

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 21, 2023

FactSet Research Systems Inc.

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation)

1-11869  
(Commission  
File Number)

13-3362547  
(I.R.S. Employer  
Identification No.)

45 Glover Avenue  
Norwalk, Connecticut 06850

(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (203) 810-1000

Former name or former address, if changed since last report: None

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols(s)	Name of each exchange on which registered
Common Stock, \$0.01 Par Value	FDS	New York Stock Exchange LLC The Nasdaq Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 2.02 Results of Operations and Financial Condition

On September 21, 2023, FactSet Research Systems Inc. ("FactSet" or the "Company") issued a press release announcing its results for the three and twelve months ended August 31, 2023. A copy of the press release is furnished as Exhibit 99.1 hereto and incorporated by reference herein. The information furnished pursuant to this Item 2.02 (Results of Operations and Financial Condition), including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Exhibit 99.1 to this Report contains certain financial measures that are considered non-GAAP financial measures as defined in the rules issued by the Securities and Exchange Commission (the "Commission"). Exhibit 99.1 to this Report also contains the reconciliation of these non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles, as well as the reasons why the Company's management believes that presentation of the non-GAAP financial measures provides useful information to investors regarding FactSet's results of operations and, to the extent material, a statement disclosing any other additional purposes for which the Company's management uses the non-GAAP financial measures.

## Item 7.01 Regulation FD Disclosure

FactSet hereby furnishes the presentation (the "Investor Presentation") that the Company intends to use from time to time on or after September 21, 2023. FactSet may use the Investor Presentation with investors, analysts, lenders, creditors, insurers, vendors, clients, employees and others. The Investor Presentation is furnished herewith as Exhibit 99.2 and also will be made available on the Company's website at factset.com.

The information contained in the Investor Presentation is summary information that should be considered in the context of the Company's filings with the Commission and other public announcements that the Company may make, by press release or otherwise, from time to time. The Investor Presentation is current as of the date of this Current Report on Form 8-K. To the extent that estimates, targets or other forward-looking statements are included in the Investor Presentation, the Company specifically disclaims any duty or obligation to publicly update or revise such information, although it may do so from time to time.

The information in this Current Report on Form 8-K, including Exhibit 99.2, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Exchange, or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing. The furnishing of this information hereby shall not be deemed an admission as to the materiality of any such information.

## Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
<a href="#">99.1</a>	Press Release of FactSet Research Systems Inc., dated September 21, 2023, announcing its results for the three and twelve months ended August 31, 2023
<a href="#">99.2</a>	Investor Presentation of FactSet Research Systems Inc. dated September 21, 2023
104	Cover page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

FACTSET RESEARCH SYSTEMS INC.  
(Registrant)

September 21, 2023

By: /s/ LINDA S. HUBER  
Linda S. Huber  
Executive Vice President, Chief Financial Officer  
(Principal Financial Officer)

## FactSet Reports Results for Fourth Quarter 2023

- Q4 GAAP revenues of \$535.8 million, up 7.3% from Q4 2022; Fiscal 2023 GAAP revenues of \$2,086 million, up 13.1% from fiscal 2022
- Organic Q4 ASV plus professional services of \$2.2 billion, up 7.1% year over year
- Q4 GAAP operating margin of 21.9%, down 460 bps year over year, and adjusted operating margin of 33.6%, up 210 bps from the prior year; Fiscal 2023 GAAP operating margin of 30.2%, increased 440 bps year over year, and adjusted operating margin of 36.2%, increased 230 bps over the prior year
- Q4 GAAP diluted EPS of \$1.68, down 37.5% from the prior year, and adjusted diluted EPS of \$2.93, down 6.4% year over year; Fiscal 2023 GAAP diluted EPS of \$12.03, increased 17.4% from the prior year, and adjusted diluted EPS of \$14.55, increased 8.3% year over year
- FactSet is providing fiscal 2024 guidance, with expected ASV plus professional services growth of 6% - 8%, GAAP revenue growth of 6% - 7%, adjusted operating margin increase of 10 - 50 bps, and adjusted diluted EPS growth of 6.5% - 10%.

NORWALK, Conn., September 21, 2023 - FactSet ("FactSet" or the "Company") (NYSE:FDS) (NASDAQ:FDS), a global financial digital platform and enterprise solutions provider, today announced results for its fourth quarter and full fiscal year 2023 ended August 31, 2023.

