widely used FICO® Score operationalize analytics, enabling thousands of businesses in more than 80 countries to uncover new opportunities, make timely decisions that matter, and execute them at scale. Most leading banks and credit card issuers rely on our solutions, as do insurers, retailers, telecommunications providers, automotive lenders, consumer reporting agencies, public agencies, and organizations in other industries. We also serve consumers through online services that enable people to access and understand their FICO Scores — the standard measure of consumer credit risk in the United States ("U.S.") — empowering them to increase financial literacy and manage their financial health.

Principles of Consolidation and Basis of Presentation

The consolidated financial statements include the accounts of FICO and its subsidiaries. All intercompany accounts and transactions have been eliminated.

Use of Estimates

We make estimates and assumptions that affect the amounts reported in the financial statements and the disclosures made in the accompanying notes. For example, we use estimates in determining the appropriate levels of various accruals; variable considerations included in the transaction price and standalone selling price of each performance obligation for our customer contracts; labor hours in connection with fixed-fee service contracts; the amount of our tax provision; and the realizability of deferred tax assets. We also use estimates in determining the remaining economic lives and carrying values of property and equipment and other long-lived assets. In addition, we use assumptions to estimate the fair value of reporting units and share-based compensation. Actual results may differ from our estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in banks and investments with an original maturity of 90 days or less at time of purchase.

Fair Value of Financial Instruments

The fair value of certain of our financial instruments, including cash and cash equivalents, receivables, other current assets, accounts payable, accrued compensation and employee benefits, other accrued liabilities and amounts outstanding under our revolving line of credit and term loans, approximate their carrying amounts because of the short-term maturity of these instruments. The fair values of our cash and cash equivalents and marketable securities investments are disclosed in Note 4. The fair value of our derivative instruments is disclosed in Note 5. The fair value of our senior notes is disclosed in Note 8.

Investments

We categorize our investments in debt and equity instruments as trading, available-for-sale or held-to-maturity at the time of purchase. Trading securities are carried at fair value with unrealized gains or losses included in other income, net. Available-for-sale securities are carried at fair value measurements using quoted prices in active markets for identical assets or liabilities with unrealized gains or losses included in accumulated other comprehensive income (loss). Held-to-maturity securities are carried at amortized cost. Dividends and interest income are accrued as earned. Realized gains and losses are determined on a specific identification basis and are included in other income, net. We review marketable securities for impairment whenever circumstances and situations change such that there is an indication that the carrying amounts may not be recovered. We did not classify any securities as held-to-maturity or available-for-sale during each of the three years ended September 30, 2025, 2024 and 2023. Investments with remaining maturities over one year are classified as long-term investments.

Concentration of Risk

Financial instruments that potentially expose us to concentrations of risk consist primarily of cash and cash equivalents, marketable securities and accounts receivable, which are generally not collateralized. Our policy is to place our cash, cash equivalents, and marketable securities with high quality financial institutions, commercial corporations and government agencies in order to limit the amount of credit exposure. We have established guidelines relative to diversification and maturities for maintaining safety and liquidity. We generally do not require collateral from our customers, but our credit extension and collection policies include analyzing the financial condition of potential customers, establishing credit limits, monitoring payments, and aggressively pursuing delinquent accounts. We maintain allowances for potential credit losses.

A significant portion of our revenues are derived from the sales of products and services to the financial services industries.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation and amortization. Major renewals and improvements are capitalized, while repair and maintenance costs are expensed as incurred. Depreciation and amortization charges are calculated using the straight-line method over the following estimated useful lives:

	Estimated Useful Life
Data processing equipment and purchased software	3 years
Internal-use software	4 years
Office furniture and equipment	3 years to 7 years
Leasehold improvements	Shorter of estimated useful life or lease term

The cost and accumulated depreciation and amortization for property and equipment sold, retired or otherwise disposed of are removed from the applicable accounts, and resulting gains or losses are recorded in our consolidated statements of income and comprehensive income. Depreciation and amortization on property and equipment totaled $10.7 million, $9.4 million and $10.1 million during fiscal 2025, 2024 and 2023, respectively.

Internal-Use Software

Costs incurred to develop internal-use software during the application development stage are capitalized and reported at cost. Application development stage costs generally include costs associated with internal-use software configuration, coding, installation and testing. Costs of significant upgrades and enhancements that result in additional functionality are also capitalized whereas costs incurred for maintenance and minor upgrades and enhancements are expensed as incurred. Amortization of capitalized costs are recorded within cost of revenues in our consolidated statements of income and comprehensive income.

Capitalized Software and Research and Development Costs

Software development costs relating to products to be sold in the normal course of business are expensed as incurred as research and development costs until technological feasibility is established. Technological feasibility for our products occurs approximately concurrently with the general release of our products; accordingly, we have not capitalized any development or production costs. Costs we incur to maintain and support our products are expensed in the period they are incurred and included in cost of revenues in our consolidated statements of income and comprehensive income.

Goodwill and Other Long-Lived Assets

Goodwill represents the excess of cost over the fair value of identifiable assets acquired and liabilities assumed in business combinations. We assess goodwill for impairment for each of our reporting units on an annual basis during our fourth fiscal quarter using a July 1 measurement date unless circumstances require a more frequent measurement.

We have determined that our reporting units are the same as our reportable segments. When evaluating goodwill for impairment, we may first perform an assessment qualitatively whether it is more likely than not that a reporting unit's carrying amount exceeds its fair value, referred to as a "step zero" approach. If, based on the review of the qualitative factors, we determine it is not more likely than not that the fair value of a reporting unit is less than its carrying value, we would bypass the two-step impairment test. Events and circumstances we consider in performing the "step zero" qualitative assessment include macro-economic conditions, market and industry conditions, internal cost factors, share price fluctuations, and the operational stability and overall financial performance of the reporting units. If we conclude that it is more likely than not that a reporting unit's fair value is less than its carrying amount, we would perform the first step ("step one") of the two-step impairment test and calculate the estimated fair value of the reporting unit by using discounted cash flow valuation models and by comparing our reporting units to guideline publicly-traded companies. These methods require estimates of our future revenues, profits, capital expenditures, working capital, and other relevant factors, as well as selecting appropriate guideline publicly-traded companies for each reporting unit. We estimate these amounts by evaluating historical trends, current budgets, operating plans, industry data, and other relevant factors. Alternatively, we may bypass the qualitative assessment described above for any reporting unit in any period and proceed directly to performing step one of the goodwill impairment test.

For fiscal 2025, 2024 and 2023, we performed a step zero qualitative analysis for our annual assessment of goodwill impairment. After evaluating and weighing all relevant events and circumstances, we concluded that it is not more likely than not that the fair value of either of our reporting units was less than their carrying amounts. Consequently, we did not perform a step one quantitative analysis and determined goodwill was not impaired for either of our reporting units for fiscal 2025, 2024 and 2023.

Our other long-lived assets are assessed for potential impairment when there is evidence that events and circumstances related to our financial performance and economic environment indicate the carrying amount of the assets may not be recoverable. When impairment indicators are identified, we test for impairment using undiscounted cash flows. If such tests indicate impairment, then we measure and record the impairment as the difference between the carrying value of the asset and the fair value of the asset. We did not recognize any impairment charges on other long-lived assets in fiscal 2025, 2024 and 2023.

Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration to which we expect to be entitled to in exchange for those goods or services.

See Note 9 for further discussion on revenues.

Income Taxes

We estimate our income taxes based on the various jurisdictions where we conduct business, which involves significant judgment in determining our income tax provision. We estimate our current tax liability using currently enacted tax rates and laws and assess temporary differences that result from differing treatments of certain items for tax and accounting purposes. These differences result in deferred tax assets and liabilities recorded on our consolidated balance sheets using the currently enacted tax rates and laws that will apply to taxable income for the years in which those tax assets are expected to be realized or settled. We then assess the likelihood our deferred tax assets will be realized and to the extent we believe realization is not more likely than not, we establish a valuation allowance. When we establish a valuation allowance or increase this allowance in an accounting period, we record a corresponding income tax expense in our consolidated statements of income and comprehensive income. In assessing the need for the valuation allowance, we consider future taxable income in the jurisdictions we operate; our ability to carry back tax attributes to prior years; an analysis of our deferred tax assets and the periods over which they will be realizable; and ongoing prudent and feasible tax planning strategies. An increase in the valuation allowance would have an adverse impact, which could be material, on our income tax provision and net income in the period in which we record the increase.

We recognize and measure benefits for uncertain tax positions using a two-step approach. The first step is to evaluate the tax position taken or expected to be taken in a tax return by determining if the technical merits of the tax position indicate it is more likely than not that the tax position will be sustained upon audit, including resolution of any related appeals or litigation processes. For tax positions more likely than not of being sustained upon audit, the second step is to measure the tax benefit as the largest amount more than 50% likely of being realized upon settlement. Significant judgment is required to evaluate uncertain tax positions and they are evaluated on a quarterly basis. Our evaluations are based upon a number of factors, including changes in facts or circumstances, changes in tax law, correspondence with tax authorities during the course of audits and effective settlement of audit issues. Changes in the recognition or measurement of uncertain tax positions could result in material increases or decreases in our income tax expense in the period in which we make the change, which could have a material impact on our effective tax rate and operating results.

Earnings per Share

Basic earnings per share are computed on the basis of the weighted-average number of common shares outstanding during the period under measurement. Diluted earnings per share are based on the weighted-average number of common shares outstanding and potential common shares. Potential common shares result from the assumed exercise of outstanding stock options or other potentially dilutive equity instruments, when they are dilutive under the treasury stock method.

Comprehensive Income

Comprehensive income is the change in our equity (net assets) during each period from transactions and other events and circumstances from non-owner sources. It includes net income and foreign currency translation adjustments.

Foreign Currency and Derivative Financial Instruments

We have determined that the functional currency of each foreign operation is the local currency. Assets and liabilities denominated in their local foreign currencies are translated into U.S. dollars at the exchange rate on the balance sheet date. Revenues and expenses are translated at average rates of exchange prevailing during the period. Foreign currency translation adjustments are accumulated as a separate component of consolidated stockholders' deficit.

We utilize derivative instruments to manage market risks associated with fluctuations in certain foreign currency exchange rates as they relate to specific balances of accounts receivable and cash denominated in foreign currencies. We principally utilize foreign currency forward contracts to protect against market risks arising in the normal course of business. Our policies prohibit the use of derivative instruments for the sole purpose of trading for profit on price fluctuations or to enter into contracts that intentionally increase our underlying exposure. All of our foreign currency forward contracts have maturity periods of less than three months.

At the end of the reporting period, foreign-currency-denominated assets and liabilities are remeasured into the functional currencies of the reporting entities at current market rates. The change in value from this remeasurement is reported as a foreign exchange gain or loss for that period in other income, net in the accompanying consolidated statements of income and comprehensive income.

We recorded transactional foreign exchange gains (losses) of $1.1 million, $(0.6) million and $(2.6) million during fiscal 2025, 2024 and 2023, respectively.

Share-Based Compensation

We measure share-based compensation cost at the grant date based on the fair value of the award and recognize it as expense, net of estimated forfeitures, over the vesting or service period, as applicable, of the stock award (generally three to four years). See Note 13 for further discussion of our share-based employee benefit plans.

Advertising and Promotion Costs

Advertising and promotion costs are expensed as incurred and are included in selling, general and administrative expenses in the accompanying consolidated statements of income and comprehensive income. Advertising and promotion costs totaled $29.7 million, $12.3 million and $9.8 million in fiscal 2025, 2024 and 2023, respectively.

