



*The First American Corporation*

# **Investor Day Presentation**

*March 15, 2007*

AMERICA'S LARGEST PROVIDER OF BUSINESS INFORMATION

# Safe Harbor Statement

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Certain statements made in this presentation, including those relating to the Company's strategies for success; long term strategic objectives; financial objectives; potential FARES profit distributions; stock repurchases; long term organic revenue growth goals; long term EPS growth goals; long term return on average allocated equity; core EPS growth goal; EPS growth with share repurchase goal; ongoing efforts to improve margins in the Company's title insurance operations; pretax margin outlook for the Title and Other Services segment; three to five year objectives for the Company's title insurance operations; three to five year revenue growth and pretax margin objectives for the title insurance and services segment; strategies across all business lines in the property information segment; margin improvement initiatives, competitive strategy and three to five year revenue growth and pre-tax margin objectives for the Company's DataTree and DataTrace businesses; competitive strategy and three to five year revenue growth and pre-tax margin objectives for the Company's collateral valuation business; First American CoreLogic's competitive strategy, three to five year revenue growth and pre-tax margin objectives, product and loan quality strategies and primary growth opportunities; strategy in the Company's default business; key operating and lender/servicer segment sales strategies in the Company's mortgage information segment; opportunities resulting from GIS technology; three to five year revenue growth and pre-tax margin objectives for the Company's mortgage information segment; strategies for the Company's home warranty business; strategies for the Company's property and casualty insurance business; five year revenue growth and pre-tax margin objectives for the Company's specialty insurance segment; developing scale in First Advantage's products; integrating First Advantage's products to align with business verticals; First Advantage's capitalizing on emerging trends within its customer base; First Advantage driving operational efficiency through consolidation, automation and off-shoring; growth strategies in First Advantage's hiring solutions, background screening, occupational health services, tax consulting, international employer services, lender services, multifamily services, dealer services, investigative and litigation support and data services businesses, 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. Risks and uncertainties exist that may cause results to differ materially from those set forth in these forward-looking statements. These forward looking statements may contain the words "believe", "anticipate", "expect", "predict", "estimate", "project", "will be", "will continue", "will likely result" or other similar words or phrases. 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 and services 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; and other factors described in Part I, Item 1A of the Company's annual report on Form 10-K for the year ended Dec. 31, 2006, as filed with the Securities and Exchange Commission and in Part I, Item 1A of First Advantage's annual report on Form 10-K for the year ended Dec. 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 nor First Advantage undertakes to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.

INVESTOR INFORMATION



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# Overview & Strategic Objectives

**Parker Kennedy, Chairman of the Board and Chief Executive Officer**

**AMERICA'S LARGEST PROVIDER OF BUSINESS INFORMATION**

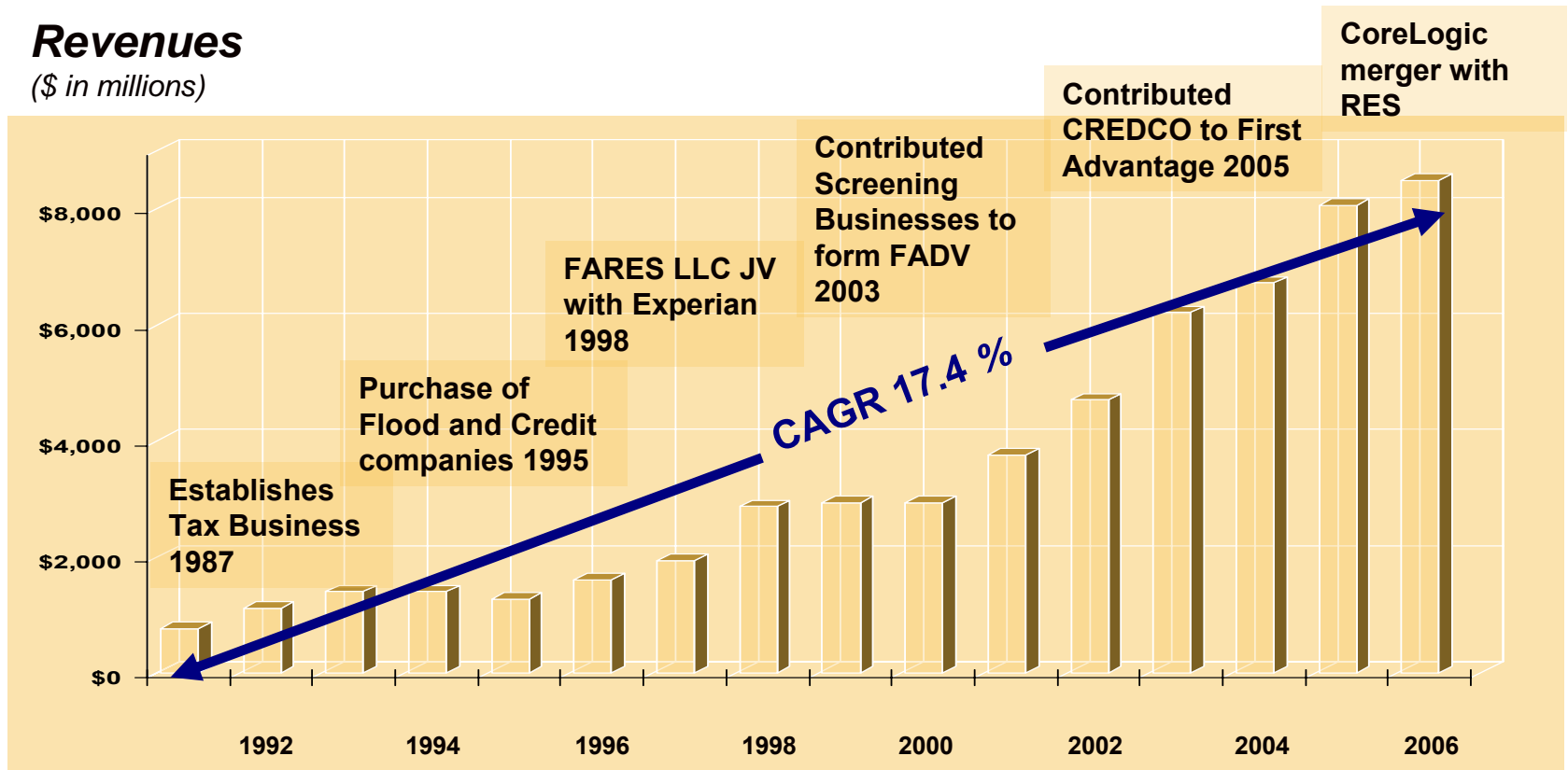
# The First American Corporation – History and Development

Founded in 1894 as Orange County Title Company  
Listed on NYSE 1993



## Revenues

(\$ in millions)

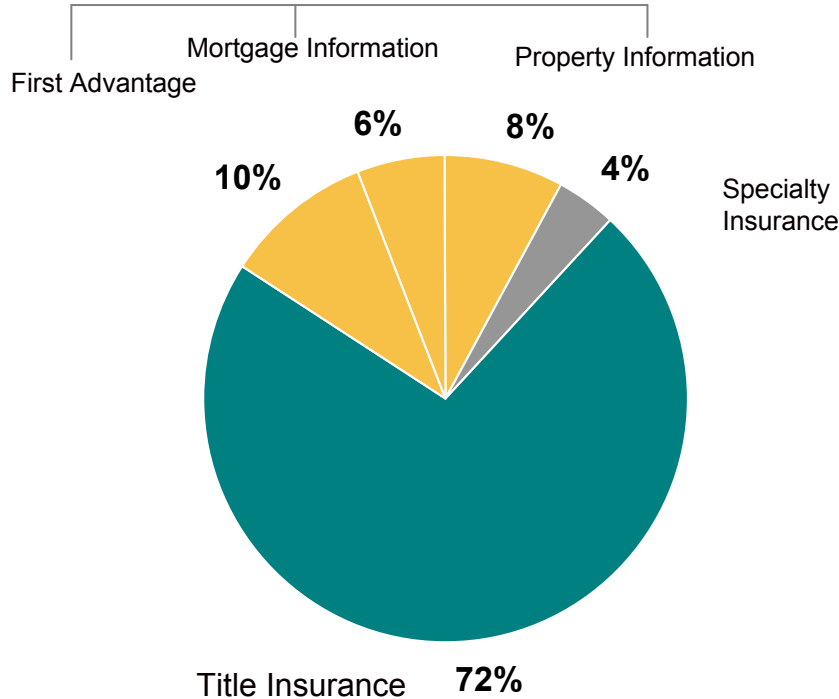


# First American's Diversification Efforts

Meaningful Growth in Information Services Resulted in a More Balanced Mix of Revenue and Profits – 4Q 2006

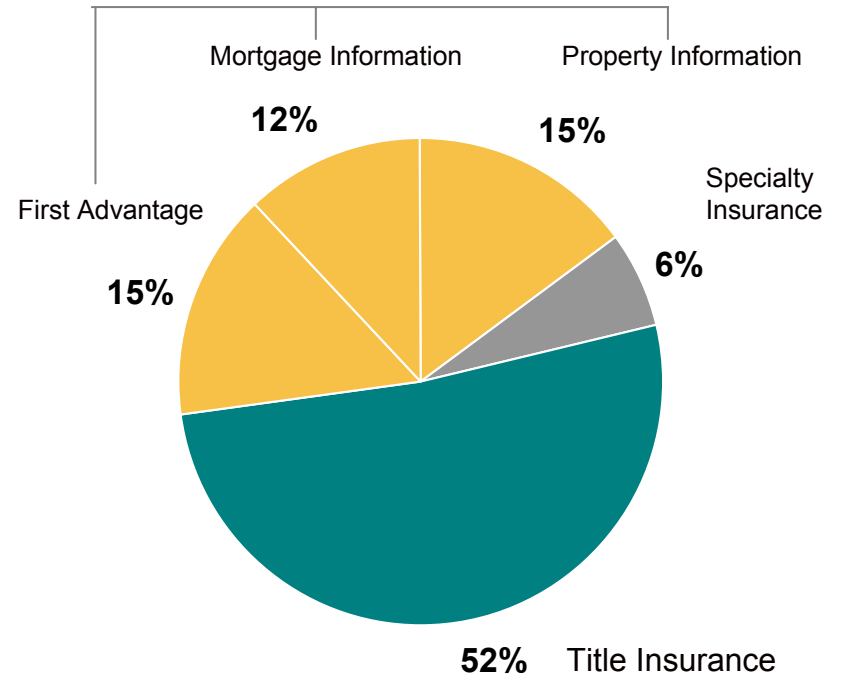
## Revenue

Information Services - 24%



## Pretax Income (a)

Information Services – 42%



(a) Pretax income after minority interest expense and allocation of all corporate expenses by net revenue.

# Historical Shareholder Returns

Strategy Leads to Outstanding Shareholder Returns (a)

Periods ending February 28, 2007	First American	S&P500
15-year period	20.4%	10.6%
10-year period	19.7%	7.6%
5-year period	21.1%	6.8%
3-year period	17.7%	9.1%
1-year period	13.9%	12.0%

(a) Total returns including reinvested dividends  
 Source: Bloomberg

## Strategies for Success

- New product innovation
- Bundling
- Analytics / Scoring
- Technology
- Centralization
- Offshore processing
- International expansion

# Strategies for Success

## International Expansion





## Long Term Perspective Strategic Objectives

- Create a single real estate information product
  - Completely integrate our offerings
  - Deliver products directly to loan origination system of lender
- Apply analytics to all of our data
- Become extremely efficient
  - India
- Manage capital carefully



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# Financial Review

**Frank McMahon, Vice Chairman and Chief Financial Officer**

AMERICA'S LARGEST PROVIDER OF BUSINESS INFORMATION

# Financial Objectives

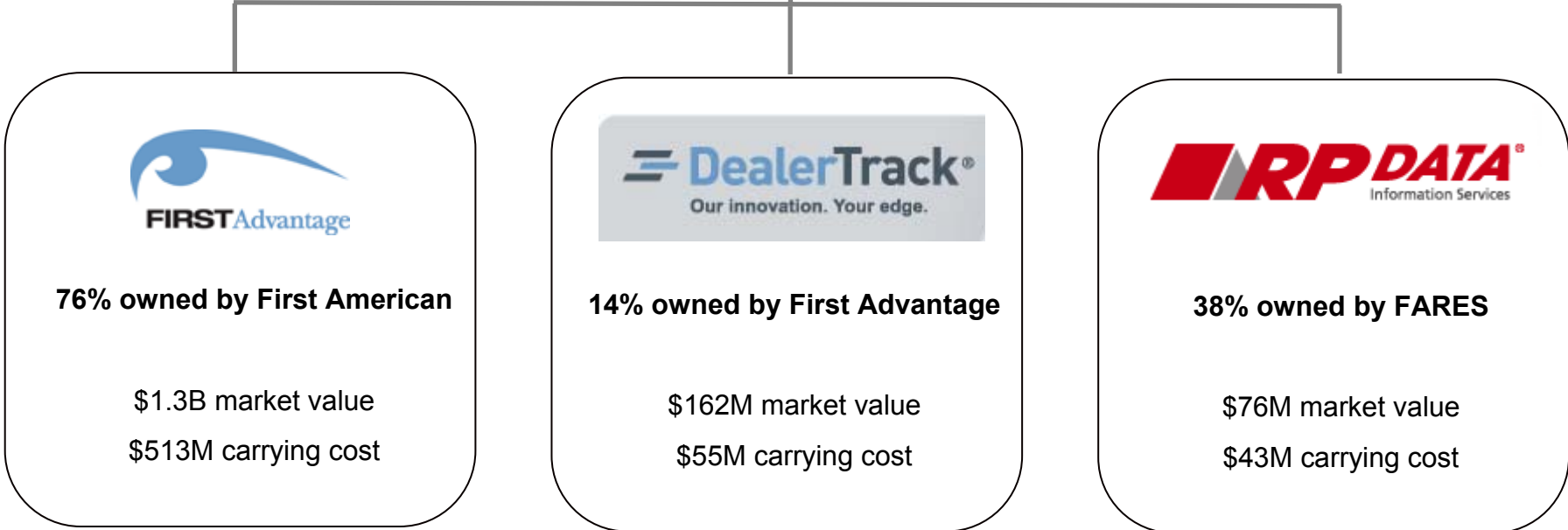
- Improve Title Company margins
- Increase the stability of earnings and EPS growth
  - Increase variability of compensation programs
  - Reduce fixed costs (rent expense, labor costs)
  - Continue off-shoring strategy
- Leverage our unique and proprietary assets and businesses (financially and operationally)
- Enhance the visibility of our various businesses to the investment community
- Increase employee ownership
- Manage our capital intelligently

# Financial Objectives

Unique and Valuable Collection of Businesses

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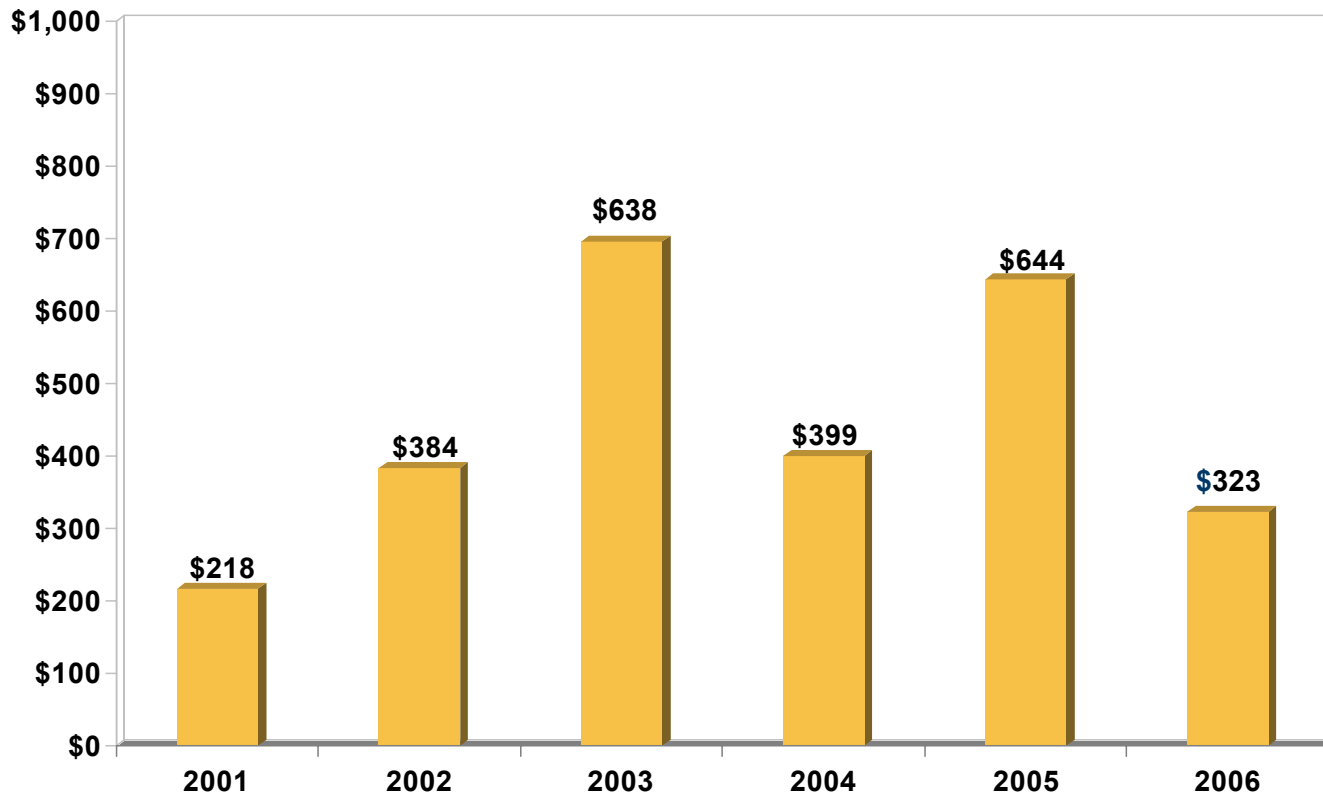
## The First American Corporation



INVESTOR INFORMATION

# Strong Free Cash Flow (a)

(\$ in millions)



FCF per diluted share	2001	2002	2003	2004	2005	2006
	\$2.88	\$4.65	\$7.27	\$4.36	\$6.59	\$ 3.27

(a) Cash provided by operating activities less capital expenditures and distributions to minority shareholders

## EBITDA by Segment <sup>(a)</sup>

(\$ in thousands)

	<u>4Q 2006</u>	<u>4Q 2005</u> (as restated)	<u>% Change</u>	<u>YTD 2006</u>	<u>YTD 2005</u> (as restated)	<u>% Change</u>
Title Insurance	\$ 135,726	\$ 132,873	2.1%	\$ 333,077	\$ 580,248	(42.6)%
Specialty Insurance	12,627	12,821	(1.5)%	48,474	44,148	9.8%
Mortgage Information	26,142	32,294	(19.0)%	103,850	126,929	(18.2)%
Property Information	39,425	31,270	26.1%	144,433	141,510	2.1%
First Advantage	41,112	36,710	12.0%	156,206	122,461	27.6%
<b>Total EBITDA</b>	<u>\$ 255,032</u>	<u>\$ 245,968</u>	<u>3.7%</u>	<u>\$ 786,040</u>	<u>\$ 1,015,296</u>	<u>(22.6)%</u>

(a) EBITDA after minority interest expense and allocation of all corporate expense by net revenue – see reconciliation in the Appendix

# Holding Company Liquidity

(\$ in millions)

## Potential Sources of Holding Company Cash

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Cash at Holding Company (12/31/06)	\$110
Dividends available from insurance subsidiaries	286
Potential FARES profit distributions	80 <sup>(a)</sup>
<b>Total Sources</b>	<b>\$476</b>

## Uses of Holding Company Cash

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Principal and interest payments	\$ 32
Dividends	84
Specialty Insurance put obligation	65
<b>Total Uses</b>	<b>\$181</b>

(a) Based on profit distributions due to First American in 2006

## Manage Capital Intelligently

- Total stockholders' equity of \$3.2 billion, or \$33.19 per share at December 31, 2006 (\$38.49 per share with FADV shares valued at market)<sup>(a)</sup>
- Strong free cash flows from operations of \$323 million in 2006, including \$120 million in the fourth quarter of 2006 <sup>(b)</sup>
- EBITDA in the fourth quarter was \$255 million, an increase of 3.7% from the comparable period last year
- Return on average equity was 13.1% for the fourth quarter of 2006
- Repurchased \$46.5 million of common stock in 2006 and have an additional \$366.3 million of capacity left to be purchased under existing programs

(a) Using FADV closing stock price as of December 31, 2006

(b) Defined as cash provided by operating activities less capital expenditures, purchases of capitalized data and distributions to minority shareholders



# Capital Allocation Summary

(\$ in millions)

The First American Corporation <sup>(a)</sup>		
	Assets	Capital
Assets	\$8,224	-
Equity	-	3,202
Debt	-	948
Minority Interest	-	512
Total	<u>\$8,224</u>	<u>\$4,662</u>

Segment Allocations		
	Assets <sup>(b)</sup>	Capital <sup>(c)</sup>
Title Insurance Segment	\$4,498	\$2,121
- Title Insurance	3,369	1,955
- Financial Services <sup>(d)</sup>	1,129	166
Specialty Insurance	503	283
Property Information	985	836
Mortgage Information	862	236
First Advantage	1,070	878
Corporate	308	308
Total Capital	<u>\$8,224</u>	<u>\$4,662</u>

(a) Source: Form 10-K as of 12/31/06

(b) Source: Form 10-K as of 12/31/06 and Company sources

(c) Includes debt, minority interest and equity attributed to business segment

(d) Financial Services includes FA Exchange, FA Trust, First Security Thrift and FA SMS

# Allocated Equity Capital by Segment

(\$ in millions)

	<b>Total Capital<sup>(b)</sup></b> <b>12/31/06</b>	<b>Allocated</b> <b>Debt-to-Capital</b>	<b>Allocated<sup>(c)</sup></b> <b>Equity Capital</b> <b>12/31/06</b>
Title Insurance	\$1,955	10.9%	\$1,743
Financial Services <sup>(a)</sup>	166	0.0%	166
Title Insurance Segment	2,121	10.0%	1,909
Specialty Insurance	283	15.0%	240
Property Information	836	22.2%	651
Mortgage Information	236	0.0%	236
First Advantage	878	22.8%	678
Corporate	308	100.0%	-
<b>Total</b>	<b>\$4,662</b>	<b>20.3%</b>	<b>\$3,714</b>

(a) Financial Services includes FA Exchange, FA Trust, First Security Thrift and FA SMS

(b) Includes debt, minority interest and equity attributed to business segment

(c) Assumes minority interest is treated as equity

# 2006 Return on Allocated Equity Capital by Segment

(\$ in millions)

	<u>Pretax Income</u> <sup>(b)</sup>	<u>After Tax Income</u> <sup>(d)</sup> <u>Before Min. Int.</u>	<u>Return on Avg.</u> <sup>(e)</sup> <u>Allocated Equity</u>
Title Insurance	\$413 <sup>(c)</sup>	\$206	12.1%
Financial Services <sup>(a)</sup>	43	25	15.2%
Title Insurance Segment	<u>456<sup>(c)</sup></u>	<u>230</u>	<u>12.4%</u>
Specialty Insurance	56	28	12.0%
Property Information	152	77	12.1%
Mortgage Information	124	70	30.2%
First Advantage	117	69	10.7%
Corporate	(153)	-	-
Total	<u>\$752<sup>(c)</sup></u>	<u>\$475</u>	<u>13.1%</u>

(a) Financial Services includes FA Exchange, FA Trust, First Security Thrift and FA SMS

(b) Source: Form 10-K as of 12/31/06 and Company sources

(c) Excludes \$155 million reserve strengthening

(d) After allocation of \$153 million of corporate expenses allocated by net revenue (excluding First Advantage) and interest expense for allocated debt

(e) Calculated as income before minority interest divided by average allocated equity

# Long Term Financial Goals

<b>Segment</b>	<b>Long Term Organic Revenue Growth Goal</b>	<b>Long Term Margin Goal</b>	<b>Estimated Long Term Return on Avg. Allocated Equity <sup>(a)</sup></b>
Title Insurance	-	-	11 - 14%
Financial Services	-	-	14 - 16%
Title Insurance Segment	5 - 7%	10 -11%	12 - 15%
Specialty Insurance	6 - 8%	17 -18%	12 - 13%
Property Information	9 -10%	22 - 28%	13 - 16%
Mortgage Information	5 - 7%	22 - 28%	25 - 30%
First Advantage	8 -10% <sup>(b)</sup>	16 - 20%	11 - 14%
<b>Total</b>	<b>6 - 7%</b>	<b>13 - 14%</b>	<b>14 - 16%</b>

(a) Assumes no increase in leverage

(b) On service revenue

## Long Term Financial Goals

Core EPS Growth

13% – 14%

EPS Growth with Share Repurchase

15% +



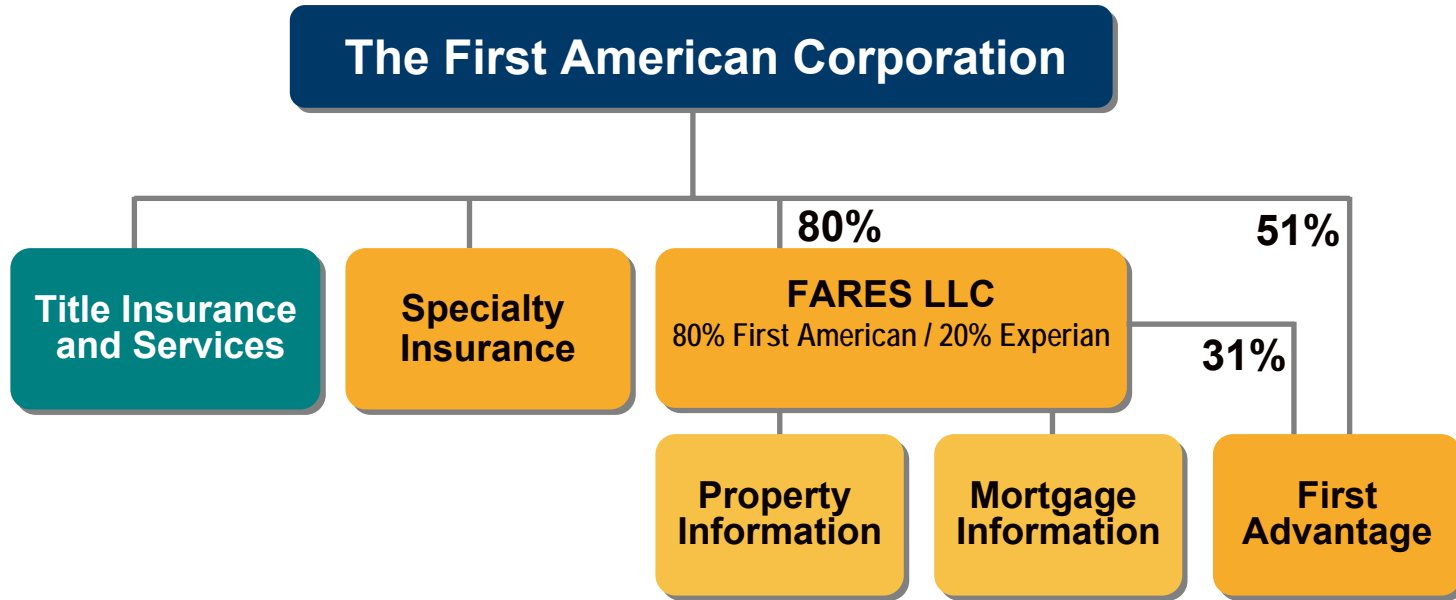
*First American  
Title Insurance Company*

