

The Value of First American

[FOURTH QUARTER 2007 EARNINGS REVIEW]

February 28, 2008



The First American Corporation

Safe Harbor Statement

Certain statements made in this presentation, including those relating to headcount reductions and savings there from, salary reductions, office closures, offshore efficiencies, treasury management programs, changes to agency relationships, savings from cost initiatives and mortgage information margins, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These and other forward-looking statements may contain the words “believe”, “anticipate”, “expect”, “plan”, “predict”, “estimate”, “project”, “will be”, “will continue”, “will likely result” or other similar words or phrases. Risks and uncertainties exist that may cause results to differ materially from those set forth in these forward-looking statements. Factors that could cause the 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 segment and certain other of the Company's businesses; consolidation among the Company's significant customers and competitors; changes in the Company's ability to integrate businesses which it acquires; systems interruptions and intrusions; the Company's inability to realize the benefits of its offshore strategy; product migration; the inability to consummate the spin-off transaction announced January 15, 2008 as a result of, among other factors, the inability to obtain necessary regulatory approvals or the failure to obtain the final approval of the company's board of directors; the inability to recognize the benefits of the spin-off transaction as a result of, among other factors, unexpected corporate overhead costs, unfavorable reaction from customers, employees, ratings agencies or other interested persons, the triggering of rights and obligations by the spin-off, accommodations required to be made to obtain consents or waivers or the inability to transfer assets into the entity being spun-off; 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, 2006, as updated in Part II, Item 1A of the Company's quarterly reports on Form 10-Q for the quarters ended June 30, 2007 and September 30, 2007, in each case 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.



Use of Non-GAAP Financial Measures

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.



Agenda

- **Fourth Quarter 2007 Review**
- **Business Segment Review**
- **Capital Management**



Recent Highlights

- **Announced spin-off of Financial Services businesses**
- **Cash flow from operations in the fourth quarter of \$202.1 million increased 5.0% over prior year**
- **Revenue and EBITDA growth at First Advantage**
- **Continued revenue growth in International title**
- **Sharp increase in January order volumes**
 - **New title orders per day increased 33% from December**



Fourth Quarter Review

- **Total revenues decreased 14.3% compared to the fourth quarter of 2006**
- **Operating revenues for the Financial Services business group (Title and Specialty Insurance) were \$1.3 billion, down 18.6% compared to the fourth quarter of 2006**
- **Operating revenues for the Information Technology business group (MISG, PISG and FADV) were \$476.6 million, down 2.4% compared to the fourth quarter of 2006**
- **Investment income of \$100.5 million increased 5.7% compared to the fourth quarter of 2006**
- **Pretax loss was \$56.4 million, primarily due to a \$122.3 million reserve strengthening adjustment**



Q4 2007 Adjusted Earnings Per Share

(\$ in thousands)

	Q4 2007 (GAAP)	Adjustments ^(a)	Q4 2007 (as adjusted)
Operating revenues	\$ 1,762,996	\$ -	\$ 1,762,996
Investment and other income	74,313	-	74,313
Gain on stock issued by subs.	-	-	-
Net realized investment gains	26,152	(26,152)	-
Total revenues	\$ 1,863,461	\$ (26,152)	\$ 1,837,309
Total expenses	1,919,867	(122,300)	1,797,567
Pretax (loss) income	\$ (56,406)	\$ 96,148	\$ 39,742
Pretax margin	(3.0)%		2.2%
Income (benefit) taxes	(17,428)	30,386	12,958
Minority interests	28,521	(23,800)	4,721
Net (loss) income	\$ (67,499)	\$ 89,562	\$ 22,063
Net (loss) income per share			
Basic EPS	\$ (0.74)		\$ 0.24
Diluted EPS	\$ (0.74)		\$ 0.24

(a) Includes pretax gains of \$26.2 million for net realized investment gains and pretax losses of \$122.3 million for a reserve strengthening adjustment



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Title Insurance Results

- **Total revenues in the fourth quarter decreased 23.2% compared to the fourth quarter of 2006**
- **Salaries and other personnel costs decreased 3.5% from the third quarter of 2007 and 10.4% from the fourth quarter of 2006**
- **Other operating expenses increased 3.3% from the third quarter of 2007 and 10.1% from the fourth quarter of 2006**
- **International revenue for the fourth quarter totaled \$116.3 million, an 18.7% increase over the prior year. Pretax margin for the International title business was 11.2% for the fourth quarter**



Title Insurance Results

(\$ in millions)

