

FAIR ISAAC CORP
Form 4
November 16, 2015

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Gianforte Greg R

(Last) (First) (Middle)
181 METRO DRIVE
(Street)
SAN JOSE, CA 95110

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
FAIR ISAAC CORP [FICO]

3. Date of Earliest Transaction
(Month/Day/Year)
11/15/2015

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
X Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Stock	11/15/2015		M	1,365 A	2,730	D	Greg Gianforte Revocable Trust and Susan Gianforte Revocable Trust TIC
Common Stock					15,500	I	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
Restricted Stock Units	<u>(1)</u>	11/15/2015		M	1,365	11/15/2014 ⁽²⁾ ⁽³⁾	Common Stock	1,365

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Gianforte Greg R 181 METRO DRIVE SAN JOSE, CA 95110				

Signatures

/s/Nancy E. Fraser,
Attorney-in-fact

11/16/2015

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Each restricted stock unit represents a right to receive one share of Fair Isaac common stock contingent upon continued service on the board.
- (2) The restricted stock units vest in three equal annual installments commencing on this date and vested shares will be delivered to the reporting person as soon as practicable thereafter.
- (3) No expiration date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. 2,089) (2,529) (4,479) (5,079)

Edgar Filing: FAIR ISAAC CORP - Form 4

Unrealized gains on interest rate swaps and caps, net

3,981 1,025 6,268 2,073

Other, net

(10) (1) (29) (2)

Net other expense

(18,981) (20,001) (40,694) (36,195)

Income before income tax and noncontrolling interest

53,080 49,244 107,437 101,030

Income tax expense

(2,240) (4,122) (6,781) (6,445)

Net income

50,840 45,122 100,656 94,585

Less: Net (income) loss attributable to the noncontrolling interest

(2,025) 687 (3,507) 1,134

Net income attributable to Textainer Group Holdings Limited common shareholders

\$48,815 \$45,809 \$97,149 \$95,719

Net income attributable to Textainer Group Holdings Limited common shareholders per share:

Edgar Filing: FAIR ISAAC CORP - Form 4

Basic

\$0.87 \$0.92 \$1.73 \$1.93

Diluted

\$0.86 \$0.91 \$1.71 \$1.90

Weighted average shares outstanding (in thousands):

Basic

56,298 49,543 56,266 49,484

Diluted

56,875 50,358 56,840 50,442

Other comprehensive income:

Foreign currency translation adjustments

(37) (72) (134) 5

Comprehensive income

Explanation of Responses:

Edgar Filing: FAIR ISAAC CORP - Form 4

50,803 45,050 100,522 94,590

Comprehensive (income) loss attributable to the noncontrolling interest

(2,025) 687 (3,507) 1,134

Comprehensive income attributable to Textainer Group Holdings Limited common shareholders

\$48,778 \$45,737 \$97,015 \$95,724

TEXTAINER GROUP HOLDINGS LIMITED AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

June 30, 2013 and December 31, 2012

(Unaudited)

(All currency expressed in United States dollars in thousands)

	2013	2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 92,755	\$ 100,127
Accounts receivable, net of allowance for doubtful accounts of \$9,455 and \$8,025 in 2013 and 2012, respectively	95,543	94,102
Net investment in direct financing and sales-type leases	58,713	43,253
Trading containers	19,059	7,296
Containers held for sale	27,661	15,717
Prepaid expenses	11,929	14,006
Deferred taxes	2,299	2,332
Due from affiliates, net	3	4,377
Total current assets	307,962	281,210
Restricted cash	46,010	54,945
Containers, net of accumulated depreciation of \$502,246 and \$490,930 at 2013 and 2012, respectively	3,020,035	2,916,673
Net investment in direct financing and sales-type leases	218,498	173,634
Fixed assets, net of accumulated depreciation of \$8,484 and \$9,189 at 2013 and 2012, respectively	1,641	1,621
Intangible assets, net of accumulated amortization of \$29,137 and \$26,963 at 2013 and 2012, respectively	31,208	33,383
Interest rate swaps and caps	811	
Other assets	16,265	14,614
Total assets	\$ 3,642,430	\$ 3,476,080
Liabilities and Equity		
Current liabilities:		
Accounts payable	\$ 6,951	\$ 4,451
Accrued expenses	9,373	14,329
Container contracts payable	23,988	87,708
Deferred revenue and other	428	1,681
Due to owners, net	13,661	13,218
Bonds payable	131,500	131,500
Total current liabilities	185,901	252,887
Revolving credit facilities	797,061	549,911
Secured debt facility	870,100	874,000
Bonds payable	640,542	706,291
Interest rate swaps and caps	5,362	10,819
Income tax payable	16,645	27,580
Deferred taxes	19,335	5,249
Other liabilities	3,304	3,210
Total liabilities	2,538,250	2,429,947

Edgar Filing: FAIR ISAAC CORP - Form 4

Equity:

Textainer Group Holdings Limited shareholders' equity:

Common shares, \$0.01 par value. Authorized 140,000,000 shares; issued and outstanding 56,316,678 and 55,754,529 at 2013 and 2012, respectively