## **First American Title**

**Curt Johnson, President, First American Title Insurance Company**

# Title Insurance and Services

Unique and Valuable Collection of Businesses



- Title Insurance Segment has grown revenues at a 17% CAGR over the last 10 years.
- Market share has improved from 19.8% in 1995 to 28.6% in the first nine months of 2006.
- 2006 revenues up 3.6% year over year.
- 2006 pretax profits of \$301.2 million

# Title Insurance Results

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**NYSE**

(\$ in thousands)	4Q 2006	3Q 2006	2Q 2006	1Q 2006	4Q 2005	4Q 2006 4Q 2005 Variance	4Q 2006 3Q 2006 Variance
					(as restated)		
Total revenues <sup>(a)</sup>	\$ 1,582,352	\$ 1,595,809	\$ 1,602,800	\$ 1,464,150	\$ 1,663,484	(4.9)%	(0.8)%
Pretax income <sup>(b)</sup>	\$ 121,694	\$ 117,650	\$ (15,913)	\$ 77,729	\$ 114,638	6.2%	3.4%
Pretax margin <sup>(c)</sup>	7.7%	7.4%	(1.0)%	5.3%	6.9%	0.8 <sup>(d)</sup>	0.3 <sup>(d)</sup>
Title orders opened	632,400	625,200	663,600	589,200	560,200	12.9%	1.2%
Title orders closed	481,700	473,300	484,700	426,000	470,800	2.3%	1.8%

(a) Total revenues include direct, agent and investment income

(b) Income before income taxes, minority interest expense and allocation of all corporate expenses – see reconciliation in the Appendix

(c) Pretax income divided by total revenues

(d) Margin comparisons reflect percentage point changes only

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# Title Insurance Results

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

(\$ in millions)

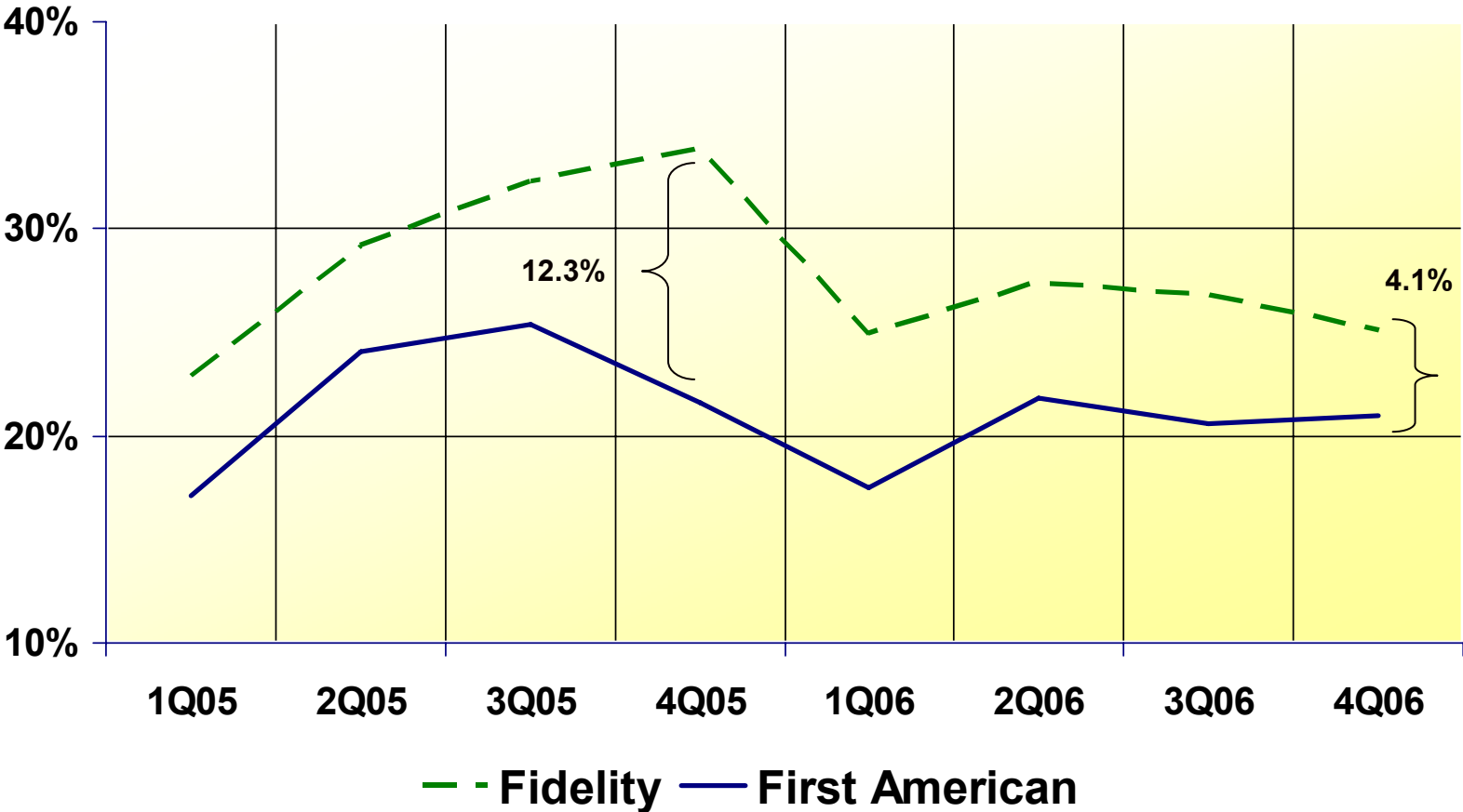
	<u>4Q 2006</u>	<u>4Q 2005</u> (as restated)	<u>% Change</u>	<u>YTD 2006</u>	<u>YTD 2005</u> (as restated)	<u>% Change</u>
<b>Revenues:</b>						
Direct	\$ 791	\$ 802	(1.4)%	\$ 3,066	\$ 3,017	1.6%
Agent	741	820	(9.6)%	2,995	2,858	4.8%
	<u>\$ 1,532</u>	<u>\$ 1,622</u>	<u>(5.5)%</u>	<u>\$ 6,061</u>	<u>\$ 5,875</u>	<u>3.2%</u>
Investment	50	42	19.0%	184	148	24.3%
Total revenues	<u>\$ 1,582</u>	<u>\$ 1,664</u>	<u>(4.9)%</u>	<u>\$ 6,245</u>	<u>\$ 6,023</u>	<u>3.7%</u>
<b>Expenses:</b>						
Salaries and other	460	465	(1.1)%	1,803	1,728	4.3%
Agent retention	593	666	(11.0)%	2,393	2,299	4.1%
Other operating	268	277	(3.2)%	1,087	1,026	5.9%
Loss provision	86	101	(14.9)%	482	289	66.8%
Dep. and amort.	24	18	33.3%	82	61	34.4%
Premium taxes	18	17	5.9%	67	59	13.6%
Interest	11	5	120.0%	30	20	50.0%
Total expenses	<u>\$ 1,460</u>	<u>\$ 1,549</u>	<u>(5.7)%</u>	<u>\$ 5,944</u>	<u>\$ 5,482</u>	<u>8.4%</u>
<b>Pretax income</b> <sup>(a)</sup>	<u>\$ 122</u>	<u>\$ 115</u>	<u>6.2%</u>	<u>\$ 301</u>	<u>\$ 541</u>	<u>(44.4)%</u>

(a) Income before income taxes, minority interest expense and allocation of all corporate expenses – see reconciliation in the Appendix

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# Margin Comparison

Net income before tax and loss provision as a % of Net Revenues <sup>(a)</sup>



(a) See reconciliation in the Appendix

# Title Insurance Review

- Ongoing efforts to improve margins include:
  - New operating structure
  - Centralization of administrative functions
  - Brand strategies
  - Centralized treasury management
  - Centralized facilities management
  - Headcount reductions

# First American Title

## 2007 Title Margin Assumptions

- Total mortgage originations - \$2.3 trillion
- Relatively flat revenue growth
- Aggressive compliance strategies
- Elimination of certain existing business arrangements
- Transition year for structure, administrative functions, compliance

## 2008 Title Margin Assumptions

- Total mortgage originations - \$2.3 trillion
- Moderate revenue growth

# First American Title

## Pretax Margin Outlook – Title and Other Services

<b>2006</b>	Full year 2006 pretax margin <sup>(a)</sup>	7.30%
	Expense reduction in 2 <sup>nd</sup> half of 2006	0.25
	Treasury management initiatives – 2006	<u>0.15</u>
	Current “Run rate”	<u>7.70%</u>
<b>2007</b>	Labor cost improvements	0.15
	Brand consolidation	0.10
	Treasury management initiatives	<u>0.10</u>
	2007 Margin Objective	<u>8.05%</u>
<b>2008</b>	Labor cost improvements	0.30
	Brand consolidation	0.20
	Facilities management/ branch consolidation	0.20
	Off-shoring/centralized production	0.15
	Administrative consolidation	<u>0.10</u>
	2008 Margin Objective	<u>9.00%</u>

(a) Excludes the \$155 million reserve strengthening adjustment in 2Q 2006

## First American Title

### Long Term Objectives over Three to Five Years

- Become the industry leader in margin performance
- Serve as the industry leader in areas of governance, compliance, and regulatory matters
- Implement national production models and strategies utilizing our technology, on-shore and off-shore capabilities
- Continue to serve as the industry leader in areas of innovation, products and process

**Title Segment**  
**Financial Objectives**

	<u>Long-term Objectives over Three to Five Years</u>
Revenue Growth	<b>5% - 7%</b>
Pretax Margins	<b>10% - 11%</b>



*First American  
Property Information  
and Services Group*

# **Property Information Services Group Overview**

**Dennis Gilmore, Chief Operating Officer, The First American Corporation**



## Consistent Strategies Across All Business Lines

- Expansion
  - Geographically
  - New products and services
- Leverage
  - Offshore capabilities
  - Technology infrastructure
- Market Position
  - Highest quality
  - Lowest cost producer

# Property Information Highlights

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**NYSE**

(\$ in thousands)

## Total Revenues

	<u>4Q 2006</u>	<u>3Q 2006</u>	<u>2Q 2006</u>	<u>1Q 2006</u>	<u>4Q 2005</u> (as restated)	<u>4Q 2006</u> <u>4Q 2005</u> <u>Variance</u>	<u>4Q 2006</u> <u>3Q 2006</u> <u>Variance</u>
Property data and analytics	\$ 107,511	\$ 109,134	\$ 105,355	\$ 100,944	\$ 99,955	7.6%	(1.5)%
Collateral valuation	51,691	43,661	35,226	32,556	26,819	92.7%	18.4%
Non data	11,011	9,636	10,121	5,959	7,773	41.7%	14.3%
<b>Total revenues</b>	<b>\$ 170,213</b>	<b>\$ 162,431</b>	<b>\$ 150,702</b>	<b>\$ 139,459</b>	<b>\$ 134,547</b>	<b>26.5%</b>	<b>4.8%</b>
<b>Pretax income (a)</b>	<b>\$ 42,006</b>	<b>\$ 40,185</b>	<b>\$ 39,062</b>	<b>\$ 30,650</b>	<b>\$ 31,324</b>	<b>34.1%</b>	<b>4.5%</b>
<b>Pretax margin</b>	<b>24.7%</b>	<b>24.7%</b>	<b>25.9%</b>	<b>22.0%</b>	<b>23.3%</b>	<b>1.4 (b)</b>	<b>-</b>

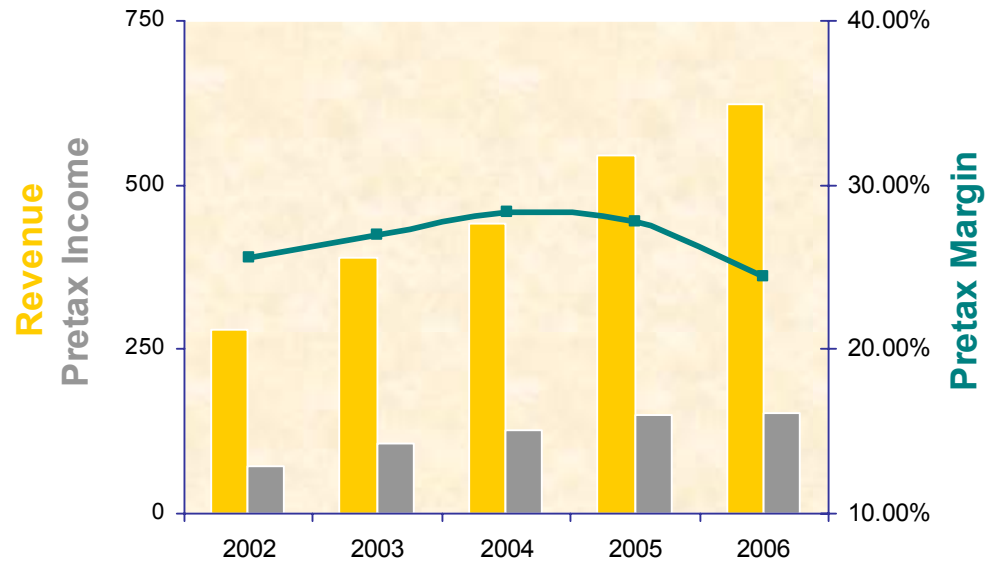
(a) Income before income taxes, minority interest expense and allocation of all corporate expenses – see reconciliation in the Appendix

(b) Margin comparisons reflect percentage point changes only

# Property Information Services Group - Trends

- Margin declines
  - Reduced national mortgage volumes
  - Low margin revenue growth in Traditional appraisals
  - Investment in geographic expansion and automation
  
- Margin improvement initiatives
  - Geographic expansion
  - Product development
  - Continual cost management

**Annual Revenue & Pretax Income**  
(\$ in millions)



<b>Pretax Margin</b>	<b>25.5%</b>	<b>27.0%</b>	<b>28.4%</b>	<b>27.8%</b>	<b>24.4%</b>
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**DATA**TREE®



## **Data Trace & Data Tree**

**Dennis Gilmore, Chief Operating Officer, The First American Corporation**

# Data Trace & Data Tree

## What We Do

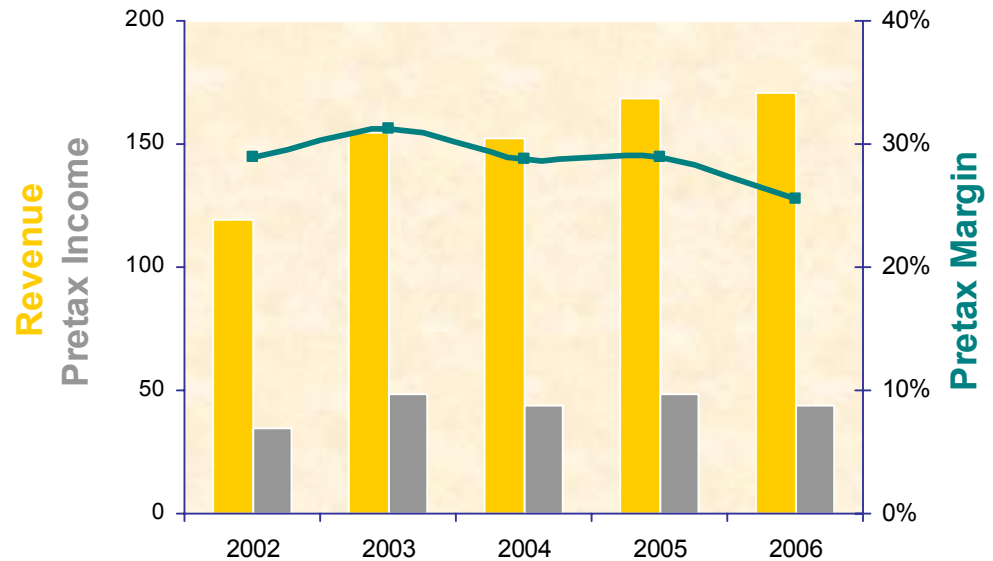
- Provide automated tax, title, lien and document image data
  - Where does our data come from?
    - Tax assessor
    - County recorder
    - Other government agencies
  - How is it used?
    - Establish legal chain of ownership for title insurance underwriters
    - Determine property tax status during the loan escrow process
    - Research and due diligence
  - How is it delivered?
    - Electronic report of title and tax data
    - Electronic image of physical legal document

# Data Trace & Data Tree

## Trends

- Margin declines
  - Reduced national mortgage volumes
  - Investment in geographic expansion and automation
  
- Margin improvement initiatives
  - Geographic expansion
  - Product development
  - OCR technology roll-out

**Annual Revenue & Pretax Income**  
(\$ in millions)



<b>Pretax Margin</b>	<b>29.0%</b>	<b>31.3%</b>	<b>28.8%</b>	<b>29.0%</b>	<b>25.6%</b>
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# Data Trace & Data Tree

## Competitive Strengths

- The nation's premier provider of title information and imaged real estate documents
  - Title plants
    - 20+ years depth on average
    - 775M records/2.5 terabytes
    - 385 counties online in 27 states – (269 Title and 385 Tax)
  - Largest image database repository of its kind
    - 3.5 billion images
    - 504 counties in 35 states
    - 90% of the population in the top metropolitan counties
    - 57% of the total population
- The title industry's utility with 750+ title company customers
- Greatest geographic reach of any provider
- Single desktop solution for all tax, title and document images
- Superior data accuracy and currency
- Offshore resources and capabilities
- Access to First American assets
  - Data center, data sharing

## Data Trace & Data Tree

### Competitive Strategy

- Continue nationwide geographic expansion
- Automate the title process in the Northeast
  - Title plant creation
  - Create first title, tax and lien offering
- New product development
  - eVault – mortgage loan document storage and transfer
  - Title publishing – automated title search, exam, prelim policy
- Expand market segments
  - Legal, government, engineering, resellers
- Support First American Title automation efforts with plant and image expansion



## Financial Objectives – Three to Five Years Data Trace/ Data Tree

- Geographic expansion
- Product development
- OCR technology
- Continual cost management

Revenue Growth	5% - 7%
Pre-tax Margins	23% - 28%



*First American  
Residential Value View*

## **Collateral Valuation**

**Dennis Gilmore, Chief Operating Officer, The First American Corporation**

# Collateral Valuation

## Company Profile

### Who we are

- One of the nation's largest independent real estate valuation companies
  - Processing over 1 million appraisals and broker price opinions annually
- Leader in product innovation
  - Insured valuations
  - Market driven hybrid products

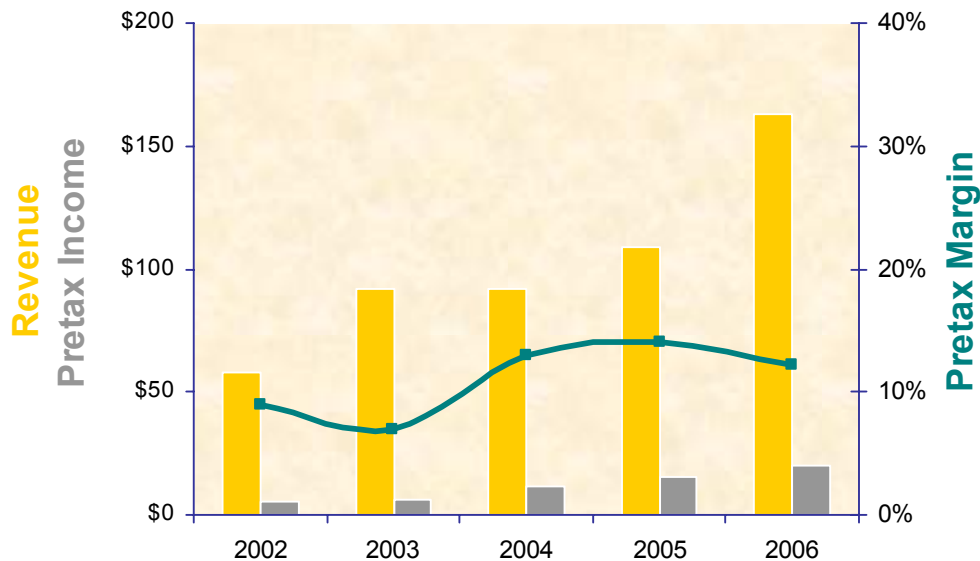
### What we do

- Provide a complete line of valuation-based services for purchase, refinance, default and loan servicing

# Collateral Valuation Trends

- Operating efficiencies and introduction of non-traditional products raised margins in 2004 & 2005
- Increases of traditional order volume from enterprise clients drove down margins in 2006

**Annual Revenue & Pretax Income**  
(\$ in millions)



<b>Pretax Margin</b>	<b>8.9%</b>	<b>7.0%</b>	<b>12.9%</b>	<b>14.0%</b>	<b>12.2%</b>
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# Collateral Valuation

## Markets

### Traditional Markets

- Four top AMC's (Appraisal Management Companies) represent ~25% of market
- Remaining ~75% served by local appraisal companies
- One of the top AMC's
  - 9 of the top 20 direct lenders

### Non-Traditional Markets

- Wholesale correspondent lenders
  - Due diligence (review) valuations
- Loan servicing
  - Default products
  - PMI (Private Mortgage Insurance) deletion

# Collateral Valuation

## Competitive Strategy

- Leverage automation and offshore capabilities to maximize value to clients
- Increase presence in high margin specialty valuation markets
  - REO (Real Estate Owned) appraisals
- Focus on deeper penetration of existing client base with introduction of new innovative solutions
  - Appraiser assisted AVM
- Grow market share for traditional appraisals with acceptable margins
  - Leverage operational and technological expertise
- Leverage First American real estate data

## Financial Objectives – Three to Five Years

### Collateral Valuation

- Shift product mix to higher margin non-traditional appraisal products
- Create new markets with innovative product offerings

Revenue Growth	5% - 7%
Pre-tax Margins	12% - 16%



*First American*  
*CoreLogic*

# **First American CoreLogic**

**George Livermore, Group President, First American Property  
Information & Services Group**

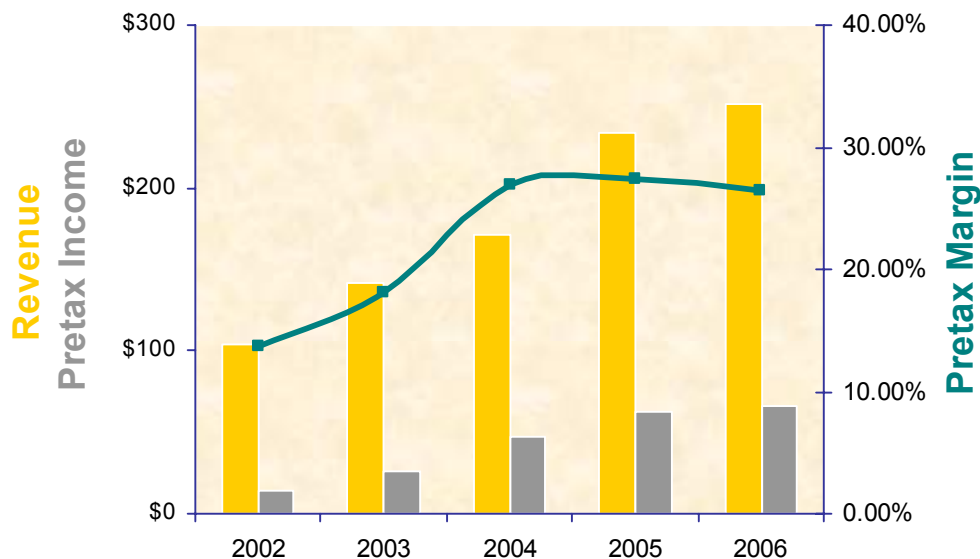


# First American CoreLogic Trends



- Combined organic and acquisition driven revenue growth of over 14%
- Expanded into the international marketplace in 2006:
  - Acquired minority interest in RP Data, Australia and New Zealand’s #1 provider of property information
  - Acquired UKValuation, #2 AVM provider in UK
- Margin decline in 2006 due to:
  - Investment in IT infrastructure (transition to Class 9 data center)
  - Enhanced security and compliance initiatives (creation of Compliance and Security Office)
  - Transition to new facilities
  - The dilution of our minority investments

**Annual Revenue & Pretax Income**  
(\$ in millions)

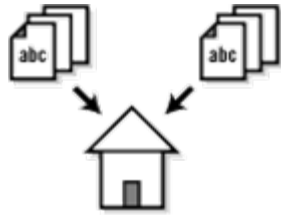


<b>Pretax Margin</b>	<b>13.7%</b>	<b>18.1%</b>	<b>27.0%</b>	<b>27.4%</b>	<b>26.4%</b>
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# First American CoreLogic

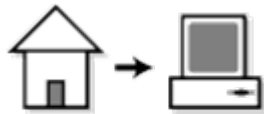
## What We Do

FAF  
LISTED  
NYSE



COLLECT

Continuously collect and manage raw real estate related data and imagery from 4,500+ government and proprietary data sources



TRANSFORM

Transform this inconsistent, complex data and imagery into relevant and actionable information and analytics