	<u>Q4 2007</u>	<u>Q3 2007</u>	<u>Q2 2007</u>	<u>Q1 2007</u>	<u>Q4 2006</u>	<u>Q4 2007 Q4 2006</u> Variance	<u>Q4 2007 Q3 2007</u> Variance
Revenues:							
Direct	\$ 649.3	\$ 720.7	\$ 818.5	\$ 707.3	\$ 790.6	(17.9)%	(9.9)%
Agent	589.3	685.2	657.4	688.0	741.5	(20.5)%	(14.0)%
	<u>\$ 1,238.6</u>	<u>\$ 1,405.9</u>	<u>\$ 1,475.9</u>	<u>\$ 1,395.3</u>	<u>\$ 1,532.1</u>	(19.2)%	(11.9)%
Investment ^(a)	53.1	53.4	69.2	60.6	67.5	(21.3)%	(0.6)%
Total revenues ^(a)	<u>\$ 1,291.7</u>	<u>\$ 1,459.3</u>	<u>\$ 1,545.1</u>	<u>\$ 1,455.9</u>	<u>\$ 1,599.6</u>	(19.2)%	(11.5)%
Expenses:							
Salaries and other	\$ 410.8	\$ 425.6	\$ 462.6	\$ 425.1	\$ 458.5	(10.4)%	(3.5)%
Agent retention	468.8	547.0	528.6	552.2	593.0	(20.9)%	(14.3)%
Other operating	310.7	300.7	308.0	275.4	282.2	10.1%	3.3%
Loss provision ^(b)	58.2	90.3	98.5	96.9	86.2	(32.5)%	(35.5)%
Dep. and amort.	23.3	20.4	25.0	21.8	24.0	(2.9)%	14.2%
Premium taxes	13.2	14.9	16.7	16.2	18.0	(26.7)%	(11.4)%
Interest	5.1	9.0	8.5	7.9	12.6	(59.5)%	(43.3)%
Total expenses	<u>\$ 1,290.1</u>	<u>\$ 1,407.9</u>	<u>\$ 1,447.9</u>	<u>\$ 1,395.5</u>	<u>\$ 1,474.5</u>	(12.5)%	(8.4)%
Adjusted Pretax income^(c)	<u>\$ 1.6</u>	<u>\$ 51.4</u>	<u>\$ 97.2</u>	<u>\$ 60.4</u>	<u>\$ 125.1</u>	(98.7)%	(96.9)%
+ Net Realized Investment Losses	(65.0)	(4.3)	(5.4)	(4.3)	(2.4)		
- Reserve Strengthening	122.3	-	243.6	-	-		
GAAP Pretax (loss) income	<u>\$ (185.7)</u>	<u>\$ 47.1</u>	<u>\$ (151.8)</u>	<u>\$ 56.1</u>	<u>\$ 122.7</u>	(251.3)%	(494.3)%

Note: Results for the Title Insurance segment only. Excludes corporate expenses

(a) Excludes all net realized investment gains; see reconciliation in the appendix

(b) Excludes loss reserve strengthening; see reconciliation in the appendix

(c) Excludes net realized investment gains and loss reserve strengthening



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Title Insurance Claims History

(\$ in thousands)

	<u>Q4 2007</u>	<u>Q3 2007</u>	<u>Q2 2007</u>	<u>Q1 2007</u>	<u>Q4 2006</u>	<u>Q4 2007</u> <u>Q4 2006</u> <u>Variance</u>	<u>Q4 2007</u> <u>Q3 2007</u> <u>Variance</u>
Paid title claims	\$ 95,807	\$ 70,904	\$ 72,056	\$ 62,393	\$ 62,139	54.2%	35.1%
Known Claims	116,280	81,737	82,523	71,402	66,985	73.6%	42.3%
Provision for title claims	\$ 180,530	\$ 90,346	\$ 342,112	\$ 96,946	\$ 86,191	109.5%	99.8%
Provision for title claims as a % of title operating revenues	14.6%	6.4%	23.2%	6.9%	5.6%	9.0 ^(a)	8.2 ^(a)

(a) Reflects percentage point changes only



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Q4 2007 Reserve Strengthening

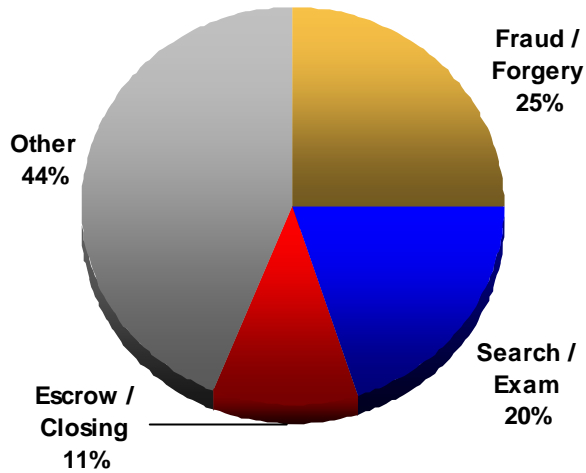
- The title insurance loss provision during the fourth quarter includes \$122.3 million of reserve strengthening due to prior policy years
- The reserve strengthening primarily relates to policy years 2004, 2005 and 2006
- Loss reserves are booked to the selected result of the actuarial estimate
- 2008 actual known claim losses are below expectations
- Ultimate loss ratios by policy year:

2007: 6.4%	2003: 4.6%
2006: 7.0%	2002: 4.8%
2005: 7.8%	2001: 5.4%
2004: 6.2%	2000: 5.7%

