



*The First American Corporation*

**LEHMAN BROTHERS**  
**2006 Financial Services Conference**  
**September 12 – 14, 2006**

AMERICA'S LARGEST PROVIDER OF BUSINESS INFORMATION

## Safe Harbor Statement

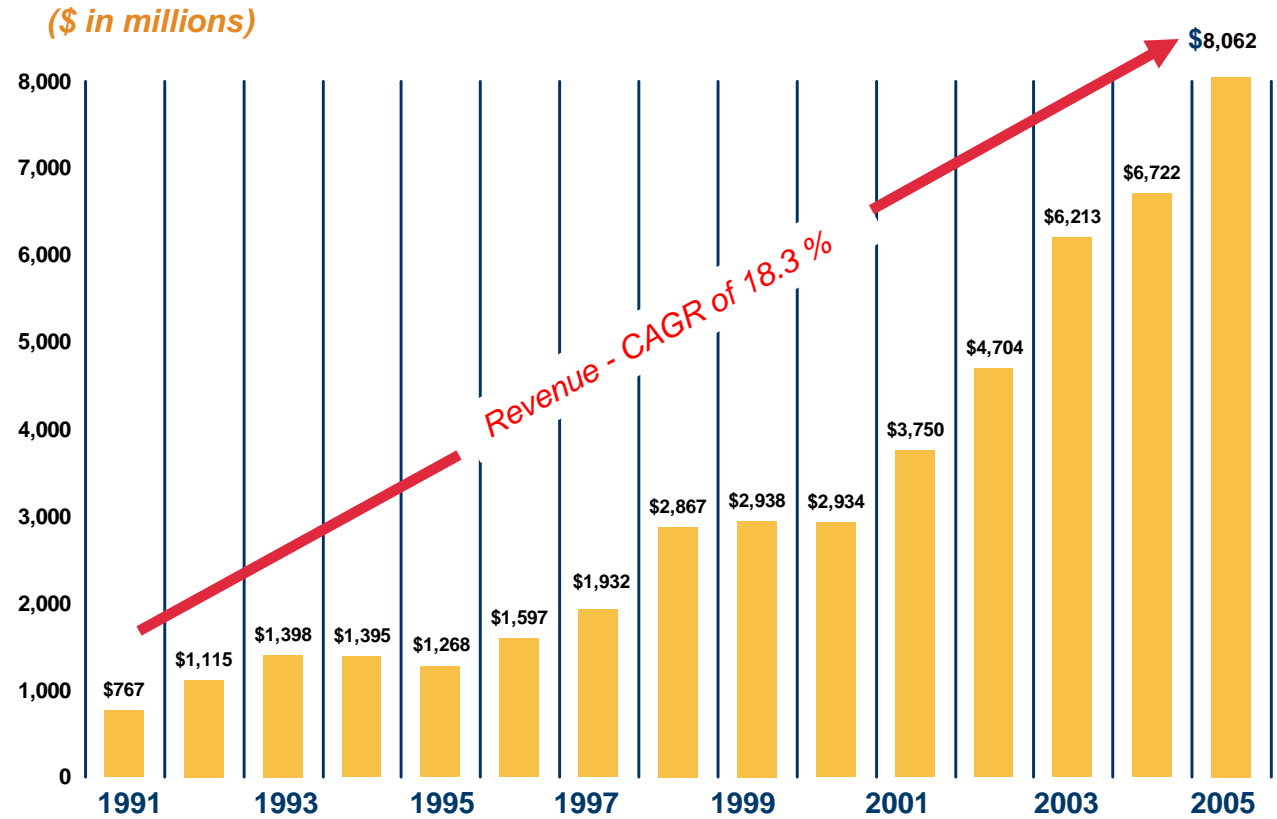
Certain statements made in this presentation, including those related to First American's title insurance segment margins, title insurance segment productivity goals, title insurance segment strategies, efficiencies from centralization of corporate treasury functions, acquisition strategy, capital management, the success of new analytic products and title insurance company profitability, and First Advantage's ability to cross-sell, expand internationally, and consolidate operations are forward-looking. Risks and uncertainties exist that may cause results to differ materially from those set forth in these forward-looking statements. Factors that could cause First American's anticipated results to differ from those described in the forward-looking statements include: interest rate fluctuations; changes in the performance of the real estate markets; limitations on access to public records and other data; general volatility in the capital markets; changes in applicable government regulations; heightened scrutiny by legislators and regulators of the company's Title Insurance and Services segment and certain other of the company's businesses; consolidation among the company's significant customers and competitors; and other factors described in Part I, Item 1A of the company's Annual Report on Form 10-K for the year ended December 31, 2005 and in Part II, Item 1A of the Quarterly Report on Form 10-Q for the quarter ended March 31, 2006 as filed with the Securities and Exchange Commission. The forward-looking statements speak only as of the date they are made. The company does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.





# First American's History and Evolution

- 1894 Founded as Orange County Title Company
- 1964 IPO on NASDAQ
- 1991 Non-title expansion began with purchase of tax company
- 1993 Listed on NYSE: FAF
- 1995 Purchase of flood and credit companies
- 1998 Joint venture with Experian to form FARES LLC
- 2003 Spun off Risk Mitigation and Business Solutions segment to form FADV, 77% owned by FAF
- 2005 Contributed credit information businesses to First Advantage



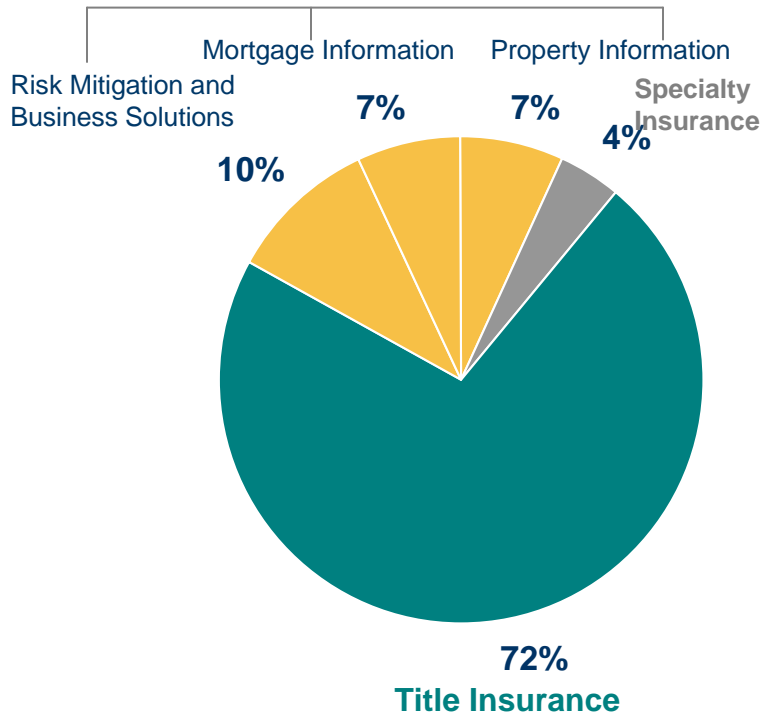
The First American Corporation

# First American's History and Evolution

Meaningful Growth in Information Services Resulted in a More Balanced Mix of Revenue and Profits – YTD 2006