DISTRIBUTE

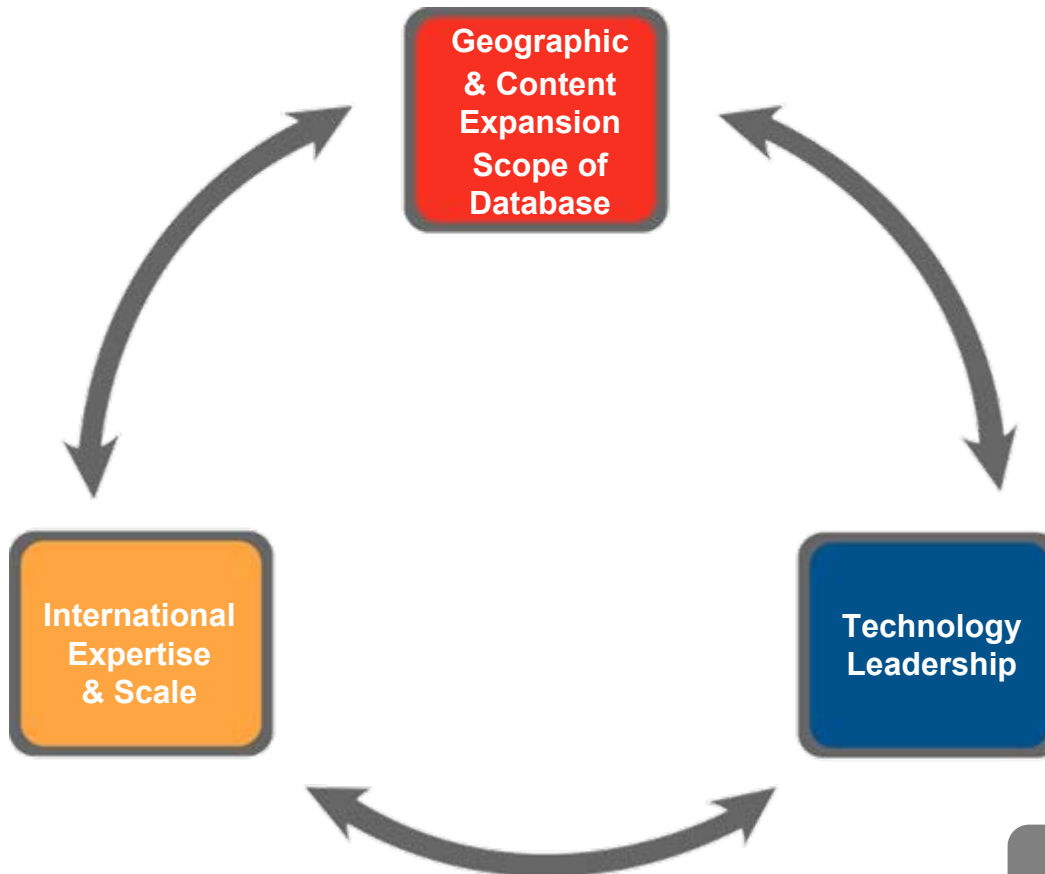
Distribute to client for primary use in:

- Customer acquisition and retention
- Risk management
- Research and business intelligence

# First American CoreLogic

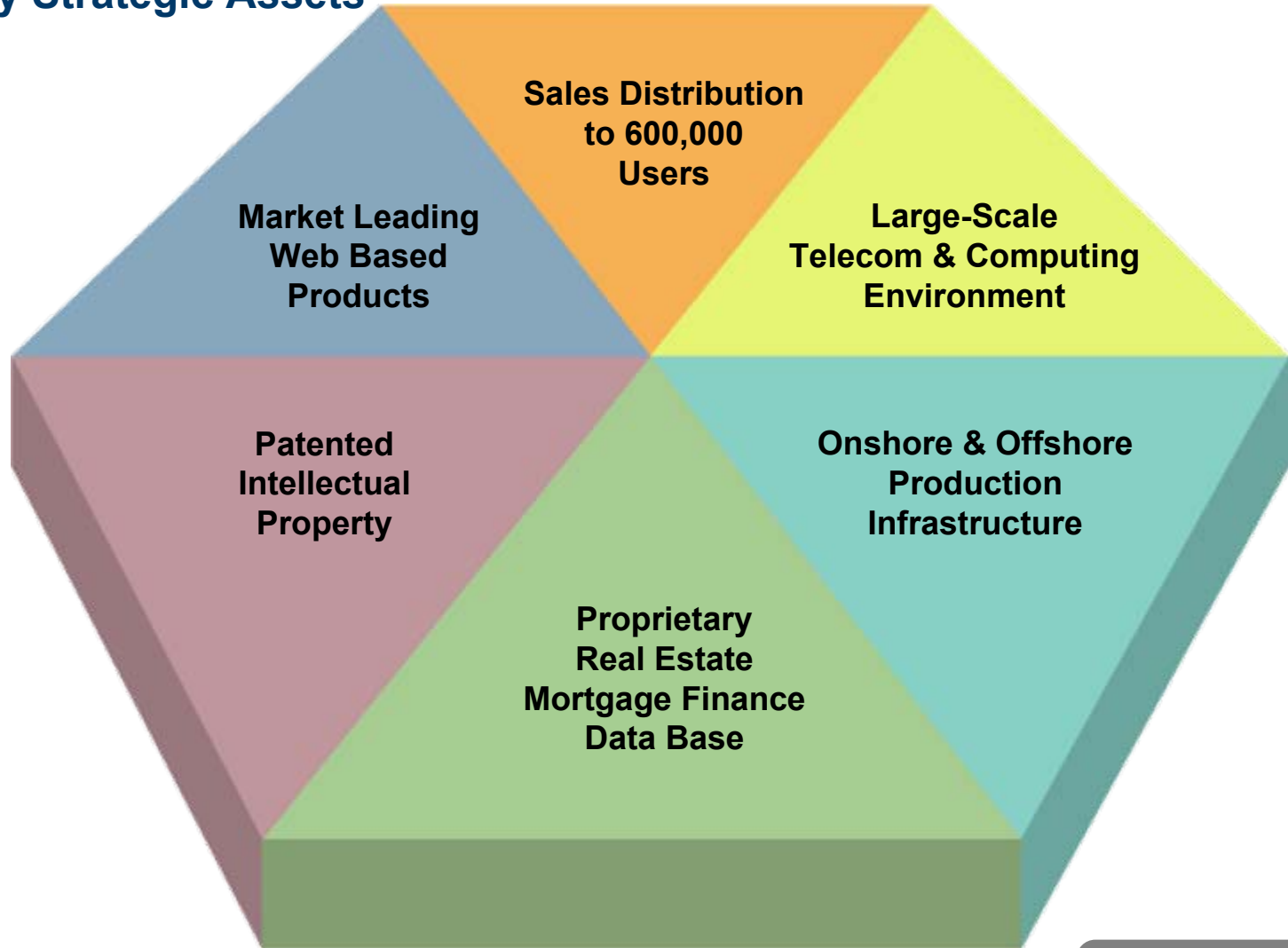
## Competitive Strategy

- Apply our low cost, high quality production advantage throughout our customers value networks
- Secure market position as the highest quality, lowest cost producer



# First American CoreLogic

## Primary Strategic Assets



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

# First American CoreLogic Database Assets



## LOAN PERFORMANCE

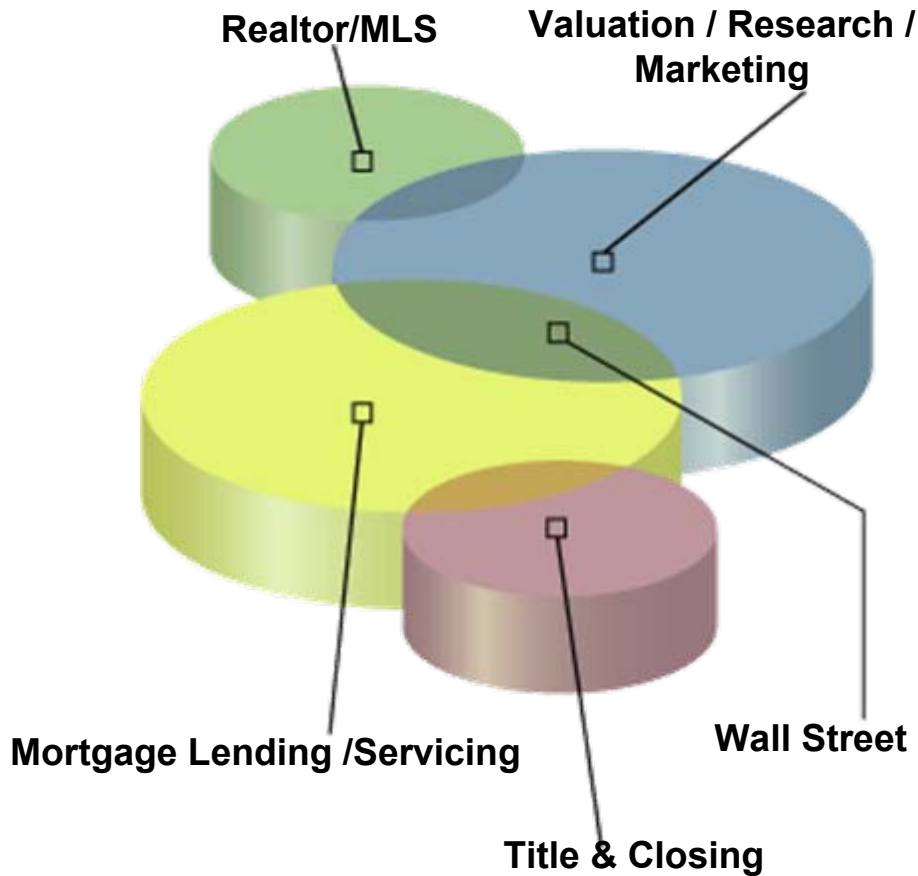
	Public			Semi Public	Non-Public	
<b>Source</b>	<b>Assessor</b>	<b>Recorder</b>	<b>Images</b>	<b>User Submitted</b>	<b>Servicing</b>	<b>Securities</b>
<b>Content</b>	Physical Tax, legal	Transactions, Deeds, financing, liens, foreclosure	Documents Parcel maps Aerial maps Flood maps Street maps	Physical Char., Sales	Borrower Prepay & Delinquency	Loan Details 75 attributes: FICO, LTV, etc.
<b>Update frequency</b>	Monthly	Daily	Daily	Periodic	Monthly	Monthly
<b>Size</b>	2945 counties	500M transactions 1700 counties	NA	20MM Records	45M active loans	11.5M active loans
<b>Coverage (as % of U.S. Mortgage Transactions)</b>	99%	90%	Up to 100%	15%	90+	90+

INVESTOR INFORMATION

# First American CoreLogic

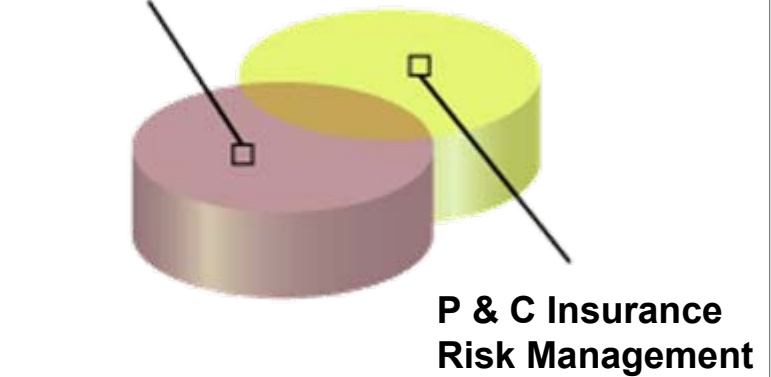
## Markets

### Real Estate



### Non Real Estate

#### Direct Marketing



Government  
Utilities  
Engineering  
Mapping

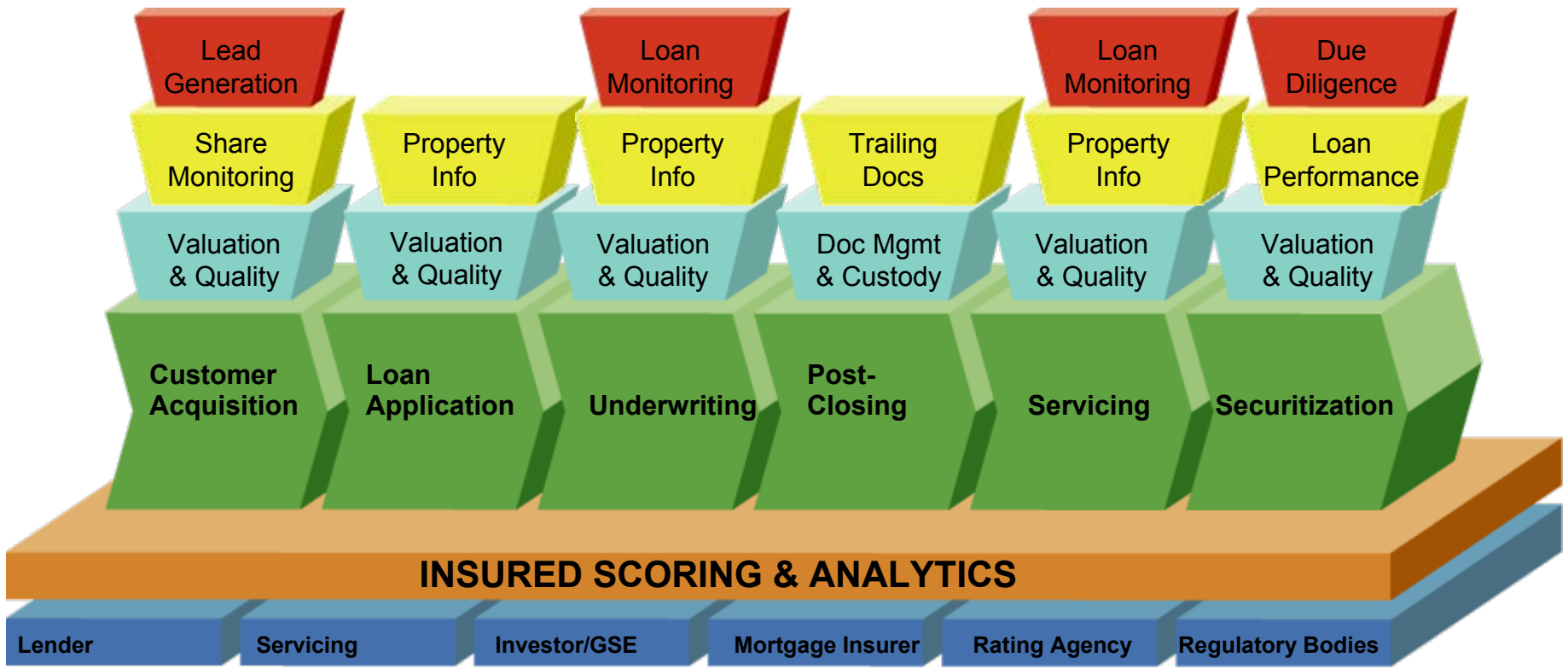
Legal Services  
& Information

INVESTOR INFORMATION

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

# First American CoreLogic

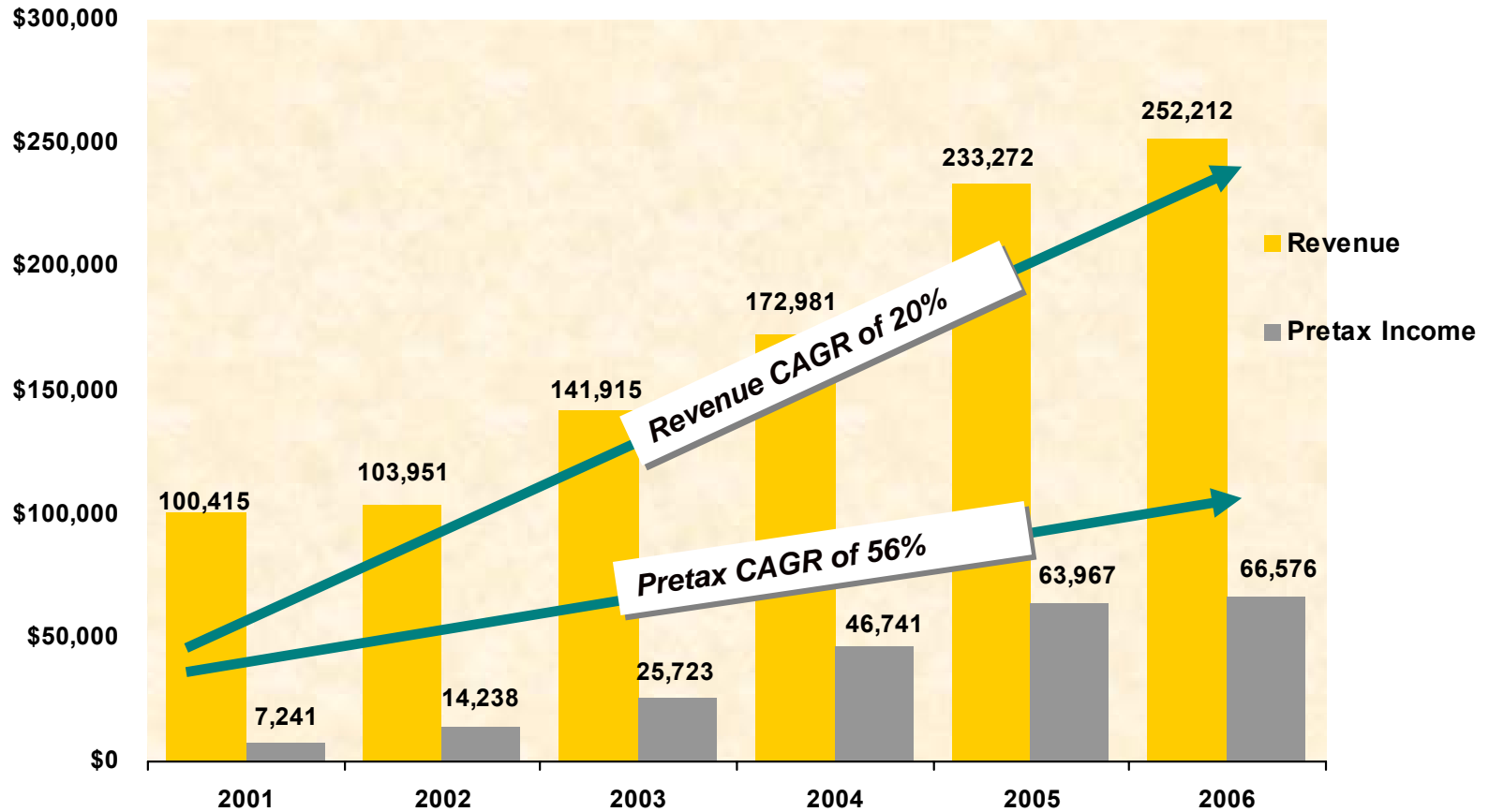
## Life of Loan Opportunities



# Revenue & Pretax Income

(RES Pre-Acquisition results)

(\$ in thousands)





## First American CoreLogic Financial Objectives – Three to Five Years

- Increase value of current databases and IP
  - Create derivative / attribute databases that reconfigure existing data to drive opportunities in new markets
  - Expand databases to encompass other life of loan related information
  - Focus product development initiatives towards emerging markets
  
- Leverage fixed cost structure of our technology and data process to drive increasing efficiencies and increasing competitive advantage
  
- Expand international presence, and in the process, drive economies of scale overseas through market share gains

Revenue Growth	12% - 14%
Pre-tax Margins	23% - 26%

## First American CoreLogic Strategic Investments and Affiliates

- Veros-2004 minority stake
  - Automated valuation analytics
- Loan Performance-2005 full acquisition
  - Largest mortgage performance database in existence
  - Risk modeling, servicing scorecard and prepayment scoring
- BasePoint Analytics-2005 Minority Stake
  - Mortgage application and credit card Fraud analytics
- ComplianceEase-2005 Minority Stake
  - Automated predatory & high cost loan auditing ASP
- The Bohan Group-2006 Minority Stake
  - Investor (post-bid) MBS due diligence services
- RP Data-2006 Minority Stake
  - #1 Property information company in Australia and NZ
- UK Valuation-2006 full acquisition of London based AVM provider

# First American CoreLogic

## RP Data Overview (Expansion into Australia)

- Leading real estate information services business in Australia and New Zealand
- Started in 1989 – Headquartered in Brisbane, Australia
- Launched publicly RPX 12/06 on ASX trading at \$1.85 Aus
- FARES owns 38% and 2 of 5 board seats
- Products driven from largest and most comprehensive property database:
  - “Property Data”
  - “On the Market” – current R/E listings
  - Other products: software, title reports
- Subscription Base – 8,000 (Real Estate Agents & Appraisers)
  - 45% of real estate agent market
  - 44% of customer base purchase more than one product

# First American CoreLogic

## UK Valuation Overview (Expansion into UK)

- Number 2 AVM provider in the UK
- Started in 2002 – Headquartered in Bromely, Kent with 15 employees
- Purchased from Countrywide December 2006
- Profitable- with pretax margins in excess of 20%
- Currently 5 different valuation products delivered via XML and HTML
- 130 Customers: Lenders, Brokers and Surveyors

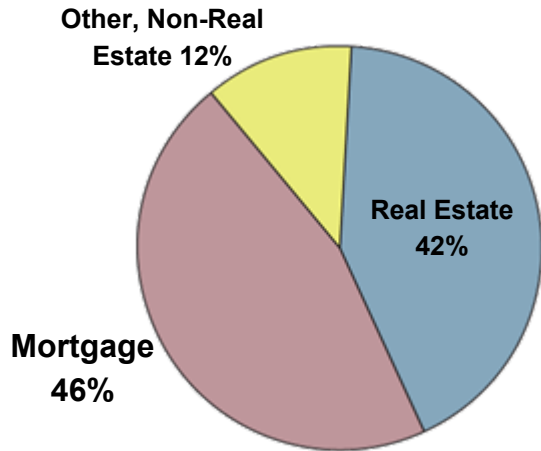
# CoreLogic Systems

## Profile

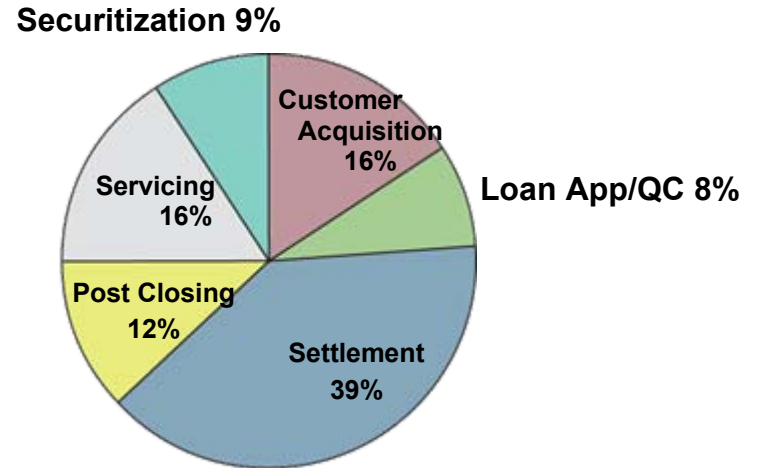
- Merged with FARES LP on 1/31/07
- Founded in 1996 by Steve Schroeder and Kraig Clark
- TA Associates joined as a minority partner in 2004
- Based in Sacramento CoreLogic has 220 employees and \$74MM revenue
- 2004 & 2005 Listed one of Inc. Magazine's fastest growing companies
- Provides loan quality analytics to majority of top 100 lenders and MBS investors
- Products include: AVM Select, History Pro, LoanSafe, IdentityPro, IncomePro and Multi-lien

