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FactSet Earnings Call
Fourth Quarter Fiscal 2020

September 24, 2020

Forward-Looking Statements and Non-GAAP Measures

This presentation may contain forward looking statements reflecting management's current expectations based on currently available information. Actual results may differ materially from what is expressed or forecast in such forward-looking statements. More information about factors that could affect FactSet's business and financial results are in FactSet's filings with the SEC, including its most recent 8-K, 10-K and 10-Q. FactSet undertakes no obligation to publicly update any forward-looking statements as a result 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 revenue, adjusted operating metrics, adjusted diluted EPS and free cash flow. 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 September 24, 2020, which are posted on factset.com under the Investor Relations section.

Agenda

- 01 Welcome / Introductions
- 02 Business Update
- 03 Financial Overview
- 04 Questions and Answers
- 05 Appendix



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Business Update

2020 Accomplishments

↑ **40**

years of consecutive revenue growth

↑ **24**

years of consecutive adjusted diluted EPS growth

Q4

highest reported quarterly ASV in the history of the company

5k+

diversified client base by expanding into new sectors

133k+

users increased by 5%

99%

employees working remotely
Successful rollout of WFH with high productivity and engagement levels



Migrating real-time ticker plant to cloud

The first cloud-based ticker plant of its kind



Launched APIs and industry-specific deep sector content

To expand the access to critical content sets



Grew StreetAccount Offering

Expansion of news coverage to include Canada and additional Asian markets



Won numerous awards

Including Excellence in Buy-Side Risk Management, Wealth Management Technology, Best Data Provider to Buy & Sell-Side

Areas of Accelerated Investment

CONTENT

**Expand Existing Content &
Collect New Data**

- Deep Sector – Multiple Industries
- Wealth Advisors data
- Private market content

TECHNOLOGY

**Develop Open & Flexible
Technology to Grow and Scale**

- Content Automation
- Digitized Workflows – Smarter Personalized Content
- Digital Foundation – APIs, Cloud Migration

PEOPLE

Develop and Hire Talent

- Add experts in technology & automation
- Increase diversity & inclusion focus
- Develop talent for workplace of the future

Key Metrics¹ - Fourth Quarter 2020

5.3%

ORGANIC ASV² +
PROFESSIONAL
SERVICES

*Driven by higher sales
from Wealth and
Analytics*



33.2%

ADJUSTED
OPERATING
MARGIN

*70 basis points
lower YoY due to
investment spend*



\$2.88

ADJUSTED
DILUTED
EPS

*10% growth YoY from
lower tax rate and
higher operating results*

¹ Please see Appendix for a reconciliation of these non-GAAP metrics to GAAP metrics.

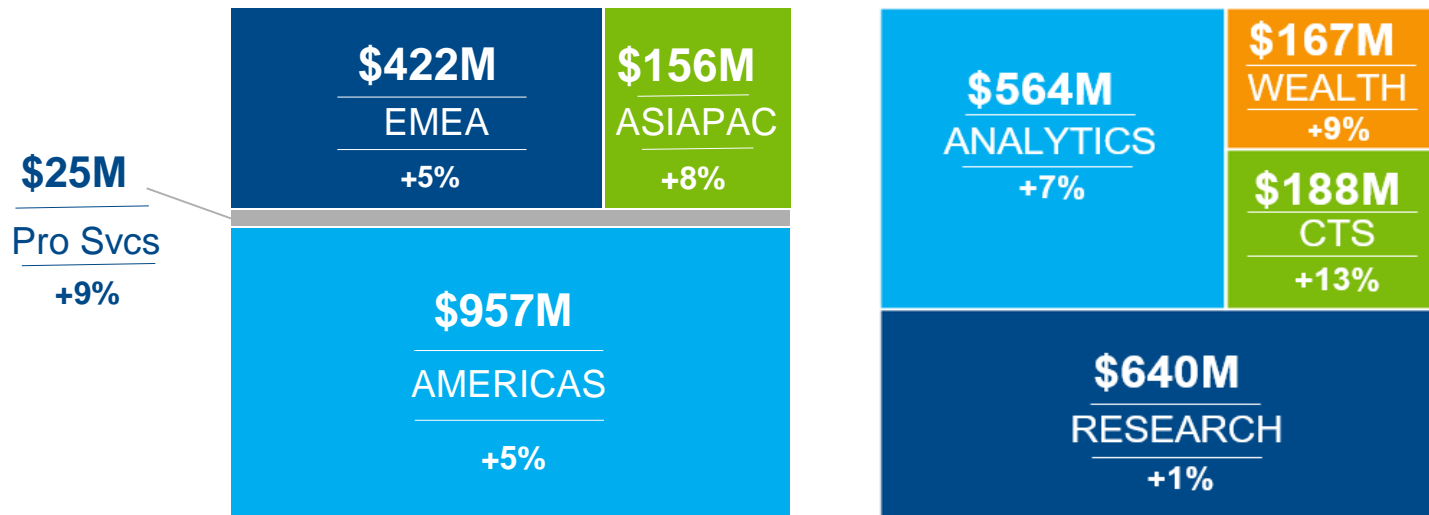
² Annual Subscription Value (ASV) at any given point in time represents the forward-looking revenues for the next twelve months from all subscription services currently supplied to clients and excludes professional services fees billed in the last 12 months, which are not subscription-based. Organic ASV excludes the effects of acquisitions, dispositions and foreign currency. Professional services are revenues derived from project-based consulting and implementation.