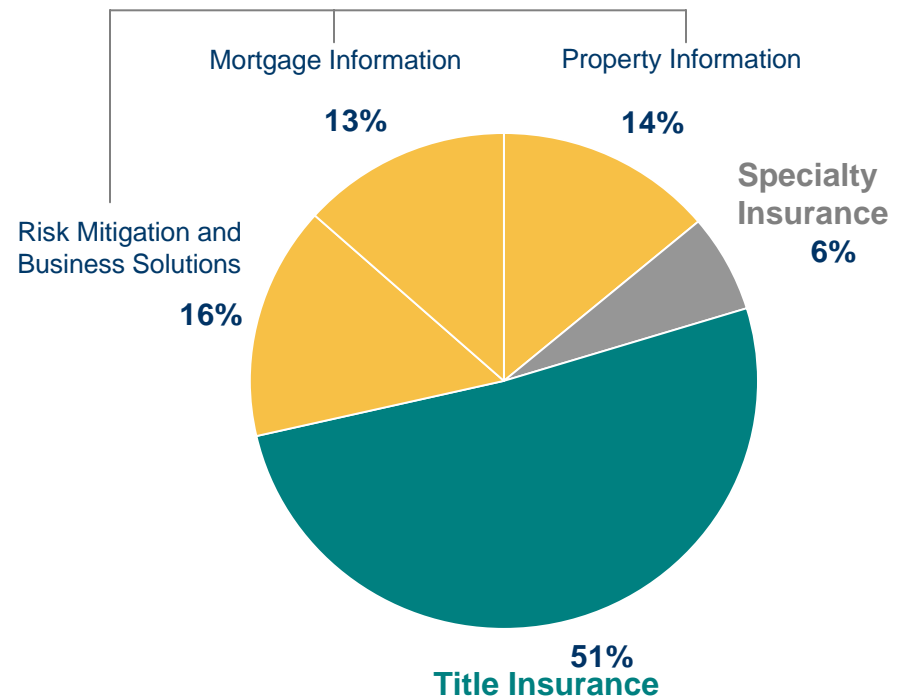
## Revenue

Information Services - 24%



## Pre-tax Income <sup>(a)</sup>

Information Services – 42.6%



(a) Pretax income after minority interest expense and allocation of all corporate expenses by net revenue. See page 44 for additional detail.



## Historical Shareholder Returns

Long-term Strategy Leads to Outstanding Shareholder Returns <sup>(a)</sup>

Periods ending August 31, 2006	First American	S&P500
15-year period	22.9%	10.4%
10-year period	20.9%	8.9%
5-year period	19.4%	4.6%
3-year period	21.2%	10.9%
1-year period	-0.7%	8.9%

(a) Total returns including reinvested dividends  
Sources: Bloomberg

## Second Quarter Highlights

- Strong revenue growth
- Leading market share positions
- Margin enhancement opportunities identified
- Expanded share repurchase program



## Revenue and Pretax Contribution by Segment

	Total Revenue		Pretax <sup>(b)</sup>		Margins	
	<u>2Q 2006</u>	<u>2Q 2005</u>	<u>2Q 2006</u>	<u>2Q 2005</u>	<u>2Q 2006</u>	<u>2Q 2005</u>
<b>(\$ in millions)</b>						
<b>Title Insurance<sup>(a)</sup></b>	<b>\$1,603</b>	<b>\$1,460</b>	<b>\$158<sup>(c)</sup></b>	<b>\$167</b>	<b>9.9%<sup>(e)</sup></b>	<b>11.4%</b>
<b>Specialty Insurance</b>	<b>82</b>	<b>68</b>	<b>15</b>	<b>12</b>	<b>17.9%</b>	<b>18.3%</b>
<b>Mortgage Information</b>	<b>139</b>	<b>153</b>	<b>33</b>	<b>41</b>	<b>23.8%</b>	<b>27.1%</b>
<b>Property Information</b>	<b>151</b>	<b>141</b>	<b>38</b>	<b>42</b>	<b>25.3%</b>	<b>29.6%</b>
<b>Risk Mitigation &amp; Business Solutions</b>	<b>206</b>	<b>164</b>	<b>31</b>	<b>30<sup>(d)</sup></b>	<b>14.9%</b>	<b>18.2%<sup>(f)</sup></b>
<b>Eliminations/Corporate</b>	<u><b>(13)</b></u>	<u><b>(2)</b></u>	<u><b>(32)</b></u>	<u><b>(20)</b></u>	<u><b>—</b></u>	<u><b>—</b></u>
<b>Consolidated</b>	<u><b>\$2,168</b></u>	<u><b>\$1,984</b></u>	<u><b>\$243</b></u>	<u><b>\$272</b></u>	<u><b>11.2%<sup>(g)</sup></b></u>	<u><b>13.7%<sup>(g)</sup></b></u>

(a) Title Insurance and Services segment

(b) Income before income taxes, minority interest expense and allocation of all corporate expenses

(c) Adjusted to exclude \$22 million of regulatory and litigation expenses

(d) Adjusted to exclude \$6 million of merger and relocation charges

(e) Margins were 8.5% including the \$22 million of regulatory and litigation expenses

(f) Margins were 14.5% including the \$6 million of merger and relocation charges

(g) Margins were 10.2% and 13.4% for the second quarter of 2006 and 2005, respectively, including the items mentioned in (c) and (d) above

## Second Quarter Review

- Consolidated pretax margins were 11.2% (excluding \$22 million of regulatory and litigation expenses) in the second quarter of 2006 compared to 13.7% for the comparable period last year (excluding \$6 million of merger and relocation charges).<sup>(a)</sup>
  
- Ongoing efforts to improve margins include:
  - Headcount reductions
  - Offshore initiatives
  - Centralization of corporate activities
  - Profit improvement of certain treasury functions
  - Focus on sales of higher-margin products

(a) Margins were 10.2% and 13.4% for the second quarter of 2005 and 2006, respectively, including the regulatory/litigation and merger/relocation charges



## Investment Highlights

- Leading market share positions
- Leader in technology and offshore processing
- Broad base of products and customers
- Information businesses are scaleable with meaningful barriers to entry
- Strong balance sheet with meaningful “free cash flow”
- Unique and valuable collection of businesses



## Key Business Lines

Largest Provider of Business Information

- Real Estate Related
  - Property Information
  - Property Characteristics
  - Valuation Information and Analytics
  - Tax Service Records
  - Flood Risk Information
  - Title and Tax Information
  - Credit Information
  
- Non-Real Estate Related
  - Consumer Credit Information
  - Employment Background Information
  - Resident Screening
  - Driving Records
  - Drug Test Analysis
  - Criminal Records
  - Data Recovery and Computer Forensics