# Addition to Business Due to Merger

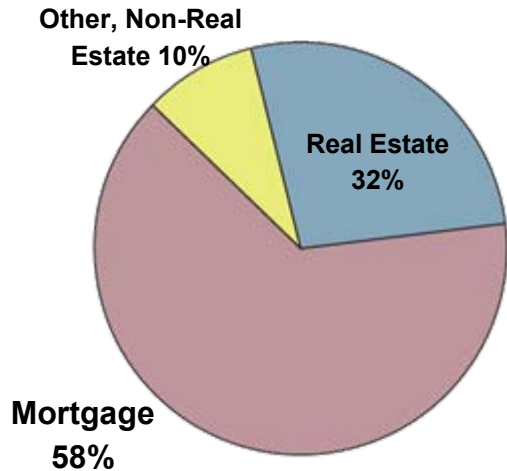
## Total RES before merger



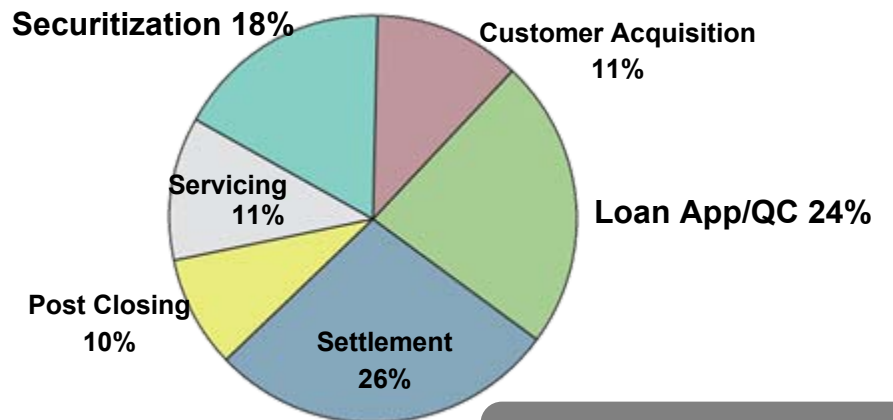
## Mortgage breakout before merger



## Total FACL after merger

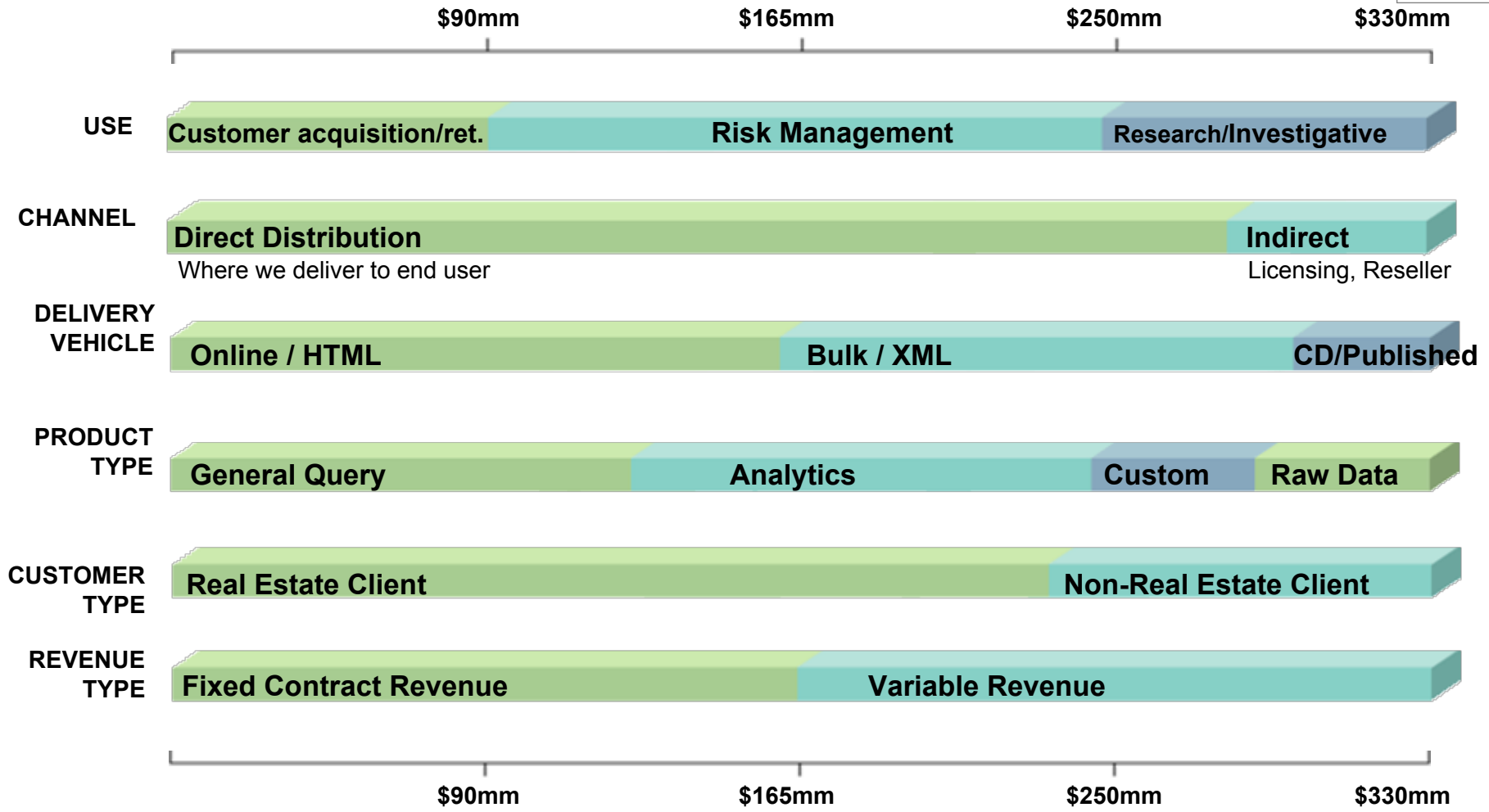


## Mortgage breakout after merger



# First American CoreLogic

## Different Views of Revenue

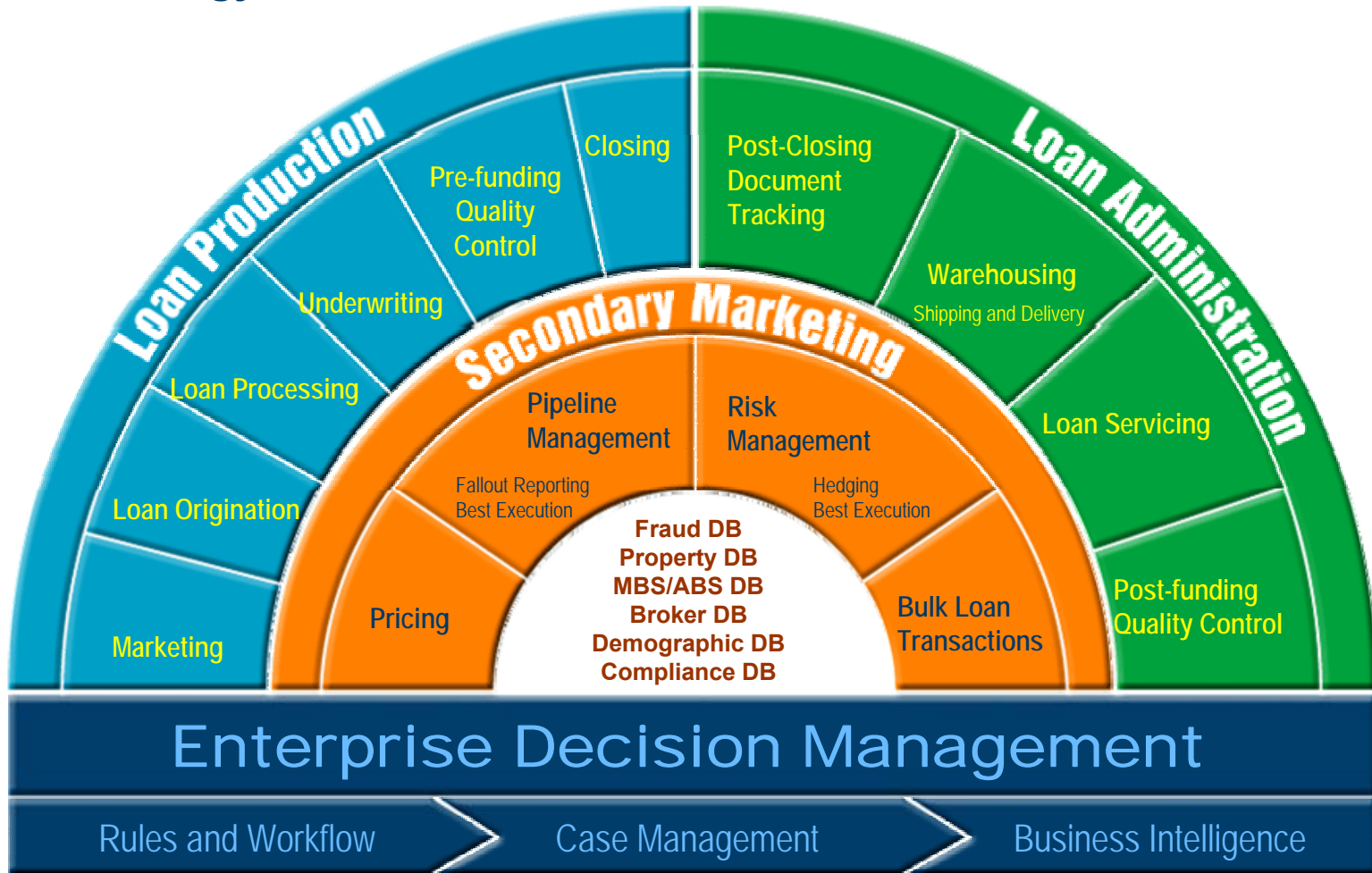


INVESTOR INFORMATION

# First American CoreLogic

## Product Strategy

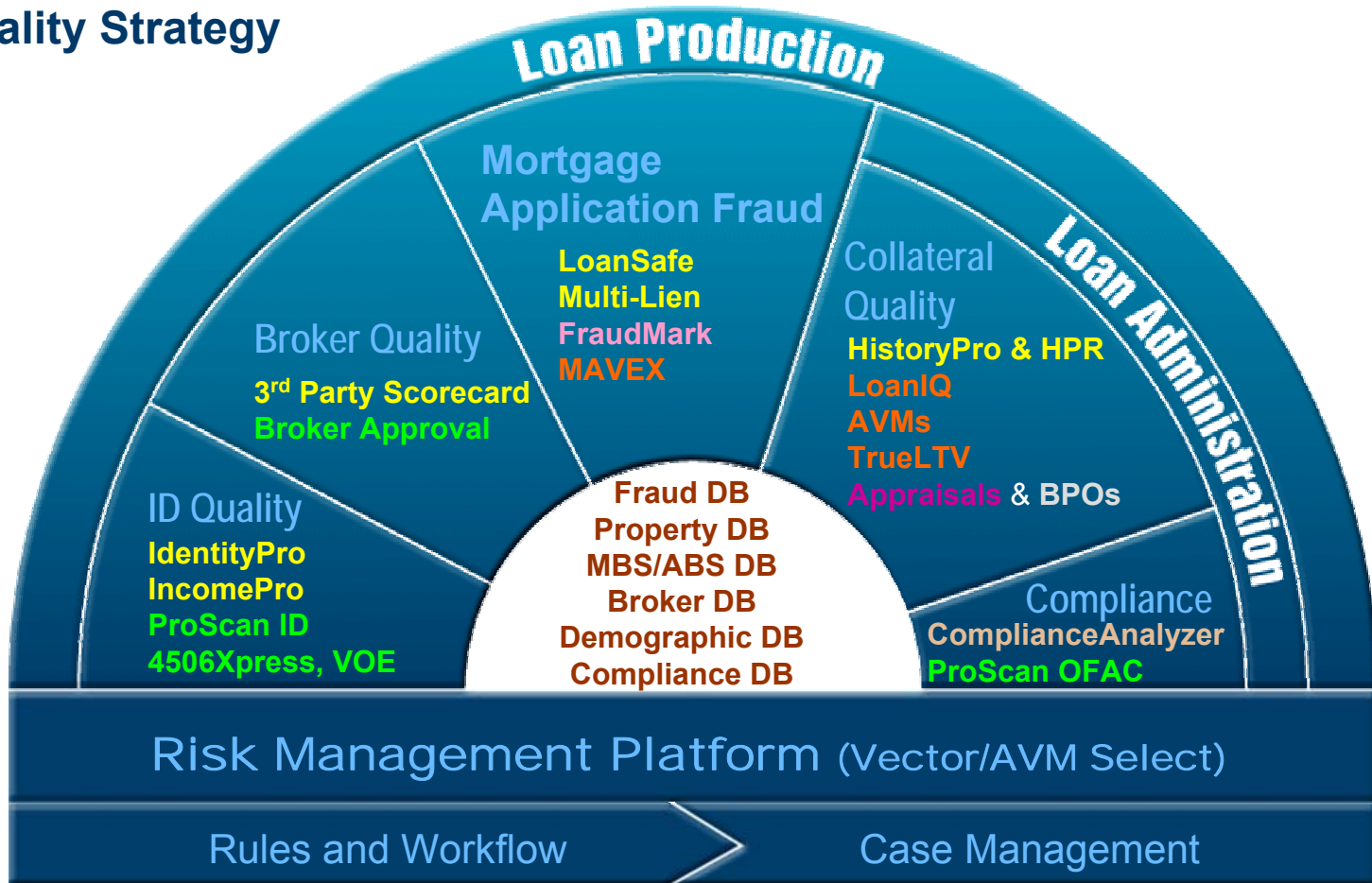
**FAF**  
**LISTED**  
**NYSE**





# First American CoreLogic

## Loan Quality Strategy



- FARES
- BasePoint Analytics
- eAppraiseIT
- CoreLogic
- ComplianceEase
- FARVV
- CREDCO

# First American CoreLogic

## Primary Growth Opportunities

- Data, Analytics & Scoring Solutions
  - Lead generation & customer acquisition
  - Fraud detection and prevention
  - Automated property valuation
  - Loan quality scoring /Best execution/Loan & portfolio surveillance
  
- Real Estate Research & Information
  - Licensing data, reports and applications
  - Realtor XML direct
  - Consumers
  
- Expansion into receptive foreign countries
  - Re-deploy patented IP abroad
  - Leverage the company's data aggregation operations
  - Leverage analytics development expertise and capacity



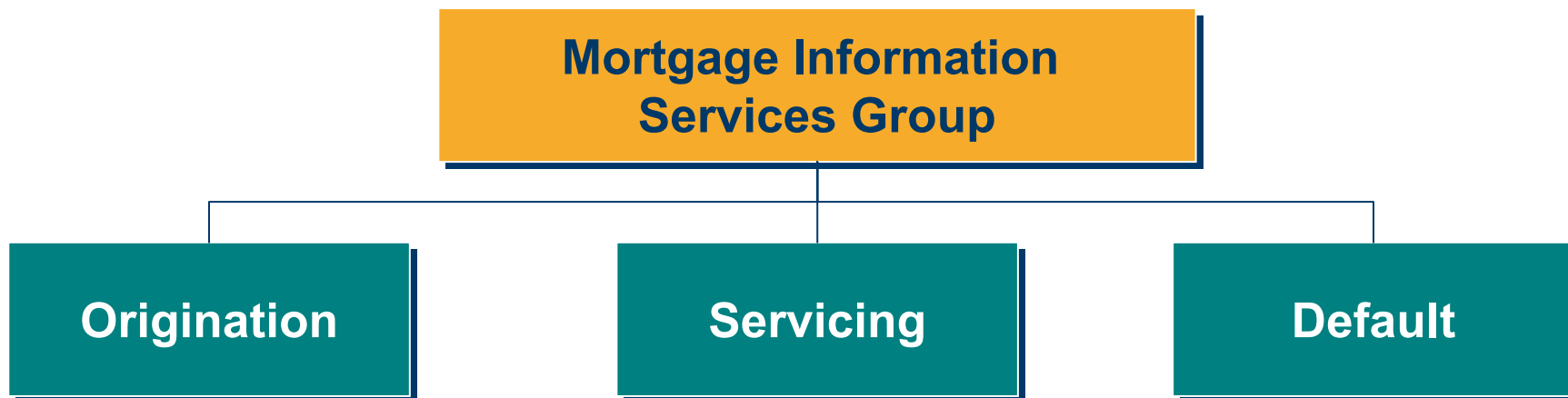
*First American  
Mortgage Information  
Services Group*

# **Mortgage Information Services Group**

**Barry Sando, Group President, First American Mortgage Information & Services Group**

# Mortgage Information Services Group

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



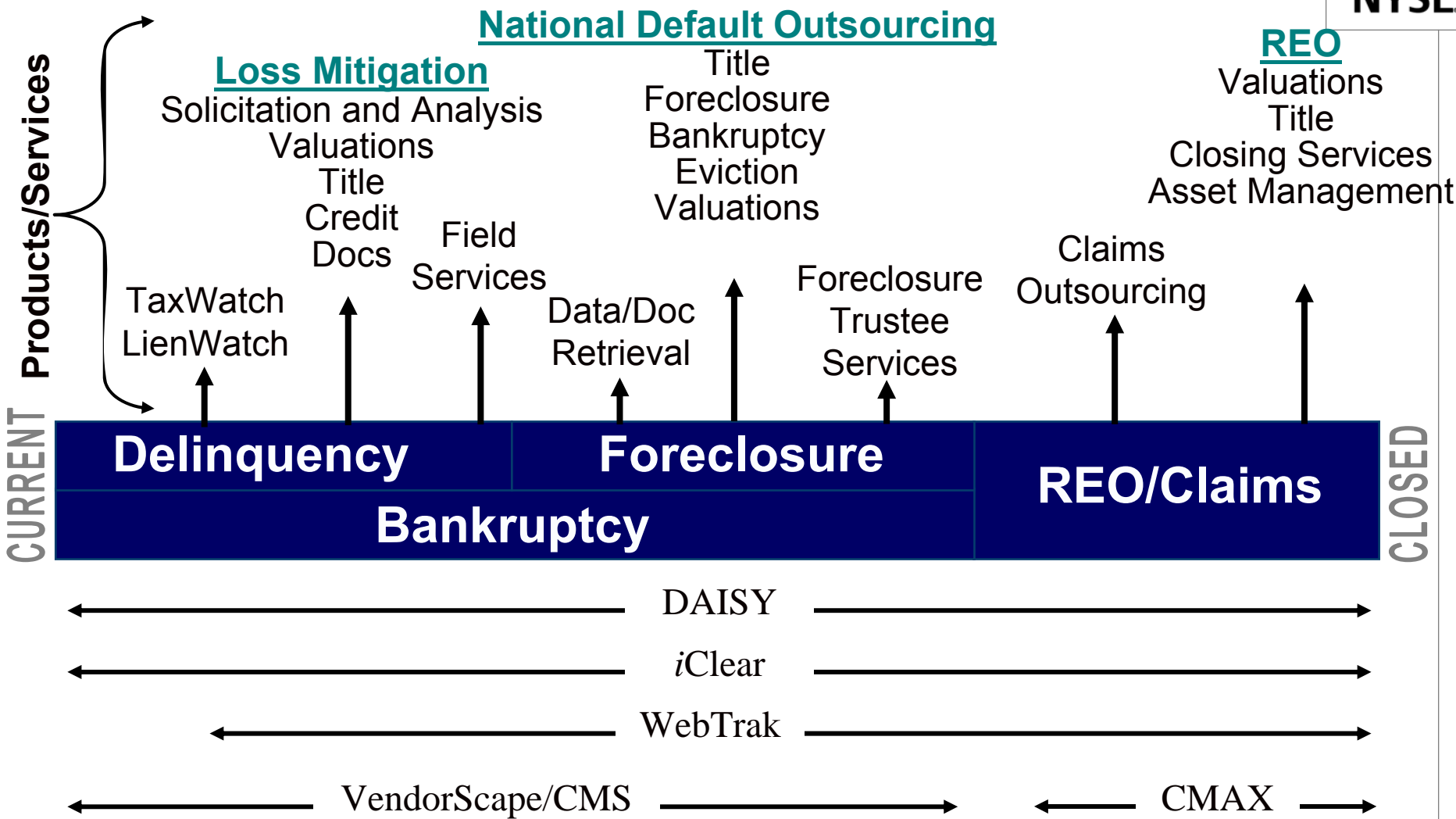
## First American Tax Service

- Database containing tax information on over 120 million properties
- Currently providing ongoing property tax service on about 27 million loans
- Estimated market share:
  - 40% prime
  - 20% sub-prime
- Growth opportunities based on potential market share growth and customized products for loan origination

## First American Flood Data Services

- Database containing flood and location information on over 120 million properties
- Currently providing ongoing flood status monitoring on about 65 million loans
- Estimated market share:
  - 45% prime
  - 32% sub-prime
- Growth opportunities based on available market share and property-specific risk assessment products

# Default Timeline



## First American Default Strategy

- Cost take out, operational simplification and reduction of overall loss severity
- Leverage First American's technology, process improvement mechanisms and off-shore resources
- Ensure that overall strategy benefits all stakeholders – lender/servicers, GSE's, other investors and borrowers
- Build long term, sustainable commitment to the default marketplace to further solidify its position as a market leader
- Continue to introduce new products and services aimed at diversifying away from reliance on first mortgage market



# Default Highlights

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

(\$ in thousands)

<b>Total Revenues</b>	<u>4Q2006</u>	<u>3Q2006</u>	<u>2Q2006</u>	<u>1Q2006</u>
Financial Services (a)	\$ 31,234	\$ 26,388	\$ 22,291	\$ 19,501
Mortgage Information (a)	25,682	23,096	21,862	24,389
Property Information (a)	<u>12,597</u>	<u>10,745</u>	<u>9,862</u>	<u>10,236</u>
Total Revenue (a)	\$ 69,513	\$ 60,229	\$ 54,015	\$ 54,126
Pre-Tax Income (Loss) (b)	\$ 13,437	\$ 4,487	\$ (1,071)	\$ 1,283
Pre-Tax Margin	19.3%	7.4%	-2.0%	2.4%

- a) Default revenues from each of the three segments in which default product company results are reported
- b) Aggregate income before taxes and minority interests for all default companies in each of the three segments

# Mortgage Information Highlights

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

(\$ in thousands)

Total Revenues	<u>4Q 2006</u>	<u>3Q 2006</u>	<u>2Q 2006</u>	<u>1Q 2006</u>	<u>4Q 2005</u>	4Q 2006	4Q 2006
					(as restated)	4Q 2005	3Q 2006
						<u>Variance</u>	<u>Variance</u>
Tax and Flood	\$ 92,863	\$ 99,192	\$ 109,422	\$ 105,717	\$ 110,112	(15.7)%	(6.4)%
Default and Other	33,578	30,754	29,690	30,423	32,660	2.8%	9.2%
<b>Total revenues</b>	<b>\$ 126,441</b>	<b>\$ 129,946</b>	<b>\$ 139,112</b>	<b>\$ 136,140</b>	<b>\$ 142,772</b>	<b>(11.4)%</b>	<b>(2.7)%</b>
Pretax income <sup>(a)</sup>	\$ 31,837	\$ 28,494	\$ 33,747	\$ 29,586	\$ 34,276	(7.1)%	11.7%
Pretax margin <sup>(b)</sup>	25.2%	21.9%	24.3%	21.7%	24.0%	1.2	3.3
Tax Service Orders <sup>(c)</sup>	1,171	1,208	1,283	1,263	1,393	(15.9)%	(3.1)%
Flood certifications <sup>(d)</sup>	3,196	3,596	3,971	3,640	3,515	(9.1)%	(11.1)%

(a) Income before income taxes, minority interest expense and allocation of all corporate expenses – see reconciliation in the Appendix

(b) Pretax income divided by total revenues

(c) Tax Service life of loan orders per quarter

(d) Flood certifications ordered per quarter

(e) Margin comparisons reflect percentage point changes only

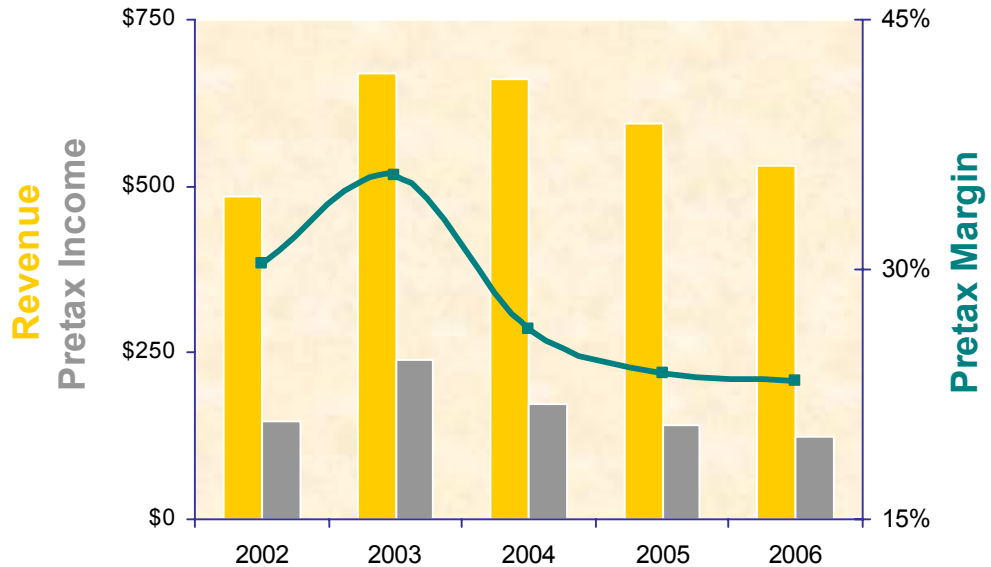
INVESTOR INFORMATION

# Mortgage Information Services Group

## Revenue Trend

- Market share growth as a result of two major client additions in 2003
- Exceptional refinance mortgage market in 2002 and 2003 increased revenues and improved margins
- Purchase of Transamerica's tax and flood businesses in 4<sup>th</sup> quarter 2003

**Annual Revenue & Pretax Income**  
(\$ in millions)



<b>Pretax Margin</b>	<b>30.3%</b>	<b>35.7%</b>	<b>26.4%</b>	<b>23.8%</b>	<b>23.3%</b>
<b>Mort Orig.</b>	<b>\$ 2.8 B</b>	<b>\$ 3.8 B</b>	<b>\$ 2.8 B</b>	<b>\$ 3.0 B</b>	<b>\$ 2.5 B</b>
<b>Refi Share</b>	<b>67.4%</b>	<b>72.3%</b>	<b>52.9%</b>	<b>48.8%</b>	<b>47.6%</b>

# Mortgage Information Services Group

## Key Operating Strategies

- Leverage leading market share positions to generate cross-selling opportunities
- Continue improvement in cost structure through offshoring and operational improvements
- Expand new product development efforts to create diversification and reduction in dependence on mortgage market
- Leverage technology leadership to provide enhanced delivery systems and improve customer experience

# Mortgage Information Services Group

## Lender / Servicer Segment Sales Strategies

FAF  
LISTED  
NYSE

- Leverage existing relationships to increase sales per customer of existing and new product offerings
  - Revenue from top 25 accounts has increased by 8.2% from '04 to '06
  - Product usage within top 25 accounts has increased from an average of 7.9 products in '04 to 12.2 products in '06
- Utilize central relationship management and sales organization to continue one-company solution sales approach
  - FA is a known and trusted partner among large, diversified financial institutions
  - Contracting, compliance, security, financial and service reputation criteria have already been met
  - Strict regulatory and compliance environment makes FA a logical choice
- Expand into new channels, markets and business lines in conjunction with major clients

# Mortgage Information Services Group

## Cost Structure Improvement

FAF  
LISTED  
NYSE

- Domestic headcount reduced by 700 employees since December 2005
- Offshore staffing as a percent of workforce has grown from 6% to 18% since December 2005
  - Estimated annualized savings of \$25 million
  - Still early in the process of offshoring migration
- Consolidation of product lines from 7 different locations into a single campus provides opportunities for combinations of business units and related functions

# Mortgage Information Services Group

## Technology Leadership

FAF  
LISTED  
NYSE

- Centralized delivery systems yield improved client experience, reduced internal expense and increased cross-selling opportunities
- Information security provides safe and reliable storage and exchange of data for our customers
- Growing opportunities for workflow management and enhanced risk management
- GIS technology offers possibilities for new property location and modeling products

# Mortgage Information Services Group

## New Product and Market Development

- Since the beginning of 2005 we have entered the market with 8 new products
- Expanding beyond our traditional mortgage market base with products for insurance industry and government sector
- Supplementing data and service products with GIS mapping and location technology
- Exploring international opportunities in Mexico and India



## Financial Objectives – Three to Five Years Mortgage Information

- Continue core products' growth in new and existing markets
- Continue introduction and growth of new products
- Add value at minimal cost to support selling prices
- Reduce costs through offshoring and process improvements

