



Thursday, March 21, 2024

FactSet Earnings Call

Second Quarter Fiscal 2024



Forward-Looking Statements and Non-GAAP Measures

This presentation, and other statements that FactSet may make in connection with this presentation, contains forward-looking statements based on management's current expectations, assumptions, estimates, forecasts and projections about future events and circumstances. All statements that address expectations, guidance, outlook or projections about the future, including statements about our strategy, future financial results, anticipated growth, expected expenditure, product development, market position and trends, are forward-looking statements. Forward-looking statements may be identified by words like "expects," "believes," "anticipates," "plans," "intends," "estimates," "projects," "should," "indicates," "continues," "may," and similar expressions. These statements are not guarantees of future performance and involve numerous risks, uncertainties, and assumptions.

Many factors, including those discussed more fully in FactSet's filings with the Securities and Exchange Commission, particularly our latest annual report on Form 10-K and quarterly reports on Form 10-Q, could cause results to differ materially from those stated. These documents are available on our website at <http://investor.factset.com> and on the SEC's website at <http://www.sec.gov>. FactSet believes our expectations and assumptions are reasonable, but there can be no assurance that the expectations reflected herein will be achieved. Unless legally required, we undertake no obligation to update any forward-looking statements made in this presentation whether because of new information, future events or otherwise.

In addition, this presentation and oral statements made in connection with this presentation reference non-GAAP financial measures, such as ASV, organic revenues, adjusted operating income, adjusted operating margin, adjusted EBITDA, adjusted net income, adjusted diluted EPS and free cash flow. Forward-looking non-GAAP financial measures reflect management's current expectations and beliefs, and we are not able to reconcile such non-GAAP measures to reported measures without unreasonable efforts because it is not possible to predict with a reasonable degree of certainty the actual impact or exact timing of items that may impact comparability. Non-GAAP measures should be considered in addition to, not as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP, as more fully discussed in FactSet's financial statements and filings with the SEC. The use of these non-GAAP measures are limited as they include and/or do not include certain items not included and/or included in the most directly comparable GAAP measure. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures is provided in the appendix to this presentation and in FactSet's earnings release issued on March 21, 2024, which are posted on www.factset.com under the Investor Relations section.

Agenda

- Welcome
- Business Update
- Financial Overview
- Questions and Answers
- Appendix

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Business Update

Key Metrics - Second Quarter 2024

5.4%¹

ORGANIC ASV +
PROFESSIONAL SERVICES
GROWTH

Driven by the strength of
our recurring sales model.

+

38.3%²

ADJUSTED
OPERATING
MARGIN

Increased by ~130 bps YoY
due to higher revenue, lower
personnel expenses on lower
bonus accrual, and higher
capitalization benefit partially
offset by higher bad debt
expenses.

+

\$4.22²

ADJUSTED
DILUTED
EPS

Increased by 11.1% YoY
due to higher revenue, and
margin expansion, partially
offset by a higher tax rate.

¹ LTM organic growth rate based on February 29, 2024. Annual Subscription Value (ASV) at any given point in time represents the forward-looking revenues for the next twelve months from all subscription services currently supplied to clients. Professional services are revenues derived from project-based consulting and implementation. Organic ASV excludes the effects of acquisitions and dispositions completed within the last twelve months and foreign currency movements.

² Please see Appendix for a reconciliation of these non-GAAP metrics to GAAP metrics.

Key Operational Metrics

>95%

ASV RETENTION

ASV retained from clients over the last twelve months.

▬ No change versus 2023 | Q2

90%

CLIENT RETENTION

Percentage of clients retained over the last twelve months.

▼ Down ~125bps versus 2023 | Q2

206,478

USER COUNT

Number of individuals accessing FactSet's solutions.

▲ 11% change since 2023 | Q2

8,020

CLIENT COUNT

Companies subscribing to FactSet services with an ASV greater than \$10,000.