New Accounting Pronouncements

Recent Accounting Pronouncements Adopted

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-07, "*Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*" ("ASU 2023-07"). ASU 2023-07 expands annual and interim disclosure requirements for reportable segments, primarily through enhanced disclosures about significant segment expenses. We adopted ASU 2023-07 in fiscal 2025 and the adoption did not have a significant impact on our disclosures within our consolidated financial statements.

Recent Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued ASU No. 2023-09, "*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*" ("ASU 2023-09"). ASU 2023-09 requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as disaggregated information on income tax paid. The standard is effective for fiscal years beginning after December 15, 2024, which means that it will be effective for our fiscal years beginning October 1, 2025. Early adoption is permitted. We are currently evaluating the impact that the updated standard will have on our disclosures within our consolidated financial statements.

In November 2024, the FASB issued ASU No. 2024-03, *"Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses"* ("ASU 2024-03"). ASU 2024-03 requires disaggregated disclosure of certain income statement expenses an entity presents on the face of the income statement into specified categories in disclosures within the footnotes to the financial statements, including employee compensation, depreciation, intangible asset amortization, and certain other expenses, when applicable. The standard is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, which means that it will be effective for our annual periods beginning October 1, 2027, and our interim periods beginning October 1, 2028. Early adoption is permitted. We are currently evaluating the impact that the updated standard will have on our disclosures within our consolidated financial statements.

In September 2025, the FASB issued ASU No. 2025-06, *"Intangibles — Goodwill and Other — Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software"* ("ASU 2025-06"). ASU 2025-06 removes references to prescriptive and sequential software development project stages, and instead requires capitalizing software costs when both of the following occur: (1) management has authorized and committed to funding the software project, and (2) it is probable that the project will be completed and the software will be used to perform the function intended, with consideration as to when significant uncertainty associated with the development activities of the software has been resolved. Additionally, ASU 2025-06 clarifies the disclosure requirements for capitalized internal-use software costs. The standard is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2027, which means that it will be effective for our fiscal years beginning October 1, 2028. Early adoption is permitted. We are currently evaluating the impact that the updated standard will have on our consolidated financial statements.

We do not expect that any other recently issued accounting pronouncements will have a significant effect on our consolidated financial statements.

2. Product Line Asset Sale

During fiscal 2023, we sold certain assets related to our Siron compliance business within our Software segment and recorded a gain of $1.9 million.

3. Cash, Cash Equivalents and Marketable Securities

The following is a summary of cash, cash equivalents and marketable securities at September 30, 2025 and 2024:

	September 30, 2025		September 30, 2024	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(In thousands)			
Cash and Cash Equivalents:				
Cash	$134,130	$134,130	$142,768	$142,768
Money market funds	6	6	731	731
Bank time deposits	—	—	7,168	7,168
Total	$134,136	$134,136	$150,667	$150,667
Marketable Securities:				
Marketable securities	$ 40,603	$ 54,625	$ 36,044	$ 45,289

The assets included in marketable securities represent long-term marketable equity securities held under a supplemental retirement and savings plan for certain officers and senior management employees, which are distributed upon termination or retirement of the employees. These investments are treated as trading securities and recorded at fair value.

4. Fair Value Measurements

Fair value is defined as the price that would be received from the sale of an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The accounting guidance establishes a three-level hierarchy for disclosure that is based on the extent and level of judgment used to estimate the fair value of assets and liabilities.

- Level 1 — uses unadjusted quoted prices that are available in active markets for identical assets or liabilities. Our Level 1 assets were comprised of money market funds and certain marketable securities and our Level 1 liabilities included senior notes as of September 30, 2025 and 2024.
- Level 2 — uses inputs other than quoted prices included in Level 1 that are either directly or indirectly observable through correlation with market data. These include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs to valuation models or other pricing methodologies that do not require significant judgment because the inputs used in the model, such as interest rates and volatility, can be corroborated by readily observable market data. We did not have any assets or liabilities that are valued using inputs identified under a Level 2 hierarchy as of September 30, 2025 and 2024.
- Level 3 — uses one or more significant inputs that are unobservable and supported by little or no market activity, and that reflect the use of significant management judgment. Level 3 assets and liabilities include those whose fair value measurements are determined using pricing models, discounted cash flow methodologies or similar valuation techniques, and significant management judgment or estimation. We did not value any assets or liabilities using inputs identified under a Level 3 hierarchy as of September 30, 2025 and 2024.

The following tables represent financial assets that we measured at fair value on a recurring basis at September 30, 2025 and 2024:

September 30, 2025	Active Markets for Identical Instruments (Level 1)	Fair Value as of September 30, 2025
	(In thousands)	
Assets:		
Cash equivalents (1)	$ 6	$ 6
Marketable securities (2)	54,625	54,625
Total	$54,631	$54,631

September 30, 2024	Active Markets for Identical Instruments (Level 1)	Fair Value as of September 30, 2024
	(In thousands)	
Assets:		
Cash equivalents (1)	$ 7,899	$ 7,899
Marketable securities (2)	45,289	45,289
Total	$53,188	$53,188

(1) Included in cash and cash equivalents on our consolidated balance sheets at September 30, 2025 and 2024. Not included in these tables are cash deposits of $134.1 million and $142.8 million at September 30, 2025 and 2024, respectively.
(2) Represents securities held under a supplemental retirement and savings plan for certain officers and senior management employees, which are distributed upon termination or retirement of the employees. Included in marketable securities on our consolidated balance sheets at September 30, 2025 and 2024.

See Note 8 for the fair value of our senior notes.

There were no transfers between Level 1, Level 2, and Level 3 of the fair value hierarchy during the years ended September 30, 2025, 2024 or 2023.

5. Derivative Financial Instruments

We use derivative instruments to manage risks caused by fluctuations in foreign exchange rates. The primary objective of our derivative instruments is to protect the value of foreign-currency-denominated receivable and cash balances from the effects of volatility in foreign exchange rates that might occur prior to conversion to their functional currencies. We principally utilize foreign currency forward contracts, which enable us to buy and sell foreign currencies in the future at fixed exchange rates and economically offset changes in foreign exchange rates. We routinely enter into contracts to offset exposures denominated in the British pound, Euro and Singapore dollar.

Foreign-currency-denominated receivable and cash balances are remeasured at foreign exchange rates in effect on the balance sheet date with the effects of changes in foreign exchange rates reported in other income, net. The forward contracts are not designated as hedges and are marked to market through other income, net. Fair value changes in the forward contracts help mitigate the changes in the value of the remeasured receivable and cash balances attributable to changes in foreign exchange rates. The forward contracts are short-term in nature and typically have average maturities at inception of less than three months.

The following tables summarize our outstanding foreign currency forward contracts, by currency, at September 30, 2025 and 2024:

	September 30, 2025			
	Contract Amount			Fair Value
	Foreign Currency		USD	USD
	(In thousands)			
Sell foreign currency:				
Euro (EUR)	EUR	7,700	$ 9,034	—
Buy foreign currency:				
British pound (GBP)	GBP	10,019	$13,500	—
Singapore dollar (SGD)	SGD	8,087	$ 6,300	—

	September 30, 2024			
	Contract Amount			Fair Value
	Foreign Currency		USD	USD
	(In thousands)			
Sell foreign currency:				
Euro (EUR)	EUR	13,000	$14,531	—
Buy foreign currency:				
British pound (GBP)	GBP	12,237	$16,400	—
Singapore dollar (SGD)	SGD	7,404	$ 5,800	—

The foreign currency forward contracts were entered into on September 30, 2025 and 2024; therefore, their fair value was $0 at each of these dates.

Gains (losses) on derivative financial instruments were recorded in our consolidated statements of income and comprehensive income as a component of other income, net, and consisted of the following:

	Year Ended September 30,		
	2025	2024	2023
	(In thousands)		
Gain (loss) on foreign currency forward contracts	$(425)	$1,580	$1,625

6. Goodwill

The following table summarizes changes to goodwill during fiscal 2025 and 2024, both in total and as allocated to our segments. As of September 30, 2025, there was no accumulated goodwill impairment loss.

	Scores	Software	Total
		(In thousands)	
Balance at September 30, 2023	$146,648	$626,679	$773,327
Foreign currency translation adjustment	—	9,425	9,425
Balance at September 30, 2024	146,648	636,104	782,752
Foreign currency translation adjustment	—	588	588
Balance at September 30, 2025	$146,648	$636,692	$783,340

7. Composition of Certain Financial Statement Captions

The following table presents the composition of property and equipment, net at September 30, 2025 and 2024:

	September 30, 2025	September 30, 2024
	(In thousands)	
Property and equipment, net:		
Data processing equipment and purchased software	$ 42,121	$ 74,084
Internal-use software	47,151	16,510
Office furniture and equipment	8,113	9,473
Leasehold improvements	15,900	15,851
Less: accumulated depreciation and amortization	(45,572)	(77,453)
Total	$ 67,713	$ 38,465

The following table presents the composition of other accrued liabilities at September 30, 2025 and 2024:

	September 30, 2025	September 30, 2024
	(In thousands)	
Other accrued liabilities:		
Interest payable	$ 53,500	$21,663
Other	61,118	58,149
Total	$114,618	$79,812

8. Debt

The following table represents our debt at carrying value at September 30, 2025 and 2024:

	September 30, 2025	September 30, 2024
	(In thousands)	
Current maturities on debt:		
The $300 Million Term Loan	$ —	$ 15,000
The 2018 Senior Notes	400,000	—
Less: debt issuance costs	(459)	—
Current maturities on debt	399,541	15,000
Long-term debt:		
Revolving line of credit	275,000	210,000
The $300 Million Term Loan	—	243,750
The $450 Million Term Loan	—	450,000
The 2018 Senior Notes	—	400,000
The 2019 Senior Notes and the 2021 Senior Notes	900,000	900,000
The 2025 Senior Notes	1,500,000	—
Less: debt issuance costs	(18,850)	(9,729)
Long-term debt	2,656,150	2,194,021
Total debt	$3,055,691	$2,209,021

Revolving Line of Credit and Term Loans

On May 13, 2025, we amended our credit agreement with a syndicate of banks, increasing our borrowing capacity under the unsecured revolving line of credit from $600 million to $1.0 billion and extending its maturity to May 13, 2030. Also on May 13, 2025, we repaid in full and terminated the $300 million unsecured term loan (the “$300 Million Term Loan”) and the $450 million unsecured term loan (the “$450 Million Term Loan”) outstanding under our credit agreement, utilizing proceeds from the issuance of the 2025 Senior Notes (as defined below). Borrowings under the revolving line of credit can be used for working capital and general corporate purposes and may also be used for the refinancing of existing debt, acquisitions, and the repurchase of our common stock. Interest rates on amounts borrowed under the revolving line of credit are based on (i) an adjusted base rate, which is the greatest of (a) the prime rate, (b) the Federal Funds rate plus 0.5%, and (c) the Daily Simple Secured Overnight Financing Rate (“SOFR”) plus 1%, plus, in each case, an applicable margin, (ii) the Daily Simple SOFR plus an applicable margin (or, if such rate is no longer available, a successor benchmark rate determined in accordance with the terms of the credit agreement), or (iii) term SOFR (without a credit spread adjustment) plus an applicable margin (or, if such rate is no longer available, a successor benchmark rate determined in accordance with the terms of the credit agreement). The applicable margin for base rate borrowings and for SOFR borrowings is determined based on our consolidated leverage ratio. The applicable margin for base rate borrowings ranges from 0% to 0.75% per annum and for SOFR borrowings ranges from 1% to 1.75% per annum. In addition, we must pay certain credit facility fees. The credit agreement contains certain restrictive covenants including a maximum consolidated leverage ratio of 3.5 to 1.0, subject to a step up to 4.0 to 1.0 following certain permitted acquisitions and subject to certain conditions, and contains other covenants typical of an unsecured credit facility.