Revenue Growth	5%-7%
Pre-tax Margins	22% - 28%



*First American  
Property Information  
and Services Group*

# **LoanPerformance**

## **The Sub Prime Effect**

**Dan Feshbach, President, Loan Performance, Inc.**

# LOAN PERFORMANCE



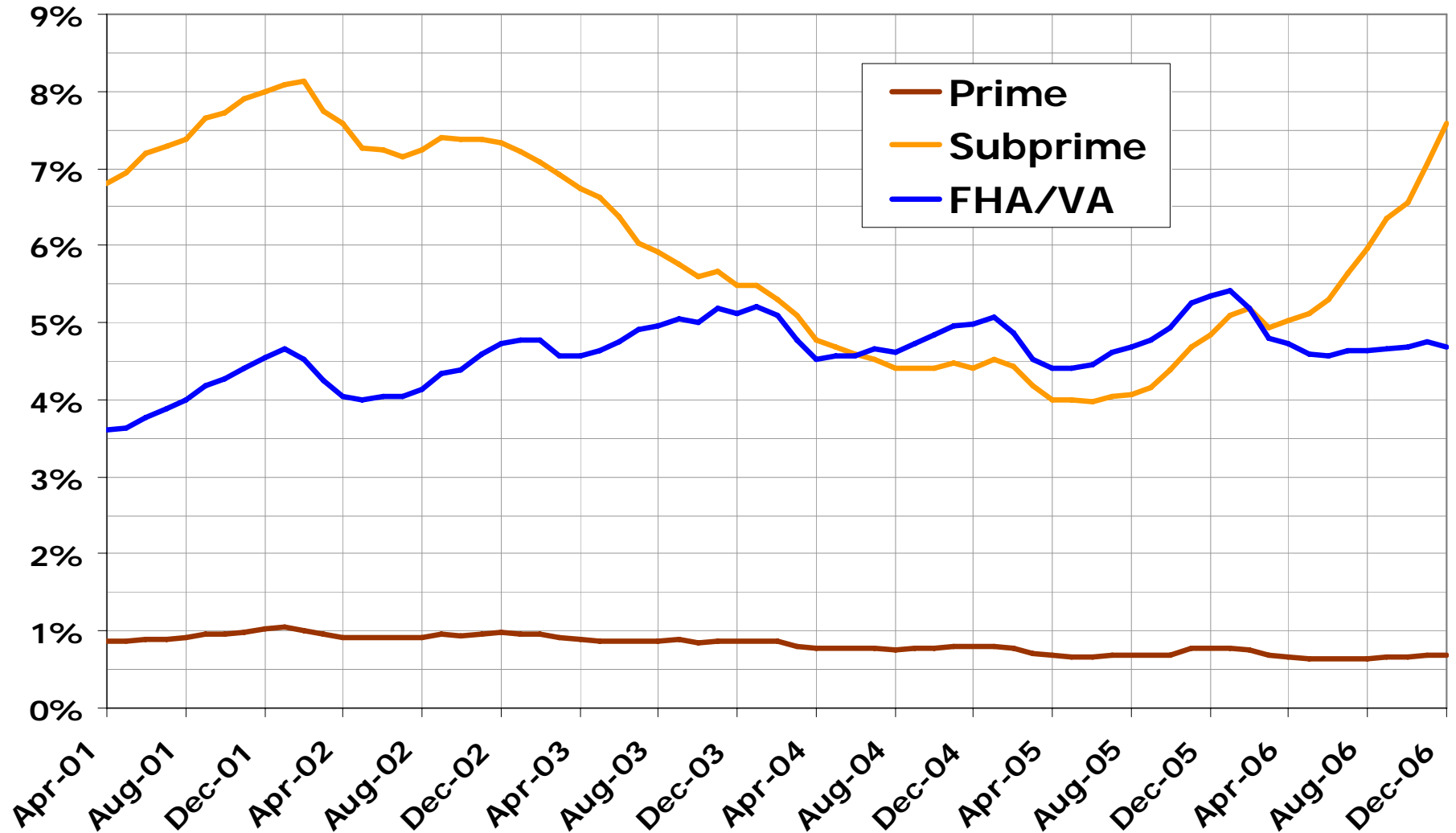
*A Subsidiary of First American Real Estate Solutions™*

# Mortgage Credit Risk Issues

Dan Feshbach  
President

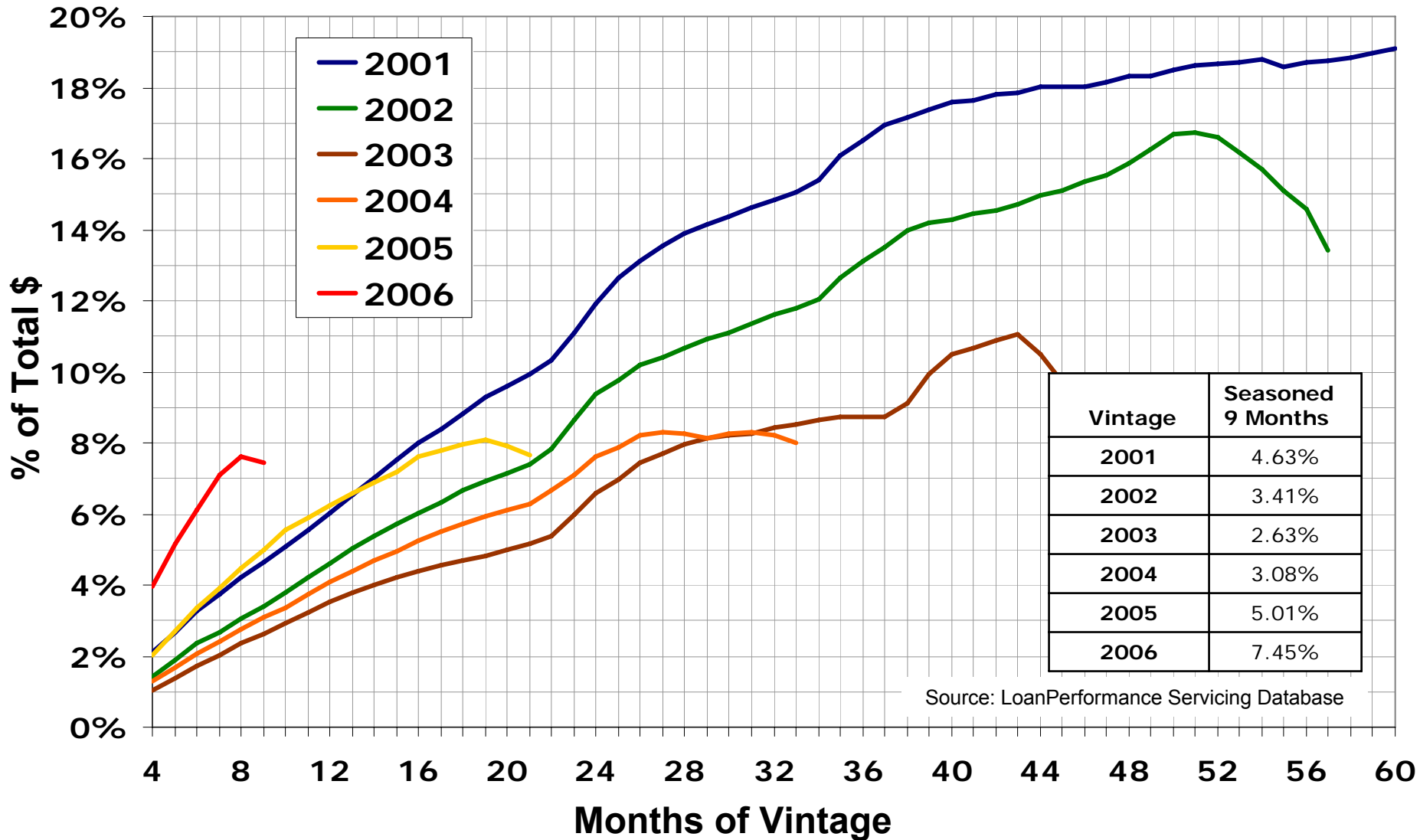
LoanPerformance/First American  
March 15<sup>th</sup> 2007

# Subprime delinquencies increasing rapidly: 50% increase in the last 12 months

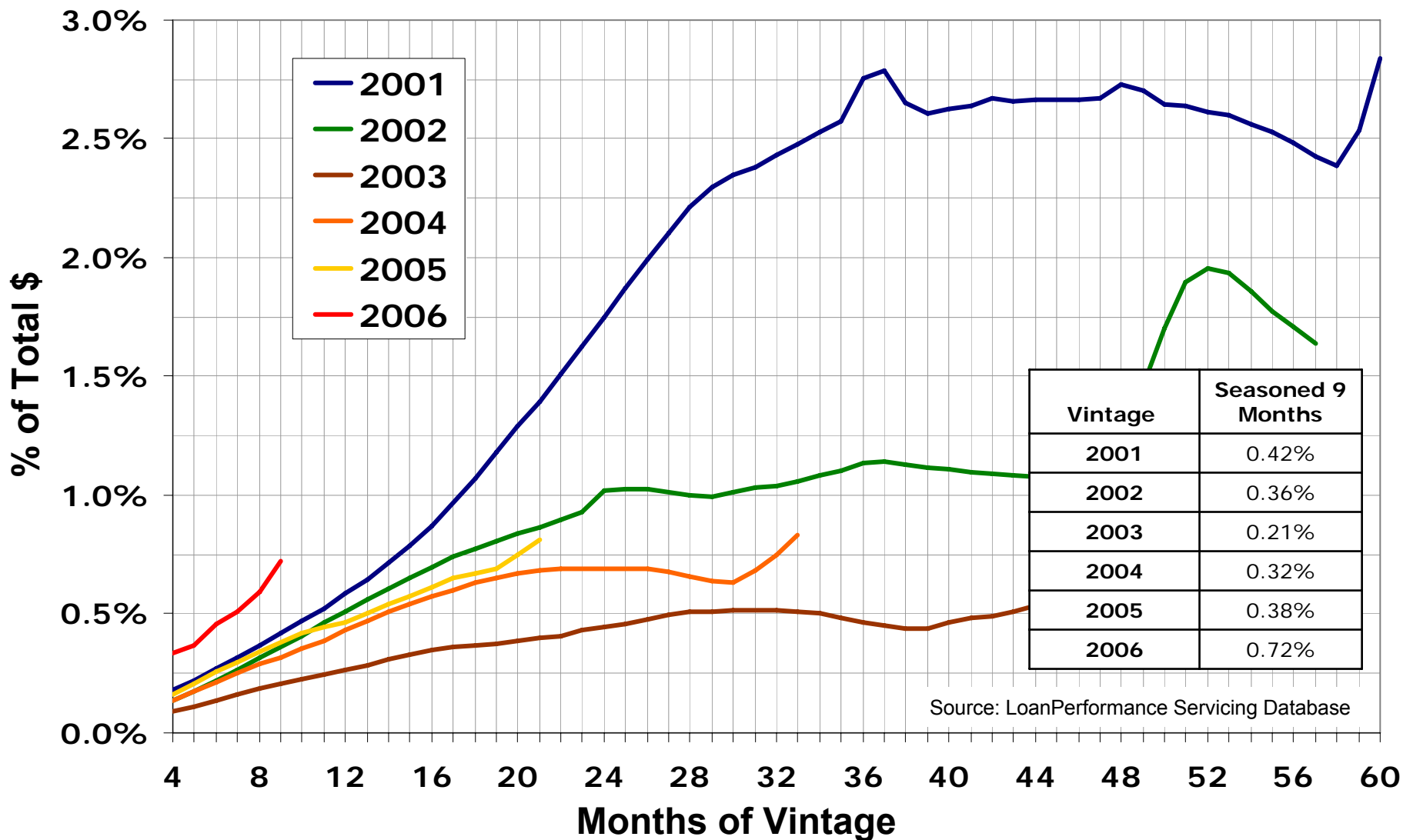


Source: LoanPerformance Servicing Database

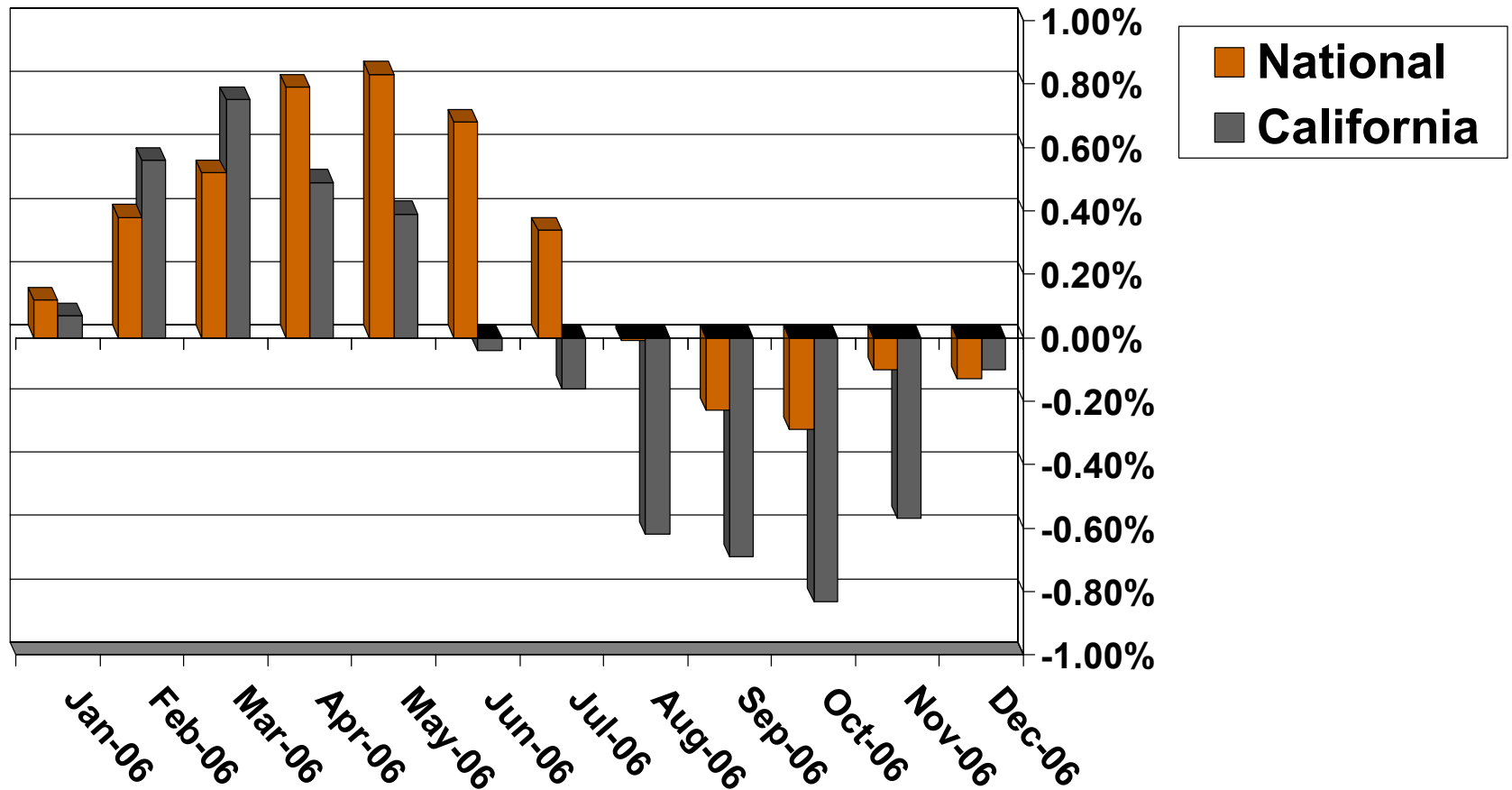
# 2006 Subprime Book worst performing vintages since 2001 – SD rate at 7.45%



# Credit issues spreading to the prime sector: 2006 Origination Year Serious Delinquency rates over 3 X 2003



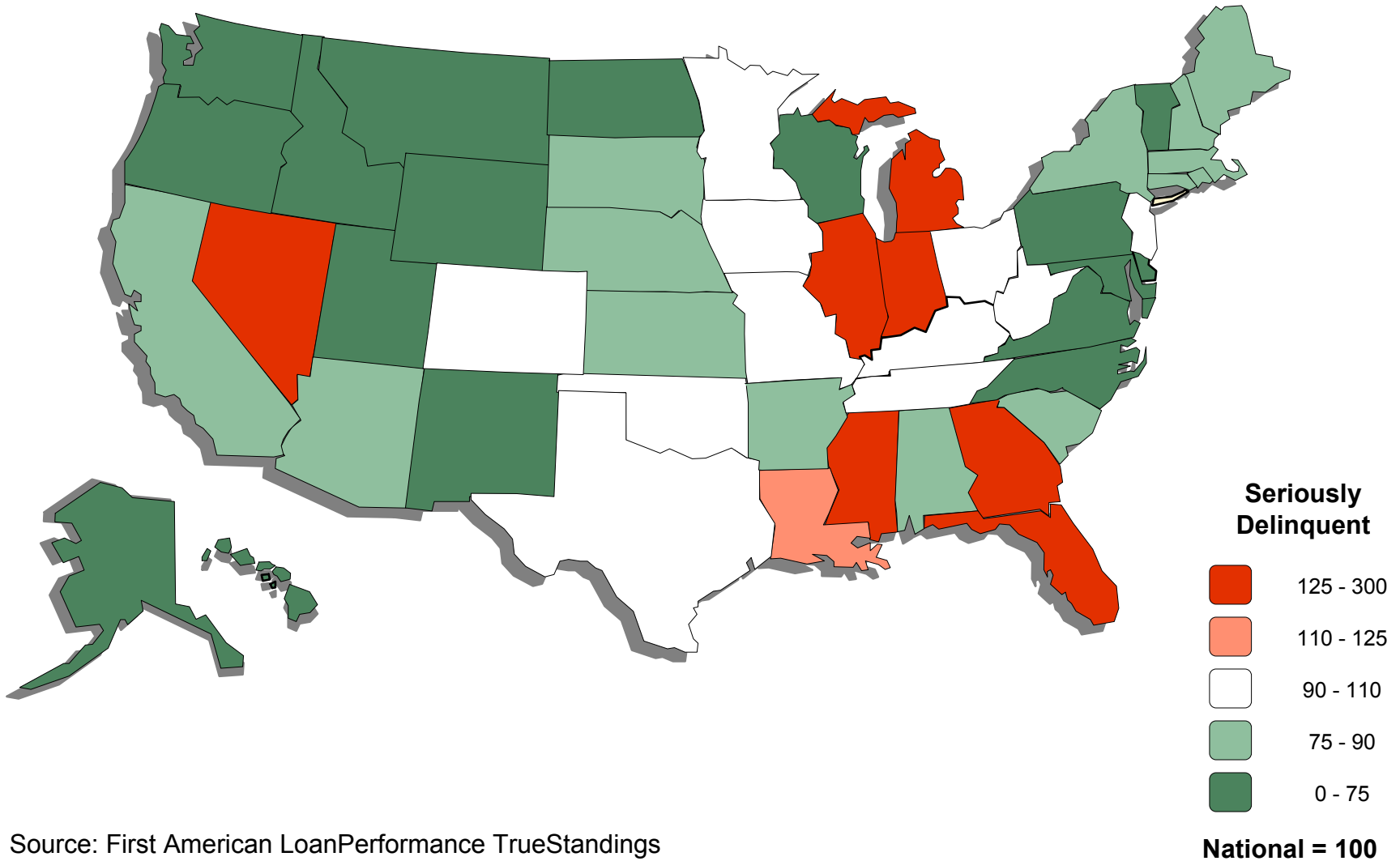
# Monthly National and California House Price Indices Now Show Monthly Declines



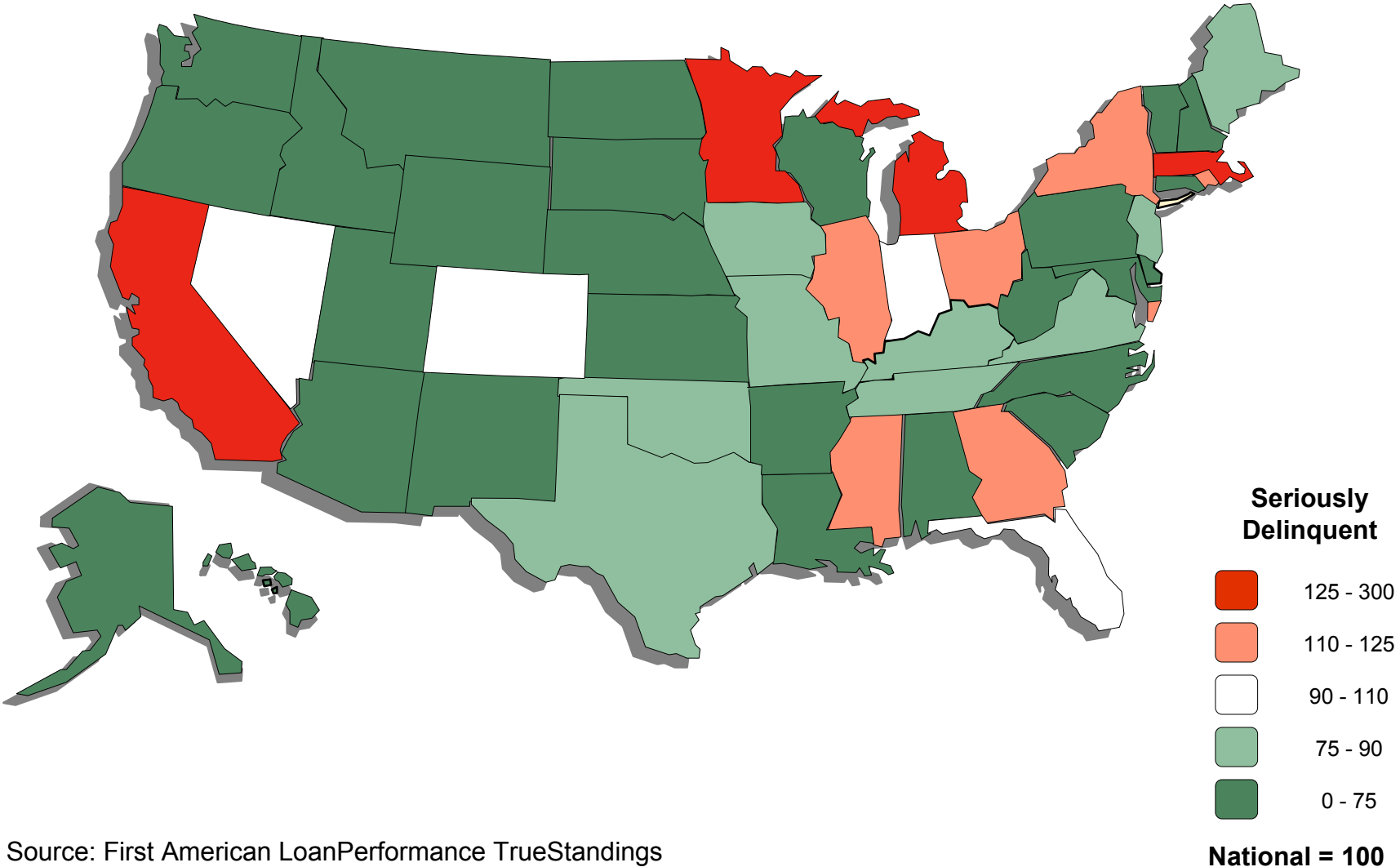
California's cumulative decline since June has been 2.9%



# Prime Serious Delinquency issues concentrated in the Midwest and Southeast

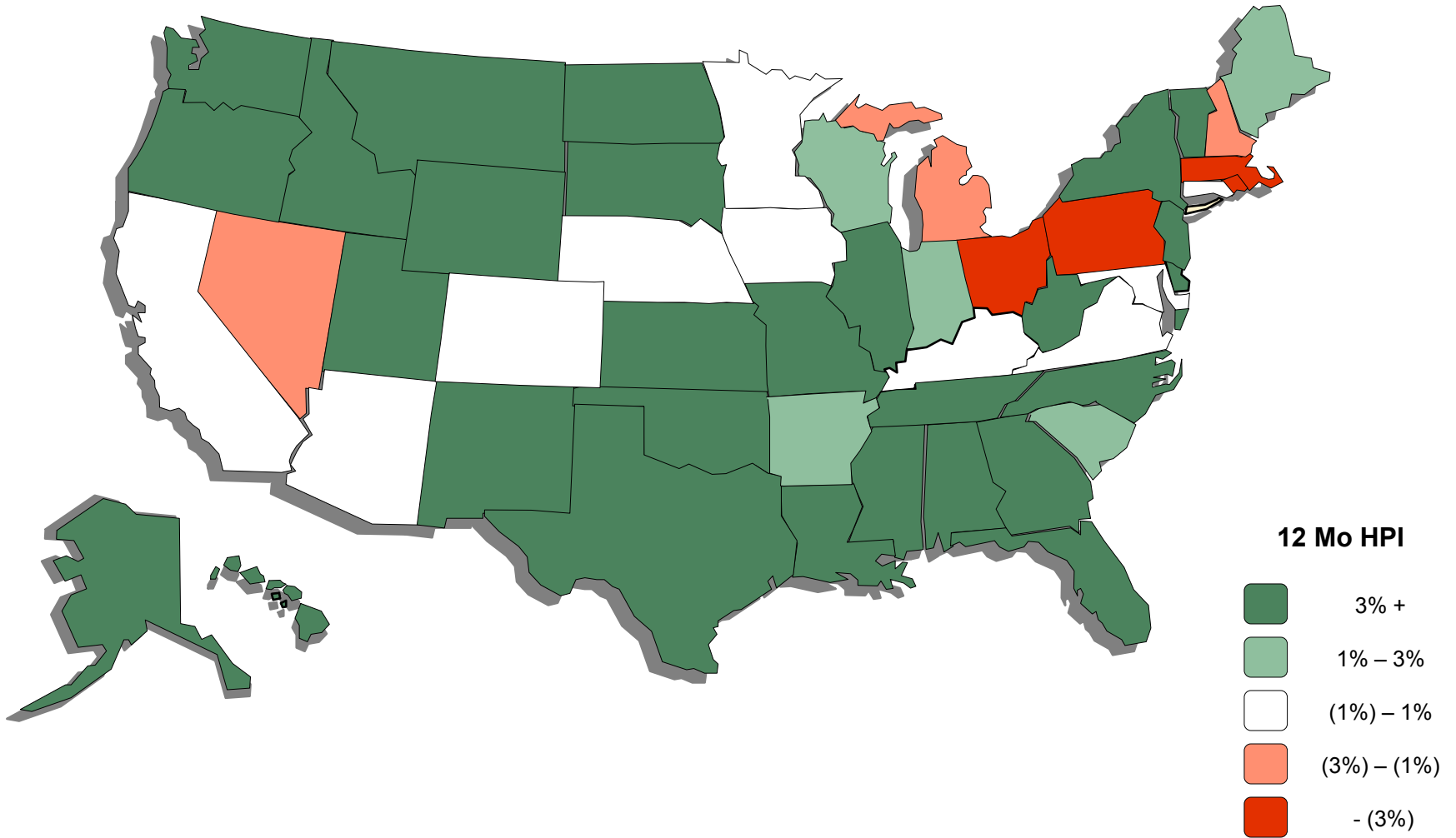


# California showing deterioration in sub prime



Source: First American LoanPerformance TrueStandings

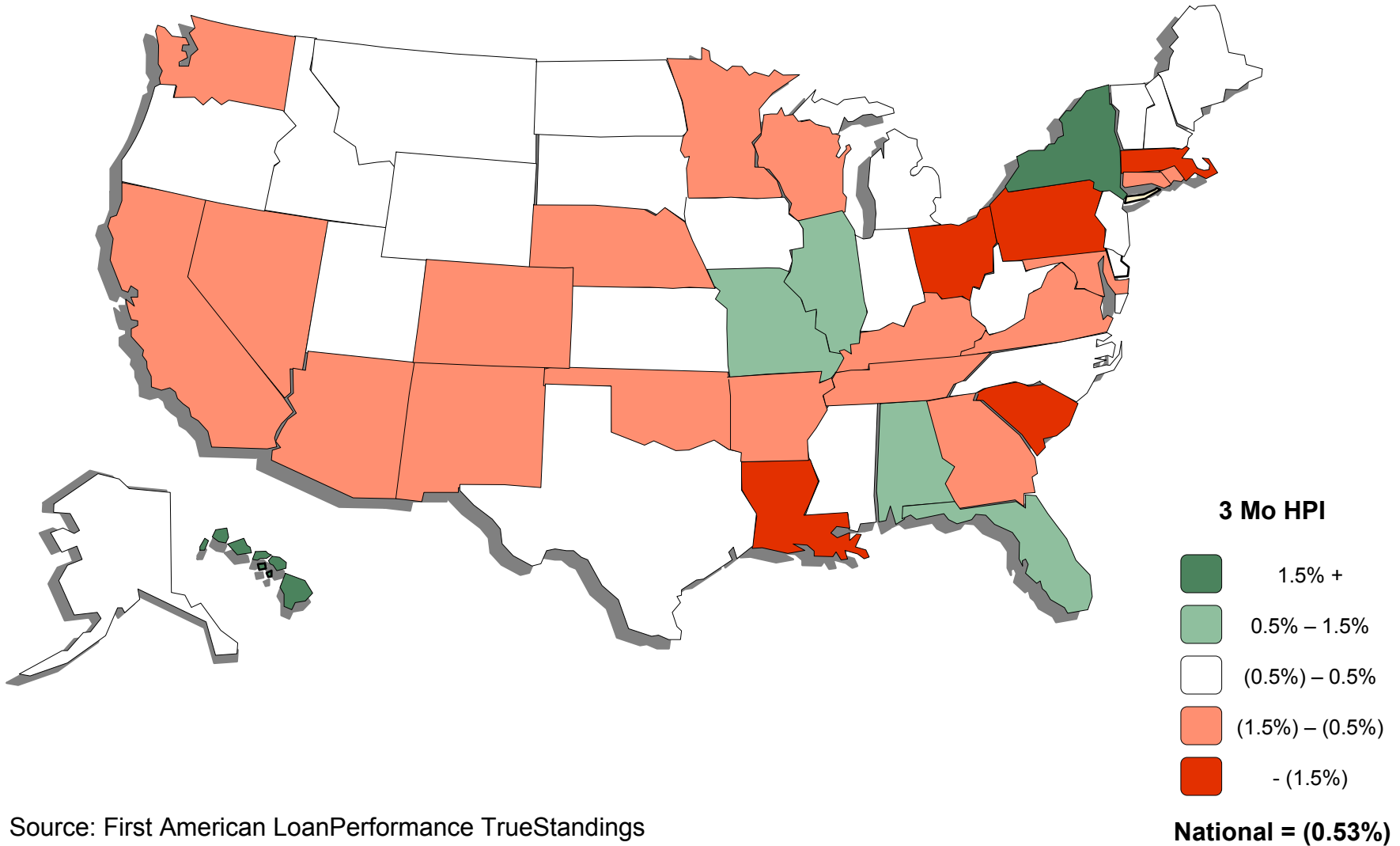
# A 14 states showing 12 Month Housing Price Index declines