### Fourth Quarter Fiscal 2023 Highlights

- **GAAP revenues** increased 7.3%, or \$36.5 million, to \$535.8 million for the fourth quarter of fiscal 2023 compared with \$499.3 million for the same period in fiscal 2022. The increase was primarily due to higher sales of Analytics & Trading and Content & Technology solutions. Organic revenue, which excludes the effects of acquisitions and dispositions completed within the last 12 months and foreign currency movements, grew 7.2% to \$535.2 million during the fourth quarter of fiscal 2023 from the prior year period.
- **Annual Subscription Value (ASV)** plus professional services was \$2.2 billion at August 31, 2023, compared with \$2.0<sup>1</sup> billion at August 31, 2022. Organic ASV plus professional services, which excludes the effects of acquisitions and dispositions completed within the last 12 months and foreign currency movements, was \$2.2 billion at August 31, 2023, up \$145.0 million from the prior year at a growth rate of 7.1%.
- **Organic ASV** plus professional services increased \$54.9 million over the last three months. The primary contributors to this growth were higher sales of Analytics & Trading and Content & Technology solutions. Please see the "ASV + Professional Services" section of this press release for details.
- **GAAP operating margin** decreased to 21.9% compared with 26.5% for the prior year, primarily due to non-recurring restructuring and facilities impairment, partially offset by lower third-party content costs and lower foreign currency impact. Adjusted operating margin improved to 33.6% compared with 31.5% in the prior year period driven by a lower bonus accrual, partially offset by higher salary expenses. Higher technology expenses were offset by lower third-party content, facilities expenses and foreign currency impact.
- Fourth quarter results include an out-of-period adjustment related to an ongoing review and analysis of certain tax positions, resulting in a one-time charge of \$6.8 million and a \$20 million provision. FactSet believes this \$20 million provision represents the maximum remaining amount of net unrealizable tax assets. Upon completion of its review, and prior to filing its Annual Report on Form 10-K, FactSet plans to take a one-time charge with respect to this provision to reflect the confirmed actual amount of net unrealizable tax assets. The final amount of this charge is not expected to differ significantly from the current \$20 million provision. At this time, FactSet has concluded that this adjustment is not material to the current period financial statements. The adjustment relates to the accounting of tax balance sheet accounts, including deferred tax assets and liabilities. All local, federal and foreign taxes payable have been paid in a timely manner, subject to normal audits of open years.
- **GAAP diluted earnings per share (EPS)** decreased 37.5% to \$1.68 compared with \$2.69 for the same period in fiscal 2022, mainly due to non-recurring charges and the higher tax provision, which had a \$0.68 impact. Adjusted diluted EPS

<sup>1</sup> Prior year Total ASV now reflects additional CGS revenues not previously included.

decreased 6.4% to \$2.93, compared with \$3.13 for the prior year period, mainly due to non-recurring charges and the higher tax provision, which had a \$0.68 impact.

- **Adjusted EBITDA** increased to \$172.2 million, up 8.6% for the fourth quarter of fiscal 2023 compared with \$158.5 million for the same period in fiscal 2022, due to higher income tax add-backs and impairment charges, partially offset by lower net income.
- In connection with the acquisition of CGS, FactSet entered into a new credit agreement providing for a \$1 billion term loan and revolving credit facilities. In the fourth quarter of fiscal 2023, FactSet paid \$62.5 million towards the term loan. As of August 31, 2023, FactSet had a term loan principal balance of \$375 million, having made \$625 million in total term loan principal payments since the inception of the loan.
- The Company's **effective tax rate** for the fourth quarter of fiscal 2023 increased to 39.9% compared with 10.3% for the three months ended August 31, 2022, primarily due to one-time adjustments of certain tax positions, expiring foreign tax incentives and higher foreign statutory rates.

"During a transformative period where technology is reshaping our industry, FactSet's open platform strategy is resonating with clients seeking new sources of growth as well as increased efficiency," said Phil Snow, FactSet CEO. "Our unwavering commitment to innovation is putting the full power of our vast repository of connected data and analytical capabilities at our clients' fingertips."

#### Key Financial Measures\*

(Condensed and Unaudited) (In thousands, except per share data)	Three Months Ended August 31,			Change	Twelve Months Ended August 31,			Change	Latest FY 2023 Guidance
	2023	2022			2023	2022			
Revenues	\$ 535,797	\$ 499,297	7.3 %	\$ 2,085,508	\$ 1,843,892	13.1 %	\$2.08 - \$2.10B		
Organic revenues	\$ 535,224	\$ 499,297	7.2 %	\$ 1,994,953	\$ 1,843,917	8.2 %			
Operating income	\$ 117,103	\$ 132,219	(11.4)%	\$ 630,207	\$ 475,482	32.5 %			
Adjusted operating income	\$ 180,134	\$ 157,480	14.4 %	\$ 755,188	\$ 624,395	20.9 %			
Operating margin	21.9 %	26.5 %		30.2 %	25.8 %		29% - 30%		
Adjusted operating margin	33.6 %	31.5 %		36.2 %	33.9 %		35% - 36%		
Net income	\$ 65,080	\$ 104,422	(37.7)%	\$ 468,134	\$ 396,917	17.9 %			
Adjusted net income	\$ 113,556	\$ 121,512	(6.5)%	\$ 565,990	\$ 520,279	8.8 %			
Adjusted EBITDA	\$ 172,207	\$ 158,514	8.6 %	\$ 777,620	\$ 628,179	23.8 %			
Diluted EPS	\$ 1.68	\$ 2.69	(37.5)%	\$ 12.03	\$ 10.25	17.4 %	\$12.25 - \$12.65		
Adjusted diluted EPS	\$ 2.93	\$ 3.13	(6.4)%	\$ 14.55	\$ 13.43	8.3 %	\$14.75 - \$15.15		