As of September 30, 2025, we had $275.0 million in borrowings outstanding under the revolving line of credit at a weighted-average interest rate of 5.423%, and we were in compliance with all financial covenants under the credit agreement.

Senior Notes

On May 8, 2018, we issued $400 million of senior notes in a private offering to qualified institutional investors (the “2018 Senior Notes”). The 2018 Senior Notes require interest payments semi-annually at a rate of 5.25% per annum and will mature on May 15, 2026.

On December 6, 2019, we issued $350 million of senior notes in a private offering to qualified institutional investors (the “2019 Senior Notes”). The 2019 Senior Notes require interest payments semi-annually at a rate of 4.00% per annum and will mature on June 15, 2028.

On December 17, 2021, we issued $550 million of additional senior notes of the same class as the 2019 Senior Notes in a private offering to qualified institutional investors (the “2021 Senior Notes”). The 2021 Senior Notes require interest payments semi-annually at a rate of 4.00% per annum and will mature on June 15, 2028, the same date as the 2019 Senior Notes.

On May 13, 2025, we issued $1.5 billion of senior notes in a private offering to qualified institutional investors (the “2025 Senior Notes,” and collectively with the 2018 Senior Notes, the 2019 Senior Notes and the 2021 Senior Notes, the “Senior Notes”). The 2025 Senior Notes require interest payments semi-annually at a rate of 6.00% per annum and will mature on May 15, 2033.

The indentures for the Senior Notes contain certain covenants typical of unsecured obligations and we were in compliance as of September 30, 2025.

The following table presents the face values and fair values for the Senior Notes at September 30, 2025 and 2024:

	September 30, 2025		September 30, 2024	
	Face Value	Fair Value	Face Value	Fair Value
	(In thousands)			
The 2018 Senior Notes	$ 400,000	$ 399,500	$ 400,000	$ 399,500
The 2019 Senior Notes and the 2021 Senior Notes	900,000	875,250	900,000	864,000
The 2025 Senior Notes	1,500,000	1,518,750	—	—
Total	$2,800,000	$2,793,500	$1,300,000	$1,263,500

Future principal payments for the Senior Notes are as follows:

Year Ending September 30,	(In thousands)
2026	$ 400,000
2027	—
2028	900,000
2029	—
2030	—
Thereafter	1,500,000
Total	$2,800,000

9. Revenue from Contracts with Customers

Contracts with Customers

Our revenue is primarily derived from on-premises software and SaaS subscriptions, professional services and scoring services. For contracts with customers that contain various combinations of products and services, we evaluate whether the products or services are distinct — distinct products or services will be accounted for as separate performance obligations, while non-distinct products or services are combined with others to form a single performance obligation. For contracts with multiple performance obligations, the transaction price is allocated to each performance obligation on a relative standalone selling price (“SSP”) basis. Revenue is recognized when control of the promised goods or services is transferred to our customers.

Our on-premises software is primarily sold on a subscription basis, which includes a term-based license and post-contract support or maintenance, both of which generally represent distinct performance obligations and are accounted for separately. The transaction price is either a fixed fee, or a usage-based fee — sometimes subject to a guaranteed minimum. When the amount is fixed, including the guaranteed minimum in a usage-based fee, license revenue is recognized at the point in time when the software is made available to the customer. Maintenance revenue is recognized ratably over the contract period as customers simultaneously consume and receive benefits. Any usage-based fees not subject to a guaranteed minimum or earned in excess of the minimum amount are recognized when the subsequent usage occurs. We occasionally sell software arrangements consisting of on-premises perpetual licenses and maintenance. License revenue is recognized at a point in time when the software is made available to the customer and maintenance revenue is recognized ratably over the contract term.

Our SaaS products provide customers with access to and standard support for our software on a subscription basis, delivered through our own infrastructure or third-party cloud services. The SaaS transaction contracts typically include a guaranteed minimum fee per period that allows up to a certain level of usage and a consumption-based variable fee in excess of the minimum threshold; or a consumption-based variable fee not subject to a minimum threshold. The nature of our SaaS arrangements is to provide continuous access to our hosted solutions in the cloud, i.e., a stand-ready obligation that comprises a series of distinct service periods (e.g., a series of distinct daily, monthly or annual periods of service). We estimate the total variable consideration at contract inception — subject to any constraints that may apply — and update the estimates as new information becomes available and recognize the amount ratably over the SaaS service period, unless we determine it is appropriate to allocate the variable amount to each distinct service period and recognize revenue as each distinct service period is performed. Variable consideration is included in the transaction price if, in our judgment, it is probable that a significant future reversal of cumulative revenue recognized under the contract will not occur. Variable consideration is estimated based on either the expected value or the most likely amount method depending on which method we expect to better predict the amount of consideration to which we will be entitled. Our estimates of variable consideration are based largely on an assessment of our anticipated performance and all information (historical, current and forecasted) that is reasonably available to us at contract inception and require judgment.

Our professional services include software implementation, consulting, model development and training. Professional services are sold either standalone, or together with other products or services and generally represent distinct performance obligations. The transaction price can be a fixed amount or a variable amount based upon the time and materials expended. Revenue on fixed-price services is recognized using an input method based on labor hours expended, which we believe provides a faithful depiction of the transfer of services. Revenue on services provided on a time and materials basis is recognized by applying the “right-to-invoice” practical expedient as the amount to which we have a right to invoice the customer corresponds directly with the value of our performance to the customer.

Our scoring services include both business-to-business and business-to-consumer offerings. Our business-to-business scoring services typically include a license that grants consumer reporting agencies the right to use our scoring solutions in exchange for a usage-based royalty. Revenue is generally recognized when the usage occurs. Business-to-consumer offerings provide consumers with access to their FICO® Scores and credit reports, as well as other value-add services. These are provided as either a one-time or ongoing subscription service renewed monthly or annually, all with a fixed consideration. The nature of the subscription service is a stand-ready obligation to generate credit reports, provide credit monitoring, and other services for our customers, which comprises a series of distinct service periods (e.g., a series of distinct daily, monthly or annual periods of service). Revenue from one-time or monthly subscription services is recognized during the period when service is performed. Revenue from annual subscription services is recognized ratably over the subscription period.

Disaggregation of Revenue

During fiscal 2023, we sold certain assets related to our Siron compliance business. The comparability of the data below is impacted as a result of this sale.

The following tables provide information about disaggregated revenue by primary geographical market:

	Year Ended September 30, 2025			
	Scores	Software	Total	Percentage
	(Dollars in thousands)			
Americas	$1,154,470	$577,915	$1,732,385	87%
Europe, Middle East and Africa	6,984	152,819	159,803	8%
Asia Pacific	7,121	91,560	98,681	5%
Total	$1,168,575	$822,294	$1,990,869	100%

	Year Ended September 30, 2024			
	Scores	Software	Total	Percentage
	(Dollars in thousands)			
Americas	$905,266	$544,622	$1,449,888	84%
Europe, Middle East and Africa	5,908	163,618	169,526	10%
Asia Pacific	8,476	89,636	98,112	6%
Total	$919,650	$797,876	$1,717,526	100%

	Year Ended September 30, 2023			
	Scores	Software	Total	Percentage
	(Dollars in thousands)			
Americas	$763,874	$523,076	$1,286,950	85%
Europe, Middle East and Africa	5,802	135,562	141,364	9%
Asia Pacific	4,152	81,091	85,243	6%
Total	$773,828	$739,729	$1,513,557	100%

The following table provides information about disaggregated revenue for on-premises and SaaS software within our Software segment by deployment method:

	Year Ended September 30,			Percentage of revenues		
	2025	2024	2023	2025	2024	2023
	(Dollars in thousands)					
On-premises software	$320,425	$313,632	$292,763	43%	44%	46%
SaaS software	419,720	397,708	347,419	57%	56%	54%
Total	$740,145	$711,340	$640,182	100%	100%	100%

The following table provides information about disaggregated revenue for on-premises and SaaS software within our Software segment by product features:

	Year Ended September 30,			Percentage of revenues		
	2025	2024	2023	2025	2024	2023
	(Dollars in thousands)					
Platform software	$237,056	$200,004	$154,750	32%	28%	24%
Non-platform software	503,089	511,336	485,432	68%	72%	76%
Total	$740,145	$711,340	$640,182	100%	100%	100%

The following table provides information about disaggregated revenue for on-premises and SaaS software within our Software segment by timing of revenue recognition:

	Year Ended September 30,			Percentage of revenues		
	2025	2024	2023	2025	2024	2023
	(Dollars in thousands)					
Software recognized at a point in time (1)	$ 90,238	$ 76,284	$ 72,843	12%	11%	11%
Software recognized over contract term (2)	649,907	635,056	567,339	88%	89%	89%
Total	$740,145	$711,340	$640,182	100%	100%	100%

(1) Includes license portion of our on-premises subscription software and perpetual license, both of which are recognized when the software is made available to the customer, or at the start of the subscription.

(2) Includes maintenance portion and usage-based fees of our on-premises subscription software, maintenance revenue on perpetual licenses, as well as SaaS revenue.

The following table provides information about disaggregated revenue for our Scores segment by distribution method:

	Year Ended September 30,			Percentage of revenues		
	2025	2024	2023	2025	2024	2023
	(Dollars in thousands)					
Business-to-business Scores	$ 948,595	$711,843	$560,995	81%	77%	72%
Business-to-consumer Scores	219,980	207,807	212,833	19%	23%	28%
Total	$1,168,575	$919,650	$773,828	100%	100%	100%

We derive a substantial portion of revenues from our contracts with the three major consumer reporting agencies, TransUnion, Equifax and Experian. Revenues collectively generated by agreements with these customers accounted for 51%, 45% and 41% of our total revenues in fiscal 2025, 2024 and 2023, respectively, with all three consumer reporting agencies each contributing more than 10% of our total revenues in each of fiscal 2025, 2024 and 2023. At September 30, 2025 and September 30, 2024, two customers and one individual customer, respectively, accounted for 10% or more of total consolidated receivables.

Contract Balances

We record a receivable when we satisfy a performance obligation prior to invoicing if only the passage of time is required before payment is due or if we have an unconditional right to consideration before we satisfy a performance obligation. We record a contract asset when we satisfy a performance obligation prior to invoicing but our right to consideration is conditional. We record deferred revenue when the payment is made or due before we satisfy a performance obligation.

Receivables at September 30, 2025 and 2024 consisted of the following:

	September 30,	
	2025	2024
	(In thousands)	
Billed	$327,721	$264,942
Unbilled	246,600	210,795
	574,321	475,737
Less: allowance for doubtful accounts	(7,964)	(6,454)
Net receivables	566,357	469,283
Less: long-term receivables (*)	(37,209)	(42,641)
Short-term receivables (*)	$529,148	$426,642

(*) Short-term receivables and long-term receivables were recorded in accounts receivable, net and other assets, respectively, within the accompanying consolidated balance sheets.