## Investment Highlights

- **Leader in Technology and Offshore Processing**
  - FAST Transaction System
    - Sophisticated Internet-based production system
    - Centralized search and production centers
    - Centralized back office processing
- **Offshore Processing**
  - 4,350 employees in India and Philippines
  - Improved turnaround times and customer service
  - Cost efficiencies relative to onshore processing



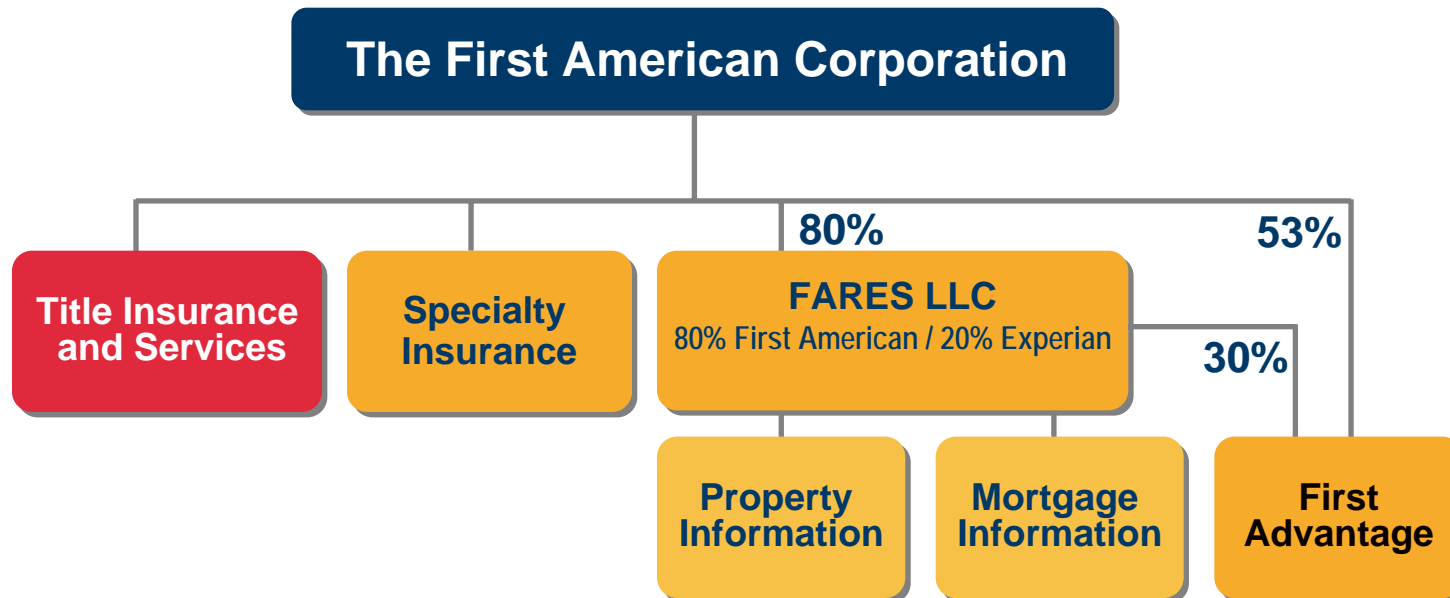
## Investment Highlights

- **Information businesses are scaleable with meaningful barriers to entry**
- Deliver data and analytics into client operating environments to improve:
  - Customer acquisition and retention
  - Operational efficiency
  - Risk management
- Combining our vast databases with predictive analytics is a major strategic initiative



# Title Insurance and Services

Unique and Valuable Collection of Businesses

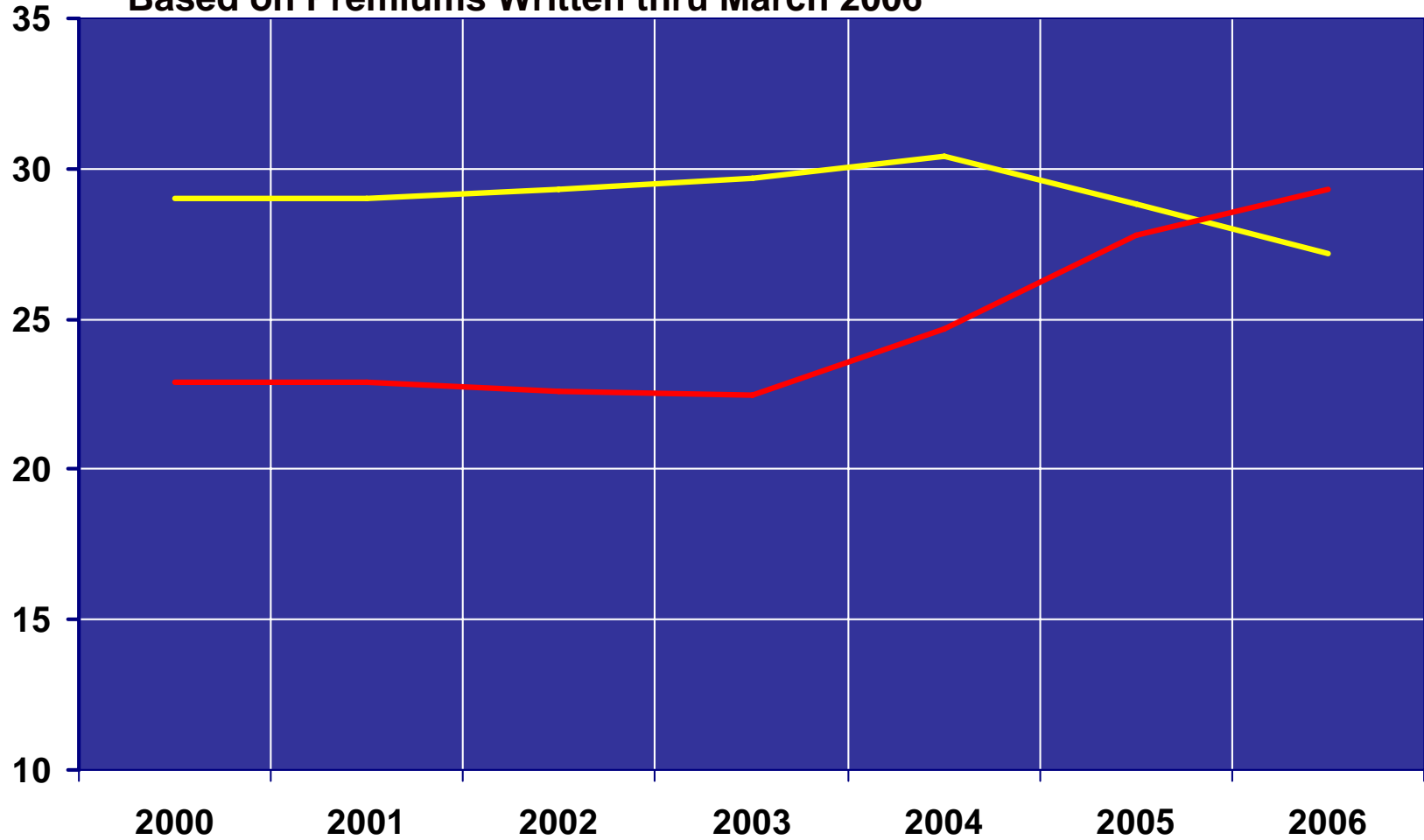


- Title Insurance Segment has grown revenues at a 19% rate over the last 10 years.
- Market share has improved from 19.8% in 1995 to 27.8% in 2005.
- First half 2006 revenues up 13.7%
- Pre-tax margins improved in second quarter of 2006 to 9.9% <sup>(a)</sup>