\* See reconciliation of U.S. GAAP to adjusted key financial measures in the back of this press release.

"FactSet made good progress on expense management," said Linda Huber, FactSet CFO. "Looking ahead, we will maintain our focus on sustainable growth and profitability to fuel innovation."

#### Full Year 2023 Highlights

- **GAAP Revenues** increased 13.1% to \$2.09 billion, up 8.2% on an organic basis, based primarily on the lapping of the CGS acquisition and stronger organic ASV. This marked the 43rd consecutive year of revenues increase for the Company.
- **GAAP operating margin** increased to 30.2% compared with 25.8% for the prior year, primarily due to the lapping of prior year facilities impairment, partially offset by lower third-party content costs and lower foreign currency impact. Adjusted operating margin improved to 33.6% compared with 31.5% in the prior year period driven by a lower bonus accrual, partially

offset by higher salary expenses. Higher technology expenses were offset by lower third-party content, facilities expenses and foreign currency impact.

- **Diluted EPS** increased 17.4% to \$12.03, mainly driven by revenue growth and the lapping of one time charges of the prior year. This was partially offset by a higher tax provision, which had a \$0.68 impact. Adjusted diluted EPS increased 8.3% to \$14.55, primarily driven by revenue growth and margin expansion. It was partially offset by higher interest expense and higher tax provisions, which had a \$0.68 impact. Fiscal 2023 marks the 27th consecutive year that FactSet has increased its adjusted diluted EPS.
- Net cash provided by operating activities totaled \$645.6 million, driven by higher net income and the timing of estimated tax payments. Free cash flow increased 20.0% to \$584.8 million, primarily due to the timing of estimated tax payments, partially off set by higher capital expenditures.
- Client count increased by 5.1% or 383 during the year, while users grew by 5.6% or 9,990 from the prior year.
- In April 2023, FactSet increased its quarterly cash dividend by 10% to \$0.98 per share. The \$0.09 per share increase marks the twenty-fourth consecutive year the Company has increased dividends, highlighting FactSet's continued commitment to return value to its shareholders.
- The Company returned \$315.3 million to shareholders in share repurchases and dividends during the 2023 fiscal year, for a return of 25% as a percentage of free cash flow and proceeds from employee stock plans.
- FactSet won several awards in 2023, with honors noted for research, risk, performance, trading, and wealth management. FactSet was honored by more than thirty industry awards and rankings reports, including winning "Trading Tech's Best Cloud-Based Market Data Delivery Solution".

### Annual Subscription Value (ASV) + Professional Services<sup>1</sup>

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.

ASV plus professional services was \$2,174.6 million at August 31, 2023, compared with \$2,027.4 million at August 31, 2022. Organic ASV plus professional services was \$2,175.1 million at August 31, 2023, up \$145 million from the prior year at a growth rate of 7.1%. Organic ASV, which excludes the effects of acquisitions and dispositions completed within the last 12 months and foreign currency movements, plus professional services, increased \$54.9 million over the last three months.

Buy-side and sell-side organic ASV growth rates for the fourth quarter of fiscal 2023 were 6.9% and 9.3%, respectively. Buy-side clients, including asset managers, wealth managers, asset owners, hedge funds, partners, and corporate clients, accounted for approximately 82% of organic ASV. The remaining organic ASV came from sell-side firms, including broker-dealers, banking and advisory, private equity and venture capital firms. Supplementary tables covering organic buy-side and sell-side ASV growth rates may be found on the last page of this press release.

### Segment Revenues and ASV<sup>1</sup>

ASV from the Americas region was \$1,376.9 million compared with ASV in the prior year period of \$1,286.7 million. Organic ASV increased 7.0% to \$1,376.9 million. Americas revenues for the quarter increased to \$343.3 million compared with \$323.6 million in the fourth quarter of last year. Excluding the effects of acquisitions and dispositions completed in the last 12 months, the Americas region's organic revenues growth rate was 6.0%.