Source: First American LoanPerformance TrueStandings

**National = 2.91%**

# 3 Month Housing price deterioration -- declines spreading to 43 states





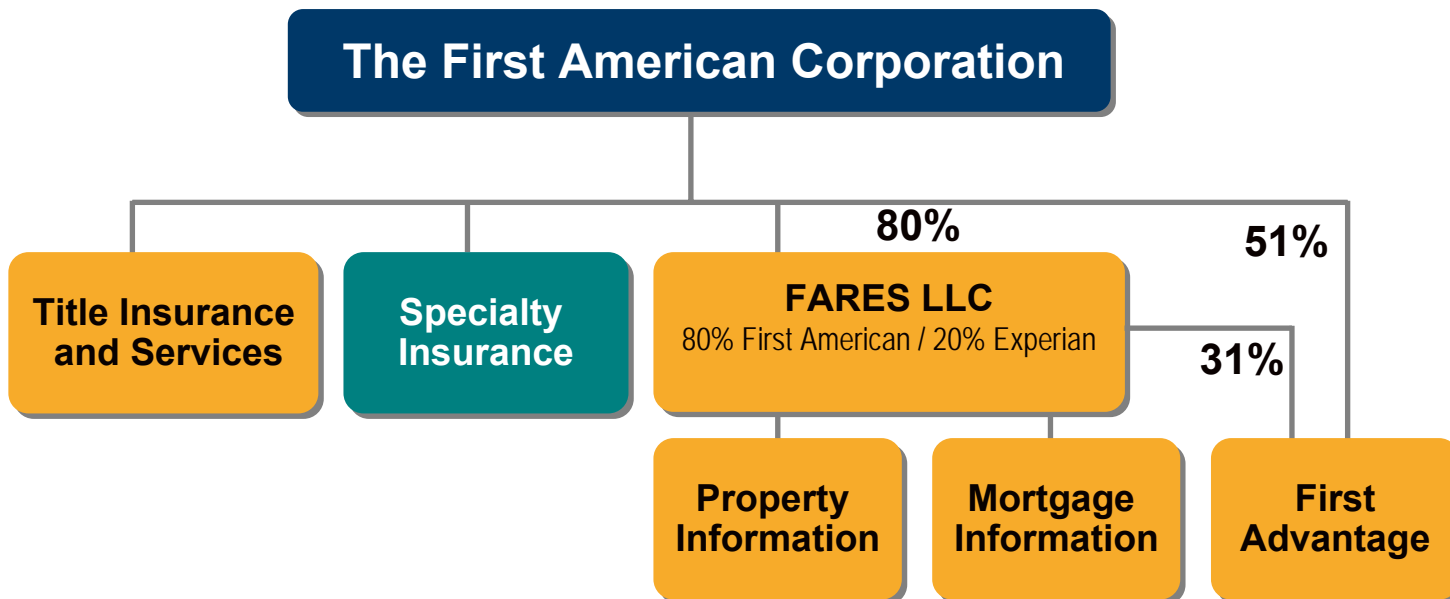
*First American  
Specialty Insurance Group*

# **First American Specialty Insurance**

**Marty Wool, President Specialty Insurance Segment**

# Specialty Insurance

Unique and Valuable Collection of Businesses



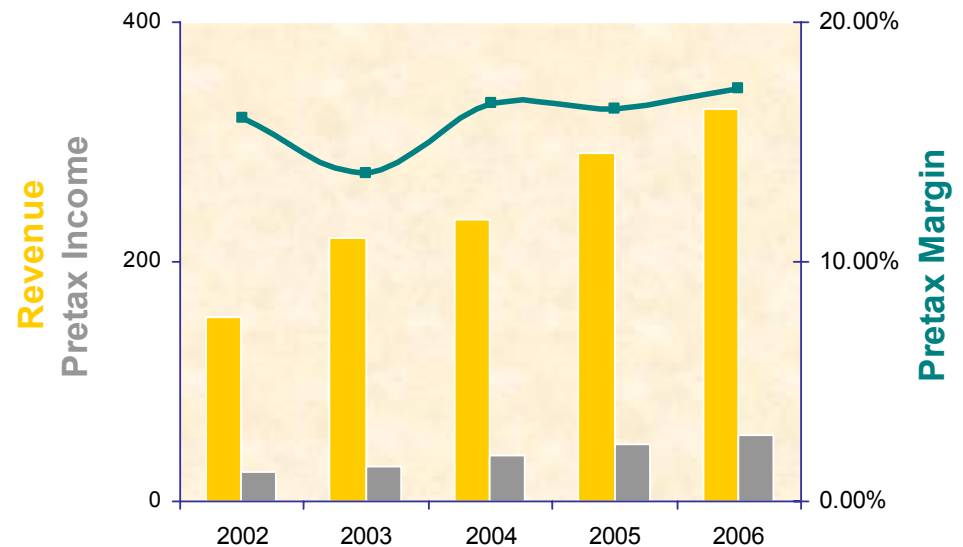
- 2006 Revenues up by 13.0%
- 2006 pre-tax profits up 18.5%
- Both Property & Casualty and Home Warranty remain very profitable with combined ratios of 83% and 90%, respectively

# Specialty Insurance Segment

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

- Started Home Warranty business in 1986
- Initiated Property & Casualty business in 1999
- Segment reporting commenced in 2002

**Annual Revenue & Pretax Income**  
(\$ in millions)



<b>Pre-tax Margins</b>	<b>16.0%</b>	<b>13.7%</b>	<b>16.6%</b>	<b>16.4%</b>	<b>17.2%</b>
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# Specialty Insurance Fourth Quarter Highlights



- Total Revenues in 4Q 2006 increased 6.1% over 4Q 2005 to \$85.0 million
- Pre-tax profits in 4Q 2006 increased 13.5% from 4Q 2005 to \$15.1 million
- Q4 combined ratios were 83% for P&C, and 90% for Home Warranty



# Home Warranty

## Product

- One Year Residential Service Contract
- Covers Major Systems and Appliances in Single Family Homes
- Claims Placed by Telephone or Internet
- Pre-Qualified Local Contractor Dispatched for Service
- Repair or Replacement Coverage
- Real Estate Brokers and Agents are the Primary Distribution Channel

# Overview

- Second in National Market Share
- Marketing in 47 States
- 468,000 Contracts In Force
- Renewal Rate at 38%; 181,000 Renewals
- Contractor Network of 8,600 Pre-Qualified Contractors
- Responded to 932,000 Requests for Customer Service

## Risk Management

- Negotiated Pricing with Contractors/OEM
- Policy Limits of Liability
- Coverage Limited to One Year
- Low Average Cost Per Claim

## Competitive Advantages

- National Contractor Network
- Established National Market Presence
- Reputation for Superior Customer Service
- Proprietary Computer System
- Large Base of Renewals

# Strategies

## Real Estate Distribution Channel

- Continued Intra-State Geographic Expansion
- Growth of Alliance Brand
- Leverage National Market Presence

## Renewal Distribution Channel

- Aggressive Direct Mail and Telemarketing
- Expansion of Auto-Payment Plans
- Marketing of Former Customers

## New Distribution Channels

- Experienced Product Manager Hired
- Infrastructure and Product Development in Process
- Direct to Consumer Marketing to Begin in 2007
- Lender Marketing to Begin in 2008

# P&C Companies

## First American Property & Casualty Insurance Company

- Escrow Direct Homeowner's Insurance
- Renter's Blanket and Liability Insurance

## First American Specialty Insurance Company

- Homeowner's Insurance Sold via Broker/Agent Network

## Overview

- Writing Homeowner's Insurance in Seven States
- Writing Renter's Program in 28 States
- Specialty Insurance Company has 600 Brokers/Agents
- 235,000 Total Policies in Force; 77% Renewal Rate
- Outstanding Claims Ratio
- Rated "A", Excellent by A.M. Best

## Risk Management

- Revised Brush Clearance Parameters
- Use of Satellite Technology
- Zip Code Limitations on Insured Value
- Strong Reinsurance Program
  - Catastrophic Limit at \$100M/\$5M Retention
  - Facultative Limit at \$10M/\$1M Retention

## Competitive Advantages

- Use of First American Database for Lead Generation
- Utilization of First American and FADV to Market Niche Products
- Licensed in Fifty States

# Strategies

- Geographic Expansion of Homeowner's Products
- Continue Rollout of Renter's Programs
- Test Limited Auto Insurance Offering to Existing Clients
- Fund Expansion Through Organic Growth of Surplus

## Balance Sheet Data December 31, 2006

	<u>Home Warranty</u>	<u>Property/Casualty</u>
Cash and Investments	\$161.9M	\$183.9M
Statutory Surplus	136.0	86.0
Written Premiums to Surplus	1.31	1.44



# Financial Objectives - Five Years Specialty Insurance

Revenue Growth	6% - 8%
Pre-tax Margins	17% - 19%



# **First Advantage Corporation**

**Anand Nallathambi, Chief Executive Officer**

**First Advantage Corporation**

# FIRST ADVANTAGE CORPORATION



U.S. | Canada | U.K. | Belgium | India | China | Japan | Philippines | Singapore | Australia

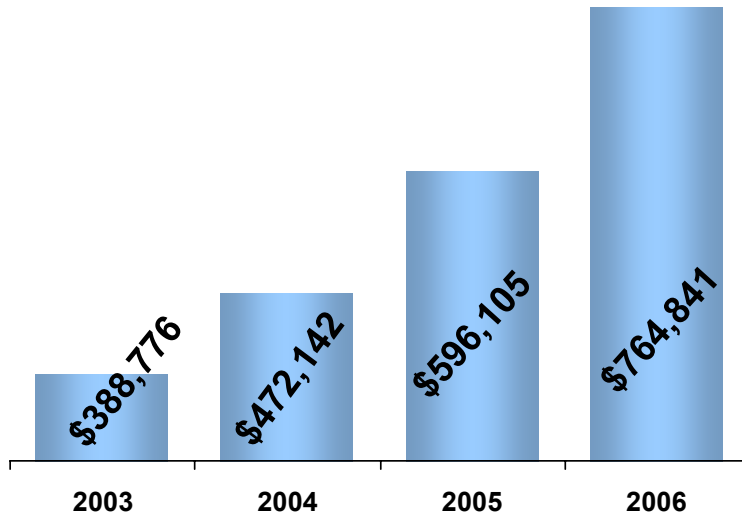




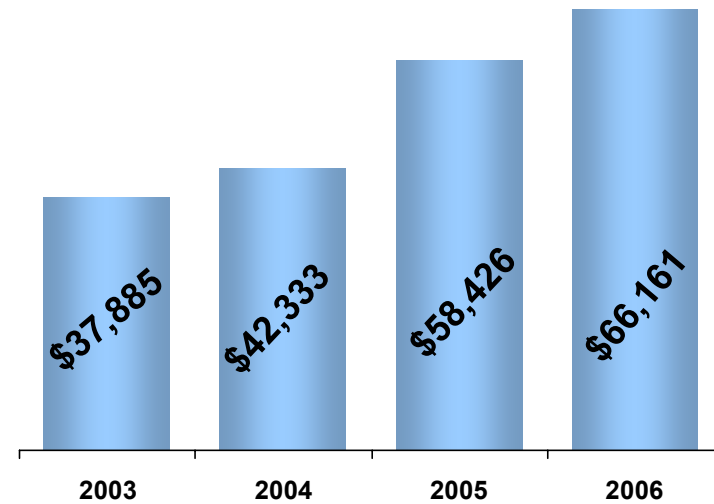
# Financial Overview



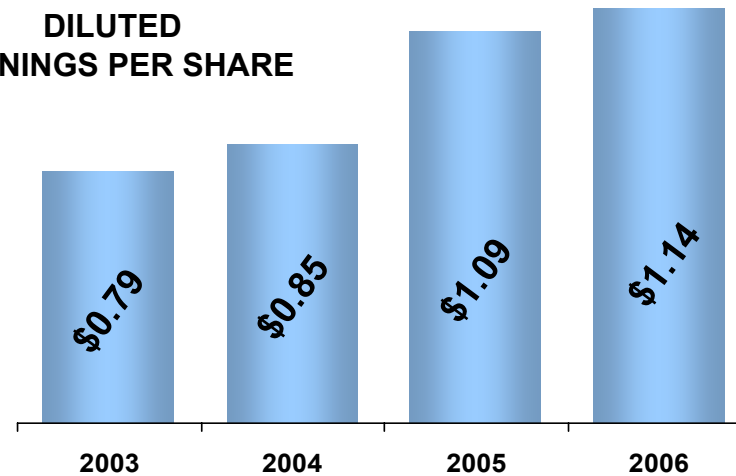
SERVICE REVENUE (\$000's)



NET INCOME (\$000's)



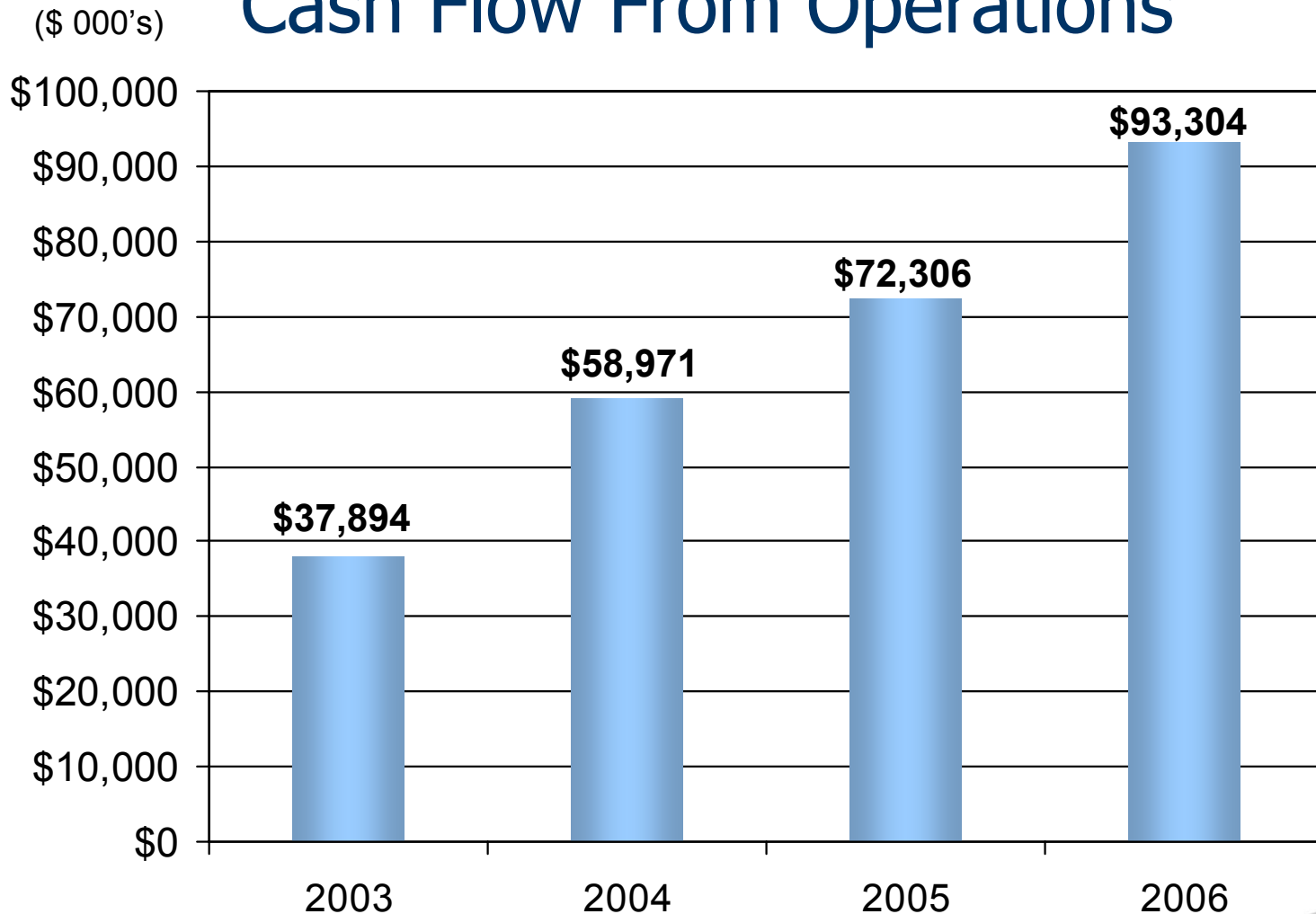
DILUTED EARNINGS PER SHARE



# Financial Overview



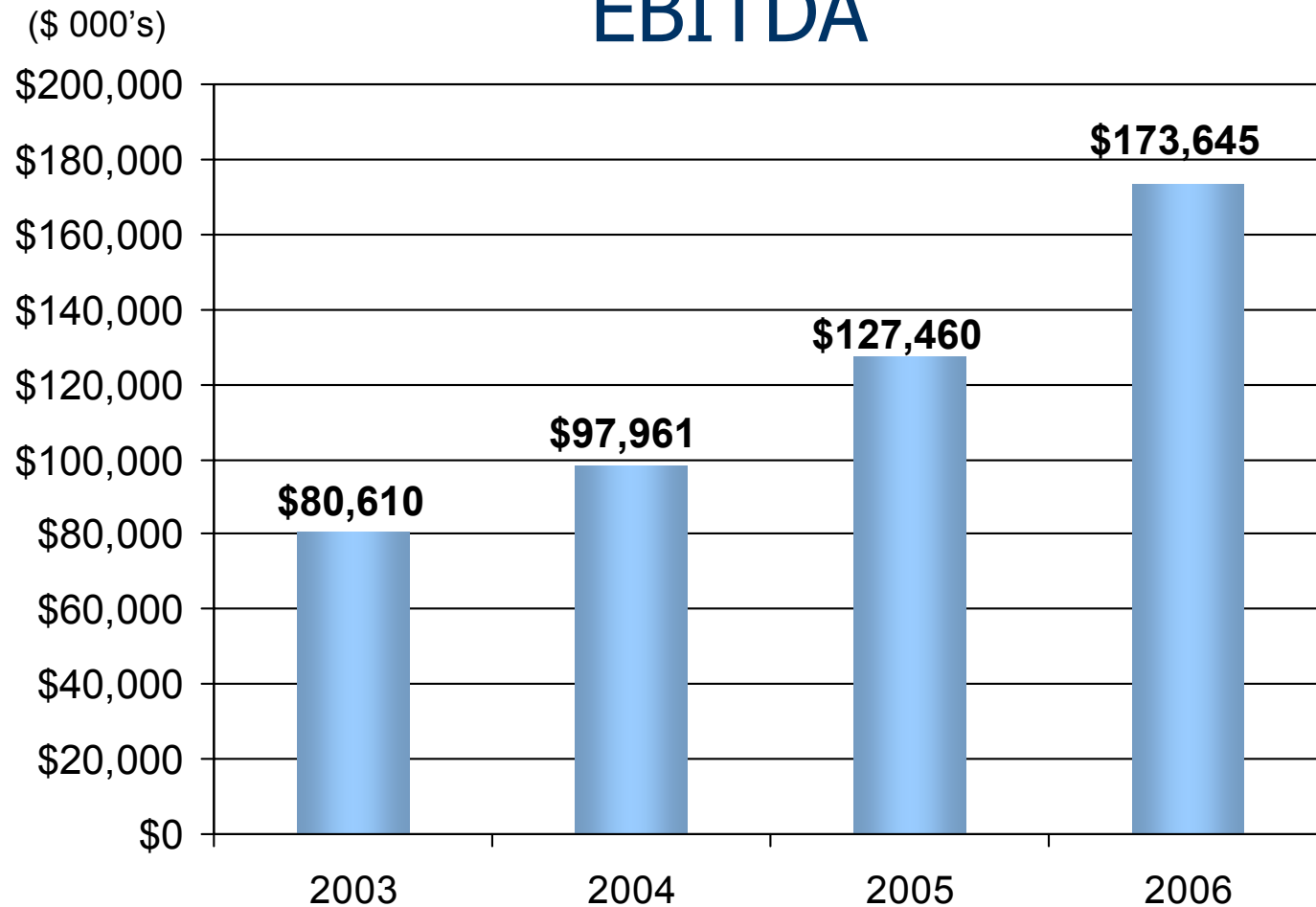
## Cash Flow From Operations



# Financial Overview



## EBITDA



# Focus To Date



- » Breadth in services
- » Diverse product sets with unique data solutions
  
- » Acquire and assemble diverse products and data sets in business information and risk mitigation:
  - ▶ Talent Planning / Acquisition
  - ▶ Pre-Hire Services, Post Hire Services
  - ▶ Employment Related Management Services
  - ▶ Credit Information
  - ▶ Payment / Flight Risk
  - ▶ Fraud and ID Risk
  - ▶ Consumer Lead Generation
  - ▶ eDiscovery / Data Recovery
  - ▶ Computer Forensic & Consulting
  - ▶ Property Management & Related Services



# Focus Forward



- » Scale
- » Consistent Growth & Profitability
- » Strategic Acquisition Opportunities
  
- » Develop scale in all products through organic growth:
  - ▶ Cross-Sell
  - ▶ New Distribution Channels
  - ▶ New Business Verticals
  - ▶ International
  
- » Create unique value propositions by integrating products to align with business verticals served:
  - ▶ Hiring Solutions
  - ▶ Small Business Employer Services
  - ▶ Driver Monitoring and Management

# Focus Forward



- » Scale
- » Consistent Growth & Profitability
- » Strategic Acquisition Opportunities
  
- » Develop new product solutions to capitalize on emerging trends within customer base:
  - ▶ Non-Traditional Credit Databases
  - ▶ Derivative Analytics Versus Data Delivery
  
- » Drive operational efficiency and margins through consolidation, automation and off-shoring:
  - ▶ IT Platform
  - ▶ Continuous Process Automation
  - ▶ BPO, Call Center and IT Off-Shoring

# Employer Services



Background  
Screening

Recruiting  
Solutions

## Quick Facts:

Service Revenue: \$195.2 M (YTD)  
Operating Margin: 11.0% (YTD)  
Organic Growth: 12.5% Pro Forma  
Percent of Consolidated  
Service Revenue: 25%

Hiring  
Management  
Services

Tax  
Consulting

Occupational  
Health  
Services

## Products:

Hiring Process Management Solutions  
Pre-Employment Testing  
Job Board Distribution  
Substance Abuse Testing  
Tax Incentive Consulting

Skills  
Assessment

Biometrics



## Competitors:

USIS  
ChoicePoint  
Talx  
ADP

# Employer Services



## Growth Strategy

### » Hiring Solutions

- ▶ Consolidate platforms to present integrated service offering
- ▶ Expand Recruiting Solutions with improved posting & distribution technologies, media analytics and newer skills assessment services
- ▶ Build on lead in the hospitality, gaming and transportation verticals and grow presence in retail and financial services verticals