ASV + Professional Services Growth Rates* – By Global Segments & Businesses

\$1.56B

Organic ASV + Professional Services

+5%










* LTM Organic ASV Growth Rate is based on last twelve months as of August 31, 2020

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Financial Overview

Fiscal 2020 Results versus Guidance

	FY 2020 Guidance ¹	FY 2020 Results
Organic ASV Growth Rate	\$60m - \$75m	\$78.4m 
GAAP Revenues	\$1.485b - \$1.490b	\$1.494b 
GAAP Operating Margin	30.0% - 30.5%	29.4% 
Adjusted Operating Margin ²	33.0% - 33.5%	33.6% 
Annual Effective Tax Rate ³	15.5% - 16.5%	12.7% 
GAAP Diluted EPS	\$9.60 - \$9.80	\$9.65 
Adjusted Diluted EPS ²	\$10.40 - \$10.60	\$10.87 

¹ Latest annual guidance as of June 25th, 2020.

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

³ The guidance for annual effective tax rate provided for fiscal 2020 did not include any one-time expense or benefit items that occurred in the year. We did include an estimate for stock-based compensation tax benefits in our guidance. Including these one-time items but excluding the tax benefit from stock-based compensation, the annual effective tax rate was 14.1%.

Fourth Quarter 2020 Financial Results*

(in thousands, except per share data)

5.3%

GAAP Revenues
8/31/20 \$383,590
8/31/19 \$364,283

4.9%

Organic Revenues
8/31/20 \$383,373
8/31/19 \$365,545

11.6%

GAAP Operating Income
8/31/20 \$98,577
8/31/19 \$111,568

2.8%

Adjusted Operating Income
8/31/20 \$127,379
8/31/19 \$123,881

490bps

GAAP Operating Margin
8/31/20 25.7%
8/31/19 30.6%

70bps

Adjusted Operating Margin¹
8/31/20 33.2%
8/31/19 33.9%

2.7%

GAAP Net Income
8/31/20 \$89,079
8/31/19 \$91,527

10.0%

Adjusted Net Income
8/31/20 \$112,034
8/31/19 \$101,892

2.1%

GAAP Diluted EPS
8/31/20 \$2.29
8/31/19 \$2.34

10.3%

Adjusted Diluted EPS
8/31/20 \$2.88
8/31/19 \$2.61

51.8%

Free Cash Flow
8/31/20 \$144,695
8/31/19 \$95,347

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

Key Operational Metrics

>95%
ASV RETENTION

ASV retained from clients over the last twelve months.

▬ No change versus 2019 | Q4

90%
CLIENT RETENTION

Percentage of clients retained over the last twelve months.

▲ 100bps higher versus 2019 | Q4

133,051
USER COUNT

Number of individuals accessing FactSet's workstations.