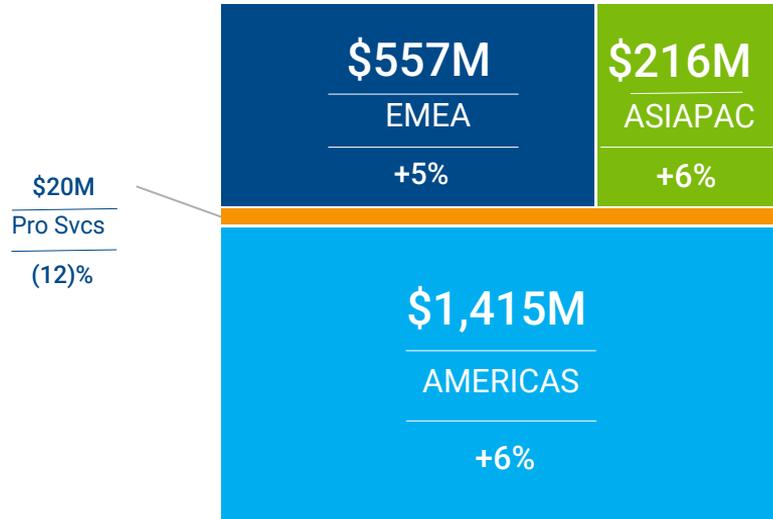
▲ 4% change since 2023 | Q2

ASV + Professional Services Growth Rates* – By Global Segments

\$2,209M

Organic ASV + Professional Services

+5.4%



* LTM Organic ASV Growth Rate based on last twelve months as of February 29, 2024

We continued to deliver on our strategy: **To build the leading open content and analytics platform that delivers differentiated advantage for our clients' success**

Scale Up
Our Content
Refinery

Deep Sector is driving wins and renewals within banking, positioning us to increase market share

Next
Generation
Workflow
Solutions

Industry leading **analytics** and **middle office solutions** drove a key performance win as asset managers and asset owners rely on our portfolio lifecycle

Growing demand for cloud-native solutions contribute to **real time** deployments

Client
Obsession

Generative AI is fueling innovation and development, allowing us to reimagine the client experience across workflows

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Financial Overview

Second Quarter 2024 Financial Results*

(in thousands, except per share data)