ASV from the EMEA region was \$559.6 million compared with ASV in the prior year period of \$516.1 million. Organic ASV increased 7.7% to \$558.8 million. EMEA revenues were \$138.6 million compared with \$126.4 million in the fourth quarter of fiscal 2022. Excluding the effects of acquisitions and dispositions completed in the last 12 months and foreign currency impacts, the EMEA region's organic revenues growth rate was 9.1%.

ASV from the Asia Pacific region was \$215.4 million compared with ASV in the prior year period of \$200.5 million. Organic ASV increased 8.1% to \$216.7 million. Asia Pacific revenues were \$53.9 million compared with \$49.3 million in the fourth quarter of fiscal 2022. Excluding the effects of acquisitions and dispositions completed in the last 12 months and foreign currency impacts, the Asia Pacific region's organic revenues growth rate was 9.9%.

Segment ASV does not include professional services, which totaled \$22.7 million at August 31, 2023.

Organic ASV plus professional services from FactSet's workflow solutions at August 31, 2023 was as follows:

- Research & Advisory ASV was \$922 million, representing 4.7% growth year over year.
- Analytics & Trading ASV was \$708 million, growing 8.8% year over year.
- Content and Technology Solutions (CTS) ASV was \$545 million, increasing 9.3% year over year. This amount includes ASV related to CGS, which is now included in organic ASV.

### Operational Highlights – Fourth Quarter Fiscal 2023

- Client count as of August 31, 2023 was 7,921, a net increase of 151 clients in the past three months, primarily driven by an increase in corporate and wealth management clients, as well as channel partners. The count includes clients with ASV of \$10,000 and more.
- User count increased by 2,127 to 189,972 in the past three months, primarily driven by an increase in banking and wealth management clients.
- Annual ASV retention was greater than 95%. When expressed as a percentage of clients, annual retention was 91%.
- Employee count was 12,237 as of August 31, 2023, up 9.2% over the last twelve months, with the increase primarily in our Centers of Excellence. Growth was largely driven by an increase in the content, product, and technology organizations. 67% of our employees are in our Centers of Excellence.
- Net cash provided by operating activities increased to \$175.9 million compared with \$147.2 million for the fourth quarter of fiscal 2022, primarily related to higher net income as well as the timing of income tax payments. Quarterly free cash flow increased to \$156.3 million compared with \$136.1 million a year ago, an increase of 14.8%, driven by the timing of income tax payments partially offset by higher capital expenditures.
- A quarterly dividend of \$37.3 million, or \$0.98 per share, was paid on September 21, 2023, to holders of record of FactSet's common stock at the close of business on August 31, 2023.
- FactSet acquired idaciti, Inc., an innovator in data structuring and collection technology, expanding on the Company's multi-year investment program to digitally transform its content collection infrastructure and accelerating time-to-market for delivering critical data sets.
- CGS announced the launch of a new CUSIP based entity identifier for the \$5 trillion syndicated corporate loan market.
- The Company appointed Catrina Harding as Executive Vice President, Chief People Officer. In this role, she oversees FactSet's global human resources organization and reports directly to Chief Executive Officer (CEO) Phil Snow.
- FactSet announced that it has appointed Ali van Nes as Senior Vice President, Investor Relations. She will replace Kendra Brown, who will now lead FactSet's Banking and Sell-Side Research workflow solution.

### Share Repurchase Program

FactSet repurchased 264,400 shares of its common stock for \$109.6 million at an average price of \$414.63 during the fourth quarter under the Company's existing share repurchase program. As of August 31, 2023, \$4.5 million remained available for share repurchases under this program. On June 20, 2023, the Board of Directors of FactSet approved a new share repurchase program of up to \$300 million, which became available on September 1, 2023.

### Annual Business Outlook

FactSet is providing its outlook for fiscal 2024. The following forward-looking statements reflect FactSet's expectations as of today's date. Given the risk factors, uncertainties, and assumptions discussed below, actual results may differ materially. FactSet does not intend to update its forward-looking statements prior to its next quarterly results announcement.

#### Fiscal 2024 Expectations

- Organic ASV plus professional services is expected to grow in the range of \$130 million to \$175 million during fiscal 2024.

- GAAP revenues are expected to be in the range of \$2,210 million to \$2,230 million.
- GAAP operating margin is expected to be in the range of 33.1% to 33.5%.
- Adjusted operating margin is expected to be in the range of 36.3% to 36.7%.
- FactSet's annual effective tax rate is expected to be in the range of 17.0% to 18.0%.
- GAAP diluted EPS is expected to be in the range of \$14.20 to \$14.70.
- Adjusted diluted EPS is expected to be in the range of \$15.65 to \$16.15.