(a) Adjusted to exclude \$22 million of regulatory/litigation expenses, including these expenses pre-tax margins were 8.5%

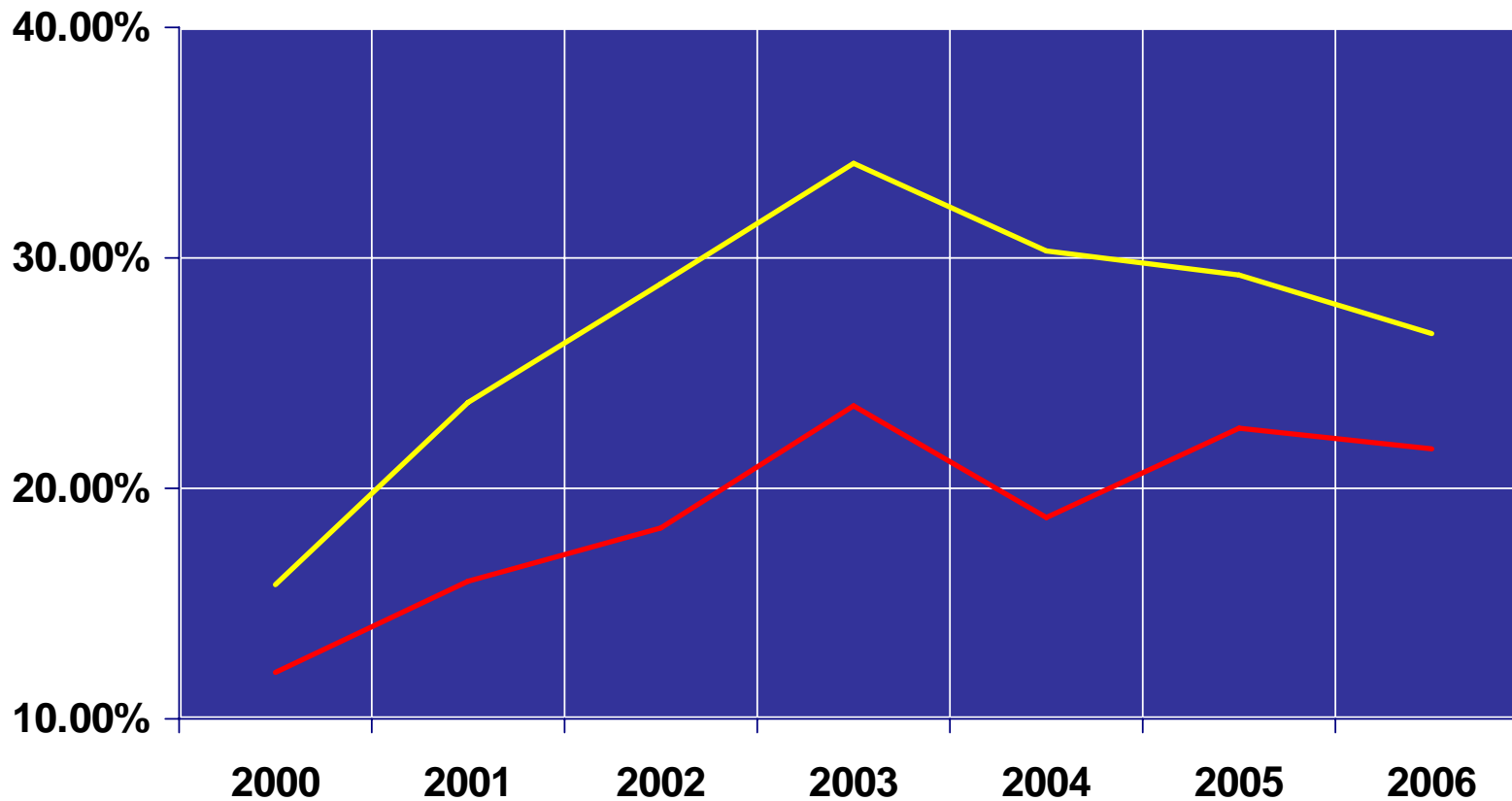
**Fidelity**      **First American**

**National Family Market Share  
Based on Premiums Written thru March 2006**



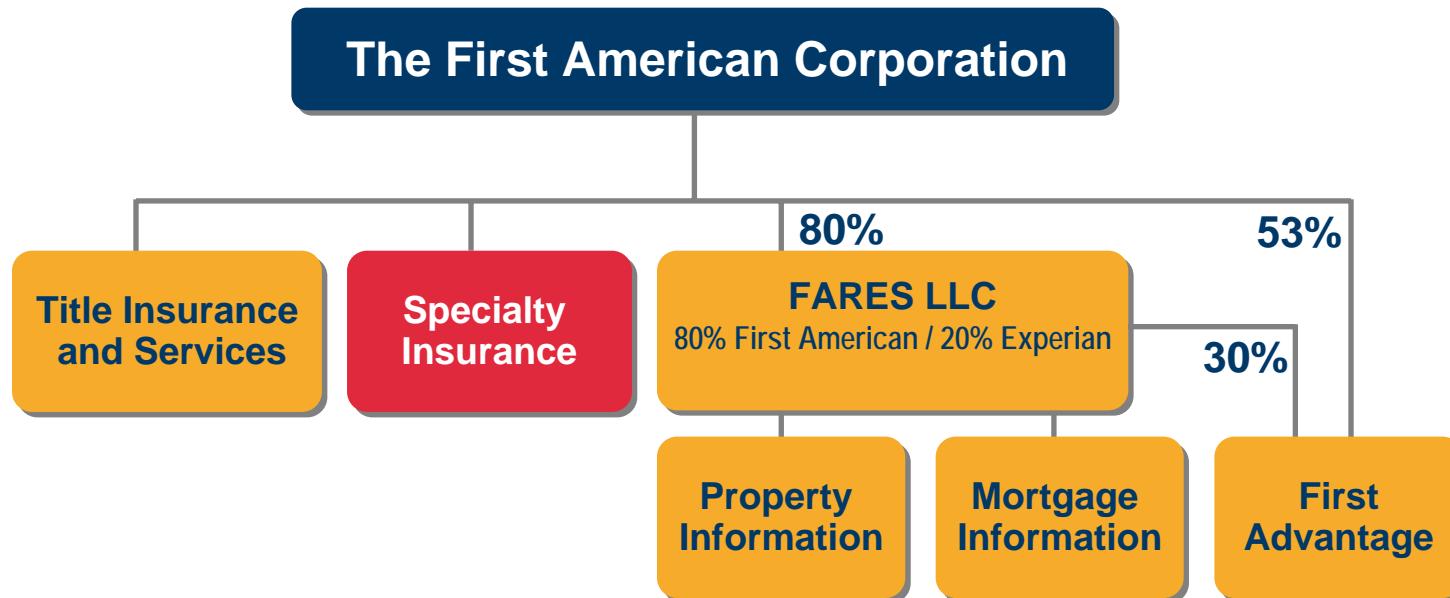
— Fidelity — First American

Net Income before tax and loss provision as a % of Net Revenues



## Specialty Insurance

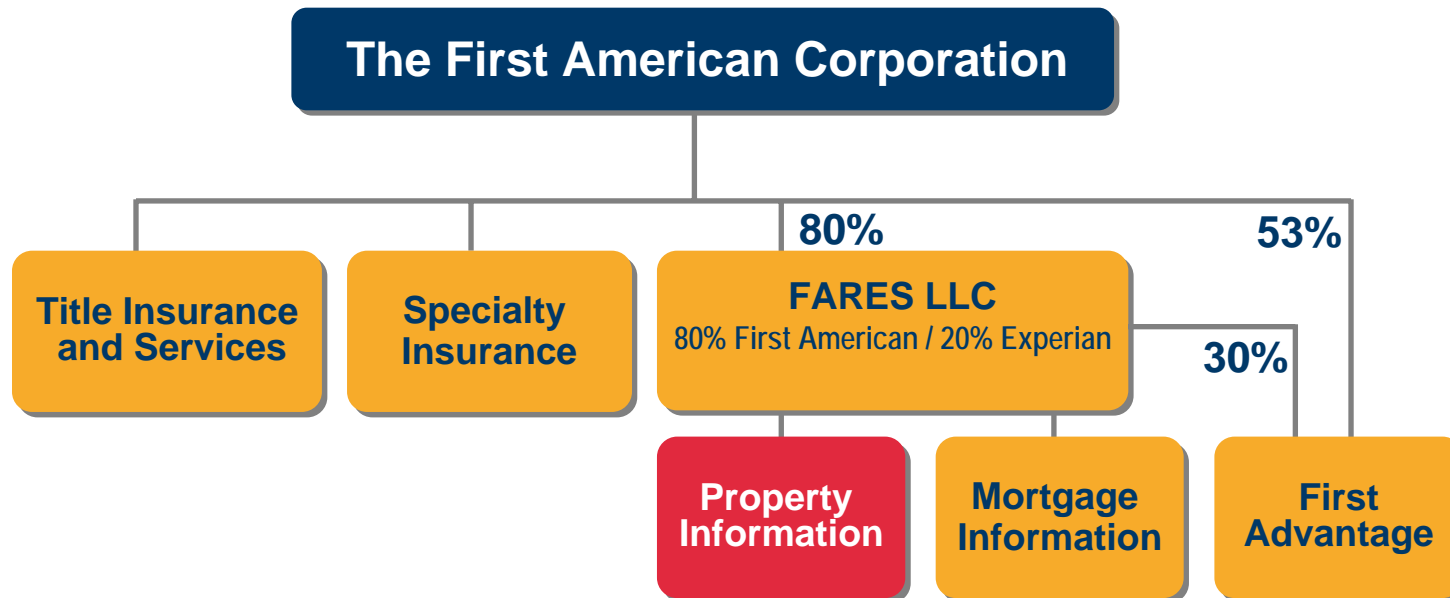
Unique and Valuable Collection of Businesses



- First half 2006 revenues up 21.9%
- First half 2006 pre-tax profits up 23.8%
- Both Property & Casualty and Home Warranty remain very profitable with combined ratios of 80% and 85%, respectively

# Property Information Services Group

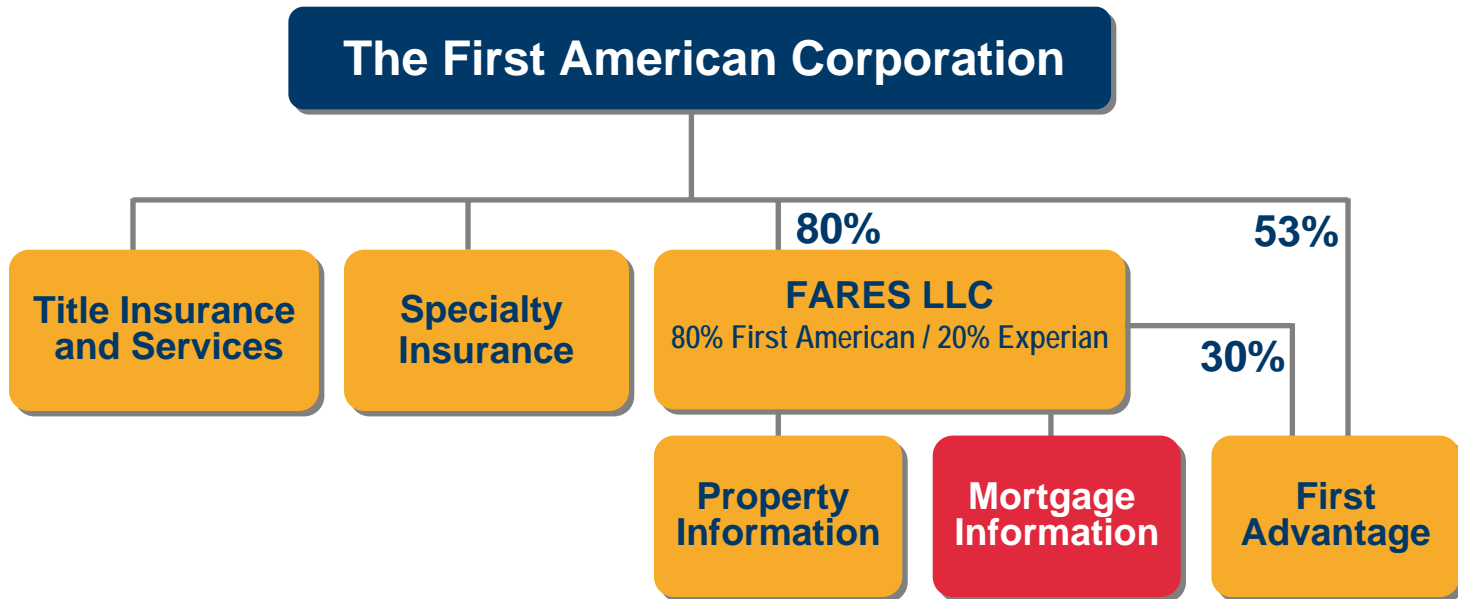
Unique and Valuable Collection of Businesses



- High margin businesses
  - First half 2006 operating revenue growth – 13%
  - First half 2006 pretax margin – 23.7%
- Organic revenue growth driven by our collateral valuation, data licensing, and data analytic business

# Mortgage Information Services Group

Unique and Valuable Collection of Businesses



- High margin businesses
  - 2005 pretax margin - 23.8%
  - First half 2006 pretax margin - 22.8%
- # 1 market share position in major product lines
- Default / REO business well positioned to handle increase in transaction volume



## Segment Profitability

( \$ in millions)

For the six months ended June 30, 2006

	<u>Pre-tax Income (a)</u>	<u>EBITDA (b)</u>
Title and Other Services	\$ 161,492	\$ 229,302
Specialty Insurance	20,339	23,482
Mortgage Information	41,762	53,466
Property Information	44,023	67,079
Risk Management & Business Solutions	48,940	74,114
	<u>\$ 316,556</u>	<u>\$ 447,443</u>

- (a) Pre-tax income after minority interest expense and allocation of all corporate overhead by net revenue.
- (b) EBITDA income after minority interest expense and allocation of all corporate overhead by net revenue.