6.0%

Revenues

2/29/24 \$545,945
2/28/23 \$515,085

6.0%

Organic Revenues

2/29/24 \$546,130
2/28/23 \$515,085

7.5%

Operating Income

2/29/24 \$181,942
2/28/23 \$169,250

9.8%

Adjusted Operating
Income

2/29/24 \$209,326
02/28/23 \$190,721

47 bps

Operating Margin

2/29/24 33.3%
2/28/23 32.9%

130 bps

Adjusted Operating
Margin

2/29/24 38.3%
2/28/23 37.0%

7.1%

Net Income

2/29/24 \$140,940
2/28/23 \$131,593

10.1%

Adjusted Net
Income

2/29/24 \$163,067
2/28/23 \$148,114

8.0%

Diluted EPS

2/29/24 \$3.65
2/28/23 \$3.38

11.1%

Adjusted Diluted EPS

2/29/24 \$4.22
2/28/23 \$3.80

9.2%

Adjusted EBITDA

2/29/24 \$218,111
2/28/23 \$199,710

(17.2)%

Free Cash Flow

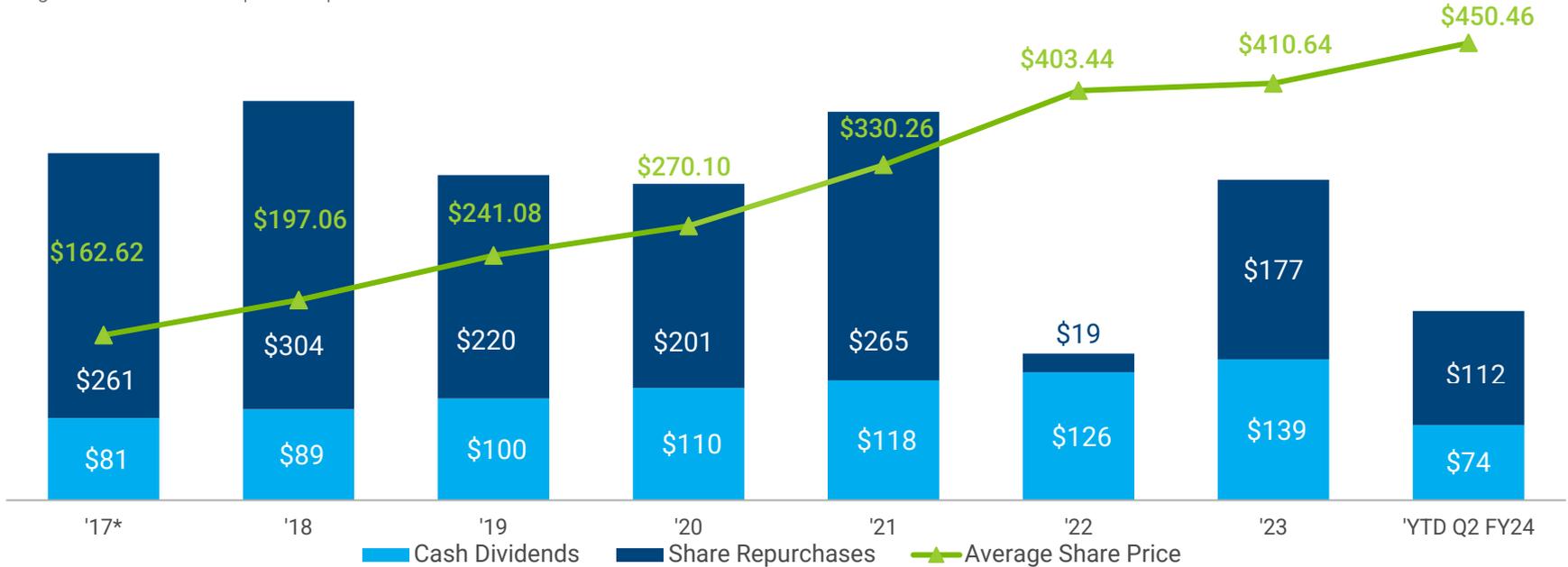
2/29/24 \$121,881
2/28/23 \$147,222

* Please see Appendix for a reconciliation of non-GAAP metrics to GAAP metrics.

We remain focused on returning capital to shareholders

FactSet continued share repurchases in the second fiscal quarter of 2024

Figures in millions accept share price



* Includes shares repurchased from employee stock options for 2017

We currently anticipate finishing fiscal 2024 at the lower end of our guidance range for Organic ASV + Professional Services Growth and Revenues

	FISCAL 2024 OUTLOOK As of March 21, 2024
Organic ASV + Professional Services Growth ¹	\$110 - \$150 million
Revenues	\$2,200 - \$2,210 million
Operating Margin	32.5% - 33.0%
Adjusted Operating Margin	36.3% - 36.7%
Effective Tax Rate	16.5% - 17.5%
Diluted EPS	\$13.95 - \$14.35
Adjusted Diluted EPS	\$15.60 - \$16.00

The Fiscal 2024 Outlook shown here is a forward-looking statement. Given the risks, uncertainties and assumptions related to FactSet's business and operations, FactSet's actual future results may differ materially from these expectations. Investors should review the Company's cautionary statements and risk factors referred to in this presentation