Activity in the allowance for doubtful accounts was as follows:

	Year Ended September 30,	
	2025	2024
	(In thousands)	
Allowance for doubtful accounts, beginning balance	$6,454	$4,978
Add: expense	1,485	1,675
Less: write-offs (net of recoveries)	25	(199)
Allowance for doubtful accounts, ending balance	$7,964	$6,454

Deferred revenue primarily relates to our maintenance and SaaS contracts billed annually in advance and generally recognized ratably over the term of the service period. Significant changes in the deferred revenues balances are as follows:

	Year Ended September 30,	
	2025	2024
	(In thousands)	
Deferred revenues, beginning balance	$ 160,209	$ 143,235
Revenue recognized that was included in the deferred revenues balance at the beginning of the period	(151,859)	(133,554)
Increases due to billings, excluding amounts recognized as revenue during the period	180,888	150,528
Deferred revenues, ending balance (*)	$ 189,238	$ 160,209

(*) Deferred revenues at September 30, 2025 included current portion of $187.4 million and long-term portion of $1.8 million that were recorded in deferred revenue and other liabilities, respectively, within the consolidated balance sheets. Deferred revenues at September 30, 2024 included current portion of $156.9 million and long-term portion of $3.3 million that were recorded in deferred revenue and other liabilities, respectively, within the consolidated balance sheets.

Payment terms and conditions vary by contract type, although terms generally include a requirement of payment within 30 to 60 days. In instances where the timing of revenue recognition differs from the timing of invoicing, we have determined our contracts generally do not include a significant financing component. The primary purpose of our invoicing terms is to provide customers with simplified and predictable ways of purchasing our products and services, not to provide customers with financing or to receive financing from our customers. Examples include multi-year on-premises licenses that are invoiced annually with revenue recognized upfront and invoicing at the beginning of a subscription term with revenue recognized ratably over the contract period.

Performance Obligations

Revenue allocated to remaining performance obligations represents contracted revenue that will be recognized in future periods, which is comprised of deferred revenue and amounts that will be invoiced and recognized as revenue in future periods. This does not include:

- Usage-based revenue that will be recognized in future periods from on-premises software subscriptions;
- Consumption-based variable fees from SaaS software that will be recognized in the distinct service period during which it is earned; and
- Revenue from variable considerations that will be recognized in accordance with the “right-to-invoice” practical expedient, such as fees from our professional services billed based on a time and materials basis.

Revenue allocated to remaining performance obligations was $655.7 million as of September 30, 2025, approximately 50% of which we expect to recognize over the next 15 months and the remainder thereafter. Revenue allocated to remaining performance obligations was $507.3 million as of September 30, 2024.

Significant Judgments

Our contracts with customers often include promises to transfer multiple products and services to a customer. Determining whether products and services are considered distinct and should be accounted for separately may require significant judgment. Specifically, when implementation service is included in the original software or SaaS offerings, judgment is required to determine if the implementation service significantly modifies or customizes the software or SaaS service in such a way that the risks of providing it and the customization service are inseparable.

We determine the SSPs using data from our historical standalone sales, or, in instances where such information is not available (such as when we do not sell the product or service separately), we consider factors such as the stated contract prices, our overall pricing practices and objectives, go-to-market strategy, size and type of the transactions, and effects of the geographic area on pricing, among others. When the selling price of a product or service is highly variable, we may use the residual approach to determine the SSP of that product or service. Significant judgment may be required to determine the SSP for each distinct performance obligation when it involves the consideration of many market conditions and entity-specific factors discussed above.

Significant judgment may be required to determine the timing of satisfaction of a performance obligation in certain professional services contracts with a fixed consideration, in which we measure progress using an input method based on labor hours expended. In order to estimate the total hours of the project, we make assumptions about labor utilization, efficiency of processes, the customer's specification and IT environment, among others. For certain complex projects, due to the risks and uncertainties inherent with the estimation process and factors relating to the assumptions, actual progress may differ due to the change in estimated total hours. Adjustments to estimates are made in the period in which the facts requiring such revisions become known and, accordingly, recognized revenues are subject to revisions as the contract progresses to completion.

Capitalized Commission Costs

We capitalize incremental commission fees paid as a result of obtaining customer contracts. Capitalized commission costs, which are recorded in other assets within the accompanying consolidated balance sheets, were $63.2 million and $60.5 million at September 30, 2025 and 2024, respectively.

Capitalized commission costs are amortized on a straight-line basis over ten years — determined using a portfolio approach — based on the transfer of goods or services to which the assets relate, taking into consideration both the initial and future contracts as we do not typically pay a commission on a contract renewal. The amortization costs are included in selling, general, and administrative expenses of our consolidated statements of income and comprehensive income. The amount of amortization was $9.9 million, $9.2 million, and $8.2 million during the years ended September 30, 2025, 2024 and 2023, respectively. There was no impairment loss in relation to the costs capitalized.

We apply a practical expedient to recognize the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets that we otherwise would have recognized is one year or less. These costs are recorded within selling, general, and administrative expenses.

10. Employee Benefit Plans

Defined Contribution Plans

We sponsor the Fair Isaac Corporation 401(k) plan for eligible employees in the U.S. Under this plan, eligible employees may contribute up to 25% of compensation, not to exceed statutory limits. We also provide a company matching contribution. Investment in FICO common stock is not an option under this plan. Our contributions into all 401(k) plans, including former-acquired-company-sponsored plans that have since merged into the Fair Isaac Corporation 401(k) plan or have been frozen, totaled $10.2 million, $9.5 million and $8.9 million during fiscal 2025, 2024 and 2023, respectively.

Employee Incentive Plans

We maintain various employee incentive plans for the benefit of eligible employees, including officers. The awards generally are based upon the achievement of certain financial and performance objectives subject to the discretion of management. For executive officers, such discretion is exercised by the Leadership Development and Compensation Committee of our Board of Directors. Total expenses under our employee incentive plans were $60.8 million, $62.5 million and $57.8 million during fiscal 2025, 2024 and 2023, respectively.

11. Restructuring Charges

During fiscal 2025, we incurred restructuring charges of $10.9 million in employee separation costs due to the elimination of 226 positions throughout the Company. Cash payments for all the employee separation costs will be paid by the end of fiscal 2026.

There were no restructuring charges incurred during fiscal 2024 or 2023.

The following table summarizes our restructuring accrual for employee separation costs. At September 30, 2025, the balance was classified as current liabilities and recorded in other accrued liabilities within the accompanying consolidated balance sheets.

	Year Ended September 30, 2025
	(In thousands)
Restructuring accrual, beginning balance	$ —
Expense additions	10,922
Cash payments	(948)
Restructuring accrual, ending balance	$ 9,974

12. Income Taxes

The provision for income taxes was as follows during fiscal 2025, 2024 and 2023:

	Year ended September 30, 2025	2024	2023
	(In thousands)		
Current:			
Federal	$123,340	$110,402	$112,456
State	23,818	10,199	16,844
Foreign	35,977	35,943	42,327
	183,135	156,544	171,627
Deferred:			
Federal	(26,949)	(26,227)	(37,884)
State	(3,330)	(1,712)	(15,025)
Foreign	(2,207)	609	5,531
	(32,486)	(27,330)	(47,378)
Total provision	$150,649	$129,214	$124,249

The foreign provision was based on foreign pre-tax earnings of $144.5 million, $150.8 million and $172.7 million in fiscal 2025, 2024 and 2023, respectively. Current foreign tax expense related to foreign tax withholdings was $15.6 million, $14.6 million and $12.3 million in fiscal 2025, 2024 and 2023, respectively. Foreign withholding tax and related foreign tax credits are included in current tax expense above.

Deferred tax assets and liabilities at September 30, 2025 and 2024 were as follows:

	September 30, 2025	2024
	(In thousands)	
Deferred tax assets:		
Loss and credit carryforwards	$ 6,876	$ 7,717
Compensation benefits	31,638	32,093
Operating lease liabilities	7,375	7,881
Research and development costs	100,304	67,795
Other assets	21,538	18,241
Total deferred tax assets	167,731	133,727
Deferred tax liabilities:		
Intangible assets	(8,612)	(7,812)
Deferred commission	(15,134)	(14,484)
Operating lease right-of-use assets	(6,479)	(7,240)
Other liabilities	(18,953)	(17,678)
Total deferred tax liabilities	(49,178)	(47,214)
Deferred tax assets, net	$118,553	$ 86,513

Based upon the level of historical taxable income and projections for future taxable income over the periods that the deferred tax assets will reverse, management believes it is more likely than not that we will realize the benefits of the deferred tax assets at September 30, 2025.

As of September 30, 2025, we had available U.S. federal net operating loss (“NOL”) carryforwards of approximately $1.3 million. The U.S. federal NOLs were acquired in connection with our acquisitions of Adeptra in fiscal 2012 and Infoglide in fiscal 2013. The U.S. federal NOL carryforwards will expire at various dates beginning in fiscal 2026, if not utilized. Utilization of the U.S. federal NOLs is subject to an annual limitation due to the “change in ownership” provisions of the Internal Revenue Code of 1986, as amended. We had available an excess California state research credit of approximately $6.6 million as of September 30, 2025.

A reconciliation of the provision for income taxes, with the amount computed by applying the U.S. federal statutory income tax rate of 21% to income before provision for income taxes for fiscal 2025, 2024 and 2023 is shown below:

	Year Ended September 30,		
	2025	2024	2023
		(In thousands)	
Income tax provision at U.S. federal statutory rate	$168,545	$134,825	$116,261
State income taxes, net of U.S. federal benefit	18,733	13,109	14,135
Foreign tax rate differential	5,812	6,675	9,489
Research credits	(6,683)	(5,472)	(3,600)
Valuation allowance	—	(2,183)	(14,451)
Excess tax benefits relating to share-based compensation	(27,638)	(14,907)	(949)
GILTI, FDII, BEAT and FTC	(10,896)	(9,265)	(9,010)
Other	2,776	6,432	12,374
Recorded income tax provision	$150,649	$129,214	$124,249

As of September 30, 2025, we had approximately $94.6 million of unremitted earnings of non-U.S. subsidiaries. The Company has provided $3.2 million of deferred tax liabilities for foreign withholding taxes on the undistributed earnings and profits from certain non-U.S. subsidiaries that are not permanently reinvested outside the U.S. For other jurisdictions permanently reinvested, the Company expects the net impact of any future repatriations to be immaterial to the Company’s overall tax liability.

Unrecognized Tax Benefit for Uncertain Tax Positions

We conduct business globally and, as a result, file income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. In the normal course of business, we are subject to examination by taxing authorities. With a few exceptions, we are no longer subject to U.S. federal, state, local, or foreign income tax examinations for fiscal years prior to 2022.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	Year Ended September 30,		
	2025	2024	2023
		(In thousands)	
Gross unrecognized tax benefits at beginning of year	$19,879	$13,849	$12,980
Gross increases for tax positions in prior years	678	4,769	—
Gross decreases for tax positions in prior years	—	(1,956)	(1,127)
Gross increases based on tax positions related to the current year	3,675	4,277	3,650
Decreases for settlements and payments	—	—	(523)
Decreases due to statute expiration	(4,727)	(1,060)	(1,131)
Gross unrecognized tax benefits at end of year	$19,505	$19,879	$13,849

We had $19.5 million of total unrecognized tax benefits as of September 30, 2025, including $18.0 million of tax benefits that, if recognized, would impact the effective tax rate. Although the timing and outcome of audit settlements are uncertain, it is unlikely there will be a significant reduction of the uncertain tax benefits in the next twelve months.