### » Background Screening

- ▶ Consolidate platforms to increase operational efficiency
- ▶ ESSD portal to enhance customer experience and facilitate cross-sell through progressive order management
- ▶ Add high margin data products to comprehensive list of services
- ▶ Aggressive growth strategy based on cross-selling throughout business units; maximizing value and lifespan of accounts

# Employer Services



## Growth Strategy

### » Occupational Health Services

- ▶ Transportation vertical offers growth opportunities
- ▶ Un-bundle product set with modular approach
- ▶ Off-shoring, automation and outsourcing to maximize efficiencies

### » Tax Consulting

- ▶ Hiring and location-based tax credits still promising growth area
- ▶ Sales and use tax consulting, fleet management/compliance services newer growth opportunities

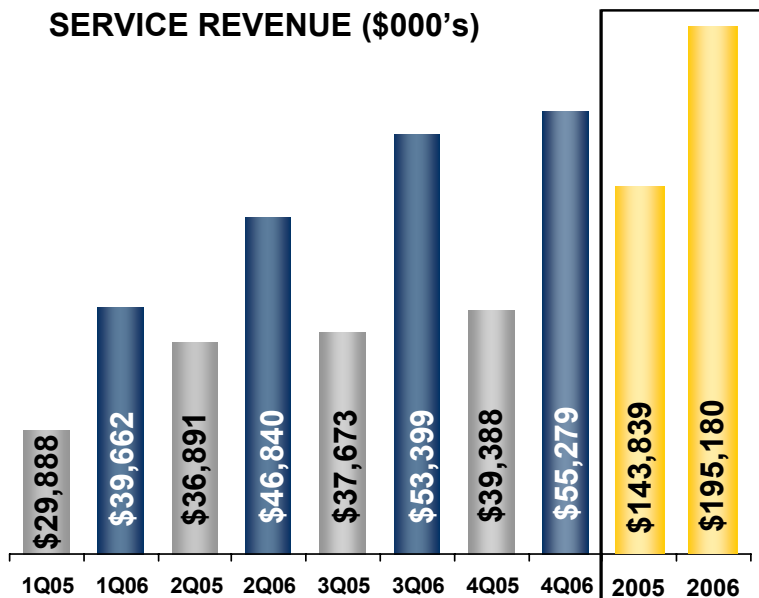
### » International

- ▶ Consolidating Asia Pacific acquisitions onto single IT platform
- ▶ Expect 25% to 30% organic growth year-over-year
- ▶ UK acquisition to spur growth in financial services area

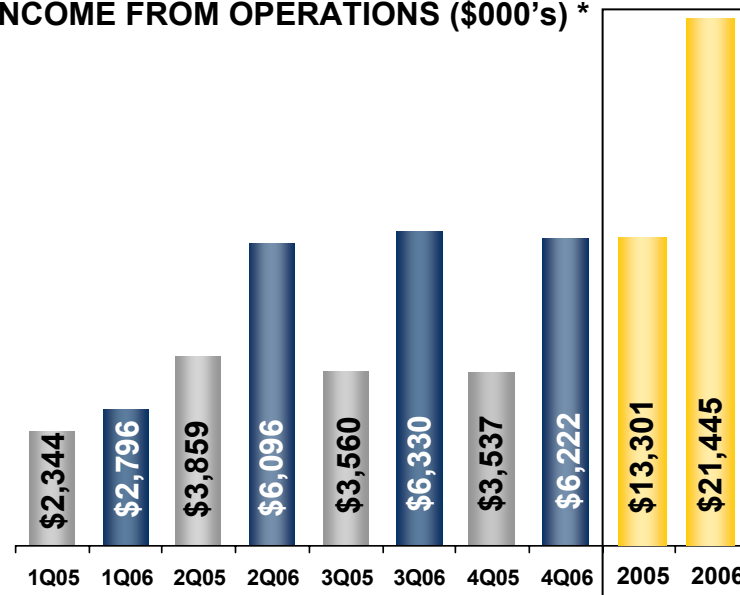
# Employer Services



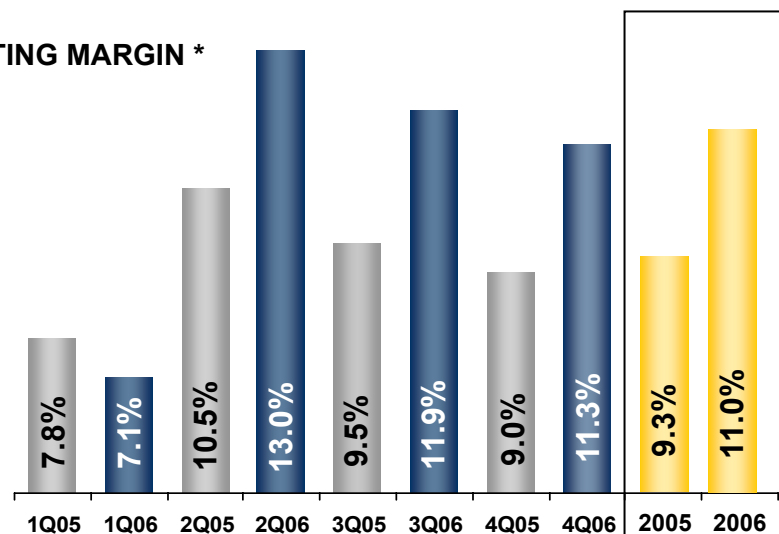
SERVICE REVENUE (\$000's)



INCOME FROM OPERATIONS (\$000's) \*



OPERATING MARGIN \*



\* Excludes Share-Based Compensation

# We Are Market Leaders



## COMPETITIVE **Advantage:** **Employment Services**

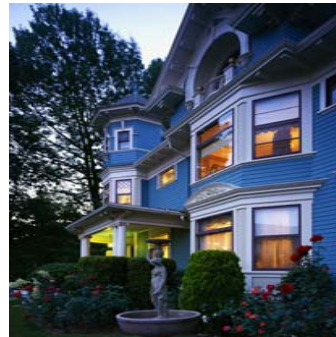
#1 International Background Screening



# Lender Services



Triple Merged  
Credit Reports



## Quick Facts:

Service Revenue: \$176 M (YTD)  
Operating Margin: 31.2% (YTD)  
Organic Growth: 3.6% (YTD)  
Market Share: 40% - 45%  
Percent of Consolidated  
Service Revenue: 23%

ID  
Verification



Broker  
Certification

## Products:

InstantMerge®  
MergePlus  
Residential Mortgage Credit Report  
Anthem Report

Fraud Tools

Account  
Monitoring



## Competitors:

Kroll Factual Data  
Equifax Mortgage  
CBC Companies



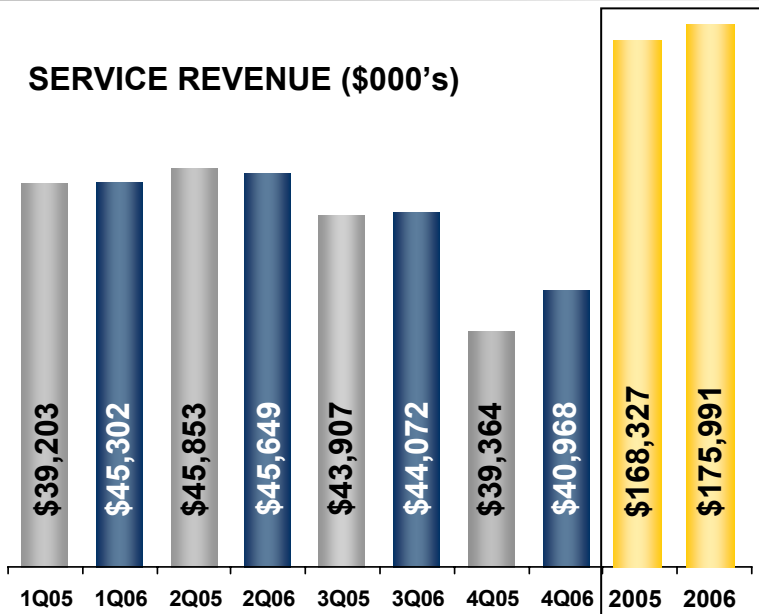
## Growth Strategy

- » Data products and services to expedite underwriting of mortgage loans in emerging markets
  - ▶ Anthem credit report
  - ▶ Rental, pay-day lending payment processing
- » Seek new distribution channels to leverage and extend market presence
  - ▶ Portals
  - ▶ Bankruptcy legal markets
- » Add ancillary data products to existing product line to provide comprehensive applicant verification suite
  - ▶ Fraud prevention / ID authentication and security solutions
  - ▶ Data analytics
- » Continue to pursue automation and workflow improvements to increase productivity and operational efficiency

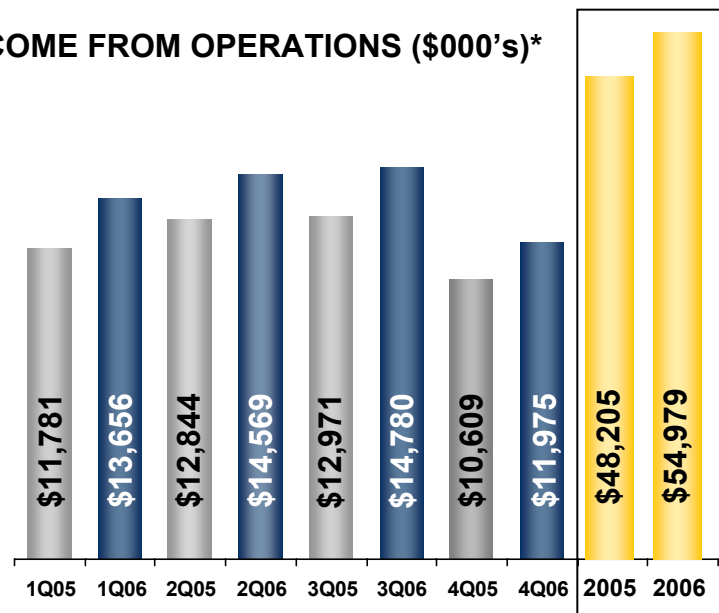
# Lender Services



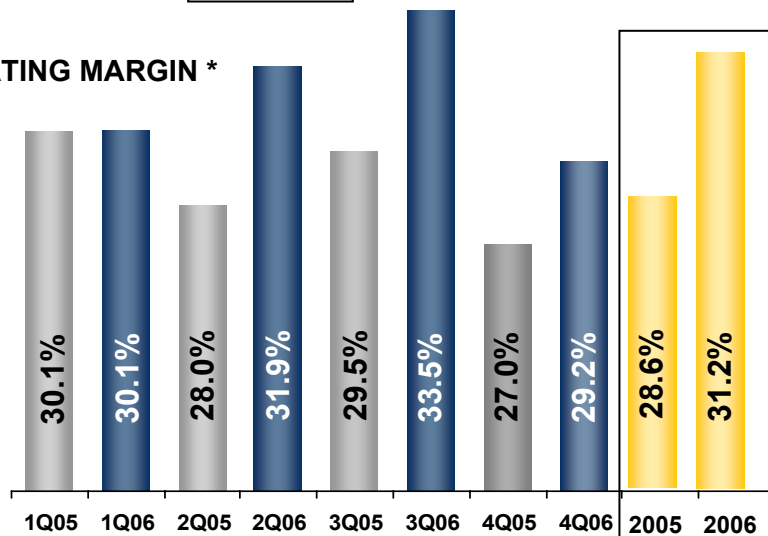
**SERVICE REVENUE (\$000's)**



**INCOME FROM OPERATIONS (\$000's)\***



**OPERATING MARGIN \***



\* Excludes Share-Based Compensation

# Multifamily Services



Resident  
Screening

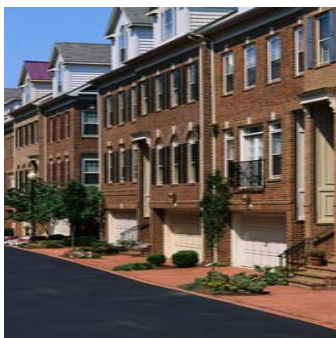


## Quick Facts:

Service Revenue: \$68.8 M (YTD)  
Operating Margin: 23.2% (YTD)  
Organic Growth: 3.2% (YTD)  
Percent of Consolidated  
Service Revenue: 9%



Renter's  
Insurance



Property  
Performance  
Analytics

## Products:

RegistryINSIGHT<sup>SM</sup>  
RegistrySCOREX<sup>SM</sup>  
RegistryCrimCHECK<sup>SM</sup>  
RegistryCrimSAFE<sup>SM</sup>



Property  
Management  
Software



Criminal  
Screening



## Competitors:

RealPage  
Credit Retriever/RentPort  
ResidentData  
NTN

# Multifamily Services



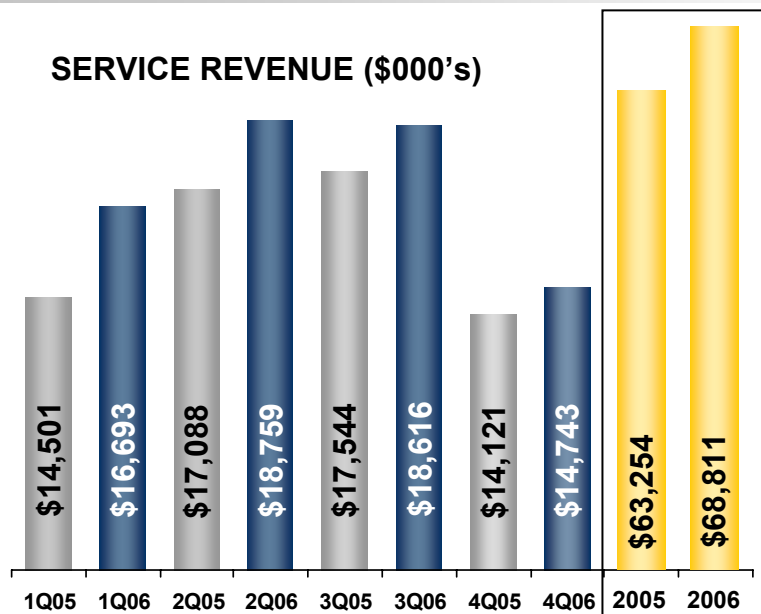
## Growth Strategy

- » Increase data analytics as part of solution set
  - ▶ Enhanced scoring models
  - ▶ Landlord service suite (compliance & yield management)
  - ▶ Property performance analytics
  
- » Improved data delivery model: proactive response to ID and privacy legislation
  
- » Cross-sell FADV sister companies products
  - ▶ Check verification / micro loan database from Teletrack
  - ▶ MVDRs from ADR
  - ▶ Renters Insurance (First American P&C)
  - ▶ Rental payment data for emerging mortgage markets

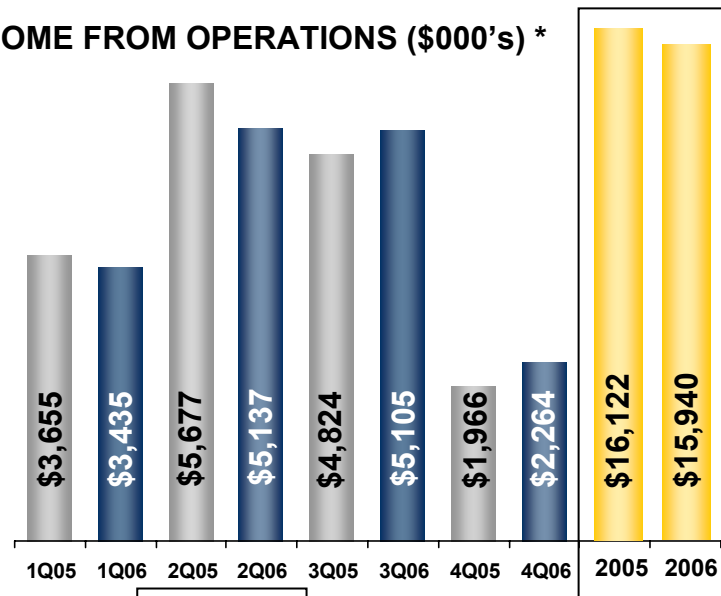
# Multifamily Services



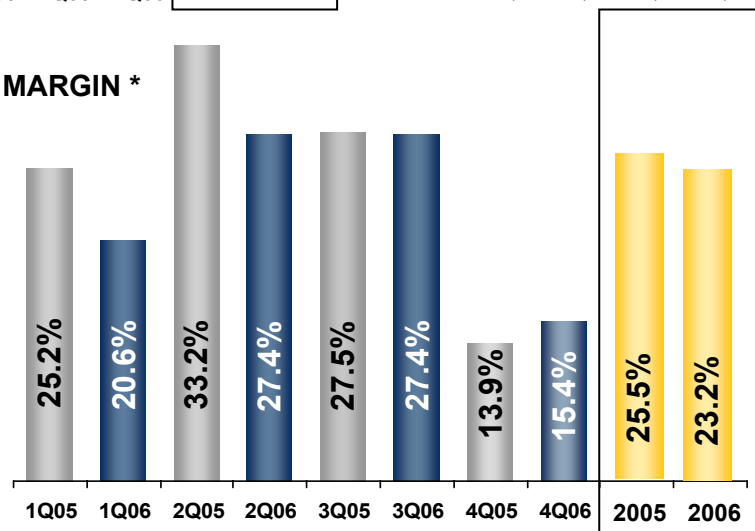
**SERVICE REVENUE (\$000's)**



**INCOME FROM OPERATIONS (\$000's) \***



**OPERATING MARGIN \***



\* Excludes Share-Based Compensation

# Dealer Services



Credit Reports



## Quick Facts:

Service Revenue: \$120.8 M (YTD)  
Operating Margin: 13.7% (YTD)  
Organic Growth: 7.2% (YTD)  
Market Share: ~ 33%  
Percent of Consolidated Service Revenue: 16%

ID Verification



Lead Generation



## Products:

Credco  
Lead Prospector  
Internet & Special Finance Leads  
MyMarket IQ  
BuyerID

Credit Automation Software



Credit Scoring



## Competitors:

Credit Bureaus  
ADP  
CarsDirect.com  
Autobytel  
COBALT  
Interactive Financial

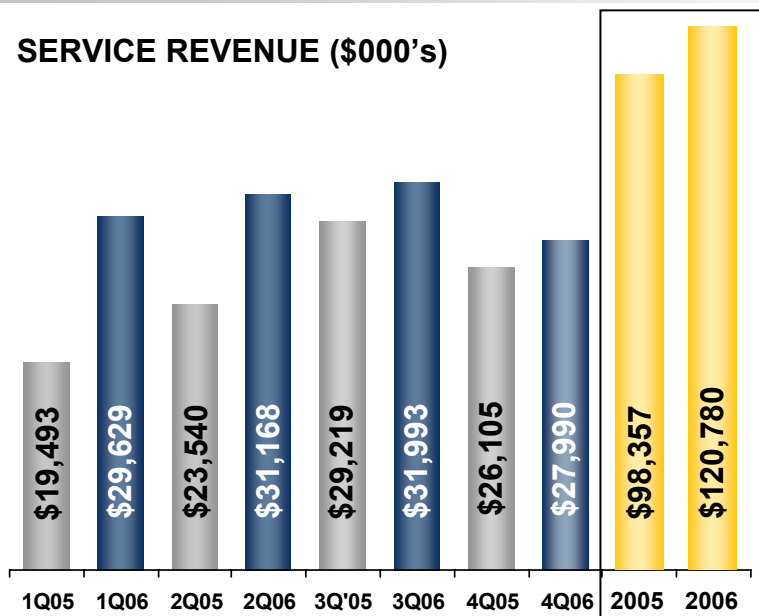
## Growth Strategy

- » Product line diversification to extend into the Lead Generation and Applicant Verification
  - ▶ Buyer ID, ProScan OFAC
  - ▶ MyMarketIQ, Lead Prospector
  
- » Single integrated lead platform across product lines, industry verticals and distribution channels
  
- » Grow data analytics area to improve value proposition
  - ▶ eEvaluate, Decision Suite, Income Predictor
  - ▶ Performance reporting, dealer data analysis
  
- » Cross-sell with other FADV sister companies
  - ▶ Teletrack, LeadClick, Employer Services

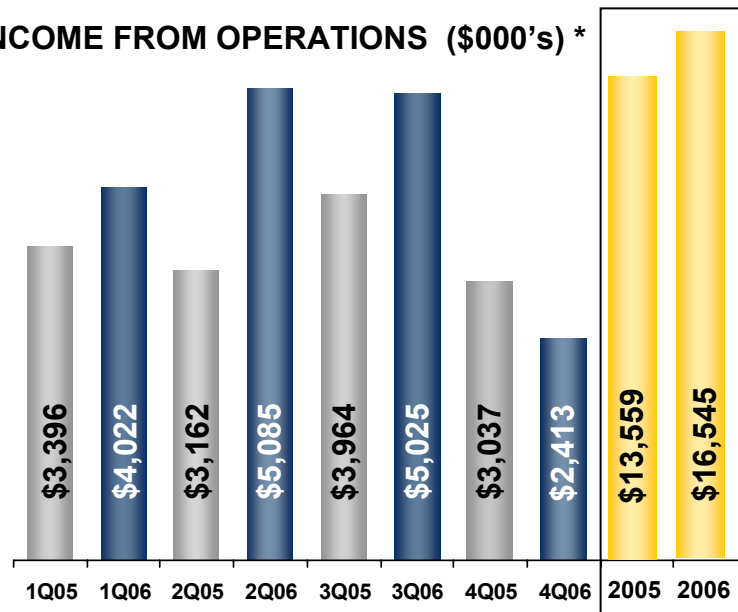
# Dealer Services



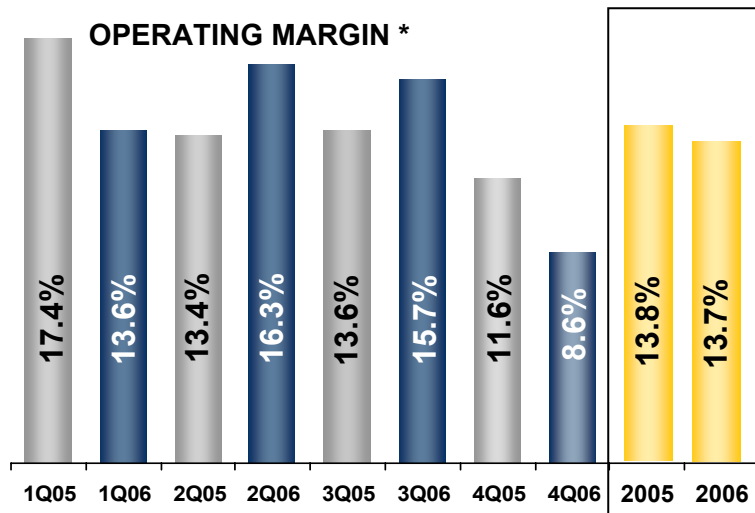
SERVICE REVENUE (\$000's)



INCOME FROM OPERATIONS (\$000's) \*



OPERATING MARGIN \*



\* Excludes Share-Based Compensation



# Investigative & Litigation Support Services



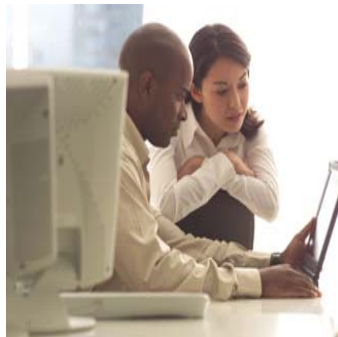
Data  
Recovery



## Quick Facts:

Service Revenue: \$59.2 M (YTD)  
Operating Margin: 20.2% (YTD)  
Organic Growth: 24.9% Pro Forma  
Percent of Consolidated  
Service Revenue: 8%

Electronic  
Discovery



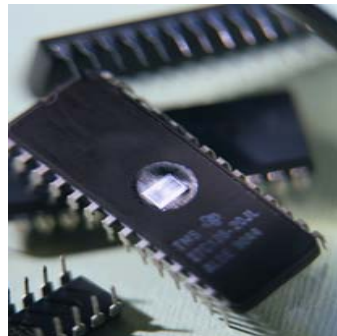
Computer  
Forensics

## Services:

Computer Forensics; Electronic  
Discovery; Data Recovery; Litigation  
Consulting; Corporate Due Diligence  
and Insurance Fraud Investigations

Insurance  
Fraud  
Surveillance

Due  
Diligence  
Reporting



## Competitors:

Kroll OnTrack  
Lexis Nexis Applied Discovery

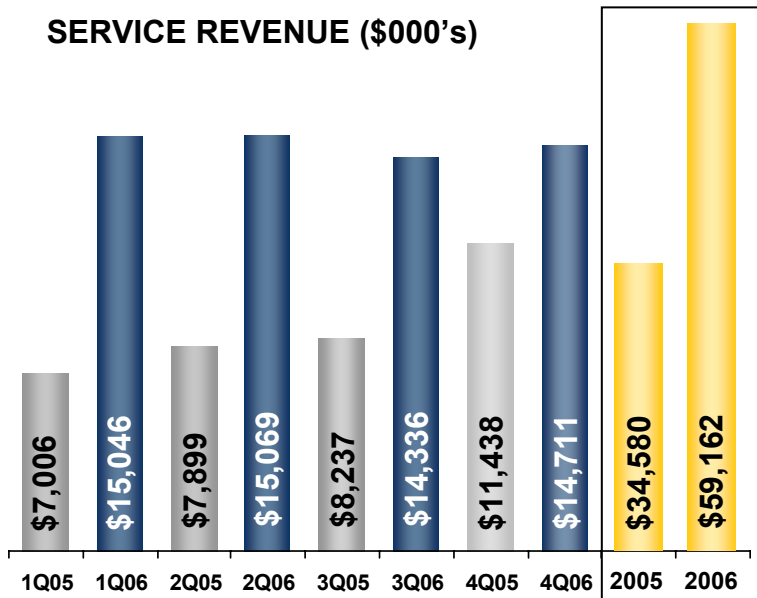
## Growth Strategy

- » Geographic Expansion
  - ▶ New York, Washington D.C., London, Brussels, Tokyo
  
- » Cross-Selling Initiatives
  - ▶ Computer forensics & eDiscovery
  - ▶ Distribution channel partners
  
- » Develop expanded suite of information management products for law firms
  - ▶ Full service product suite for Top 200 law firms
  - ▶ Computer forensics and data recovery for small to mid-size law firms
  