Both GAAP operating margin and GAAP diluted EPS guidance do not include certain effects of any non-recurring benefits or charges that may arise in fiscal 2024. Please see the back of this press release for a reconciliation of GAAP to adjusted metrics.

## Conference Call

### Fourth Quarter 2023 Conference Call Details

Date: Thursday, September 21, 2023  
Time: 11:00 a.m. Eastern Time  
Participant Registration: FactSet Q4 2023 Earnings Call Registration

Please register for the conference call using the above link before the call start time. The conference call platform will register your name and organization and provide dial-in numbers and a unique access pin. The conference call will have a live Q&A session.

A replay will be available on the Company's investor relations website after 1:00 p.m. Eastern Time on September 21, 2023, through September 21, 2024. The earnings call transcript will be available via FactSet CallStreet.

## Forward-looking Statements

This news release contains forward-looking statements based on management's current expectations, estimates, forecasts and projections about industries in which FactSet operates and the beliefs and assumptions of management. All statements that address expectations, guidance, outlook or projections about the future, including statements about the Company's strategy for growth, product development, revenues, future financial results, anticipated growth, market position, subscriptions, expected expenditures, trends in FactSet's business and financial results, 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 a number of risks, uncertainties and assumptions. Many factors, including those discussed more fully elsewhere in this release and in FactSet's filings with the Securities and Exchange Commission, particularly its latest annual report on Form 10-K and quarterly reports on Form 10-Q, as well as others, could cause results to differ materially from those stated. Forward-looking statements speak only as of the date they are made, and FactSet assumes no duty to and does not undertake to update forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance.

## About Non-GAAP Financial Measures

Financial measures in accordance with U.S. GAAP including revenues, operating income and margin, net income, diluted earnings per share and cash provided by operating activities have been adjusted.

FactSet uses these adjusted financial measures both in presenting its results to stockholders and the investment community and in its internal evaluation and management of the business. The Company believes that these adjusted financial measures and the information they provide are useful to investors because they permit investors to view the Company's performance using the same tools that management uses to gauge progress in achieving its goals. Investors may benefit from referring to these adjusted financial measures in assessing the Company's performance and when planning, forecasting and analyzing future periods and may also facilitate comparisons to its historical performance. The presentation of this financial information is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP.

Adjusted revenues exclude the impact of the fair value of deferred revenues acquired in a business combination. Organic revenues further exclude the effects of acquisitions and dispositions completed in the last 12 months and foreign currency movements in all periods presented. Adjusted operating income and margin, adjusted net income, and adjusted diluted earnings per share exclude



intangible asset amortization, the impact of the fair value of deferred revenues acquired in a business combination and non-recurring items. EBITDA excludes interest expense, provision for income taxes and depreciation and amortization expense, while Adjusted EBITDA further excludes non-recurring non-cash expenses. The Company believes that these adjusted financial measures help to fully reflect the underlying economic performance of FactSet.

Cash flows provided by operating activities has been reduced by purchases of property, equipment, leasehold improvements and capitalized internal-use software to report non-GAAP free cash flow. FactSet uses this financial measure both in presenting its results to stockholders and the investment community and in the Company's internal evaluation and management of the business. Management believes that this financial measure is useful to investors because it permits investors to view the Company's performance using the same metric that management uses to gauge progress in achieving its goals and is an indication of cash flow that may be available to fund further investments in future growth initiatives.

## About FactSet

FactSet (NYSE:FDS | NASDAQ:FDS) helps the financial community to see more, think bigger, and work better. Our digital platform and enterprise solutions deliver financial data, analytics, and open technology to nearly 8,000 global clients, including almost 190,000 individual users. Clients across the buy-side and sell-side as well as wealth managers, private equity firms and corporations achieve more every day with our comprehensive and connected content, flexible next-generation workflow solutions, and client-centric specialized support. As a member of the S&P 500, we are committed to sustainable growth and have repeatedly scored 100 on the Human Rights Campaign® Corporate Equality Index. We have been recognized amongst the Best Places to Work in 2023 by Glassdoor as a Glassdoor Employees' Choice Award winner. Learn more at [www.factset.com](http://www.factset.com) and follow us on Twitter and LinkedIn.