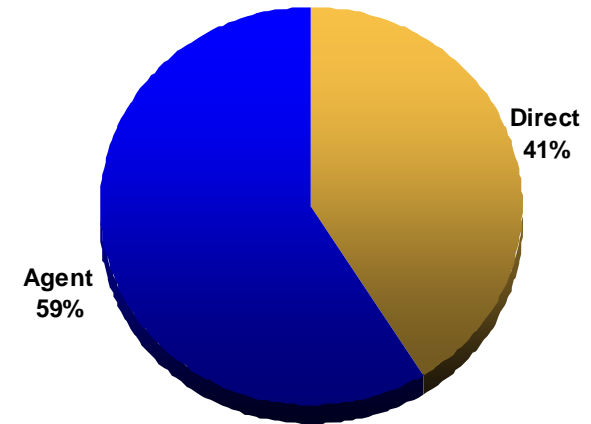


2007 Claims Review

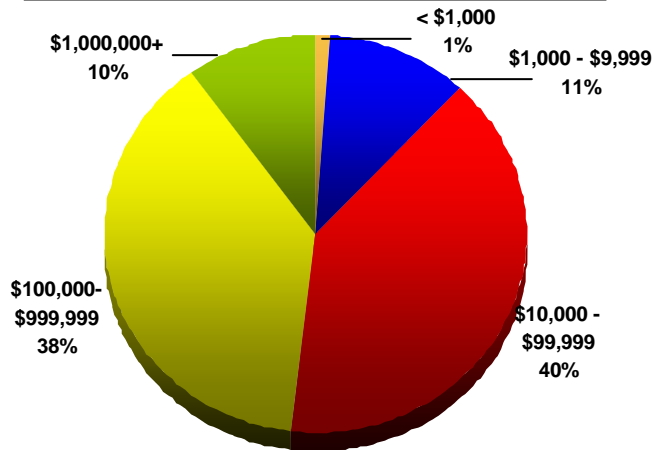
Known Claims By Cause



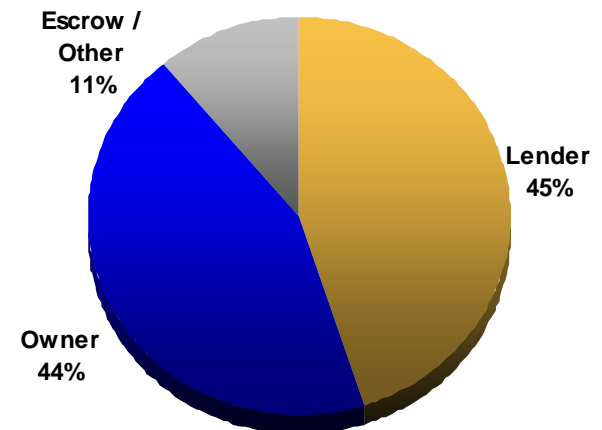
Known Claims By Sales Channel



Closed Claims By Severity



Known Claims By Policy Type



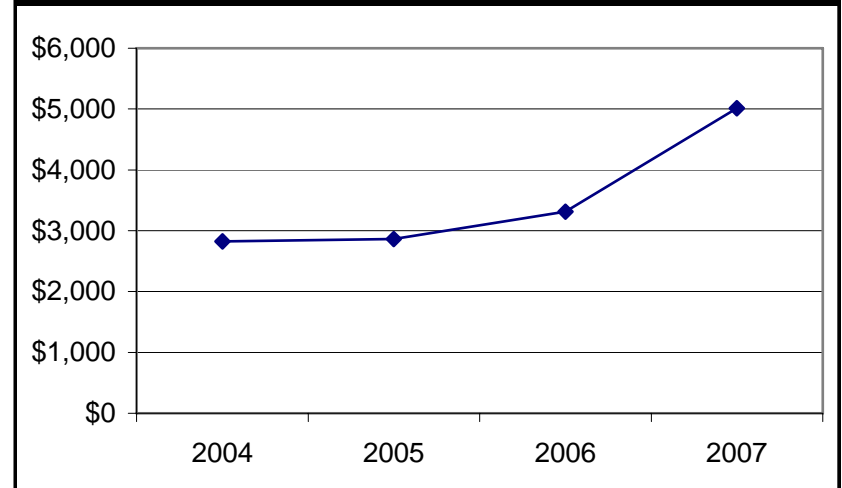
2007 Claims Review

- The adverse claims environment in 2007 was driven by a higher frequency of large claims

Annual % Change: # of claims closed

Severity Category	'05 / '04	'06 / '05	'07 / '06
<\$1,000	4%	3%	-1%
\$1,000 - \$9,999	4%	14%	15%
\$10,000 - \$99,999	17%	19%	41%
\$100,000+	10%	28%	80%
Total	4%	5%	3%
Total \$1,000+	7%	16%	23%

Average severity of claims closed by calendar year



Title Insurance Results

- **National Commercial Services^(a) generated revenue of \$118.8 million in the fourth quarter, a 10.6% decrease over prior year**

(\$ in millions)