¹ Organic ASV + Professional Services growth as of compared to fiscal 2023

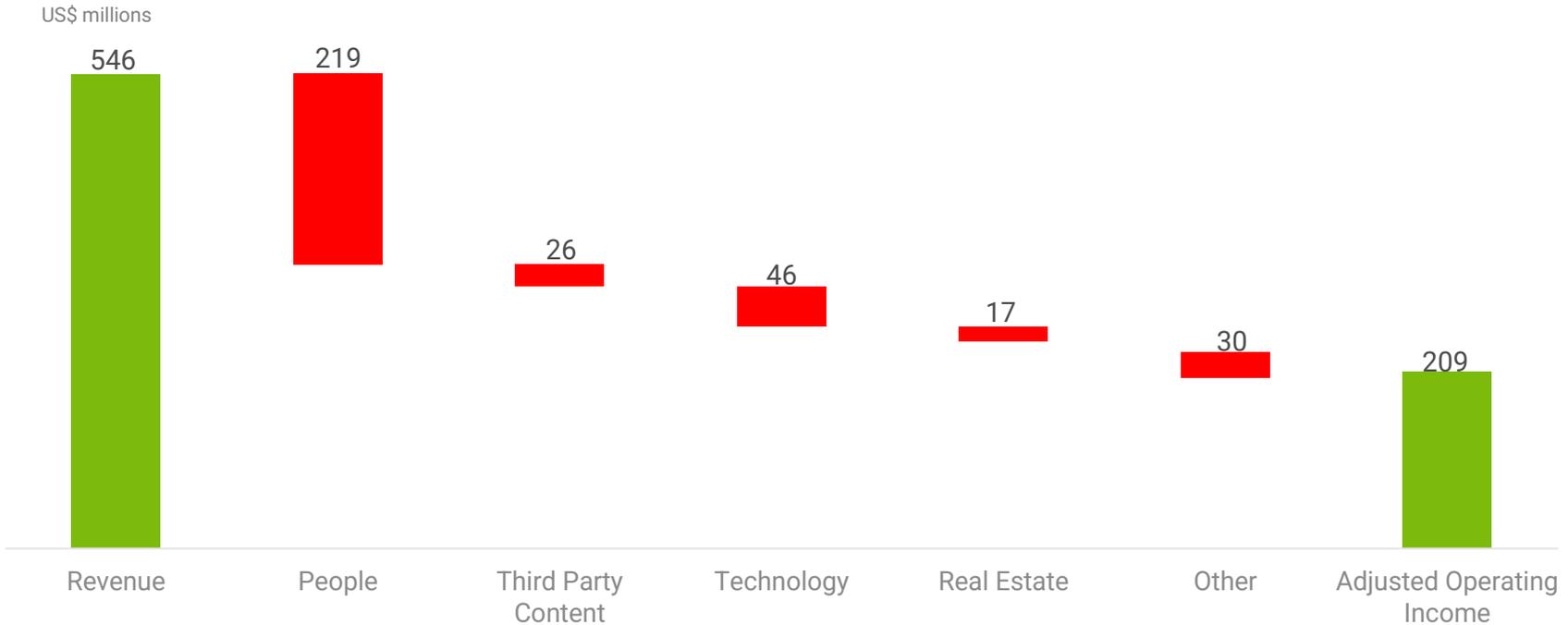
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Questions & Answers

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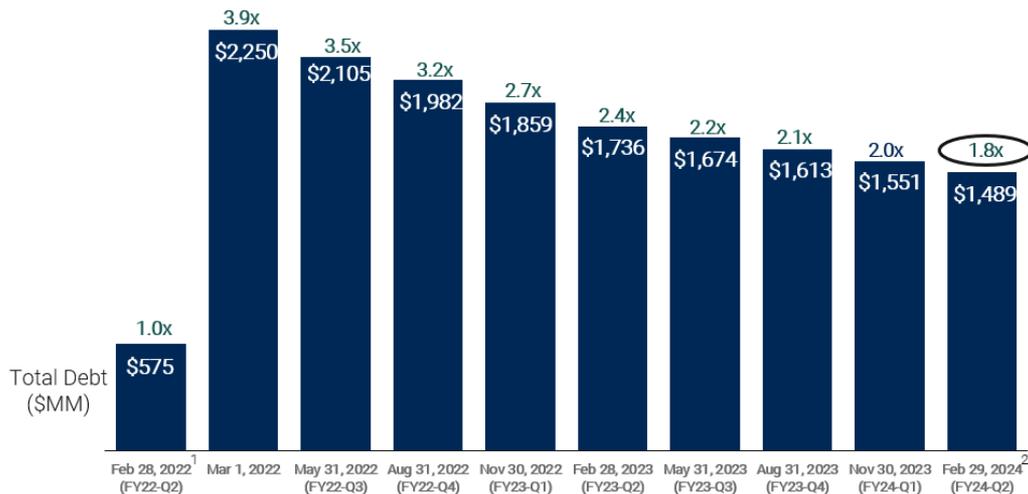
Appendix