## Capital Management Strategy

- Total stockholders' equity of \$3.2 billion, or \$32.95 per share at June 30, 2006 (\$38.64 per share with FADV shares valued at market <sup>(a)</sup>)
- Return on average equity was 14.7% for the second quarter of 2006
- Strong cash flows from operations – \$159MM YTD 2006
- Repurchased 571,600 shares for \$23.3 million in the second quarter (\$40.84 per share)
- Future efficiencies will be realized through the centralization of certain corporate treasury functions

(a) Using FADV closing stock price as of June 30, 2006

## Acquisition Strategy

- Meaningful size and scale in all of our major businesses
- Target acquisitions will expand product lines, geographic reach or be consolidation plays
- M&A strategy will focus on “unlocking value” and creating long-term shareholder value
- Minimum IRR threshold of 15%
- IRR targets will be risk adjusted
- Expected acquisition returns will be compared to expected returns on First American share repurchases

## Conclusion

- Investment Highlights
  - Unique and valuable assets in businesses and databases
  - Meaningful barriers to entry
  - Leader in market share, technology and offshore processing
  - Strong balance sheet; significant cash flow
  - Excellent investment opportunity

# Appendix

## Reconciliation of Income Before Income Taxes and Minority Interest to Pretax Profit after Corporate Allocations and Minority Interests YTD 2006

**FAF**  
**LISTED**  
**NYSE**

(\$ in thousands)	<u>Title</u>	<u>Specialty</u>	<u>Mortgage</u>	<u>Property</u>	<u>Risk Mit.</u>	<u>Corporate</u>	<u>Consolidated</u>
Income before income taxes and minority interests	\$213,857	\$26,623	\$62,630	\$68,789	\$54,949	\$(68,419)	\$358,429
Deduct							
Allocation of corporate overhead	49,300	4,224	7,251	7,644	—	(68,419)	—
Minority Interest	3,065	2,060	13,617	17,122	6,009	—	41,873
Pre-tax after corporate allocation and minority interest expense	<u>\$161,492</u>	<u>\$20,339</u>	<u>\$41,762</u>	<u>\$44,023</u>	<u>\$48,940</u>	<u>—</u>	<u>\$316,556</u>
As a % of the total	<u>51.0%</u>	<u>6.4%</u>	<u>13.2%</u>	<u>13.9%</u>	<u>15.5%</u>	<u>—</u>	<u>100%</u>

## Reconciliation of Income Before Income Taxes and Minority Interest to Pretax Profit after Corporate Allocations and Minority Interests YTD 2005

**FAF**  
**LISTED**  
**NYSE**

(\$ in thousands)	<u>Title</u>	<u>Specialty</u>	<u>Mortgage</u>	<u>Property</u>	<u>Risk Mit.</u>	<u>Corporate</u>	<u>Consolidated</u>
Income before income taxes and minority interests	\$246,066	\$21,498	\$71,849	\$77,292	\$48,083	\$(45,526)	\$419,262
Deduct							
Allocation of corporate overhead	32,217	2,534	5,714	5,061	—	(45,526)	—
Minority Interest	3,564	1,935	14,841	17,923	7,844	—	46,107
Pre-tax after corporate allocation and minority interest expense	<u>\$210,285</u>	<u>\$17,029</u>	<u>\$51,294</u>	<u>\$54,308</u>	<u>\$40,239</u>	<u>—</u>	<u>\$373,155</u>
As a % of the total	<u>56.3%</u>	<u>4.6%</u>	<u>13.7%</u>	<u>14.6%</u>	<u>10.8%</u>	<u>—</u>	<u>100%</u>

## Second Quarter Review

### EBITDA By Segment

	<u>2Q 2006</u>	<u>2Q 2005</u>	<u>% Change</u>	<u>YTD 2006</u>	<u>YTD 2005</u>	<u>% Change</u>
(\$ in thousands)						
Title and Other Services	\$145,742	\$173,123	(15.8)%	\$229,302	\$259,477	(11.6)%
Specialty Insurance	13,044	11,705	11.4%	23,482	19,687	19.3%
Mortgage Information	27,782	37,682	(26.3)%	53,466	65,570	(18.5)%
Property Information	37,247	38,377	(2.9)%	67,079	71,005	(5.5)%
Risk Management and Business Solutions	<u>40,457</u>	<u>27,525</u>	<u>47.0%</u>	<u>74,114</u>	<u>54,093</u>	<u>37.0%</u>
Total EBITDA <sup>(a)</sup>	<u>\$264,272</u>	<u>\$288,412</u>	<u>(8.4)%</u>	<u>\$447,443</u>	<u>\$469,832</u>	<u>(4.8)%</u>

(a) EBITDA after minority interest expense and allocation of all corporate overhead by net revenue

**Reconciliation of EBITDA to Income before Income Taxes  
and Minority Interests 2Q 2006**

(\$ in thousands)	<u>Title</u>	<u>Specialty</u>	<u>Mortgage</u>	<u>Property</u>	<u>Risk Mit.</u>	<u>Corporate</u>	<u>Consolidated</u>
Income before income taxes and minority interests	<b>\$136,418</b>	<b>\$14,595</b>	<b>\$33,041</b>	<b>\$38,159</b>	<b>\$30,757</b>	<b>\$(32,266)</b>	<b>\$220,704</b>
Add back							
Interest expense	<b>6,221</b>	<b>272</b>	<b>(1,178)</b>	<b>585</b>	<b>3,250</b>	<b>7,136</b>	<b>16,286</b>
Depreciation & amortization	<b>19,464</b>	<b>491</b>	<b>5,018</b>	<b>10,268</b>	<b>9,516</b>	<b>5,768</b>	<b>50,525</b>
Deduct							
Allocation of corporate overhead	<b>14,139</b>	<b>1,148</b>	<b>1,956</b>	<b>2,119</b>	<b>—</b>	<b>(19,362)</b>	<b>—</b>
Minority interest	<b>2,222</b>	<b>1,166</b>	<b>7,143</b>	<b>9,646</b>	<b>3,066</b>	<b>—</b>	<b>23,243</b>
EBITDA	<b><u>\$145,742</u></b>	<b><u>\$13,044</u></b>	<b><u>\$27,782</u></b>	<b><u>\$37,247</u></b>	<b><u>\$40,457</u></b>	<b><u>—</u></b>	<b><u>\$264,272</u></b>