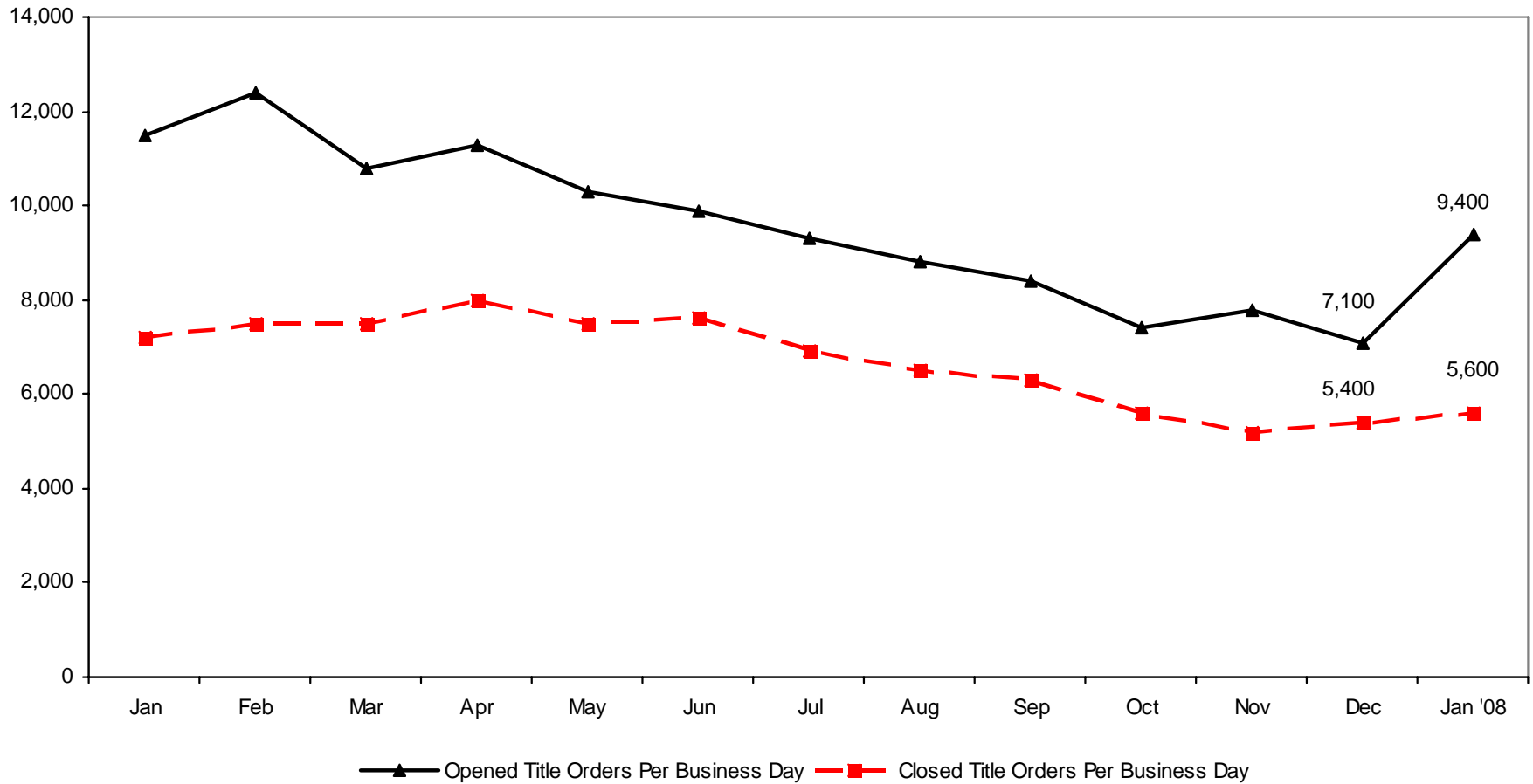
National Commercial Services	<u>Q4 2007</u>	<u>Q3 2007</u>	<u>Q2 2007</u>	<u>Q1 2007</u>	<u>Q4 2006</u>	Q4 2007	Q4 2007
						Q4 2006	Q3 2007
						<u>Variance</u>	<u>Variance</u>
Total revenues	\$118.8	\$ 120.3	\$ 126.8	\$ 107.8	\$ 132.9	(10.6)%	(1.2)%
Title orders opened	18,036	20,076	23,145	23,307	18,713	(3.6)%	(10.2)%
Title orders closed	10,441	10,582	10,401	9,871	11,600	(10.0)%	(1.3)%

(a) Represents the Company's National Commercial Services (NCS) group. Does not include commercial title orders generated from the Company's direct operations, commercial agents or brands other than First American Title