We recognize interest expense and penalties related to unrecognized tax benefits and penalties as part of the provision for income taxes in our consolidated statements of income and comprehensive income. We recognize interest earned related to income tax matters as interest income in our consolidated statements of income and comprehensive income. As of September 30, 2025, we had accrued interest of $1.9 million related to the unrecognized tax benefits.

The Organization for Economic Co-operation and Development published Pillar Two Model Rules ("Pillar Two") for a global 15% minimum tax rate that are in the process of being adopted by a number of jurisdictions in which we operate. Pillar Two did not have a material impact on our fiscal 2025 consolidated financial statements.

The One Big Beautiful Bill Act (the "OBBBA") of 2025 was signed into law on July 4, 2025. We continue to monitor the impact of the tax provisions of the OBBBA, most of which are not effective for FICO until fiscal 2026 and after. The OBBBA did not have a material impact on our fiscal 2025 consolidated financial statements.

13. Share-Based Employee Benefit Plans

Description of Stock Option and Share Plans

We maintain the 2021 Long-Term Incentive Plan (the "2021 Plan"). The 2021 Plan authorizes the issuance of up to 5,900,000 shares of our common stock, plus additional shares that become available due to the expiration, forfeiture or cancellation of awards outstanding under the 2012 Long-Term Incentive Plan. Under the terms of the 2021 Plan, the pool of shares available for issuance may be used for all types of equity awards available under the 2021 Plan, which include stock options, stock appreciation rights, restricted stock awards, stock unit awards and other share-based awards. All employees, consultants and advisors of FICO or any subsidiary, as well as all non-employee directors, are eligible to receive awards under the 2021 Plan. The 2021 Plan will remain in effect until the earliest of the following: all shares subject to the Plan are distributed, the Board terminates the Plan, or the tenth anniversary of the effective date of the Plan.

Stock option awards have a maximum term of ten years. In general, stock option awards and stock unit awards not subject to market or performance conditions vest annually over four years. Stock unit awards subject to market or performance conditions generally vest annually over three years based on the achievement of specified criteria. At September 30, 2025, there were 4,309,793 shares available for issuance as new awards under the 2021 Plan.

Description of Employee Stock Purchase Plan

We maintain the 2019 Employee Stock Purchase Plan (the "2019 Purchase Plan") under which we are authorized to issue up to 1,000,000 shares of our common stock to eligible employees. Eligible employees may elect to have up to 15% of their eligible pay withheld through payroll deductions to purchase FICO common stock during semi-annual offering periods. Offering period means approximately six-month periods commencing (a) on the first trading day on or after September 1 and terminating on the last trading day in the following February, and (b) on the first trading day on or after March 1 and terminating on the last trading day in the following August. Beginning with the March 2025 through August 2025 offering period and in subsequent offering periods, the purchase price of the stock is the lower of 85% of (i) the closing sales price of FICO common stock on the first trading day of each offering period or (ii) the closing sales price of FICO common stock on the last trading day of each offering period. Prior to the March 2025 through August 2025 offering period, the purchase price was 85% of the closing sales price of FICO common stock on the last trading day of each offering period. At September 30, 2025, there were 826,719 shares available for issuance under the 2019 Purchase Plan.

We satisfy stock option exercises, vesting of stock units and the 2019 Purchase Plan issuances from treasury shares.

Share-Based Compensation Expense and Related Income Tax Benefits

We recorded share-based compensation expense of $156.7 million, $149.4 million and $123.8 million in fiscal 2025, 2024 and 2023, respectively. The total tax benefit related to this share-based compensation expense was $15.3 million, $15.9 million and $13.8 million in fiscal 2025, 2024 and 2023, respectively. As of September 30, 2025, there was $199.9 million of total unrecognized compensation cost related to non-vested share-based compensation arrangements granted under all equity compensation plans. Total unrecognized compensation cost will be adjusted for future changes in estimated forfeitures. We expect to recognize that cost over a weighted-average period of 2.28 years.

In fiscal 2025 we received $14.7 million in cash from stock option exercises, with the tax benefit realized for the tax deductions from these exercises of $5.2 million.

Share-Based Activity

Restricted Stock Units

The fair value of restricted stock units ("RSUs") granted is the closing market price of our common stock on the date of grant, adjusted for the expected dividend yield, if applicable. We amortize the fair value on a straight-line basis over the vesting period.

The following table summarizes the RSUs activity during fiscal 2025:

	Shares	Weighted-average Grant-date Fair Value
	(In thousands)	
Outstanding at September 30, 2024	305	$ 724.40
Granted	56	2,119.14
Released	(128)	647.91
Forfeited	(19)	933.24
Outstanding at September 30, 2025	214	$1,114.47

The weighted-average fair value of the RSUs granted was $2,119.14, $1,150.58 and $620.51 during fiscal 2025, 2024 and 2023, respectively. The total intrinsic value of the RSUs that vested was $274.7 million, $171.0 million and $101.1 million during fiscal 2025, 2024 and 2023, respectively, determined as of the date of vesting.

Performance Share Units

Performance share units ("PSUs") are granted to our senior officers and earned based on pre-established performance goals approved by the Leadership Development and Compensation Committee of our Board of Directors for any given performance period. The range of payout is zero to 200% of the number of target PSUs, based on the outcome of the performance conditions. We estimate the fair value of the PSUs using the closing market price of our common stock on the date of grant, adjusted for the expected dividend yield if applicable, based on the performance condition that is probable of achievement. We amortize the fair values over the requisite service period for each vesting tranche of the award. We reassess the probability at each reporting period and recognize the cumulative effect of the change in estimate in the period of change.

The following table summarizes the PSUs activity during fiscal 2025:

	Shares	Weighted- average Grant-date Fair Value
	(In thousands)	
Outstanding at September 30, 2024	85	$ 786.85
Granted	14	2,227.11
Released	(46)	665.22
Forfeited	(7)	1,161.69
Outstanding at September 30, 2025	46	$1,283.09

The weighted-average fair value of the PSUs granted was $2,227.11, $1,134.39 and $615.45 during fiscal 2025, 2024 and 2023, respectively. The total intrinsic value of the PSUs that vested was $101.1 million, $65.2 million and $40.3 million during fiscal 2025, 2024 and 2023, respectively, determined as of the date of vesting.

Market Share Units

Market share units ("MSUs") are granted to our senior officers and earned based on our total stockholder return relative to a benchmark index over performance periods of one, two and three years. For grants made in fiscal 2025 and thereafter, performance is measured against the S&P 500 Index. For grants made prior to fiscal 2025, performance was measured against the Russell 3000 Index. We estimate the fair value of MSUs granted using the Monte Carlo valuation model and amortize the fair values over the requisite service period for each vesting tranche of the award. In addition, we do not reverse the compensation cost solely because the market condition is not satisfied, and the award is therefore not earned by the employee, provided the requisite service is rendered. We used the following assumptions to estimate the fair value of our MSUs during fiscal 2025, 2024 and 2023:

	Year Ended September 30,		
	2025	2024	2023
Expected volatility in FICO's stock price	36.2%	36.3%	47.3%
Expected volatility in Russell 3000 Index	N/A	18.2%	26.0%
Expected volatility in S&P 500 Index (peer average)	30.9%	N/A	N/A
Correlation between FICO and the Russell 3000 Index	N/A	60.3%	73.5%
Correlation between FICO and the S&P 500 Index	30.3%	N/A	N/A
Risk-free interest rate	4.09%	4.39%	4.02%
Average expected dividend yield	— %	— %	— %

The expected volatility was determined based on daily historical movements in our stock price and the S&P 500 Index (Russell 3000 Index for grants prior to fiscal 2025) for the three years preceding the grant date. The correlation between FICO and the S&P 500 Index (Russell 3000 Index for grants prior to fiscal 2025) was determined based on historical daily stock price movements for the three years preceding the grant date. The risk-free rate was determined based on U.S. Treasury zero-coupon yields over the three-year performance period. Because we have not declared or paid any cash dividends on our common stock since May 2017, and we do not presently plan to pay cash dividends on our common stock in the foreseeable future, we used an expected dividend yield of zero.

The following table summarizes the MSUs activity during fiscal 2025:

	Shares	Weighted- average Grant-date Fair Value
	(In thousands)	
Outstanding at September 30, 2024	62	$1,161.62
Granted	32	1,596.70
Released	(46)	978.49
Forfeited	(3)	1,846.85
Outstanding at September 30, 2025	45	$1,611.35

The weighted-average fair value of the MSUs granted was $1,596.70, $1,014.75 and $822.96 during fiscal 2025, 2024 and 2023, respectively. The total intrinsic value of the MSUs that vested was $102.1 million, $95.0 million and $42.2 million during fiscal 2025, 2024 and 2023, respectively, determined as of the date of vesting.

Stock Options

We estimate the fair value of stock options granted using the Black-Scholes option valuation model and we amortize the fair value on a straight-line basis over the vesting period. We used the following assumptions to estimate the fair value of our stock options during fiscal 2025, 2024 and 2023:

	Year Ended September 30,		
	2025	2024	2023
Stock Options:			
Weighted-average expected term (years)	4.40	4.46	5.23
Expected volatility (range)	34.6 - 36.5%	33.6 - 33.9%	33.4 - 35.5%
Weighted-average volatility	35.0%	33.7%	33.5%
Risk-free interest rate (range)	3.89 - 4.08%	4.18 - 4.30%	3.40 - 4.49%
Weighted-average expected dividend yield	— %	— %	— %

Expected Term. The expected term represents the period that our stock options are expected to be outstanding. We estimate the expected term based on historical experience of similar awards, giving consideration to the contractual terms of the share-based awards, vesting schedules and expectations of future employee behavior.

Expected Volatility. We estimate the volatility of our common stock at the date of grant based on a combination of the implied volatility of publicly traded options on our common stock and our historical volatility rate.

Risk-Free Interest Rate. The risk-free interest rate assumption is based on observed interest rates appropriate for the term of our employee options.

Dividends. We have not declared or paid any cash dividends on our common stock since May 2017, and we do not presently plan to pay cash dividends on our common stock in the foreseeable future. Consequently, we used an expected dividend yield of zero in the years presented.

Forfeitures. We use historical data to estimate pre-vesting option forfeitures and record share-based compensation expense only for those awards that are expected to vest.

The following table summarizes option activity during fiscal 2025:

	Shares	Weighted-average Exercise Price	Weighted-average Remaining Contractual Term	Aggregate Intrinsic Value
	(In thousands)		(In years)	(In thousands)
Outstanding at September 30, 2024	189	$ 479.26		
Granted	5	2,014.89		
Exercised	(65)	224.16		
Outstanding at September 30, 2025	129	$ 670.08	3.43	$109,164
Exercisable at September 30, 2025	65	$ 457.59	2.11	$ 67,464
Vested or expected to vest at September 30, 2025	127	$ 664.36	3.41	$108,192

The weighted-average fair value of options granted was $705.43, $419.00 and $289.54 during fiscal 2025, 2024 and 2023, respectively. The aggregate intrinsic value of options outstanding at September 30, 2025 was calculated as the difference between the exercise price of the underlying options and the market price of our common stock for the 124,000 outstanding options that had exercise prices lower than the $1,496.53 market price of our common stock at September 30, 2025. The total intrinsic value of options exercised was $107.6 million, $49.1 million and $16.7 million during fiscal 2025, 2024 and 2023, respectively, determined as of the date of exercise.