**Reconciliation of EBITDA to Income before Income Taxes  
and Minority Interests YTD 2006**

(\$ in thousands)	<u>Title</u>	<u>Specialty</u>	<u>Mortgage</u>	<u>Property</u>	<u>Risk Mit.</u>	<u>Corporate</u>	<u>Consolidated</u>
Income before income taxes and minority interests	<b>\$213,857</b>	<b>\$26,623</b>	<b>\$62,630</b>	<b>\$68,789</b>	<b>\$54,949</b>	<b>\$(68,419)</b>	<b>\$358,429</b>
Add back							
Interest expense	<b>12,039</b>	<b>530</b>	<b>(2,318)</b>	<b>1,191</b>	<b>6,491</b>	<b>14,296</b>	<b>32,229</b>
Depreciation & amortization	<b>36,807</b>	<b>1,009</b>	<b>11,274</b>	<b>18,949</b>	<b>18,683</b>	<b>11,936</b>	<b>98,658</b>
Deduct							
Allocation of corporate overhead	<b>30,336</b>	<b>2,620</b>	<b>4,503</b>	<b>4,728</b>	<b>—</b>	<b>(42,187)</b>	<b>—</b>
Minority interest	<b>3,065</b>	<b>2,060</b>	<b>13,617</b>	<b>17,122</b>	<b>6,009</b>	<b>—</b>	<b>41,873</b>
EBITDA	<b><u>\$229,302</u></b>	<b><u>\$23,482</u></b>	<b><u>\$53,466</u></b>	<b><u>\$67,079</u></b>	<b><u>\$74,114</u></b>	<b><u>—</u></b>	<b><u>\$447,443</u></b>

**Reconciliation of EBITDA to Income before Income Taxes  
and Minority Interests 2Q 2005**

(\$ in thousands)	<u>Title</u>	<u>Specialty</u>	<u>Mortgage</u>	<u>Property</u>	<u>Risk Mit.</u>	<u>Corporate</u>	<u>Consolidated</u>
Income before income taxes and minority interests	<b>\$166,518</b>	<b>\$12,356</b>	<b>\$41,417</b>	<b>\$41,688</b>	<b>\$23,793</b>	<b>\$(20,212)</b>	<b>\$265,560</b>
Add back							
Interest expense	<b>2,709</b>	<b>272</b>	<b>(47)</b>	<b>481</b>	<b>1,188</b>	<b>6,414</b>	<b>11,017</b>
Depreciation & amortization	<b>14,286</b>	<b>553</b>	<b>6,145</b>	<b>7,060</b>	<b>6,288</b>	<b>2,870</b>	<b>37,202</b>
Deduct							
Allocation of corporate overhead	<b>7,851</b>	<b>575</b>	<b>1,301</b>	<b>1,201</b>	<b>—</b>	<b>(10,928)</b>	<b>—</b>
Minority interest	<b>2,539</b>	<b>901</b>	<b>8,532</b>	<b>9,651</b>	<b>3,744</b>	<b>—</b>	<b>25,367</b>
EBITDA	<b><u>\$173,123</u></b>	<b><u>\$11,705</u></b>	<b><u>\$37,682</u></b>	<b><u>\$38,377</u></b>	<b><u>\$27,525</u></b>	<b><u>—</u></b>	<b><u>\$288,412</u></b>

**Reconciliation of EBITDA to Income before Income Taxes  
and Minority Interests YTD 2005**

(\$ in thousands)	<u>Title</u>	<u>Specialty</u>	<u>Mortgage</u>	<u>Property</u>	<u>Risk Mit.</u>	<u>Corporate</u>	<u>Consolidated</u>
Income before income taxes and minority interests	<b>\$246,066</b>	<b>\$21,498</b>	<b>\$71,849</b>	<b>\$77,292</b>	<b>\$48,083</b>	<b>\$(45,526)</b>	<b>\$419,262</b>
Add back							
Interest expense	<b>7,728</b>	<b>544</b>	<b>(419)</b>	<b>1,013</b>	<b>2,039</b>	<b>12,823</b>	<b>23,728</b>
Depreciation & amortization	<b>28,144</b>	<b>1,096</b>	<b>12,398</b>	<b>13,615</b>	<b>11,815</b>	<b>5,881</b>	<b>72,949</b>
Deduct							
Allocation of corporate overhead	<b>18,897</b>	<b>1,516</b>	<b>3,417</b>	<b>2,992</b>	<b>—</b>	<b>(26,822)</b>	<b>—</b>
Minority interest	<b>3,564</b>	<b>1,935</b>	<b>14,841</b>	<b>17,923</b>	<b>7,844</b>	<b>—</b>	<b>46,107</b>
EBITDA	<b><u>\$259,477</u></b>	<b><u>\$19,687</u></b>	<b><u>\$65,570</u></b>	<b><u>\$71,005</u></b>	<b><u>\$54,093</u></b>	<b><u>—</u></b>	<b><u>\$469,832</u></b>

## Reconciliation of Title Net Revenues to Gross Revenues and Title Expenses Excluding Agent Retention and Total Title Expenses

	<u>2Q 2006</u>	<u>2Q 2005</u>	<u>1Q 2006</u>
<b>(\$ in thousands)</b>			
<b>Title revenues</b>	<b>\$ 1,603</b>	<b>\$ 1,460</b>	<b>\$ 1,464</b>
<b>Less agent retention</b>	<b>598</b>	<b>540</b>	<b>598</b>
<b>Net revenues</b>	<b><u>\$ 1,005</u></b>	<b><u>\$ 920</u></b>	<b><u>\$ 866</u></b>
<b>Title expenses</b>	<b>\$ 1,467</b>	<b>\$ 1,293</b>	<b>\$ 1,386</b>
<b>Less agent retention</b>	<b>598</b>	<b>540</b>	<b>598</b>
<b>Less regulatory and litigation charges</b>	<b>22</b>	<b>—</b>	<b>—</b>
<b>Net expenses</b>	<b><u>\$ 847</u></b>	<b><u>\$ 753</u></b>	<b><u>\$ 788</u></b>

## Reconciliation of Operating Revenues per GAAP To the Net Operating Revenue Mix

(in thousands)	1995		2000		2005		YTD 2006	
Gross operating revenues	\$1,227,185		\$2,877,528		\$7,816,078		\$4,052,386	
Less title agent retention	413,444		791,940		2,304,047		1,196,197	
Net operating revenues	813,741		2,085,588		5,536,705		2,856,189	
Add eliminations	---		---		24,674		29,543	
Net operating revenues before Before eliminations	813,741		2,085,588		5,536,705		2,885,732	
Title operating revenues	1,048,899		2,100,684		5,831,938		2,980,365	
Less agent retention	413,444		791,940		2,304,047		1,196,197	
Net title operating revenues	635,455	78.1%	1,308,744	62.8%	3,527,891	63.7%	1,784,168	61.8%
Specialty operating revenues	32,531	4.0%	115,171	5.5%	275,207	5.0%	151,754	5.3%
Mortgage and Property operating revenues	145,755	17.9%	468,866	22.5%	1,096,196	19.8%	551,619	19.1%
Risk Mitigation and Business Solutions Operating Revenues	---	---	192,807	9.2%	637,411	11.5%	398,191	13.8%
	<u>\$813,741</u>	<u>100.0%</u>	<u>\$2,085,588</u>	<u>100.0%</u>	<u>\$5,536,705</u>	<u>100.0%</u>	<u>2,855,732</u>	<u>100.0%</u>