### FactSet

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## Consolidated Statements of Income (Unaudited)

(In thousands, except per share data)	Three Months Ended August 31,				Twelve Months Ended August 31,			
	2023		2022		2023		2022	
Revenues	\$	535,797	\$	499,297	\$	2,085,508	\$	1,843,892
Operating expenses								
Cost of services		263,688		241,944		973,225		871,106
Selling, general and administrative		130,227		123,847		456,130		433,032
Asset impairments		24,779		1,287		25,946		64,272
Total operating expenses		418,694		367,078		1,455,301		1,368,410
Operating income		117,103		132,219		630,207		475,482
Other income (expense), net								
Interest income		4,618		1,276		12,809		6,175
Interest expense		(16,691)		(15,580)		(66,319)		(35,697)
Other income (expense), net		3,279		(1,487)		8,257		(2,366)
Total other income (expense), net		(8,794)		(15,791)		(45,253)		(31,888)
Income before income taxes		108,309		116,428		584,954		443,594
Provision for income taxes		43,229		12,006		116,820		46,677
Net income	\$	65,080	\$	104,422	\$	468,134	\$	396,917
Basic earnings per common share	\$	1.71	\$	2.75	\$	12.26	\$	10.48
Diluted earnings per common share	\$	1.68	\$	2.69	\$	12.03	\$	10.25
Basic weighted average common shares		38,092		38,008		38,194		37,864
Diluted weighted average common shares		38,784		38,820		38,898		38,736

## Consolidated Balance Sheets (Unaudited)

(In thousands)	August 31, 2023	August 31, 2022
<b>ASSETS</b>		
Cash and cash equivalents	\$ 425,444	\$ 503,273
Investments	32,210	33,219
Accounts receivable, net of reserves of \$7,769 at August 31, 2023 and \$2,776 at August 31, 2022	237,665	204,102
Prepaid taxes	—	38,539
Prepaid expenses and other current assets	55,060	91,214
<b>Total current assets</b>	<b>750,379</b>	<b>870,347</b>
Property, equipment and leasehold improvements, net	86,107	80,843
Goodwill	1,008,454	965,848
Intangible assets, net	1,859,202	1,895,909
Deferred taxes	33,172	3,153
Lease right-of-use assets, net	141,837	159,458
Other assets	69,226	38,747
<b>TOTAL ASSETS</b>	<b>\$ 3,948,377</b>	<b>\$ 4,014,305</b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 120,816	\$ 108,395
Current lease liabilities	28,839	29,185
Accrued compensation	112,892	114,808
Deferred revenues	152,430	152,039
Current Taxes Payable	15,071	—
Dividends payable	37,265	33,860
<b>Total current liabilities</b>	<b>467,313</b>	<b>438,287</b>
Long-term debt	1,612,700	1,982,424
Deferred taxes	4,141	8,800
Deferred revenues, non-current	3,734	7,212
Taxes payable	34,672	34,211
Long-term lease liabilities	198,382	208,622
Other liabilities	6,844	3,341
<b>TOTAL LIABILITIES</b>	<b>\$ 2,327,786</b>	<b>\$ 2,682,897</b>
<b>STOCKHOLDERS' EQUITY</b>		
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>\$ 1,620,591</b>	<b>\$ 1,331,408</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 3,948,377</b>	<b>\$ 4,014,305</b>

## Consolidated Statements of Cash Flows (Unaudited)

(In thousands)	Twelve Months Ended	
	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 468,134	\$ 396,917
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	105,384	86,683
Amortization of lease right-of-use assets	32,344	38,949
Stock-based compensation expense	62,038	56,003
Deferred income taxes	(42,650)	(8,715)
Asset impairments	25,946	64,272
Changes in assets and liabilities, net of effects of acquisitions		
Accounts receivable, net of reserves	(40,103)	(32,980)
Accounts payable and accrued expenses	7,393	13,672
Accrued compensation	(3,431)	14,524
Deferred revenues	(3,387)	(6,100)
Taxes payable, net of prepaid taxes	53,991	(19,275)
Lease liabilities, net	(39,704)	(44,544)
Other, net	19,618	(35,049)
<b>Net cash provided by operating activities</b>	<b>645,573</b>	<b>524,357</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property, equipment, leasehold improvements and capitalized internal-use software	(60,786)	(37,236)
Acquisition of businesses, net of cash and cash equivalents acquired	(23,593)	(1,981,641)
Purchases of investments	(11,014)	(878)
<b>Net cash provided by (used in) investing activities</b>	<b>(95,393)</b>	<b>(2,019,755)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from debt	—	2,238,355
Repayment of debt	(375,000)	(825,000)
Payments of debt issuance costs	—	(9,736)
Dividend payments	(138,601)	(125,934)
Proceeds from employee stock plans	72,006	86,047
Repurchases of common stock	(176,720)	(18,639)
Other financing activities	(13,709)	(5,859)
<b>Net cash provided by (used in) financing activities</b>	<b>(632,024)</b>	<b>1,339,234</b>
Effect of exchange rate changes on cash and cash equivalents	4,015	(22,428)
Net increase (decrease) in cash and cash equivalents	(77,829)	(178,592)
Cash and cash equivalents at beginning of period	503,273	681,865
<b>Cash and cash equivalents at end of period</b>	<b>\$ 425,444</b>	<b>\$ 503,273</b>