Second Quarter 2024 Adjusted Operating Income Walk



Optimizing capital structure to ensure flexibility

Gross Leverage (Debt / LTM EBITDA)



Capital Structure Optimization

- Investment grade ratings from Moody's (Baa3) and Fitch (BBB)
- Credit agreement with \$500 million revolver (\$250 million drawn) and additional \$750 million accordion feature
- \$1 billion unsecured senior notes issued (5 year \$500 million 2.9% coupon; 10 year \$500 million 3.45% coupon)
- \$1 billion pre-payable three-year term loan - \$250 million outstanding as of February 29, 2024
- Annual interest expense ~\$62 million, ramping down to ~\$48 million as term loan is repaid

Debt incurred for CGS on March 1, 2022, included \$1.0B of new senior notes, \$1.0B of new term loan, \$250M drawn new revolver, net of repayment of \$575M previous revolver

¹ Based on \$575M of drawn revolver as of February 28, 2022, and \$561M of FY22 Q2 LTM Adjusted EBITDA (excludes CGS); see appendix for Adjusted EBITDA reconciliation

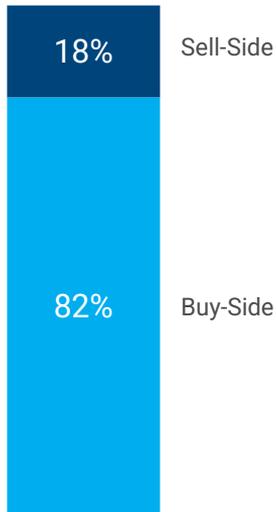
² Based on February 29, 2024, net of repayment of \$750m of the term facility, Q2 Debt of \$1,489m / \$811m FY24 Q2 LTM Adj. EBITDA = 1.8x

*Leverage Ratio is calculated using Net Carrying Value of Debt and Adjusted LTM EBITDA.

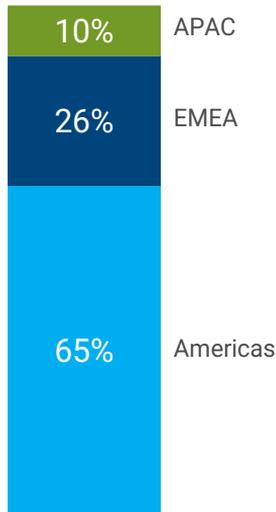
Executing our strategy through workflow solutions that leverage our content refinery

ASV Split by Client, Geography, and Firm Type

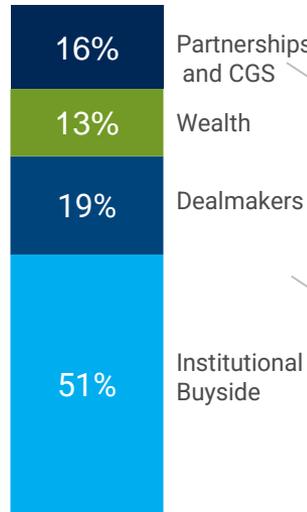
By Client Type^{1,2}



By Geography^{1,2}



By Firm Type^{1,3}



Partnerships and CGS

Partnerships delivers solutions primarily to content providers, financial exchanges, and rating agencies; CGS is the exclusive issuer of CUSIP and CINS identifiers globally

Dealmakers and Wealth

Previously our Research & Advisory organization, Dealmakers and Wealth focuses on banking and sell-side research, wealth management, corporate, and private equity and venture capital workflows

Institutional Buyside

Previously our Analytics & Trading organization, Institutional Buyside focuses on asset managers, asset owners, and hedge fund workflows

¹ Percentage of Organic ASV + Professional Services as of February 29, 2024
² Professional Services of \$20.3M not allocated by client type and geography
³ Reflects re-organization of Businesses into Firm Types, effective September 1, 2023

Non-GAAP Reconciliations

Organic Revenues

(in thousands)