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Title Order Count Trends

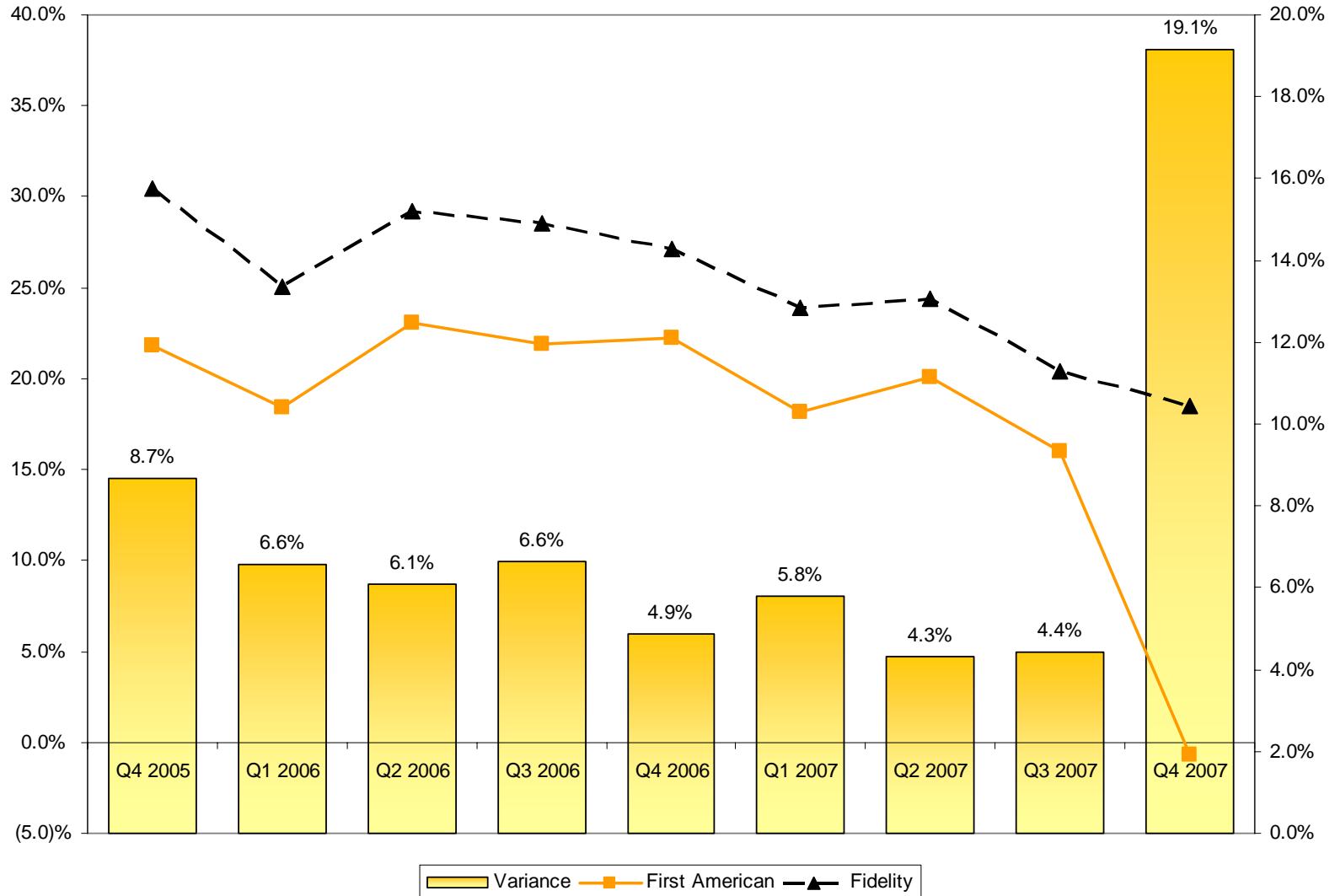


Note: Title order counts rounded to the nearest hundred



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Pretax income before loss provision as % of net operating revenue^(a)



Title Margin Initiatives Update

	Q4 2007	2007	In Process
Headcount	<ul style="list-style-type: none"> Net reduction of 1,077 \$56 million annualized cost savings 	<ul style="list-style-type: none"> Net reduction of 2,996 \$155 million annualized cost savings 	<ul style="list-style-type: none"> Planned headcount reduction of 700 in Q1
Compensation		<ul style="list-style-type: none"> Expanded RSU program 	<ul style="list-style-type: none"> Implementing salary reduction program for highly compensated employees
Operating Expenses	<ul style="list-style-type: none"> Closed 56 offices \$5.9 million annualized cost savings due to branch closures 	<ul style="list-style-type: none"> Closed 195 offices \$15.3 million annualized cost savings due to branch closures 	<ul style="list-style-type: none"> Planned closure of 200 offices by Q3 Improve offshore efficiencies
Treasury Management	<ul style="list-style-type: none"> 27% of offices converted to new banking program 	<ul style="list-style-type: none"> 44% of offices converted to new banking program 	<ul style="list-style-type: none"> Roll-out to be complete by Q3
Agency Relationships	<ul style="list-style-type: none"> Terminated many local agency relationships 	<ul style="list-style-type: none"> Terminated several local agency relationships 	<ul style="list-style-type: none"> Analyzing all agency relationships



Revenue and Pretax Contribution by Segment

(\$ in millions)

	Total revenues		Pretax (loss) income ^(a)		Pretax margin ^(b)	
	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006
Financial Services						
Title Insurance	\$ 1,226.7	\$ 1,597.2	\$ (185.7)	\$ 122.7	(15.1)%	7.7%
Specialty Insurance	78.2	85.0	4.2	15.1	5.4%	17.8%
	<u>\$ 1,304.9</u>	<u>\$ 1,682.2</u>	<u>\$ (181.5)</u>	<u>\$ 137.8</u>	<u>(13.9)%</u>	<u>8.2%</u>
Information Technology						
Mortgage Information	\$ 124.7	\$ 126.9	\$ 14.5	\$ 30.8	11.6%	24.3%
Property Information	148.7	170.2	18.9	42.0	12.7%	24.7%
First Advantage	325.2	214.3	148.1	30.8	45.5%	14.4%
	<u>\$ 598.6</u>	<u>\$ 511.4</u>	<u>\$ 181.5</u>	<u>\$ 103.6</u>	<u>30.3%</u>	<u>20.3%</u>
Eliminations/Corporate	\$ (40.0)	\$ (18.1)	\$ (56.4)	\$ (40.4)	NA	NA
Consolidated	<u>\$ 1,863.5</u>	<u>\$ 2,175.5</u>	<u>\$ (56.4)</u>	<u>\$ 201.0</u>	<u>(3.0)%</u>	<u>9.2%</u>

(a) (Loss) income before income taxes, minority interest expense and allocation of all corporate expenses