## Reconciliation of U.S. GAAP Results to Adjusted Financial Measures

Financial measures in accordance with U.S. GAAP, including revenues, operating income and margin, net income, diluted EPS and cash provided by operating activities, have been adjusted below. FactSet uses these adjusted financial measures both in presenting its results to stockholders and the investment community and in its internal evaluation and management of the business. The Company believes that these adjusted financial measures and the information they provide are useful to investors because they permit investors to view the Company's performance using the same tools that management uses to gauge progress in achieving its goals. Adjusted measures may also facilitate comparisons to FactSet's historical performance.

### Revenues

The table below provides a reconciliation of revenues to adjusted revenues and organic revenues.

(Unaudited)

(In thousands)	Three Months Ended August 31,			Change	Twelve Months Ended August 31,		
	2023	2022			2023	2022	
Revenues	\$ 535,797	\$ 499,297		7.3 %	\$ 2,085,508	\$ 1,843,892	13.1 %
Deferred revenues fair value adjustment (a)	—	—			—	25	
Adjusted revenues	535,797	499,297		7.3 %	2,085,508	1,843,917	13.1 %
Acquired revenues (b)	(128)	—			(95,953)	—	
Currency impact (c)	(445)	—			5,398	—	
Organic revenues	\$ 535,224	\$ 499,297		7.2 %	\$ 1,994,953	\$ 1,843,917	8.2 %

(a) The amortization effect of purchase accounting adjustment on the fair value of acquired deferred revenue.

(b) Removes acquisition-related revenue recognized in the current fiscal quarter and year in which the comparable prior year period predated the acquisition(s).

(c) The impact from foreign currency movements over the past 12 months.

## Non-GAAP Financial Measures

The table below provides a reconciliation of operating income, operating margin, net income and diluted EPS to adjusted operating income, adjusted operating margin, adjusted net income, EBITDA and adjusted diluted EPS.

(dollar amounts in thousands, except per share data)	Three Months Ended			Twelve Months Ended		
	August 31,		% Change	August 31,		% Change
	2023	2022		2023	2022	
Operating income	\$ 117,103	\$ 132,219	(11.4)%	\$ 630,207	\$ 475,482	32.5 %
Deferred revenues fair value adjustment	—	—		—	25	
Intangible asset amortization	18,131	18,210		71,503	49,122	
Asset Impairments (a)	20,327	—		20,327	62,205	
Restructuring / severance	18,128	(332)		19,879	9,975	
Contingent Liability	6,239	3,610		6,239	3,610	
Business acquisition / integration costs (b)	206	3,152		7,033	20,608	
Transformation costs (c)	—	621		—	3,368	
Adjusted operating income	\$ 180,134	\$ 157,480	14.4 %	\$ 755,188	\$ 624,395	20.9 %
Operating margin	21.9 %	26.5 %		30.2 %	25.8 %	
Adjusted operating margin (d)	33.6 %	31.5 %		36.2 %	33.9 %	
Net income	\$ 65,080	\$ 104,422	(37.7)%	\$ 468,134	\$ 396,917	17.9 %
Deferred revenues fair value adjustment	—	—		—	22	
Intangible asset amortization	14,496	15,617		59,422	43,266	
Asset Impairments (a)	16,251	—		16,893	54,789	
Restructuring / severance	14,493	(285)		16,520	8,786	
Contingent Liability	4,988	3,096		5,185	3,180	
Business acquisition / integration costs (b)	165	2,703		5,845	18,151	
Transformation costs (c)	—	533		—	2,967	
Income tax items	(1,917)	(4,574)		(6,009)	(7,799)	
Adjusted net income (e)	\$ 113,556	\$ 121,512	(6.5)%	\$ 565,990	\$ 520,279	8.8 %
Net income	65,080	104,422	(37.7)%	468,134	396,917	17.9 %
Interest expense	16,691	15,580		66,319	35,697	
Income taxes	43,229	12,006		116,820	46,677	
Depreciation and amortization expense	26,703	26,506		105,384	86,683	
EBITDA	\$ 151,703	\$ 158,514	(4.3)%	\$ 756,657	\$ 565,974	33.7 %
Non-recurring non-cash expenses	20,504	—		20,963	62,205	
Adjusted EBITDA	\$ 172,207	\$ 158,514	8.6 %	\$ 777,620	\$ 628,179	23.8 %
Diluted earnings per common share	\$ 1.68	\$ 2.69	(37.5)%	\$ 12.03	\$ 10.25	17.4 %
Deferred revenues fair value adjustment	—	—		—	0.00	
Intangible asset amortization	0.38	0.41		1.53	1.11	
Asset Impairments (a)	0.42	—		0.43	1.41	
Restructuring / severance	0.37	(0.01)		0.43	0.23	
Contingent Liability	0.13	0.08		0.13	0.08	
Business acquisition / integration costs (b)	0.00	0.07		0.15	0.47	
Transformation costs (c)	—	0.01		—	0.08	
Income tax items	(0.05)	(0.12)		(0.15)	(0.20)	
Adjusted diluted earnings per common share (e)	\$ 2.93	\$ 3.13	(6.4)%	\$ 14.55	\$ 13.43	8.3 %
Weighted average common shares (Diluted)	38,784	38,820		38,898	38,736	