▲ 4.9% change since 2019 | Q4

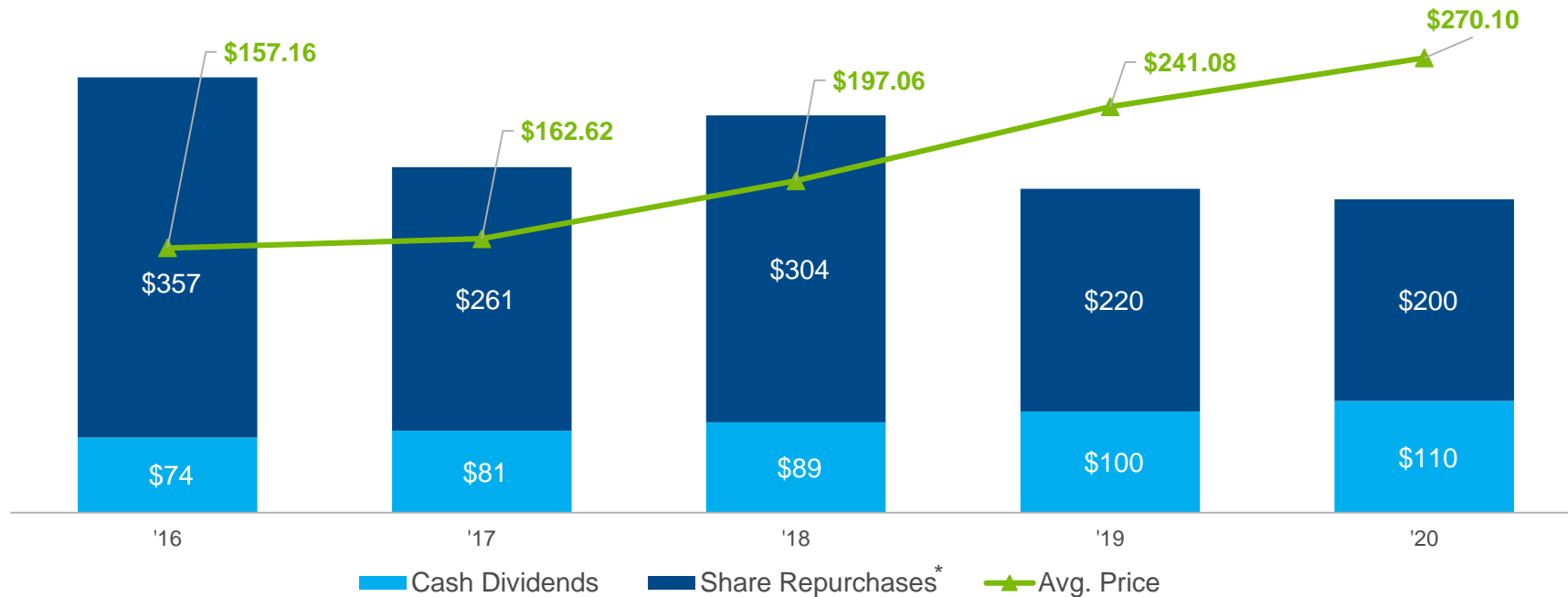
5,875
CLIENT COUNT

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

▲ 5.4% change since 2019 | Q4

Returning Capital to Shareholders

(in millions except share price)



* Includes shares repurchased from employee stock options

Business Outlook – Fiscal 2021¹

The Business Outlook - Fiscal 2021 shown here is a forward-looking statement. Given the risk factors, uncertainties and assumptions, particularly the ongoing uncertainty surrounding the duration, magnitude and impact of the novel coronavirus pandemic, 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.

Fiscal 2021 Outlook

Organic ASV + Professional Services Growth²	\$55 - \$85 million
GAAP Revenues	\$1,570 - \$1,585 million
GAAP Operating Margin	29.5% - 30.5%
Adjusted Operating Margin³	32.0% - 33.0%
Effective Tax Rate	15.0% - 16.5%
GAAP Diluted EPS	\$10.05 - \$10.45
Adjusted Diluted EPS³	\$10.75 - \$11.15

¹ FactSet's expectations as of September 24, 2020. Actual results may differ materially from expectations above.

² Growth over fiscal 2020.

³ Please see Appendix for a reconciliation of these non-GAAP metrics to GAAP metrics.