	563	558
Additional paid-in capital	361,339	354,448
Accumulated other comprehensive income	(20)	114
Retained earnings	698,323	652,383

Total Textainer Group Holdings Limited shareholders' equity	1,060,205	1,007,503
Noncontrolling interest	43,975	38,630

Total equity	1,104,180	1,046,133
--------------	-----------	-----------

Total liabilities and equity	\$ 3,642,430	\$ 3,476,080
------------------------------	--------------	--------------

TEXTAINER GROUP HOLDINGS LIMITED AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

Six Months Ended June 30, 2013 and 2012

(Unaudited)

(All currency expressed in United States dollars in thousands)

	Six Months Ended June 30,	
	2013	2012
Cash flows from operating activities:		
Net income	\$ 100,656	\$ 94,585
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	66,516	44,381
Bad debt expense, net	2,487	2,461
Unrealized gains on interest rate swaps and caps, net	(6,268)	(2,073)
Amortization of debt issuance costs	5,985	6,370
Amortization of intangible assets	2,175	2,605
Amortization of acquired net below-market leases		(33)
Amortization of deferred revenue	(970)	(4,532)
Amortization of unearned income on direct financing and sales-type leases	(10,679)	(5,407)
Gains on sale of containers, net	(15,123)	(19,451)
Share-based compensation expense	2,557	4,190
Changes in operating assets and liabilities	(10,284)	(14,571)
Total adjustments	36,396	13,940
Net cash provided by operating activities	137,052	108,525
Cash flows from investing activities:		
Purchase of containers and fixed assets	(376,002)	(316,021)
Proceeds from sale of containers and fixed assets	58,678	47,563
Receipt of principal payments on direct financing and sales-type leases	37,240	18,157
Net cash used in investing activities	(280,084)	(250,301)
Cash flows from financing activities:		
Proceeds from revolving credit facilities	258,368	150,530
Principal payments on revolving credit facilities	(11,218)	(123,993)
Proceeds from secured debt facility	34,100	654,000
Principal payments on secured debt facility	(38,000)	(832,697)
Proceeds from bonds payable		400,000
Principal payments on bonds payable	(65,749)	(52,418)
Decrease (increase) in restricted cash	8,935	(770)
Debt issuance costs	(5,610)	(18,500)
Issuance of common shares upon exercise of share options	2,048	3,763
Excess tax benefit from share-based compensation awards	2,291	2,707
Capital contributions from noncontrolling interest	1,838	4,589
Dividends paid	(51,209)	(38,104)
Net cash provided by financing activities	135,794	149,107

Edgar Filing: FAIR ISAAC CORP - Form 4

Effect of exchange rate changes	(134)	5
Net (decrease) increase in cash and cash equivalents	(7,372)	7,336
Cash and cash equivalents, beginning of the year	100,127	74,816
Cash and cash equivalents, end of period	\$ 92,755	\$ 82,152

TEXTAINER GROUP HOLDINGS LIMITED AND SUBSIDIARIES

Reconciliation of GAAP financial measures to non-GAAP financial measures

Three and Six Months Ended June 30, 2013 and 2012

(Unaudited)

(All currency expressed in United States dollars in thousands, except per share amounts)

- (1) The following is a reconciliation of certain GAAP measures to non-GAAP financial measures (such items listed in (a) to (d) below and defined as Non-GAAP Measures) for the three and six months ended June 30, 2013 and 2012, including:
- (a) net income attributable to Textainer Group Holdings Limited common shareholders to adjusted EBITDA (Adjusted EBITDA defined as net income attributable to Textainer Group Holdings Limited common shareholders before interest income and interest expense, realized and unrealized losses (gains) on interest rate swaps and caps, net, income tax expense, net income (loss) attributable to the noncontrolling interest (NCI), depreciation and amortization expense and the related impact of reconciling items on net income (loss) attributable to the NCI);
 - (b) net cash provided by operating activities to Adjusted EBITDA;
 - (c) net income attributable to Textainer Group Holdings Limited common shareholders to adjusted net income (defined as net income attributable to Textainer Group Holdings Limited common shareholders before unrealized gains on interest rate swaps and caps, net and the related impact of reconciling item on net income (loss) attributable to the NCI); and
 - (d) net income attributable to Textainer Group Holdings Limited common shareholders per diluted common share to adjusted net income per diluted common share (defined as net income attributable to Textainer Group Holdings Limited common shareholders per diluted common share before unrealized gains on interest rate swaps and caps, net and the related impact of reconciling item on net income (loss) attributable to the NCI).

Non-GAAP Measures are not financial measures calculated in accordance with U.S. generally accepted accounting principles (GAAP) and should not be considered as an alternative to net income, income from operations or any other performance measures derived in accordance with GAAP or as an alternative to cash flows from operating activities as a measure of our liquidity. Non-GAAP Measures are presented solely as supplemental disclosures. Management believes that adjusted EBITDA may be a useful performance measure that is widely used within our industry and adjusted net income may be a useful performance measure because Textainer intends to hold its interest rate swaps until maturity and over the life of an interest rate swap or cap held to maturity the unrealized (gains) losses will net to zero. Adjusted EBITDA is not calculated in the same manner by all companies and, accordingly, may not be an appropriate measure for comparison.