- » Expand into Government Services
  - ▶ FTC and SEC

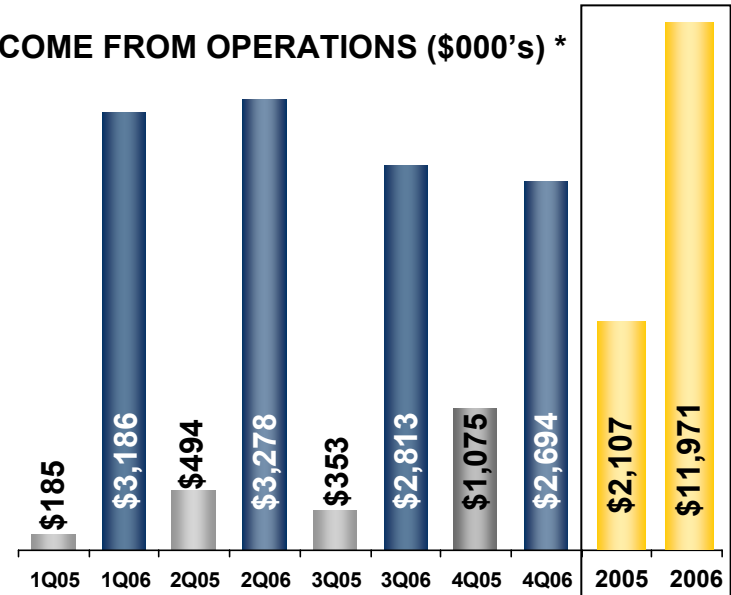
# Investigative & Litigation Support Services



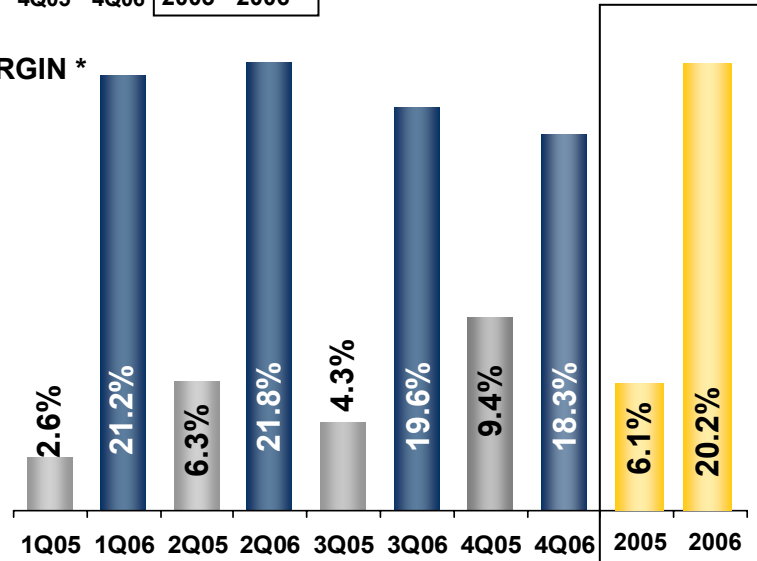
**SERVICE REVENUE (\$000's)**



**INCOME FROM OPERATIONS (\$000's) \***

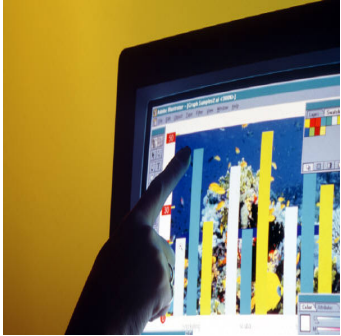


**OPERATING MARGIN \***



\* Excludes Share-Based Compensation

# Data Services



Motor  
Vehicle  
Records

Transportation  
Credit  
Reporting

Subprime  
Credit  
Reporting

Criminal  
Records  
Reselling

Consumer  
Services

Lead  
Generation

Membership  
Services



## Quick Facts:

Service Revenue: \$148.7 M (YTD)

Operating Margin: 28.2% (YTD)

Organic Growth: 20.8% (YTD)

Percent of Consolidated  
Service Revenue: 19%

## Product Companies:

TeleTrack

First Advantage ADR

LeadClick Media

First Advantage Membership Services

US Search.com

## Competitors:

ChoicePoint

ValueClick

Aquartive

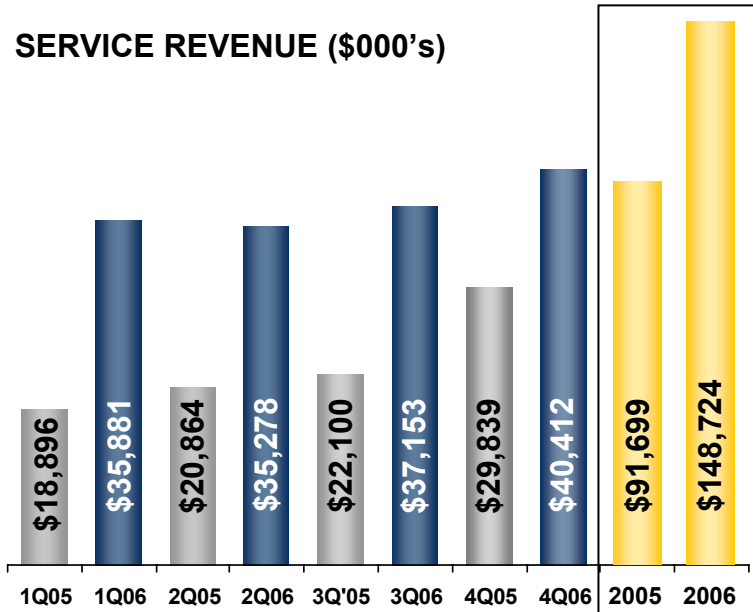
Credit Bureaus

## Growth Strategy

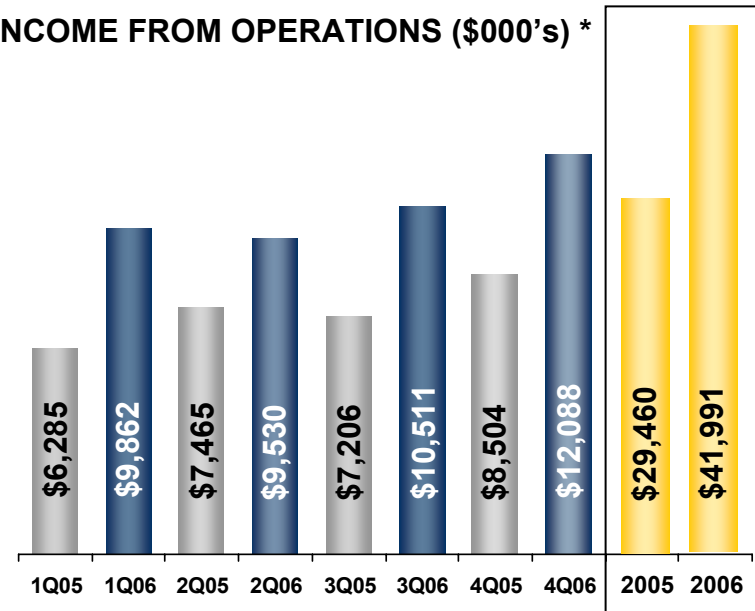
- » Lead Generation
  - ▶ Micro Loan / Specialty Finance
  - ▶ Real Estate
- » Consumer Services
  - ▶ Non-credit membership products (ID theft, Health & Wellness, Warranty)
  - ▶ Security Breach Notification Services
- » Specialty Finance Data Bureau
  - ▶ Positive payment data, analytics to integrate checking account data
  - ▶ International expansion
- » Transportation
  - ▶ Products aimed at the trucking vertical, employment and driving histories
- » Criminal Records & Supply Chain Distribution
  - ▶ New distribution channels
  - ▶ BPM: Transportation risk assessment tool

# Data Services

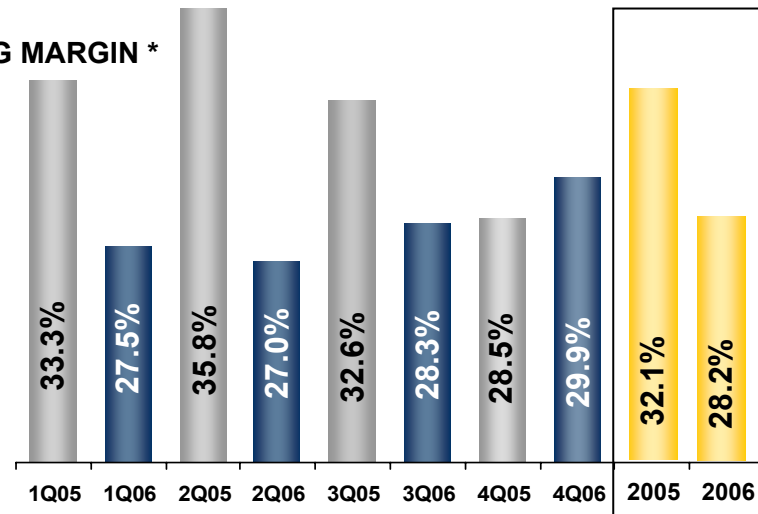
**SERVICE REVENUE (\$000's)**



**INCOME FROM OPERATIONS (\$000's) \***



**OPERATING MARGIN \***



\* Excludes Share-Based Compensation



*The First American Corporation*

*Investor Day Presentations*

**Appendix**

AMERICA'S LARGEST PROVIDER OF BUSINESS INFORMATION

# Allocation of Corporate Expenses

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

## Incremental Corporate Expense Allocation

(\$ in thousands)

	<u>4Q 2006</u>	<u>4Q 2005</u> (as restated)	<u>YTD 2006</u>	<u>YTD 2005</u> (as restated)
<b>Title Insurance</b>				
SERP	\$ 4,452	\$ 3,040	\$ 17,755	\$ 12,160
FAF management fee	9,396	9,558	36,680	35,763
Other	-	-	(1,795)	-
	<u>\$ 13,848</u>	<u>\$ 12,598</u>	<u>\$ 52,640</u>	<u>\$ 47,923</u>
<b>Specialty Insurance</b>				
SERP	\$ 80	\$ 59	\$ 314	\$ 235
FAF management fee	790	762	3,093	2,752
Other	-	-	(546)	-
	<u>\$ 870</u>	<u>\$ 821</u>	<u>\$ 2,861</u>	<u>\$ 2,987</u>
<b>Mortgage Information</b>				
SERP	\$ 319	\$ 188	\$ 1,207	\$ 753
FAF management fee	-	-	-	-
Other	-	-	(1,751)	-
	<u>\$ 319</u>	<u>\$ 188</u>	<u>\$ (544)</u>	<u>\$ 753</u>



# Allocation of Corporate Expenses

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

## Incremental Corporate Expense Allocation

(\$ in thousands)

	<u>4Q 2006</u>	<u>4Q 2005</u> (as restated)	<u>YTD 2006</u>	<u>YTD 2005</u> (as restated)
<b>Property Information</b>				
SERP	\$ 266	\$ 149	\$ 1,049	\$ 596
FAF management fee	-	-	-	-
Other	-	-	(2,295)	-
	<u>\$ 266</u>	<u>\$ 149</u>	<u>\$ (1,246)</u>	<u>\$ 596</u>
<b>First Advantage</b>				
SERP	\$ -	\$ 127	\$ -	\$ 508
FAF management fee	-	-	-	-
Other	-	-	-	-
	<u>\$ -</u>	<u>\$ 127</u>	<u>\$ -</u>	<u>\$ 508</u>
<b>Tot. incremental allocation of corp. exp.</b>	<b>\$ 15,303</b>	<b>\$ 13,883</b>	<b>\$ 53,711</b>	<b>\$ 52,767</b>
<b>Corp. exp. before incremental allocations</b>	<b>55,728</b>	<b>28,660</b>	<b>207,188</b>	<b>139,033</b>
<b>Corporate expenses as adjusted</b>	<b><u>\$ 40,425</u></b>	<b><u>\$ 14,777</u></b>	<b><u>\$ 153,477</u></b>	<b><u>\$ 86,266</u></b>

## Reconciliation of EBITDA to Income before Income Taxes and Minority Interests 4Q 2006

(\$ in thousands)

	<u>Title Insurance</u>	<u>Specialty Ins.</u>	<u>Mortgage Inf.</u>	<u>Property Inf.</u>	<u>First Advantage</u>	<u>Corp.+Elim.</u>	<u>Consolidated</u>
Income before taxes & minority interests	\$ 121,694	\$ 15,086	\$ 31,837	\$ 42,006	\$ 30,764	\$ (40,425)	\$ 200,962
Add back:							
Interest	11,542	85	(1,436)	654	3,257	7,248	21,350
Dep. & amortiz.	24,047	485	5,086	10,760	10,781	5,252	56,411
Deduct:							
Allocation of corp. overhead	20,152	1,730	2,576	3,467	-	(27,925)	-
Minority interest	<u>1,405</u>	<u>1,299</u>	<u>6,769</u>	<u>10,528</u>	<u>3,690</u>	<u>-</u>	<u>23,691</u>
EBITDA	<u>\$ 135,726</u>	<u>\$ 12,627</u>	<u>\$ 26,142</u>	<u>\$ 39,425</u>	<u>\$ 41,112</u>	<u>\$ 0</u>	<u>\$ 255,032</u>

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

(\$ in thousands)

	<u>Title Insurance</u>	<u>Specialty Ins.</u>	<u>Mortgage Inf.</u>	<u>Property Inf.</u>	<u>First Advantage</u>	<u>Corp.+Elim.</u>	<u>Consolidated</u>
Income before taxes & minority interests	\$ 301,160	\$ 56,406	\$ 123,662	\$ 151,904	\$ 117,248	\$ (153,477)	\$ 596,903
Add back:							
Interest	29,878	869	(5,083)	2,461	13,319	29,895	71,339
Dep. & amortiz.	81,617	1,947	21,338	40,129	39,104	22,790	206,925
Deduct:							
Allocation of corp. overhead	72,776	6,204	10,045	11,767	-	(100,792)	-
Minority interest	<u>6,802</u>	<u>4,544</u>	<u>26,022</u>	<u>38,294</u>	<u>13,465</u>	<u>(0)</u>	<u>89,127</u>
EBITDA	<u>\$ 333,077</u>	<u>\$ 48,474</u>	<u>\$ 103,850</u>	<u>\$ 144,433</u>	<u>\$ 156,206</u>	<u>\$ (0)</u>	<u>\$ 786,040</u>

## Reconciliation of EBITDA to Income before Income Taxes and Minority Interests 4Q 2005 (as restated)

(\$ in thousands)

	<u>Title Insurance</u>	<u>Specialty Ins.</u>	<u>Mortgage Inf.</u>	<u>Property Inf.</u>	<u>First Advantage</u>	<u>Corp.+Elim.</u>	<u>Consolidated</u>
Income before taxes & minority interests	\$ 114,638	\$ 13,259	\$ 34,276	\$ 31,324	\$ 29,049	\$ (14,777)	\$ 207,769
Add back:							
Interest	5,232	269	(1,017)	670	2,503	6,717	14,374
Dep. & amortiz.	18,357	574	6,009	7,933	8,568	5,000	46,441
Deduct:							
Allocation of corp. overhead	2,253	181	322	304	-	(3,060)	-
Minority interest	3,101	1,100	6,652	8,353	3,410	0	22,616
EBITDA	<u>\$ 132,873</u>	<u>\$ 12,821</u>	<u>\$ 32,294</u>	<u>\$ 31,270</u>	<u>\$ 36,710</u>	<u>\$ (0)</u>	<u>\$ 245,968</u>

## Reconciliation of EBITDA to Income before Income Taxes and Minority Interests YTD 2005 (as restated)

(\$ in thousands)

	<u>Title Insurance</u>	<u>Specialty Ins.</u>	<u>Mortgage Inf.</u>	<u>Property Inf.</u>	<u>First Advantage</u>	<u>Corp.+Elim.</u>	<u>Consolidated</u>
Income before taxes & minority interests	\$ 540,851	\$ 47,557	\$ 140,884	\$ 151,167	\$ 103,549	\$ (86,266)	\$ 897,742
Add back:							
Interest	20,033	1,082	(2,555)	2,176	6,618	26,623	53,977
Dep. & amortiz.	61,406	2,243	24,222	28,903	27,519	13,146	157,439
Deduct:							
Allocation of corp. overhead	33,544	2,636	5,381	4,936	-	(46,497)	-
Minority interest	<u>8,498</u>	<u>4,098</u>	<u>30,241</u>	<u>35,800</u>	<u>15,225</u>	<u>-</u>	<u>93,862</u>
EBITDA	<u>\$ 580,248</u>	<u>\$ 44,148</u>	<u>\$ 126,929</u>	<u>\$ 141,510</u>	<u>\$ 122,461</u>	<u>\$ -</u>	<u>\$ 1,015,296</u>

## Reconciliation of Income Before Income Taxes and Minority Interest to Pretax Profit after Corporate Allocations and Minority Interests Q4 2006

(\$ in thousands)

	<u>Title Insurance</u>	<u>Specialty Ins.</u>	<u>Mortgage Inf.</u>	<u>Property Inf.</u>	<u>First Advantage</u>	<u>Corp.+Elim.</u>	<u>Consolidated</u>
Income before taxes & minority interests	\$ 121,694	\$ 15,086	\$ 31,837	\$ 42,006	\$ 30,764	\$ (40,425)	\$ 200,962
Deduct:							
Allocation of corp. overhead	29,173	2,505	3,728	5,019	-	(40,425)	-
Minority interest	1,405	1,299	6,769	10,528	3,690	0	23,691
Pretax after corporate allocation and minority interest expense	<u>\$ 91,116</u>	<u>\$ 11,282</u>	<u>\$ 21,340</u>	<u>\$ 26,459</u>	<u>\$ 27,074</u>	<u>\$ (0)</u>	<u>\$ 177,271</u>
As a % of total	<u>52%</u>	<u>6%</u>	<u>12%</u>	<u>15%</u>	<u>15%</u>	<u>0%</u>	<u>100%</u>

## Reconciliation of Income Before Income Taxes and Minority Interest to Pretax Profit after Corporate Allocations and Minority Interests Q4 2005

(as restated)

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

(\$ in thousands)

	<u>Title Insurance</u>	<u>Specialty Ins.</u>	<u>Mortgage Inf.</u>	<u>Property Inf.</u>	<u>First Advantage</u>	<u>Corp.+Elim.</u>	<u>Consolidated</u>
Income before taxes & minority interests	\$ 114,638	\$ 13,259	\$ 34,276	\$ 31,324	\$ 29,049	\$ (14,777)	\$ 207,769
Deduct:							
Allocation of corp. overhead	10,880	873	1,557	1,467	-	(14,777)	\$ -
Minority interest	3,101	1,100	6,652	8,353	3,410	-	22,616
Pretax after corporate allocation and minority interest expense	<u>\$ 100,657</u>	<u>\$ 11,286</u>	<u>\$ 26,067</u>	<u>\$ 21,504</u>	<u>\$ 25,639</u>	<u>\$ -</u>	<u>\$ 185,153</u>
As a % of total	<u>54%</u>	<u>6%</u>	<u>14%</u>	<u>12%</u>	<u>14%</u>	<u>0%</u>	<u>100%</u>

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

(\$ in millions)

	1Q05 (as restated)	2Q05	3Q05	4Q05 (as restated)	1Q06	2Q06	3Q06	4Q06
<b>Title revenues</b>	<b>\$ 1,238</b>	<b>\$ 1,491</b>	<b>\$ 1,631</b>	<b>\$ 1,664</b>	<b>\$ 1,464</b>	<b>\$ 1,603</b>	<b>\$ 1,595</b>	<b>\$ 1,582</b>
<b>Less agent retention</b>	<b>473</b>	<b>552</b>	<b>607</b>	<b>666</b>	<b>592</b>	<b>591</b>	<b>617</b>	<b>593</b>
<b>Net revenues</b>	<b>\$ 765</b>	<b>\$ 939</b>	<b>\$ 1,024</b>	<b>\$ 998</b>	<b>\$ 872</b>	<b>\$ 1,012</b>	<b>\$ 978</b>	<b>\$ 989</b>
<b>Title expenses</b>	<b>\$ 1,158</b>	<b>\$ 1,324</b>	<b>\$ 1,450</b>	<b>\$ 1,549</b>	<b>\$ 1,386</b>	<b>\$ 1,619</b>	<b>\$ 1,478</b>	<b>\$ 1,460</b>
<b>Less agent retention</b>	<b>473</b>	<b>552</b>	<b>607</b>	<b>666</b>	<b>592</b>	<b>591</b>	<b>617</b>	<b>593</b>
<b>Net expenses</b>	<b>\$ 685</b>	<b>\$ 772</b>	<b>\$ 843</b>	<b>\$ 883</b>	<b>\$ 794</b>	<b>\$ 1,028</b>	<b>\$ 861</b>	<b>\$ 867</b>



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

(\$ in millions)

	1Q05 (as restated)	2Q05	3Q05	4Q05 (as restated)	1Q06	2Q06	3Q06	4Q06
(b) Net revenues	\$ 765	\$ 939	\$ 1,024	\$ 998	\$ 872	\$ 1,012	\$ 978	\$ 989
(c) Net expenses	685	772	843	883	794	1,028	861	867
(d) Pretax income	\$ 80	\$ 167	\$ 181	\$ 115	\$ 78	\$ (16)	\$ 117	\$ 122
Pretax income as % of net revenues	10.5%	17.8%	17.7%	11.5%	8.9%	-1.6%	12.0%	12.3%
Provision for title losses as % of net revenues	6.6%	6.3%	7.7%	10.1%	8.6%	23.4%	8.6%	8.7%
Pretax income before loss provision as % of net revenues	17.1%	24.1%	25.4%	21.6%	17.5%	21.8%	20.6%	21.0%

(a) Results for the Title Insurance 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

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

(\$ in millions)

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06	4Q06
<b>Title revenues <sup>(a)</sup></b>	<b>\$ 1,329</b>	<b>\$ 1,739</b>	<b>\$ 1,858</b>	<b>\$ 1,733</b>	<b>\$ 1,485</b>	<b>\$ 1,644</b>	<b>\$ 1,601</b>	<b>\$ 1,520</b>
<b>Less agent retention</b>	<b>410</b>	<b>596</b>	<b>614</b>	<b>521</b>	<b>488</b>	<b>547</b>	<b>560</b>	<b>504</b>
<b>Net revenues</b>	<b>\$ 919</b>	<b>\$ 1,143</b>	<b>\$ 1,244</b>	<b>\$ 1,212</b>	<b>\$ 997</b>	<b>\$ 1,097</b>	<b>\$ 1,041</b>	<b>\$ 1,016</b>
<b>Title expenses</b>	<b>\$ 1,206</b>	<b>\$ 1,516</b>	<b>\$ 1,592</b>	<b>\$ 1,467</b>	<b>\$ 1,351</b>	<b>\$ 1,467</b>	<b>\$ 1,441</b>	<b>\$ 1,394</b>
<b>Less agent retention</b>	<b>410</b>	<b>596</b>	<b>614</b>	<b>521</b>	<b>488</b>	<b>547</b>	<b>560</b>	<b>504</b>
<b>Net expenses</b>	<b>\$ 796</b>	<b>\$ 920</b>	<b>\$ 978</b>	<b>\$ 946</b>	<b>\$ 863</b>	<b>\$ 920</b>	<b>\$ 881</b>	<b>\$ 890</b>

(a) Excludes realized gains and losses and other income

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

(\$ in millions)

	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06	4Q06
<b>Net revenues<sup>(a)</sup></b>	<b>\$ 919</b>	<b>\$ 1,143</b>	<b>\$ 1,244</b>	<b>\$ 1,212</b>	<b>\$ 997</b>	<b>\$ 1,097</b>	<b>\$ 1,041</b>	<b>\$ 1,016</b>
<b>Net expenses<sup>(b)</sup></b>	<b>796</b>	<b>920</b>	<b>978</b>	<b>946</b>	<b>863</b>	<b>920</b>	<b>881</b>	<b>890</b>
<b>Pretax income<sup>(c)</sup></b>	<b>\$ 123</b>	<b>\$ 223</b>	<b>\$ 266</b>	<b>\$ 266</b>	<b>\$ 134</b>	<b>\$ 177</b>	<b>\$ 160</b>	<b>\$ 126</b>
<b>Pretax income as % of net revenues</b>	<b>13.4%</b>	<b>19.5%</b>	<b>21.4%</b>	<b>21.9%</b>	<b>13.4%</b>	<b>16.1%</b>	<b>15.4%</b>	<b>12.4%</b>
<b>Provision for title losses as % of net revenues</b>	<b>9.5%</b>	<b>9.7%</b>	<b>10.9%</b>	<b>12.0%</b>	<b>11.5%</b>	<b>11.3%</b>	<b>11.4%</b>	<b>12.7%</b>
<b>Pretax income before loss provision as % of net revenues</b>	<b>22.9%</b>	<b>29.2%</b>	<b>32.3%</b>	<b>33.9%</b>	<b>24.9%</b>	<b>27.4%</b>	<b>26.8%</b>	<b>25.1%</b>

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

(b) Excludes agent retention

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

**Reconciliation of Adjusted Stockholders' Equity Per Share**  
 (\$ in millions, except share data)

Stockholders' equity (12/31/06)	\$ 3,202
Less: FAF share of FADV Book Value	513
Plus: FAF share of FADV Market Value	1,014 <sup>(a)</sup>
Adjusted stockholders' equity	\$ 3,703
Weighted average shares (in thousands)	96,206
Adjusted Book Value per share	\$38.49

(a) Based on First Advantage closing price on Dec. 31, 2006

# First Advantage Corporation

## GAAP Results



	Three Months Ended Dec. 31,		Twelve Months Ended Dec. 31,		Twelve Months Ended Dec. 31,	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
EBITDA and adjusted EBITDA calculation:						
Net Income	\$18,155	\$16,192	\$66,161	\$58,426	\$42,333	\$37,885
Minority Interest	875	510	3,314	443	---	---
Gain in investment	(6,993)	(9,471)	(6,993)	(9,471)	---	(13,028)
Provision for income taxes	11,735	11,593	47,773	43,522	29,720	32,755
Interest expense	3,257	2,503	13,319	6,618	2,724	540
Depreciation and amortization	\$10,783	\$8,520	\$39,152	\$27,605	\$23,184	\$20,719
Impairment loss	---	---	---	---	---	1,739
Earnings before interest, taxes, depreciation and amortization (EBITDA) *	\$37,812	\$29,847	\$162,726	\$127,143	\$97,961	\$80,610
Share based compensation expense	<u>2,435</u>	<u>95</u>	<u>10,919</u>	<u>317</u>		
Adjusted EBITDA	\$40,247	\$29,942	\$173,645	\$127,460		

\* EBITDA and adjusted EBITDA are not measures of financial performance under generally accepted account principles. EBITDA and adjusted EBITDA are used by certain investors to analyze and compare companies.

# 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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