Employee Stock Purchase Plan

The compensation expense on the 2019 Purchase Plan arises from the 15% discount offered to participants. A total of 12,455, 13,721, and 21,876 shares of our common stock were issued under the 2019 Purchase Plan during fiscal 2025, 2024 and 2023, respectively. The weighted-average purchase price was $1,457.57, $1,217.05, and $646.37 per share for fiscal 2025, 2024 and 2023, respectively.

14. Earnings per Share

The following table presents reconciliations for the numerators and denominators of basic and diluted earnings per share ("EPS") during fiscal 2025, 2024 and 2023:

	Year Ended September 30,		
	2025	2024	2023
	(In thousands, except per share data)		
Numerator for diluted and basic earnings per share:			
Net income	$651,946	$512,811	$429,375
Denominator — share:			
Basic weighted-average shares	24,239	24,676	24,986
Effect of dilutive securities	322	403	381
Diluted weighted-average shares	24,561	25,079	25,367
Earnings per share:			
Basic	$ 26.90	$ 20.78	$ 17.18
Diluted	$ 26.54	$ 20.45	$ 16.93

Anti-dilutive share-based awards excluded from the calculations of diluted EPS were immaterial during the years presented.

15. Segment Information

We are organized into two reportable segments: Scores and Software. Although we sell solutions and services into a large number of end user product and industry markets, our reportable business segments reflect the primary method in which management organizes and evaluates internal financial information to make operating decisions and assess performance.

- *Scores.* This segment includes our business-to-business ("B2B") scoring solutions and services which give our clients access to predictive credit and other scores that can be easily integrated into their transaction streams and decision-making processes. This segment also includes our business-to-consumer ("B2C") scoring solutions, including our myFICO.com subscription offerings.
- *Software.* This segment includes pre-configured analytic and decision management solutions designed for a specific type of business need or process — such as account origination, customer management, customer engagement, fraud detection, and marketing — as well as associated professional services. This segment also includes FICO® Platform, a modular software offering designed to support advanced analytic and decision use cases, as well as stand-alone analytic and decisioning software that can be configured by our customers to address a wide variety of business use cases. These offerings are available to our customers as SaaS or as on-premises software.

Our chief operating decision maker ("CODM"), who is our Chief Executive Officer, evaluates segment financial performance based on segment revenues, segment operating expenses in total and segment operating income. Segment operating expenses consist of direct and indirect costs principally related to personnel, facilities, IT infrastructure, depreciation and amortization, consulting and travel. Indirect costs are allocated to the segments generally based on relative segment revenues, fixed rates established by management based upon estimated expense contribution levels and other assumptions that management considers reasonable. We do not allocate broad-based incentive expense, share-based compensation expense, restructuring and acquisition-related expense, amortization expense, various corporate charges and certain other income and expense measures to our segments. These income and expense items are not allocated because they are not considered in evaluating the segment's operating performance. Our CODM does not evaluate the financial performance of each segment based on its respective assets or capital expenditures; rather, depreciation and amortization amounts are allocated to the segments from their internal cost centers as described above.

The following tables summarize segment information for fiscal 2025, 2024 and 2023:

	Year Ended September 30, 2025		
	Scores	Software	Total
		(In thousands)	
Segment revenues:			
On-premises and SaaS software	$ —	$ 740,145	$ 740,145
Professional services	—	82,149	82,149
Scores	1,168,575	—	1,168,575
Total segment revenues	1,168,575	822,294	1,990,869
Segment operating expense	(142,332)	(574,600)	(716,932)
Segment operating income	$1,026,243	$ 247,694	$1,273,937
Unallocated corporate expenses			(181,498)
Unallocated share-based compensation expense			(156,667)
Unallocated restructuring charges			(10,922)
Operating income			924,850
Unallocated interest expense, net			(133,647)
Unallocated other income, net			11,392
Income before income taxes			$ 802,595

	Year Ended September 30, 2024		
	Scores	Software	Total
		(In thousands)	
Segment revenues:			
On-premises and SaaS software	$ —	$ 711,340	$ 711,340
Professional services	—	86,536	86,536
Scores	919,650	—	919,650
Total segment revenues	919,650	797,876	1,717,526
Segment operating expense	(106,296)	(540,347)	(646,643)
Segment operating income	$ 813,354	$ 257,529	1,070,883
Unallocated corporate expenses			(186,898)
Unallocated share-based compensation expense			(149,439)
Unallocated amortization expense			(917)
Operating income			733,629
Unallocated interest expense, net			(105,638)
Unallocated other income, net			14,034
Income before income taxes			$ 642,025

	Year Ended September 30, 2023		
	Scores	Software	Total
		(In thousands)	
Segment revenues:			
On-premises and SaaS software	$ —	$ 640,182	$ 640,182
Professional services	—	99,547	99,547
Scores	773,828	—	773,828
Total segment revenues	773,828	739,729	1,513,557
Segment operating expense	(92,757)	(498,538)	(591,295)
Segment operating income	$681,071	$ 241,191	922,262
Unallocated corporate expenses			(156,426)
Unallocated share-based compensation expense			(123,847)
Unallocated amortization expense			(1,100)
Unallocated gain on product line asset sale			1,941
Operating income			642,830
Unallocated interest expense, net			(95,546)
Unallocated other income, net			6,340
Income before income taxes			$ 553,624

The following table presents depreciation and amortization on property and equipment for fiscal 2025, 2024 and 2023:

	Year Ended September 30,		
	2025	2024	2023
		(In thousands)	
Depreciation and amortization:			
Scores	$ 512	$ 451	$ 485
Software	10,071	8,881	9,550
Total segment depreciation and amortization	10,583	9,332	10,035
Unallocated corporate	75	66	71
Total depreciation and amortization	$10,658	$9,398	$10,106

Long-lived assets held outside of the U.S. were immaterial at September 30, 2025 and 2024.

16. Leases

We lease office space and data centers under operating lease arrangements, which constitute the majority of our lease obligations. We also enter into finance lease agreements from time to time for certain computer equipment. For any lease with a lease term in excess of 12 months, the related lease assets and liabilities are recognized on our consolidated balance sheets as operating leases or finance leases at the commencement of an agreement where it is determined that a lease exists. We have lease agreements that contain both lease and non-lease components, and we have elected to combine these components together and account for them as a single lease component for all classes of assets. Leases with a lease term of 12 months or less are not recorded on our consolidated balance sheets. Furthermore, we recognize lease expense for these leases on a straight-line basis over the lease term.

Operating lease assets represent the right to use an underlying asset for the lease term and operating lease liabilities represent the obligation to make lease payments arising from the lease. These assets and liabilities are recognized based on the present value of future payments over the lease term at the commencement date. We use a collateralized incremental borrowing rate based on the information available at the commencement date, including the lease term, in determining the present value of future payments. In calculating the incremental borrowing rates, we consider recent ratings from credit agencies and current lease demographic information. Our operating leases also typically require payment of real estate taxes, common area maintenance, insurance and other operating costs as well as payments that are adjusted based on a consumer price index. These components comprise the majority of our variable lease cost and are excluded from the present value of our lease obligations. In instances where they are fixed, they are included due to our election to combine lease and non-lease components. Operating lease assets also include prepaid lease payments and initial direct costs, and are reduced by lease incentives. Our lease terms generally do not include options to extend or terminate the lease unless it is reasonably certain that the option will be exercised. Fixed payments may contain predetermined fixed rent escalations. We recognize the related rent expense on a straight-line basis from the commencement date to the end of the lease term.

The following table presents the lease balances within the accompanying consolidated balance sheets as of September 30, 2025 and 2024:

	Balance Sheet Location	September 30,	
		2025	2024
		(In thousands)	
Assets			
Operating leases	Operating lease right-of-use assets	$26,213	$29,580
Finance leases (*)	Property and equipment, net	6,946	9,881
Total lease assets		$33,159	$39,461
Liabilities			
Current:			
Operating leases	Other accrued liabilities	$ 9,615	$11,555
Finance leases	Other accrued liabilities	3,266	3,144
Non-current:			
Operating leases	Operating lease liabilities	19,187	21,963
Finance leases	Other liabilities	3,941	7,263
Total lease liabilities		$36,009	$43,925

(*) Finance leases were recorded net of accumulated depreciation of $4.8 million and $1.9 million at September 30, 2025 and 2024, respectively.

The components of our operating and finance lease expenses were as follows:

	Year Ended September 30,		
	2025	2024	2023
		(In thousands)	
Operating lease cost	$11,686	$14,421	$16,594
Finance lease cost:			
Depreciation of lease assets	2,935	1,859	—
Interest on lease liabilities	481	369	—
Short-term lease cost	802	811	461
Variable lease cost	1,906	2,060	2,363
Sublease income	(461)	(1,073)	(429)
Total lease cost	$17,349	$18,447	$18,989

The following table presents weighted-average remaining lease terms and weighted-average discount rates related to our operating and finance leases:

	September 30,	
	2025	2024
Operating leases:		
Weighted-average remaining lease term (in months)	46	44
Weighted-average discount rate	6.58%	6.41%
Finance leases:		
Weighted-average remaining lease term (in months)	28	40
Weighted-average discount rate	5.52%	5.52%

Supplemental cash flow information related to our non-cancellable leases was as follows:

	Year Ended September 30,		
	2025	2024	2023
		(In thousands)	
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash outflow for operating leases	$11,651	$18,153	$19,780
Operating cash outflow for finance leases	481	369	—
Financing cash outflow for finance leases	3,144	1,333	—
Lease assets obtained in exchange for new lease liabilities:			
Operating leases	6,669	22,433	4,150
Finance leases	—	11,740	—

Future lease payments under our non-cancellable leases as of September 30, 2025 were as follows:

	Operating Leases	Finance Leases
	(In thousands)	
Fiscal 2026	$11,214	$3,625
Fiscal 2027	8,125	3,625
Fiscal 2028	5,576	441
Fiscal 2029	3,767	—
Fiscal 2030	1,917	—
Thereafter	2,191	—
Total future undiscounted lease payments	32,790	7,691
Less imputed interest	(3,988)	(484)
Total reported lease liabilities	$28,802	$7,207

The amounts above do not include contractual sublease income totaling $0.4 million and $0.2 million during fiscal 2026 and 2027, respectively.

17. Commitments

In the ordinary course of business, we enter into contractual purchase obligations and other agreements that are legally binding and specify certain minimum payment terms. Our purchase obligations primarily relate to a third-party data center hosting agreement, subscription arrangements, and service agreements.

Future minimum payments under our non-cancellable purchase obligations as of September 30, 2025 were as follows:

Year Ending September 30,	(In thousands)
2026	$72,128
2027	19,437
2028	5,035
2029	2,375
2030	273
Total	$99,248

We are also a party to a management agreement with 17 of our executives providing for certain payments and other benefits in the event of a qualified change in control of FICO, coupled with a termination of the officer during the following year.

18. Contingencies

We are in disputes with certain customers regarding amounts owed in connection with the sale of certain of our products and services. We also have had claims asserted by former employees relating to compensation and other employment matters. We are also involved in various other claims and legal actions arising in the ordinary course of business. We record litigation accruals for legal matters which are both probable and estimable. For legal proceedings for which there is a reasonable possibility of loss (meaning those losses for which the likelihood is more than remote but less than probable), we have determined we do not have a material exposure, either individually or in the aggregate.