## Reconciliation of Title Net Revenues to Gross Revenues and Title Expenses Excluding Agent Retention and Total Title Expenses – **First American**

**FAF**  
**LISTED**  
**NYSE**

	<u>Dec 31, 2000</u>	<u>Dec 31, 2001</u>	<u>Dec, 31, 2002</u>	<u>Dec 31, 2003</u>	<u>Dec 31, 2004</u>	<u>Dec 31, 2005</u>	<u>2nd Q 2006</u>
(\$ In Millions)							
Title Revenues	\$2,137	\$2,730	\$3,479	\$4,495	\$4,877	\$5,980	\$1,603
Less agent retention	<u>792</u>	<u>960</u>	<u>1,292</u>	<u>1,729</u>	<u>1,869</u>	<u>2,304</u>	<u>598</u>
Net revenues	<u>\$1,345</u>	<u>\$1,770</u>	<u>\$2,187</u>	<u>\$2,766</u>	<u>\$3,006</u>	<u>\$3,676</u>	<u>\$1,005</u>
Title Expenses	\$2,051	\$2,561	\$3,215	\$4,022	\$4,512	\$5,439	\$1,467
Less agent retention	<u>792</u>	<u>960</u>	<u>1,292</u>	<u>1,729</u>	<u>1,869</u>	<u>2,304</u>	<u>98</u>
Net expenses	<u>\$1,259</u>	<u>\$1,601</u>	<u>\$1,923</u>	<u>\$2,293</u>	<u>\$2,641</u>	<u>\$3,135</u>	<u>\$869</u>

## Reconciliation of Title Net Revenues to Gross Revenues and Title Expenses Excluding Agent Retention and Total Title Expenses <sup>(a)</sup> – First American

**FAF**  
**LISTED**  
**NYSE**

(\$ In Millions)	Dec 31, 2000	Dec 31, 2001	Dec, 31, 2002	Dec 31, 2003	Dec 31, 2004	Dec 31, 2005	2nd Q 2006
<b>Revenues</b>							
Net revenues <sup>(b)</sup>	\$1,345	\$1,770	\$2,187	\$2,766	\$3,006	\$3,676	\$1,005
<b>Expenses <sup>(c)</sup></b>	1,259	1,601	1,923	2,293	2,642	3,135	
<b>Pretax income <sup>(d)</sup></b>	\$86	\$169	\$264	\$473	\$364	\$541	
<b>Pretax income as % of net revenues</b>	6.4%	9.5%	12.1%	17.1%	12.1%	14.7%	13.6%
<b>Provision for title losses as a % of net revenues</b>	5.6%	6.5%	6.2%	6.5%	6.6%	7.9%	8.2%
<b>Pretax income before loss of provision as % of net revenues</b>	12.0%	16.0%	18.3%	23.6%	18.7%	22.6%	21.7% <sup>(e)</sup>

(a) Results for the Title Insurance and Services segment

(b) Net revenues consist of direct, net agency (agency minus agent retention) and investment income

(c) Excludes agent retention

(d) Income before income tax, minority interest and allocation of all corporate expenses

(e) Includes \$22 million of regulatory /litigation expenses. Excluding these expenses, this margin is 23.9%

## Reconciliation of Title Net Revenues to Gross Revenues and Title Expenses Excluding Agent Retention and Total Title Expenses – Fidelity

**FAF**  
**LISTED**  
**NYSE**

	Dec 31, 2000	Dec 31, 2001	Dec, 31, 2002	Dec 31, 2003	Dec 31, 2004	Dec 31, 2005	2nd Q 2006
(\$ In Millions)							
Title Revenues	\$2,741	\$3,874	\$5,083	\$5,971	\$5,889	\$6,316	\$1,566
Less agent retention	884	1,098	1,522	2,036	2,117	2,141	544
Net revenues	<u>\$1,857</u>	<u>\$2,776</u>	<u>\$3,561</u>	<u>\$3,935</u>	<u>\$3,772</u>	<u>\$4,175</u>	<u>\$1,021</u>
Title Expenses	\$2,545	\$3,350	\$4,231	\$4,879	\$5,006	\$5,448	\$1,384
Less agent retention	884	1,098	1,522	2,036	2,117	2,141	544
Net expenses	<u>\$1,661</u>	<u>\$2,252</u>	<u>\$2,709</u>	<u>\$2,843</u>	<u>\$2,889</u>	<u>\$3,307</u>	<u>\$839</u>

## Reconciliation of Title Net Revenues to Gross Revenues and Title Expenses Excluding Agent Retention and Total Title Expenses <sup>(a)</sup> – Fidelity

**FAF**  
**LISTED**  
**NYSE**

(\$ In Millions)	Dec 31, 2000	Dec 31, 2001	Dec, 31, 2002	Dec 31, 2003	Dec 31, 2004	Dec 31, 2005	2nd Q 2006
<b>Revenues</b>							
Net revenues <sup>(b)</sup>	\$1,857	\$2,776	\$3,561	\$3,935	\$3,772	\$4,175	\$1,021
<b>Expenses <sup>(c)</sup></b>	1,661	2,252	2,710	2,843	2,889	3,307	
<b>Pretax income <sup>(d)</sup></b>	\$196	\$524	\$851	\$1,092	\$883	\$868	
<b>Pretax income as % of net revenues</b>	10.6%	18.9%	23.9%	27.8%	23.4%	20.8%	17.8%
<b>Provision for title losses as a % of net revenues</b>	5.2%	4.8%	5%	6.3%	6.9%	8.5%	9.0%
<b>Pretax income before loss of provision as % of net revenues</b>	15.8%	22.7%	28.9%	34.1%	30.3%	29.3%	26.7%

(a) Results for the Title Insurance and Services segment

(b) Net revenues consist of direct, net agency (agency minus agent retention) and investment income

(c) Excludes agent retention

(d) Income before income tax, minority interest and allocation of all corporate expenses

## Disclosure

This slide presentation contains certain financial measures that are not presented in accordance with generally accepted accounting principles (GAAP). The Company is presenting these non-GAAP financial measures because they provide the company's management and investors with additional insight into the operational performance of the company relative to earlier periods and relative to the company's competitors. The company does not intend for these non-GAAP financial measures to be a substitute for any GAAP financial information. In the slide presentation these non-GAAP financial measures have been presented with, and reconciled to, the most directly comparable GAAP financial measures. Investors should use these non-GAAP financial measures only in conjunction with the comparable GAAP financial measures.



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