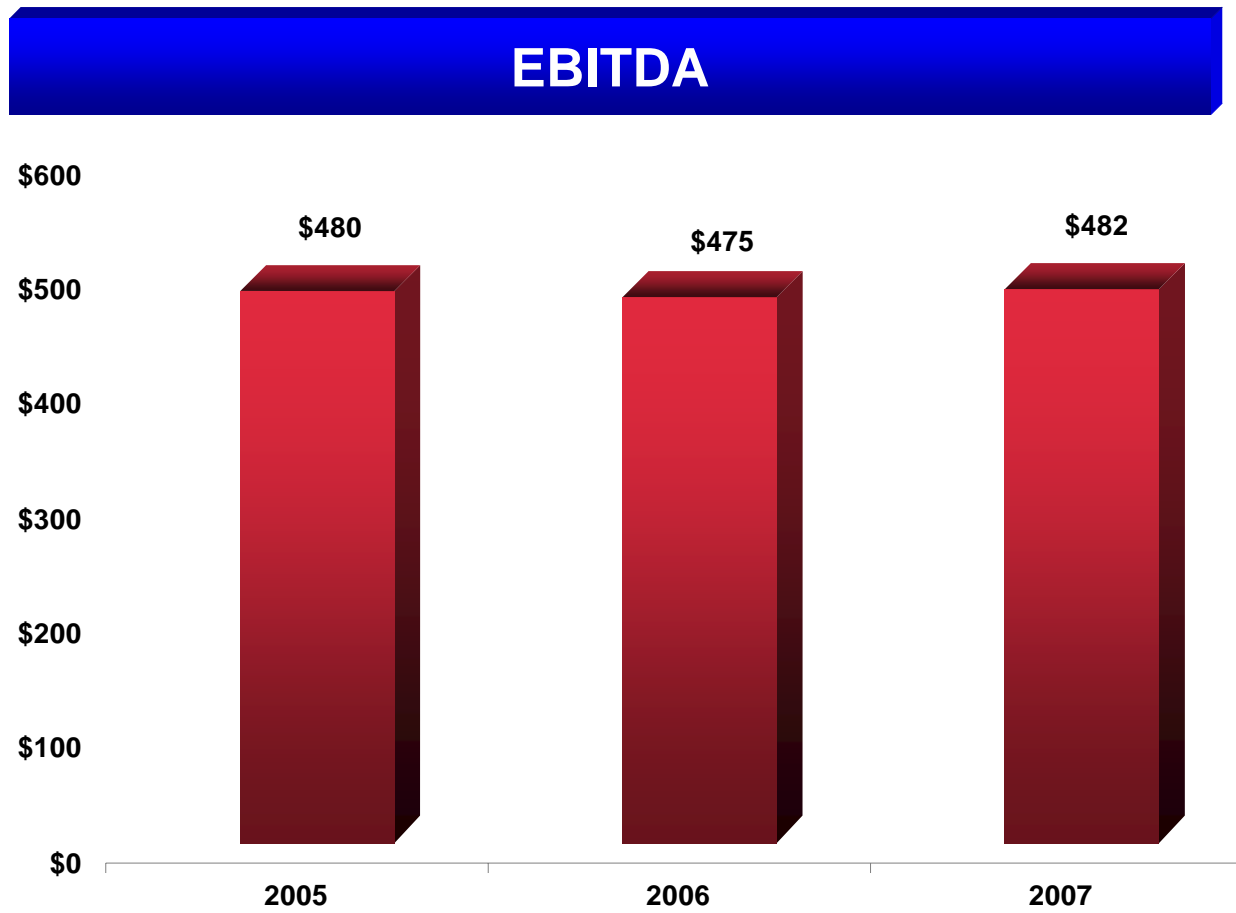
(b) Pretax (loss) income divided by total revenues



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Information Solutions Financial Summary

Pro Forma and adjusted; \$ in millions



Note: See reconciliation in the appendix



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Mortgage Information Highlights

- **\$11.2 million reduction in Tax and Flood revenue compared to Q3 2007**
 - **\$6.3 million related to volume declines**
 - **\$5.4 million lengthening of deferred tax service revenue**
- **Improved Tax and Flood volume in January 2008**
 - **Flood daily average volume up 23%**
 - **Tax and Flood volume increases continuing in February**
- **Pure Default revenue increased 8% relative to Q3 2007**
- **Expense increases related to default growth and the acquisition of Proxix**
- **2007 staff reductions are expected to save \$2.2 million in 2008**
- **2008 cost initiatives are expected to result in annualized savings of \$8.0 million**
- **Expect margins to improve in the first quarter**



Mortgage Information Highlights

(in thousands, except percentages)

	<u>Q4 2007</u>	<u>Q3 2007</u>	<u>Q2 2007</u>	<u>Q1 2007</u>	<u>Q4 2006</u>	<u>Q4 2007 Q4 2006 Variance</u>	<u>Q4 2007 Q3 2007 Variance</u>
Tax and Flood	\$ 79,110	\$ 90,323	\$ 95,831	\$ 97,153	\$ 93,692	(15.6)%	(12.4)%
Default and Other ^(a)	45,553	43,980	37,041	33,794	33,244	37.0%	3.6%
Total revenues	\$ 124,663	\$ 134,303	\$ 132,872	\$ 130,947	\$ 126,936	(1.8)%	(7.2)%
Pretax income ^(b)	\$ 14,458	\$ 28,504	\$ 28,208	\$ 29,237	\$ 30,835	(53.1)%	(49.3)%
Pretax margin	11.6%	21.2%	21.2%	22.3%	24.3%	(12.7) ^(e)	(9.6) ^(e)
Loans under Tax Service ^(c)	28,626	28,600	28,155	27,878	27,462	4.2%	0.1%
Flood certifications ^(d)	2,295	2,757	3,185	3,191	3,196	(28.2)%	(16.8)%

Note: Results for the Mortgage Information segment only. Excludes corporate expenses

(a) Includes default businesses within the Mortgage Information segment only

(b) Income before income taxes and minority interest expense

(c) Tax Service life of loan orders under service

(d) Flood certifications ordered per quarter

(e) Margin comparisons reflect percentage point changes only



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Property Information Highlights

- **Continued volume declines in all businesses during the quarter**
- **January is showing signs of recovery**
 - **Volume increases in all businesses continuing into February**
 - **Increase in portfolio analysis relative to new market risks and opportunities**
 - **AVM market share gains due to performance improvement**
 - **Securitization-related business remains low consistent with new issuance flow**
- **Expenses declined \$21.0 million relative to Q3 2007**
 - **\$11.0 million related to lower cost of goods**
 - **\$11.3 million related to operational changes**



Property Information Highlights

(\$ in thousands)