19. Guarantees

In the ordinary course of business, we are not subject to potential obligations under guarantees, except for standard indemnification and warranty provisions that are contained within many of our customer license and service agreements and certain supplier agreements, including underwriter agreements, as well as standard indemnification agreements that we have executed with certain of our officers and directors, and give rise only to the disclosure in the consolidated financial statements. In addition, we continue to monitor the conditions that are subject to the guarantees and indemnifications to identify whether it is probable that a loss has occurred, and would recognize any such losses under the guarantees and indemnifications when those losses are estimable.

Indemnification and warranty provisions contained within our customer license and service agreements and certain supplier agreements are generally consistent with those prevalent in our industry. The duration of our product warranties generally does not exceed 90 days following delivery of our products. We have not incurred significant obligations under customer indemnification or warranty provisions historically and do not expect to incur significant obligations in the future. Accordingly, we do not maintain accruals for potential customer indemnification or warranty-related obligations. The indemnification agreements that we have executed with certain of our officers and directors would require us to indemnify such officers and directors in certain instances. We have not incurred obligations under these indemnification agreements historically and do not expect to incur significant obligations in the future. Accordingly, we do not maintain accruals for potential officer or director indemnification obligations. The maximum potential amount of future payments that we could be required to make under the indemnification provisions in our customer license and service agreements, and officer and director agreements is unlimited.

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

Not applicable.

Item 9A. ***Controls and Procedures***

Evaluation of Disclosure Controls and Procedures

An evaluation was carried out under the supervision and with the participation of FICO's management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the design and operation of FICO's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this annual report. Based on that evaluation, the CEO and CFO have concluded that FICO's disclosure controls and procedures were effective as of September 30, 2025 to ensure that information required to be disclosed by FICO in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms. In addition, the disclosure controls and procedures are designed to ensure that information required to be disclosed is accumulated and communicated to management, including the CEO and CFO, allowing timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

No change in FICO's internal control over financial reporting was identified in connection with the evaluation required by Rule 13a-15(d) of the Exchange Act that occurred during the quarter ended September 30, 2025, that has materially affected, or is reasonably likely to materially affect, FICO's internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Under the supervision and with the participation of management, including our CEO and CFO, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of September 30, 2025 based on the guidelines established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation management has concluded that our internal control over financial reporting was effective as of September 30, 2025.

Deloitte & Touche LLP, an independent registered public accounting firm that audited the consolidated financial statements included in this Annual Report on Form 10-K, has also audited the effectiveness of our internal control over financial reporting as of September 30, 2025, as stated in their attestation report included in Part II, Item 8 of this Annual Report on Form 10-K.

Item 9B. ***Other Information***

Insider Trading Arrangements

On September 12, 2025, Eva Manolis, a member of our Board of Directors, entered into a pre-arranged trading plan that is intended to satisfy the affirmative defense of Rule 10b5-1(c) of the Exchange Act. This plan provides for the sale of up to 1,041 shares of our common stock in the aggregate, and terminates on the earlier of the close of business on February 27, 2026 or the date all shares are sold thereunder.

During the three months ended September 30, 2025, no other directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

Amendment and Restatement of the Fair Isaac Supplemental Retirement and Savings Plan

Because we are filing this Annual Report on Form 10-K within four business days after the triggering event, we are reporting the following information in lieu of reporting on a Current Report on Form 8-K under Item 5.02 “Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers” and Item 9.01 “Financial Statements and Exhibits.”

On November 5, 2025, the LDCC and the Board approved an amendment and restatement of the Fair Isaac Supplemental Retirement and Savings Plan, effective January 1, 2026, to (a) change the base salary maximum deferral percentages to allow participants to defer up to 50% (instead of up to 25%) of their base salary (with the 75% limit for bonuses remaining the same); (b) change the time and form of payment elections, giving participants the ability to make the following payment elections with respect to their deferrals from eligible compensation earned in that year: (i) time of payment, at the earlier of (1) separation from service, or (2) at a specific date while still employed, and (ii) form of payment, with either (1) lump sum payment, or (2) installments of up to ten years; (c) change the name from the Fair Isaac Supplemental Retirement and Savings Plan to the Fair Isaac Non-Qualified Deferred Compensation Plan (the “NQDC Plan”); (d) allow participants to modify a previously made deferral election, in line with Section 409A of the Internal Revenue Code of 1986, as amended, and related rules limiting subsequent deferral elections; and (e) change the Company’s matching contribution structure so that an individual receives the same matching contribution as provided under the Fair Isaac 401(k) Plan (the “401(k) Plan”), based on the matching contribution formula available under the 401(k) Plan, reduced by the amount of matching contributions actually received by the participant under the 401(k) Plan for that plan year.

The foregoing description of the NQDC Plan is a summary only and is qualified by reference to the full text of the NQDC Plan, which is attached hereto as Exhibit 10.37 and incorporated into this Item 9B by reference.

Amendment and Restatement of Certificate of Incorporation

Because we are filing this Annual Report on Form 10-K within four business days after the triggering event, we are reporting the following information in lieu of reporting on a Current Report on Form 8-K under Item 3.03 “Material Modification to Rights of Security Holders,” Item 5.03 “Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year” and Item 9.01 “Financial Statements and Exhibits.”

On November 4, 2025, we filed a Certificate of Elimination (the “Certificate of Elimination”) with the Secretary of State of the State of Delaware to eliminate from our Restated Certificate of Incorporation all matters set forth in the Certificate of Designation with respect to the Series A Participating Preferred Stock (the “Series A Preferred Stock”) previously filed with the Secretary of State of the State of Delaware on August 9, 2001. The shares of Series A Preferred Stock were reserved for issuance upon the exercise of rights under a shareholder rights plan that is no longer in effect, and no shares of Series A Preferred Stock were ever issued or outstanding. The Certificate of Elimination became effective upon filing.

On November 5, 2025, we filed with the Secretary of State of the State of Delaware a Restated Certificate of Incorporation to reflect the elimination from our Restated Certificate of Incorporation of all matters related to the Series A Preferred Stock as described above. The Restated Certificate of Incorporation became effective upon filing.

The foregoing description of the Certificate of Elimination and the Restated Certificate of Incorporation is a summary only and is qualified by reference to the full texts of the Certificate of Elimination and the Restated Certificate of Incorporation, which are attached hereto as Exhibits 3.3 and 3.2, respectively, and incorporated into this Item 9B by reference.

Item 9C. *Disclosure Regarding Foreign Jurisdictions that Prevent Inspections*

Not applicable.

PART III

Item 10. ***Directors, Executive Officers and Corporate Governance***

The required information regarding our Directors is incorporated by reference from the information under the caption "Director Nominees" in our 2026 Proxy Statement to be filed with the SEC within 120 days after September 30, 2025.

Certain information with respect to our executive officers appears in Part I of this Annual Report on Form 10-K under the heading "Information about our Executive Officers."

Information regarding compliance with Section 16(a) of the Securities Exchange Act, if applicable, is incorporated by reference from the information under the caption "Delinquent Section 16(a) Reports," in our 2026 Proxy Statement to be filed with the SEC within 120 days after September 30, 2025. Information regarding material changes, if any, to the procedures by which stockholders may recommend nominees to the Company's Board of Directors is incorporated by reference from the information under the caption "Stockholder-Recommended Director Candidates" in our 2026 Proxy Statement to be filed with the SEC within 120 days after September 30, 2025.

FICO has adopted a Code of Ethics for Senior Financial Management that applies to the Company's principal executive officer, principal financial officer, principal accounting officer or controller, and other persons performing similar functions who have been identified by the Chief Executive Officer. We have posted the Code of Ethics on our website located at www.fico.com. FICO intends to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or a waiver from, this Code of Ethics by posting such information on its website. FICO also has a Code of Conduct and Business Ethics applicable to all directors, officers and employees, which is also available at the website cited above.

The required information regarding the Company's audit committee is incorporated by reference from the information under the caption "Board Committees" in our 2026 Proxy Statement to be filed with the SEC within 120 days after September 30, 2025.

The required information regarding the Company's insider trading policies is incorporated by reference from the information under the caption "Insider Trading Policy" in our 2026 Proxy Statement to be filed with the SEC within 120 days after September 30, 2025. Our Insider Trading Policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

Item 11. ***Executive Compensation***

The information required by this Item is incorporated by reference from the information under the captions "Director Compensation Programs," "Executive Compensation" and "Interlocks and Insider Participation" in our 2026 Proxy Statement to be filed with the SEC within 120 days after September 30, 2025.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

The information required by this Item is incorporated by reference from the information under the captions "Security Ownership of Certain Beneficial Owners and Management" and "Equity Compensation Plan Information" in our 2026 Proxy Statement to be filed with the SEC within 120 days after September 30, 2025.

Item 13. ***Certain Relationships and Related Transactions, and Director Independence***

The information required by this Item is incorporated by reference from the information under the captions "Certain Relationships and Related Persons Transactions," "Board Committees" and "Director Nominees" in our 2026 Proxy Statement to be filed with the SEC within 120 days after September 30, 2025.

Item 14. ***Principal Accountant Fees and Services***

The information required by this Item is incorporated by reference from the information under the caption "Ratification of Independent Registered Public Accounting Firm" in our 2026 Proxy Statement to be filed with the SEC within 120 days after September 30, 2025.

PART IV

Item 15. *Exhibits and Financial Statement Schedules*

1. Consolidated Financial Statements:

2. Financial Statement Schedules

All financial statement schedules are omitted as the required information is not applicable or as the information required is included in the consolidated financial statements and related notes.

3. Exhibits:

Exhibit Number	Description
3.1	Bylaws of Fair Isaac Corporation. (Incorporated by reference to Exhibit 3.1 to the Company's Form 10-Q for the quarter ended December 31, 2009.)
3.2*	Restated Certificate of Incorporation of Fair Isaac Corporation, dated November 5, 2025.
3.3*	Certificate of Elimination of Series A Participating Preferred Stock of Fair Isaac Corporation.
4.1	Description of Securities of Registrant Registered Under Section 12 of the Securities Exchange Act of 1934. (Incorporated by reference to Exhibit 4.1 to the Company's Form 10-K for the fiscal year ended September 30, 2019.)
4.2	Indenture, dated as of May 8, 2018, by and between the Company and U.S. Bank National Association, as trustee, which includes the form of 5.25% Senior Notes due 2026. (Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed on May 8, 2018.)
4.3	Indenture, dated as of December 6, 2019, by and between the Company and U.S. Bank National Association, as trustee, which includes the form of 4.00% Senior Notes due 2028. (Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed on December 6, 2019.)
4.4	Supplemental Indenture dated as of December 17, 2021 by and between the Company and U.S. Bank National Association, as trustee, which includes the form of 4.00% Senior Notes due 2028. (Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K filed December 17, 2021).
4.5	Indenture dated as of May 13, 2025, by and between the Company and U.S. Bank Trust Company, National Association, as trustee, which includes the form of 6.000% Senior Notes due 2033. (Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed May 13, 2025.)
10.1	Fair Isaac Supplemental Retirement and Savings Plan, as amended and restated effective January 1, 2009. (Incorporated by reference to Exhibit 10.10 of the Company's Form 10-K for the fiscal year ended September 30, 2008.) (1)

