

First American Financial Corporation Supplemental Disclosures



The First American Corporation

December 2009



Safe Harbor Statement

Certain statements made in this presentation, including but not limited to those related to: the consummation and timing of the company's previously announced spin-off and the preliminary steps in connection therewith; the transfer of the Data Trace and Data Tree businesses to the title insurance and services segment and the timing thereof; the acquisition of the minority interest in Data Trace and Data Tree; the financial services company's ownership of information solutions company stock and the amount thereof; cash contributions between the financial services company and the information solutions company; corporate expenses; and debt allocations 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. Factors that could cause the anticipated results to differ from those described in the forward-looking statements include: changes in market conditions; uncertainties surrounding the timing and results of the review of applicable filings by the SEC, the Internal Revenue Service, insurance and banking regulatory agencies, which review processes could result in comments or objections from these agencies that could prohibit the company from proceeding with the transaction or require significant changes to the structure or timing thereof; and other factors described in First American Financial Corporation's Registration Statement on Form 10 or in Part I, Item 1A of the company's annual report on Form 10-K for the year ended Dec. 31, 2008, as updated in Part II, Item 1A of the company's quarterly reports on Form 10-Q for the quarters ended March 31, June 30 and Sept. 30, 2009, in each case as filed with the SEC. 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.

Key Assumptions

- Data Tree and Data Trace included within the Financial Services company as of January 1, 2010
 - Formerly included within the Data & Analytics segment
 - Approximately \$48 million cash to be paid by the Financial Services company to acquire Experian's indirect interest in Data Tree and Data Trace
- The Financial Services company will
 - Own approximately \$250 million of Information Solutions company common equity
 - Transfer \$100 million of cash to the Information Solutions company
 - Have approximately \$60 million of annual corporate expenses

Financial Services Financial Summary

Pro Forma as of and for the nine months ending September 30, 2009; (\$ in millions)

Balance Sheet Summary

Assets	
Cash & Equivalents	\$614
Investments	2,286
Other Assets	1,577
Goodwill & Intangibles	888
Total Assets	<u>\$5,365</u>
Liabilities & Equity	
Liabilities	\$1,968
Reserves	1,256
Debt	324
Noncontrolling Interests	12
Equity	1,805
Total Liabilities & Equity	<u>\$5,365</u>

Income Statement Summary

Revenues	\$3,004
Pretax Income	130
Noncontrolling Interests	4
Net Income	\$68

Key Ratios

Pretax Margin	4.3%
Debt / Total Capitalization	15.1%

Debt Allocation

As of September 30, 2009 (\$ in millions)

	<u>Financial Services</u>	<u>Information Solutions</u>
5.7% senior debentures, due 2014	\$ -	\$150
7.55% Senior debentures, due 2028	-	100
Line of credit	200	140
Trust deed notes	51	-
Other notes	<u>73</u>	<u>119</u> ⁽¹⁾
Total notes and contracts payable	324	509
8.5% deferrable interest sub. notes, due 2012	<u>-</u>	<u>100</u>
Total debt	\$324	\$609

Spin-off Timing & Next Steps

Milestone

- Form 10 filing
- Tax-free ruling submission
- Investor Day
- Targeted completion date

Timing

Completed

January 2010

March 2010

April 1, 2010