	<u>Q4 2007</u>	<u>Q3 2007</u>	<u>Q2 2007</u>	<u>Q1 2007</u>	<u>Q4 2006</u>	<u>Q4 2007 Q4 2006 Variance</u>	<u>Q4 2007 Q3 2007 Variance</u>
Property data and analytics ^(a)	\$ 108,639	\$ 117,434	\$ 127,460	\$ 43,526	\$ 107,608	1.0%	(7.5)%
Collateral valuation	40,566	50,529	75,579	69,662	51,691	(21.5)%	(19.7)%
Non-data	17,332	14,471	15,305	91,809	10,852	59.7%	19.8%
Total revenues ^(a)	<u>\$ 166,537</u>	<u>\$ 182,434</u>	<u>\$ 218,344</u>	<u>\$ 204,997</u>	<u>\$ 170,151</u>	(2.1)%	(8.7)%
Pretax income ^(b)	\$ 36,739	\$ 31,572	\$ 45,529	\$ 45,891	\$ 41,936	(12.4)%	16.4%
Pretax margin	22.1%	17.3%	20.9%	22.4%	24.6%	(2.5) ^(c)	4.8 ^(c)

Note: Results for the Property Information segment only. Excludes corporate expenses

(a) Excludes net realized investment gains; see reconciliation in the appendix

(b) Income before income taxes and minority interest expense; Excludes net realized investment gains; see reconciliation in the appendix

(c) Margin comparisons reflect percentage point changes only



First Advantage Highlights

- **Operating revenues in the fourth quarter increased 1.0% over prior year**
- **Adjusted pretax income increased 28.0% relative to the fourth quarter of 2006 and decreased 8.1% relative to the third quarter of 2007^(a)**
- **Cash provided by operating activities increased 42.6% relative to the fourth quarter of 2006**
- **The Employer Services, Multifamily Services and Investigative & Litigation Support Services segments increased revenue from the fourth quarter of 2006**
- **The Lender Services and Data Services segments continued to face challenges due to market conditions that negatively impacted mortgage applications and lead generation services**
- **Sales of non-core assets in the fourth quarter of 2007 resulted in pretax gains of \$117.8 million**

(a) See reconciliation in the Appendix.



First Advantage Highlights

(\$ in thousands)

	<u>Q4 2007</u>	<u>Q3 2007</u>	<u>Q2 2007</u>	<u>Q1 2007</u>	<u>Q4 2006</u>	<u>Q4 2007 Q4 2006 Variance</u>	<u>Q4 2007 Q3 2007 Variance</u>
Total revenues ^(a)	\$ 207,561	\$ 220,708	\$ 221,935	\$ 217,284	\$ 207,342	0.1%	(6.0)%
Pretax income ^(b)	\$ 30,449	\$ 33,116	\$ 32,196	\$ 19,992	\$ 23,795	28.0%	(8.1)%
Pretax margin	14.7%	15.0%	14.5%	9.2%	11.5%	3.2 ^(c)	(0.3) ^(c)
Cash provided by operating activities	\$ 44,796	\$ 38,646	\$ 26,077	\$ 25,077	\$ 31,413	42.6%	15.9%

(a) Excludes net realized investment gains; see reconciliation in the appendix

(b) Income before income taxes and minority interest expense; excludes net realized investment gains; see reconciliation in the appendix

(c) Margin comparisons reflect percentage point changes only



Capital Management

- **Free Cash Flow^(a) in the fourth quarter was \$120.6 million, a decrease of 5.9% from the comparable period last year. In 2007, free cash flow increased 6.1% relative to 2006**
- **In 2007, the Company repurchased 6,648,000 shares for \$306.0 million and has an additional \$360.4 million of capacity left under existing programs**
- **The debt-to-total capital ratio decreased to 21.6%, primarily due to debt repayment at First Advantage**

(a) Defined as cash provided by operating activities less capital expenditures, purchases of capitalized data and net distributions to minority shareholders – see reconciliation in the Appendix



Appendix



Reconciliation of Segment Results

(\$ in thousands)

	<u>Q4 2007</u>	<u>Q3 2007</u>	<u>Q2 2007</u>	<u>Q1 2007</u>	<u>Q4 2006</u>	<u>Q4 2007</u> <u>Q4 2006</u> Variance	<u>Q4 2007</u> <u>Q3 2007</u> Variance
Title Insurance							
GAAP Investment (Loss) Income	\$ (11,852)	\$ 49,048	\$ 63,821	\$ 56,237	\$ 65,139	(118.2)%	(124.2)%
- Net Realized Investment Losses	(64,982)	(4,308)	(5,424)	(4,338)	(2,398)		
Adjusted Investment Income	<u>\$ 53,130</u>	<u>\$ 53,356</u>	<u>\$ 69,245</u>	<u>\$ 60,575</u>	<u>\$ 67,537</u>	(21.3)%	(0.4)%
GAAP Loss Provision	180,530	90,346	342,112	96,946	86,191	109.5%	99.8%
- Reserve Strengthening	122,300	-	243,600	-	-		
Adjusted Loss Provision	<u>\$ 58,230</u>	<u>\$ 90,346</u>	<u>\$ 98,512</u>	<u>\$ 96,946</u>	<u>\$ 86,191</u>	(32.4)%	(35.5)%
Property Information							
GAAP Total Revenue	\$ 148,659	\$ 184,912	\$ 218,361	\$ 277,184	\$ 170,213	(12.7)%	(19.6)%
- Net Realized Investment (Losses) Gains	(17,878)	2,478	17	72,188	61		
Adjusted Total Revenues	<u>\$ 166,537</u>	<u>\$ 182,434</u>	<u>\$ 218,344</u>	<u>\$ 204,996</u>	<u>\$ 170,152</u>	(2.1)%	(8.7)%
GAAP Pretax Income	\$ 18,861	\$ 34,050	\$ 45,545	\$ 118,079	\$ 41,998	(55.1)%	(44.6)%
- Net Realized Investment (Losses) Gains	(17,878)	2,478	17	72,188	61		
Adjusted Pretax Income	<u>\$ 36,739</u>	<u>\$ 31,572</u>	<u>\$ 45,528</u>	<u>\$ 45,891</u>	<u>\$ 41,937</u>	(12.4)%	16.4%
First Advantage							
GAAP Total Revenue	\$ 325,241	\$ 220,387	\$ 221,901	\$ 217,197	\$ 214,310	51.8%	47.6%
- Net Realized Investment Gains (Losses)	117,680	(321)	(35)	(87)	6,969		
Adjusted Total Revenues	<u>\$ 207,561</u>	<u>\$ 220,708</u>	<u>\$ 221,936</u>	<u>\$ 217,284</u>	<u>\$ 207,341</u>	0.1%	(6.0)%
GAAP Pretax Income	\$ 148,129	\$ 32,795	\$ 32,161	\$ 19,905	\$ 30,764	381.5%	351.7%
- Net Realized Investment Gains (Losses)	117,680	(321)	(35)	(87)	6,969		
Adjusted Pretax Income	<u>\$ 30,449</u>	<u>\$ 33,116</u>	<u>\$ 32,196</u>	<u>\$ 19,992</u>	<u>\$ 23,795</u>	28.0%	(8.1)%