Exhibit Number	Description
10.2	Form of Indemnity Agreement entered into by the Company with the Company's directors. (Incorporated by reference to Exhibit 10.49 to the Company's Form 10-K for the fiscal year ended September 30, 2002.) (1)
10.3	Form of Management Agreement entered into with each of the Company's executive officers. (Incorporated by reference to Exhibit 10.4 to the Company's Form 8-K filed on February 10, 2012.) (1)
10.4	Form of Amendment to Management Agreement entered into with certain of the Company's executive officers. (Incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q for the quarter ended December 31, 2014.) (1)
10.5	Form of Amendment to Management Agreement entered into with each of the Company's executive officers. (Incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q for the quarter ended June 30, 2016.) (1)
10.6	Offer Letter entered into on May 29, 2007 with Mark R. Scadina. (Incorporated by reference to Exhibit 10.61 to the Company's Form 10-K for the fiscal year ended September 30, 2008.) (1)
10.7	Letter Agreement dated January 24, 2012 by and between the Company and William J. Lansing. (Incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed on January 26, 2012.) (1)
10.8	Letter Agreement dated February 6, 2012 by and between the Company and Mark Scadina. (Incorporated by reference to Exhibit 10.3 to the Company's Form 8-K filed on February 10, 2012.) (1)
10.9	Letter Agreement dated March 7, 2012 by and between the Company and James M. Wehmann. (Incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q for the quarter ended December 31, 2012.) (1)
10.10	Form of Amendment to Letter Agreement entered into with each of the Company's executive officers. (Incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q for the quarter ended June 30, 2016.) (1)
10.11	Fair Isaac Corporation 2012 Long-Term Incentive Plan, as amended as of March 4, 2020. (Incorporated by reference to Exhibit 4.3 of the Company's Registration Statement on Form S-8, filed with the SEC on March 6, 2020.) (1)
10.12	Form of Executive Non-Statutory Stock Option Agreement under the 2012 Long-Term Incentive Plan (U.S.), as amended November 6, 2018. (Incorporated by reference to Exhibit 10.30 to the Company's Form 10-K for the fiscal year ended September 30, 2018.) (1)
10.13	Form of Director Non-Statutory Stock Option Agreement under the 2012 Long-Term Incentive Plan. (Incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q for the quarter ended March 31, 2017.) (1)
10.14	Fair Isaac Corporation 2019 Employee Stock Purchase Plan (Incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-8 filed March 4, 2019.) (1)
10.15	Letter Agreement dated August 26, 2020 by and between the Company and Thomas A. Bowers. (Incorporated by reference to Exhibit 10.59 to the Company's Form 10-K for the fiscal year ended September 30, 2020.) (1)
10.16	Second Amended and Restated Credit Agreement among the Company, Wells Fargo Securities, LLC, as sole lead arranger and bookrunner, and Wells Fargo Bank, National Association, as administrative agent dated as of August 19, 2021 (Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on August 19, 2021).
10.17	First Amendment to Second Amended and Restated Credit Agreement among the Company, the several banks and other financial institutions from time to time parties thereto, and Wells Fargo Bank, National Association, as administrative agent, dated as of October 20, 2021 (Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on October 21, 2021).

Exhibit Number	Description
10.18	Second Amendment to Second Amended and Restated Credit Agreement among the Company, the several banks and other financial institutions from time to time parties thereto, and Wells Fargo Bank, National Association, as administrative agent, dated as of November 3, 2022 (Incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q for the quarter ended December 31, 2022).
10.19	Third Amendment to Second Amended and Restated Credit Agreement among the Company, the several banks and other financial institutions from time to time parties thereto, and Wells Fargo Bank, National Association, as administrative agent, dated as of June 13, 2024 (Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on June 14, 2024).
10.20	Third Amended and Restated Credit Agreement among the Company, the lenders party thereto, Wells Fargo Bank National Association, Wells Fargo Securities, LLC and BofA Securities, Inc., dated May 13, 2025. (Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed May 13, 2025.)
10.21	Fair Isaac Corporation 2021 Long-Term Incentive Plan (Incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-8 filed on March 3, 2021) (1).
10.22	Form of Director Restricted Stock Unit Award Agreement under the 2021 Long-Term Incentive Plan (Incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q for the quarter ended March 31, 2021) (1).
10.23	Form of Director Non-Statutory Stock Option Agreement under the 2021 Long-Term Incentive Plan (Incorporated by reference to Exhibit 10.3 to the Company's Form 10-Q for the quarter ended March 31, 2021) (1).
10.24	Form of Executive Restricted Stock Unit Award Agreement (U.S.) under the 2021 Long-Term Incentive Plan (Incorporated by reference to Exhibit 10.4 to the Company's Form 10-Q for the quarter ended March 31, 2021) (1).
10.25	Form of Executive Non-Statutory Stock Option Agreement (U.S.) under the 2021 Long-Term Incentive Plan (Incorporated by reference to Exhibit 10.5 to the Company's Form 10-Q for the quarter ended March 31, 2021) (1).
10.26	Form of Performance Share Unit Agreement under the 2021 Long-Term Incentive Plan. (Incorporated by reference to Exhibit 10.55 to the Company's Form 10-K for the fiscal year ended September 30, 2021) (1).
10.27	Form of Market Share Unit Agreement under the 2021 Long-Term Incentive Plan. (Incorporated by reference to Exhibit 10.56 to the Company's Form 10-K for the fiscal year ended September 30, 2021) (1).
10.28	Form of Indemnification Agreement between the Company and its executive officers (Incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q for the quarter ended March 31, 2023) (1).
10.29	Letter Agreement, effective May 15, 2023, by and between the Company and Steven P. Weber (Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on May 15, 2023) (1).
10.30	Market Share Unit Agreement, dated June 5, 2023, by and between the Company and William J. Lansing (Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on June 7, 2023) (1).
10.31	Non-Statutory Stock Option Agreement, dated June 5, 2023, by and between the Company and William J. Lansing (Incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed on June 7, 2023) (1).
10.32	Form of Executive Restricted Stock Unit Award Agreement (U.S.) under the 2021 Long-Term Incentive Plan (for Executive Vice Presidents and above) (Incorporated by reference to Exhibit 10.60 to the Company's Form 10-K for the fiscal year ended September 30, 2023) (1).
10.33	Form of Executive Non-Statutory Stock Option Agreement (U.S.) under the 2021 Long-Term Incentive Plan (for Executive Vice Presidents and above) (Incorporated by reference to Exhibit 10.61 to the Company's Form 10-K for the fiscal year ended September 30, 2023) (1).

Exhibit Number	Description
10.34	Form of Executive Performance Share Unit Agreement under the 2021 Long-Term Incentive Plan (for Executive Vice Presidents and above) (Incorporated by reference to Exhibit 10.62 to the Company's Form 10-K for the fiscal year ended September 30, 2023) (1).
10.35	Form of Executive Market Share Unit Agreement under the 2021 Long-Term Incentive Plan (for Executive Vice Presidents and above) (Incorporated by reference to Exhibit 10.63 to the Company's Form 10-K for the fiscal year ended September 30, 2023) (1).
10.36	Letter Agreement, dated as of August 22, 2023, by and between the Company and Nikhil Behl (Incorporated by reference to Exhibit 10.64 to the Company's Form 10-K for the fiscal year ended September 30, 2023) (1).
10.37*	Fair Isaac Non-Qualified Deferred Compensation Plan (1).
10.38*	Form of Executive Restricted Stock Unit Award Agreement (U.S.) under the 2021 Long-Term Incentive Plan (for Executive Vice Presidents and above) (1).
10.39*	Form of Executive Non-Statutory Stock Option Agreement (U.S.) under the 2021 Long-Term Incentive Plan (for Executive Vice Presidents and above) (1).
10.40*	Form of Executive Performance Share Unit Award Agreement under the 2021 Long-Term Incentive Plan (for Executive Vice Presidents and above) (1).
10.41*	Form of Executive Market Share Unit Agreement under the 2021 Long-Term Incentive Plan (for Executive Vice Presidents and above) (1).
19.1	Fair Isaac Corporation Statement of Company Policy as to Trades in the Company's Securities By Company Personnel and Confidential Information (Incorporated by reference to Exhibit 19.1 to the Company's Form 10-K for the fiscal year ended September 30, 2024).
21.1*	List of Company's subsidiaries.
23.1*	Consent of Deloitte & Touche LLP, independent registered public accounting firm.
31.1*	Rule 13a-14(a)/15d-14(a) Certifications of CEO.
31.2*	Rule 13a-14(a)/15d-14(a) Certifications of CFO.
32.1**	Section 1350 Certification of CEO.
32.2**	Section 1350 Certification of CFO.
97.1	Compensation Recovery Policy (Incorporated by reference to Exhibit 97.1 to the Company's Form 10-K for the fiscal year ended September 30, 2023).
101.INS*	Inline XBRL Instance Document—the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

(1) Management contract or compensatory plan or arrangement.
* Filed herewith.
** Furnished herewith.

Item 16. ***Form 10-K Summary***

None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FAIR ISAAC CORPORATION

By /s/ STEVEN P. WEBER

Steven P. Weber
Executive Vice President
and Chief Financial Officer

DATE: November 7, 2025

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Steven P. Weber his or her attorney-in-fact, with full power of substitution, for him or her in any and all capacities, to sign any amendments to this Annual Report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ WILLIAM J. LANSING William J. Lansing	Chief Executive Officer (Principal Executive Officer) and Director	November 7, 2025
/s/ STEVEN P. WEBER Steven P. Weber	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	November 7, 2025
/s/ MICHAEL S. LEONARD Michael S. Leonard	Vice President and Chief Accounting Officer (Principal Accounting Officer)	November 7, 2025
/s/ FABIOLA R. ARREDONDO Fabiola R. Arredondo	Director	November 7, 2025
/s/ BRADEN R. KELLY Braden R. Kelly	Director	November 7, 2025
/s/ EVA MANOLIS Eva Manolis	Director	November 7, 2025
/s/ MARC F. MCMORRIS Marc F. McMorris	Director	November 7, 2025
/s/ JOANNA REES Joanna Rees	Director	November 7, 2025
/s/ DAVID A. REY David A. Rey	Director	November 7, 2025
/s/ H. TAYLOE STANSBURY H. Tayloe Stansbury	Director	November 7, 2025

Corporate Information (as of January 1, 2026)

Executive Officers

William J. Lansing
Chief Executive Officer and Director

Steven P. Weber
Executive Vice President, Chief Financial Officer

Nikhil Behl
President, Software

Thomas A. Bowers
Executive Vice President, Corporate Strategy

Richard S. Deal
Executive Vice President, Chief Human Resources Officer

Michael S. Leonard
Vice President, Chief Accounting Officer

Mark R. Scadina
Executive Vice President, General Counsel and Corporate Secretary

Stock Transfer Agent*:*
Computershare
P.O. Box 43006
Providence, RI 02940-3078
Phone: 1-866-259-0849

Directors

Braden R. Kelly
Chairman of the Board
Former Partner of Health Evolution Partners

Fabiola R. Arredondo
Managing Partner of Siempre Holdings LLC

William J. Lansing
Chief Executive Officer of Fair Isaac Corporation

Eva Manolis
Former Vice President of Amazon.com, Inc.

Marc F. McMorris
Co-Chief Executive Officer and Co-Founder of Carrick Capital Partners, LLC

Joanna Rees
Chairman of West Global

David A. Rey
Former Executive Vice President and Chief Client Relationship Officer of UnitedHealth Group

H. Tayloe Stansbury
Chief Executive Officer of Kaleidescape, Inc.

Corporate Headquarters*:*
5 West Mendenhall, Suite 105
Bozeman, Montana 59715