Management also believes that adjusted net income and adjusted net income per diluted common share are useful in evaluating our operating performance because unrealized (gains) losses on interest rate swaps and caps, net is a noncash, non-operating item. We believe Non-GAAP Measures provide useful information on our earnings from ongoing operations. We believe that adjusted EBITDA provides useful information on our ability to service our long-term debt and other fixed obligations and on our ability to fund our expected growth with internally generated funds. Non-GAAP

Measures have limitations as analytical tools, and you should not consider either of them in isolation, or as a substitute for analysis of our operating results or cash flows as reported under GAAP. Some of these limitations are:

They do not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;

They do not reflect changes in, or cash requirements for, our working capital needs;

Adjusted EBITDA does not reflect interest expense or cash requirements necessary to service interest or principal payments on our debt;

Although depreciation is a noncash charge, the assets being depreciated may be replaced in the future, and neither Adjusted EBITDA, adjusted net income or adjusted net income per diluted common share reflects any cash requirements for such replacements;

They are not adjusted for all noncash income or expense items that are reflected in our statements of cash flows; and

Other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.

	Three Months Ended June 30, 2013		Six Months Ended June 30, 2013	
	2012		2012	
	(Dollars in thousands)		(Dollars in thousands)	
	(Unaudited)		(Unaudited)	
Reconciliation of adjusted net income:				
Net income attributable to Textainer Group Holdings Limited common shareholders	\$ 48,815	\$ 45,809	\$ 97,149	\$ 95,719
Adjustments:				
Unrealized gains on interest rate swaps and caps, net	(3,981)	(1,025)	(6,268)	(2,073)
Impact of reconciling item on net income (loss) attributable to the noncontrolling interest	834	(110)	909	(130)
Adjusted net income	\$ 45,668	\$ 44,674	\$ 91,790	\$ 93,516
Reconciliation of adjusted net income per diluted common share:				
Net income attributable to Textainer Group Holdings Limited common shareholders per diluted common share	\$ 0.86	\$ 0.91	\$ 1.71	\$ 1.90
Adjustments:				
Unrealized gains on interest rate swaps and caps, net	(0.07)	(0.02)	(0.11)	(0.05)
Impact of reconciling item on net income (loss) attributable to the noncontrolling interest	0.01		0.01	
Adjusted net income per diluted common share	\$ 0.80	\$ 0.89	\$ 1.61	\$ 1.85

Edgar Filing: FAIR ISAAC CORP - Form 4

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013 (Dollars in thousands) (Unaudited)	2012 (Dollars in thousands) (Unaudited)	2013 (Dollars in thousands) (Unaudited)	2012 (Dollars in thousands) (Unaudited)
Reconciliation of adjusted EBITDA:				
Net income attributable to Textainer Group Holdings Limited common shareholders	\$ 48,815	\$ 45,809	\$ 97,149	\$ 95,719
Adjustments:				
Interest income	(31)	(35)	(69)	(63)
Interest expense	20,894	18,531	42,523	33,250
Realized losses on interest rate swaps and caps, net	2,089	2,529	4,479	5,079
Unrealized gains on interest rate swaps and caps, net	(3,981)	(1,025)	(6,268)	(2,073)
Income tax expense	2,240	4,122	6,781	6,445
Net income (loss) attributable to the noncontrolling interest	2,025	(687)	3,507	(1,134)
Depreciation expense	33,833	22,801	66,516	44,381
Amortization expense	1,088	1,299	2,175	2,605
Impact of reconciling items on net income (loss) attributable to the noncontrolling interest	(745)	(646)	(2,026)	(1,157)
Adjusted EBITDA	\$ 106,227	\$ 92,698	\$ 214,767	\$ 183,052
Net cash provided by operating activities			\$ 137,052	\$ 108,525
Adjustments:				
Bad debt expense, net			(2,487)	(2,461)
Amortization of debt issuance costs			(5,985)	(6,370)
Amortization of acquired net below market leases				33
Amortization of deferred revenue			970	4,532
Amortization of unearned income on direct financing and sales-type leases			10,679	5,407
Gains on sale of containers, net			15,123	19,451
Share-based compensation expense			(2,557)	(4,190)
Interest income			(69)	(63)
Interest expense			42,523	33,250
Realized losses on interest rate swaps and caps, net			4,479	5,079
Income tax expense			6,781	6,445
Changes in operating assets and liabilities			10,284	14,571
Impact of reconciling items on net income (loss) attributable to the noncontrolling interest			(2,026)	(1,157)
Adjusted EBITDA			\$ 214,767	\$ 183,052

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: August 6, 2013

Textainer Group Holdings Limited

/s/ PHILIP K. BREWER
Philip K. Brewer
President and Chief Executive Officer