Reconciliation of pretax income before loss provision as % of net operating revenue^(a)

(\$ in thousands)

	Q4 2005	Q1 2006	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q4 2007
First American									
Operating revenue	\$ 1,623,241	\$ 1,425,277	\$ 1,553,981	\$ 1,547,833	\$ 1,532,062	\$ 1,395,308	\$ 1,475,902	\$ 1,405,852	\$ 1,238,597
Less: Agent retention	665,759	592,474	590,532	617,384	592,959	552,195	528,572	546,994	468,852
Net operating revenue	\$ 957,482	\$ 832,803	\$ 963,449	\$ 930,449	\$ 939,103	\$ 843,113	\$ 947,330	\$ 858,858	\$ 769,745
Pretax income (loss)	\$ 108,102	\$ 78,837	\$ (14,790)	\$ 118,950	\$ 122,688	\$ 55,983	\$ (151,744)	\$ 47,069	\$ (185,667)
Add: Loss provision	100,552	74,741	237,129	84,450	86,191	96,946	342,112	90,346	180,530
Pretax income (loss) before loss provision	\$ 208,654	\$ 153,578	\$ 222,339	\$ 203,400	\$ 208,879	\$ 152,929	\$ 190,368	\$ 137,415	\$ (5,137)
Pretax income (loss) before loss provision as a % of net operating revenue	21.8%	18.4%	23.1%	21.9%	22.2%	18.1%	20.1%	16.0%	(0.7)%
Fidelity									
Operating revenue	\$ 1,526,346	\$ 1,340,746	\$ 1,512,775	\$ 1,464,293	\$ 1,399,808	\$ 1,200,916	\$ 1,320,761	\$ 1,184,291	\$ 1,129,064
Less: Agent retention	523,652	488,368	544,169	555,010	511,697	420,051	462,852	415,307	399,875
Net operating revenue	\$ 1,002,694	\$ 852,378	\$ 968,606	\$ 909,283	\$ 888,111	\$ 780,865	\$ 857,909	\$ 768,984	\$ 729,189
Pretax income (loss)	\$ 204,907	\$ 132,528	\$ 191,481	\$ 170,531	\$ 155,737	\$ 114,772	\$ 131,101	\$ 5,934	\$ (65,863)
Add: Loss provision	100,421	80,721	91,017	88,706	85,134	72,056	78,478	151,128	200,588
Pretax income before loss provision	\$ 305,328	\$ 213,249	\$ 282,498	\$ 259,237	\$ 240,871	\$ 186,828	\$ 209,579	\$ 157,062	\$ 134,725
Pretax income before loss provision as a % of net operating revenue	30.5%	25.0%	29.2%	28.5%	27.1%	23.9%	24.4%	20.4%	18.5%
Variance	8.7%	6.6%	6.1%	6.6%	4.9%	5.8%	4.3%	4.4%	19.1%



Reconciliation of Free Cash Flow

(\$ in thousands)

	<u>Q4 2007</u>	<u>Q4 2006</u>	<u>Variance</u>	<u>2007</u>	<u>2006</u>	<u>Variance</u>
Cash provided by operating activities	\$ 202,099	\$ 192,535	5.0%	\$ 659,609	\$ 612,143	7.8%
Deduct:						
Capital expenditures	(58,717)	(60,648)	(3.2)%	(229,108)	(219,760)	4.3%
Purchases of capitalized data	(6,541)	(5,439)	20.3%	(25,319)	(23,301)	8.7%
Distributions to minority shareholders	(19,594)	(6,115)	220.4%	(72,976)	(46,066)	58.4%
Add back:						
Contributions from minority shareholders	3,400	7,926	(57.1)%	19,037	7,926	NA
Free Cash Flow	<u>\$ 120,647</u>	<u>\$ 128,259</u>	(5.9)%	<u>\$ 351,243</u>	<u>\$ 330,942</u>	6.1%



Reconciliation of EBITDA

Pro Forma and adjusted; \$ in thousands

	<u>2005</u>	<u>2006</u>	<u>2007</u>
Pretax income	\$ 358,544	\$ 314,686	\$ 293,773
+ Depr. & Amort.	88,392	118,828	140,414
+ Interest	<u>32,874</u>	<u>41,655</u>	<u>48,067</u>
EBITDA	<u><u>\$ 479,810</u></u>	<u><u>\$ 475,169</u></u>	<u><u>\$ 482,254</u></u>