FOR THE THREE MONTHS ENDED FEBRUARY 29 AND 28

(Unaudited)	2024	2023	% Change
GAAP Revenues	\$545,945	\$515,085	6.0%
Acquired Revenues	(137)	0	
Currency Impact	322	0	
Organic Revenues	\$546,130	\$515,085	6.0%

Non-GAAP Reconciliations

Adjusted Operating Income, Margin, Net Income

(in thousands, except per share data)

FOR THE THREE MONTHS ENDED FEBRUARY 29 AND 28

(Unaudited)	2024	2023	% Change
GAAP Operating Income	\$181,942	\$169,250	7.5%
Intangible Asset Amortization	16,674	17,709	
Restructuring /Severance	10,710	433	
Business Acquisition Costs	-	3,329	
Adjusted Operating Income	\$209,326	\$190,721	9.8%
Operating Margin	33.3% ¹	32.9% ¹	
Adjusted Operating Margin	38.3%	37.0%	
GAAP Net Income	\$140,940	\$131,593	7.1%
Intangible Asset Amortization	12,579	14,717	
Restructuring /Severance	8,080	360	
Business Acquisition Costs	-	2,766	
Income Tax Items	1,468	(1,322)	
Adjusted Net Income	\$163,067	\$148,114	10.1%

¹ Adjusted operating margin is calculated as adjusted operating income divided by adjusted revenues as shown in the revenues table above.

Non-GAAP Reconciliations

Adjusted EBITDA
(in thousands)

FOR THE THREE MONTHS ENDED FEBRUARY 29 AND 28

(Unaudited)	2024	2023	% Change
Net Income	\$140,940	\$131,593	7.1%
Interest Expense, net	16,599	16,737	
Income taxes	27,705	25,169	
Depreciation and amortization expense	31,582	26,211	
EBITDA	\$216,826	\$199,710	
Non-recurring non-cash expenses	1,285	—	
Adjusted EBITDA	\$218,111	\$199,710	9.2%

Non-GAAP Reconciliations

Adjusted Diluted EPS

(in thousands, except per share data)

FOR THE THREE MONTHS ENDED FEBRUARY 29 AND 28

(Unaudited)	2024	2023	% Change
GAAP Diluted Earnings per Common Share	\$3.65	\$3.38	8.0%
Intangible Asset Amortization	0.32	0.37	
Restructuring / Severance	0.21	0.01	
Business Acquisition Costs	0.00	0.07	
Income Tax Items	0.04	(0.03)	
Adjusted Diluted Earnings per Common Share	\$4.22	\$3.80	11.1%
Weighted Average Common Shares (Diluted)	38,650	38,981	

Non-GAAP Reconciliations

Free Cash Flow

(in thousands)

FOR THE THREE MONTHS ENDED FEBRUARY 29 AND 28

(Unaudited)	2024	2023	% Change
Net Cash Provided by Operating Activities	\$143,798	\$164,678	
Capital Expenditures	(21,917)	(17,456)	
Free Cash Flow	\$121,881	\$147,222	(17.2)%

Non-GAAP Reconciliations

Business Outlook Operating Margin, Net Income

(in millions, except per share data)

Fiscal 2024 (Forward Looking)	Low End of Range	High End of Range
Revenues	\$2,200	\$2,210
Operating Income	\$ 715	\$729
Operating Margin	32.5%	33.0%
Intangible Asset Amortization	84	82
Adjusted Operating Income	\$ 799	\$ 811
Adjusted Operating Margin	36.3%	36.7%
Net Income	\$ 540	\$ 556
Intangible Asset Amortization	70	68
Discrete Tax Items	(6)	(5)
Adjusted Net Income	\$604	\$618

Note: Columns may not foot due to rounding

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Non-GAAP Reconciliations

Business Outlook Diluted EPS

(in millions, except per share data)

	Low End of Range	High End of Range
Diluted Earnings per Common Share	\$13.95	\$14.35
Intangible Asset Amortization	1.81	1.75
Discrete Tax Items	(0.16)	(0.13)
Adjusted Diluted Earnings per Common Share	\$15.60	\$16.00

Note: Columns may not foot due to rounding

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Thank you