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Questions & Answers

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Appendix

Non-GAAP Reconciliations

Organic Revenues

(in thousands)

FOR THE THREE MONTHS ENDED AUGUST 31

FOR THE YEAR ENDED AUGUST 31

(Unaudited)	2020	2019	% Change	2020	2019	% Change
GAAP Revenues	\$ 383,580	\$ 364,283	5.3%	\$ 1,494,111	\$ 1,435,351	4.1%
Deferred revenue fair value adjustment	619	1,262		4,192	5,185	
Currency impact	(836)			(705)		
Organic Revenues	\$ 383,373	\$ 365,545	4.9%	\$ 1,497,598	\$ 1,440,536	4.0%

Non-GAAP Reconciliations

Adjusted Operating Income, Margin, Net Income and Diluted EPS

(in thousands, except per share data)

FOR THE THREE MONTHS ENDED AUGUST 31

FOR THE YEAR ENDED AUGUST 31

(Unaudited)	2020	2019	% Change	2020	2019	% Change
GAAP Operating Income	\$ 98,577	\$ 111,568	(11.6)%	\$ 439,660	\$ 438,035	0.4%
Intangible asset amortization	6,867	7,260		22,269	24,920	
Deferred revenue fair value adjustment	619	1,262		4,192	5,185	
Impairment of investment	16,500	–		16,500	–	
Other non-recurring Items	4,816	3,791		20,782	8,045	
Adjusted Operating Income	\$ 127,379	\$ 123,881	2.8%	\$ 503,403	\$ 476,185	5.7%
Adjusted Operating Margin	33.2%	33.9%		33.6%	33.2%	
GAAP Net Income	\$ 89,079	\$ 91,527	(2.7)%	372,938	352,790	5.7%
Intangible asset amortization	5,205	5,931		17,773	20,262	
Deferred revenue fair value adjustment	469	1,031		3,385	4,215	
Impairment of investment	16,500	–		16,500	–	
Other non-recurring Items	3,651	3,097		16,611	6,315	
Income tax items	(2,870)	306		(7,085)	5,274	
Adjusted Net Income	\$ 112,034	\$ 101,892	10.0%	\$ 420,122	\$ 388,856	8.0%
GAAP Diluted Earnings per Common Share	\$ 2.29	\$ 2.34	(2.1)%	\$ 9.65	\$ 9.08	6.3%
Intangible asset amortization	0.13	0.15		0.46	0.52	
Deferred revenue fair value adjustment	0.01	0.03		0.10	0.11	
Impairment of investment	0.42	–		0.42	–	
Other non-recurring Items	0.09	0.08		0.42	0.15	
Income tax items	(0.06)	0.01		(0.18)	0.14	
Adjusted Diluted earnings per Common Share	\$ 2.88	\$ 2.61	10.3%	\$ 10.87	\$ 10.00	8.7%
Weighted Average Common Shares (Diluted)	38,940	39,056		38,646	38,873	

Non-GAAP Reconciliations

Free Cash Flow

(in thousands)

(Unaudited)	FOR THE THREE MONTHS ENDED AUGUST 31			FOR THE YEAR ENDED AUGUST 31		
	2020	2019	% Change	2020	2019	% Change
Net Cash Provided by Operating Activities	\$ 159,427	\$ 121,811		\$ 505,840	\$ 427,136	
Capital Expenditures	\$ (14,732)	(26,464)		(77,641)	(59,370)	
Free Cash Flow	\$ 144,695	\$ 95,347	51.8%	\$ 428,199	\$ 367,766	16.4%

Non-GAAP Reconciliations

Business Outlook Operating Margin, Net Income and Diluted EPS

(in millions, except per share data)

FISCAL 2021 (FULL YEAR)	Low End of Range	High End of Range
GAAP operating income	\$ 468	\$479
<i>GAAP operating margin</i>	29.5%	30.5%
Intangible asset amortization	25	25
Other non-recurring items	14	14
Adjusted operating income	\$ 507	\$ 518
<i>Adjusted Operating Margin</i>	32.0%	33.0%
GAAP Net Income	\$ 386	\$ 402
Intangible asset amortization	21	21
Other non-recurring items	12	12
Discrete tax items	(5)	(5)
Adjusted Net Income	\$ 415	\$ 430
GAAP Diluted Earnings per Common Share	\$ 10.05	\$ 9.45
Intangible asset amortization	0.55	0.55
Discrete tax items	0.30	0.30
Other non-recurring items	(0.15)	(0.15)
Adjusted Diluted earnings per Common Share	\$ 10.75	\$ 11.15



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Thank you.