- (a) We reclassified Real estate charges to Asset impairments in the Non-GAAP Financial Measures to conform to current year's presentation. Asset impairments primarily related to impairment charges of lease right-of-use assets and property, equipment and leasehold improvements associated with vacating certain leased office space.
- (b) Related to acquisition and integration costs of the CGS acquisition.
- (c) Primarily related to professional fees associated with the ongoing multi-year investment plan.
- (d) Adjusted operating margin is calculated as adjusted operating income divided by adjusted revenues as shown in the revenues table above.
- (e) For purposes of calculating Adjusted net income and Adjusted diluted earnings per share, all adjustments for the three months ended August 31, 2023 and August 31, 2022 were taxed at an adjusted tax rate of 20.1% and 12.3%, respectively. The twelve months ended August 31, 2023 and August 31, 2022 were taxed at an adjusted tax rate of 16.9% and 11.9%, respectively.

### Business Outlook Operating Margin, Net Income and Diluted EPS

(Unaudited)

(In millions, except per share data)	Annual Fiscal 2024 Guidance			
		Low end of range		High end of range
Revenues	\$	2,210	\$	2,230
Operating income	\$	732	\$	747
<i>Operating margin</i>		33.1 %		33.5 %
Intangible asset amortization		70		71
Adjusted operating income	\$	802	\$	818
<i>Adjusted operating margin (a)</i>		36.3 %		36.7 %
Net income	\$	550	\$	569
Intangible asset amortization		60		59
Discrete tax items		(4)		(3)
Adjusted net income	\$	606	\$	625
Diluted earnings per common share	\$	14.20	\$	14.70
Intangible asset amortization		1.54		1.53
Discrete tax items		(0.09)		(0.08)
Adjusted diluted earnings per common share	\$	15.65	\$	16.15

- (a) Adjusted operating margin is calculated as adjusted operating income divided by adjusted revenues as shown in the organic revenues table above.

### Free Cash Flow

(Unaudited)

(In thousands)	Three Months Ended August 31,			Change	Twelve Months Ended August 31,			Change		
	2023	2022			2023	2022				
Net Cash Provided for Operating Activities	\$	175,911	\$	147,212		\$	645,573	\$	524,357	
Less: purchases of property, equipment, leasehold improvements and capitalized internal-use software		(19,606)		(11,065)			(60,786)		(37,236)	
Free Cash Flow	\$	156,305	\$	136,147	14.8 %	\$	584,787	\$	487,121	20.0 %

## Supplementary Schedules of Historical ASV by Client Type

The following table presents the percentages and growth rates of organic ASV by client type, excluding the impact of currency movements, and may be useful to facilitate historical comparisons. Organic ASV excludes acquisitions and dispositions completed within the last 12 months and the effects of foreign currency movements. The numbers below do not include professional services.

	Q4'23	Q3'23	Q2'23	Q1'23	Q4'22	Q3'22	Q2'22	Q1'22
% of ASV from buy-side clients	81.8%	82.1%	82.8%	82.8%	82.9%	83.7%	83.6%	83.1%
% of ASV from sell-side clients	18.2%	17.9%	17.2%	17.2%	17.1%	16.3%	16.4%	16.9%
ASV Growth rate from buy-side clients	6.9%	7.3%	8.1%	8.0%	8.5%	9.6%	8.4%	8.5%
ASV Growth rate from sell-side clients	9.3%	12.3%	15.8%	14.4%	13.8%	12.9%	12.6%	13.2%

The following table presents the calculation of organic ASV plus professional services.

(Details may not sum to total due to rounding)

(In millions)

	Q4'23	
As reported ASV plus Professional Services (a)	\$	2,174.6
Currency impact (b)		0.5
Acquisition ASV (c)		—
Organic ASV plus Professional Services	\$	2,175.1
Organic ASV plus Professional Services growth rate		7.1 %

(a) Includes \$22.7 million in professional services as of August 31, 2023.

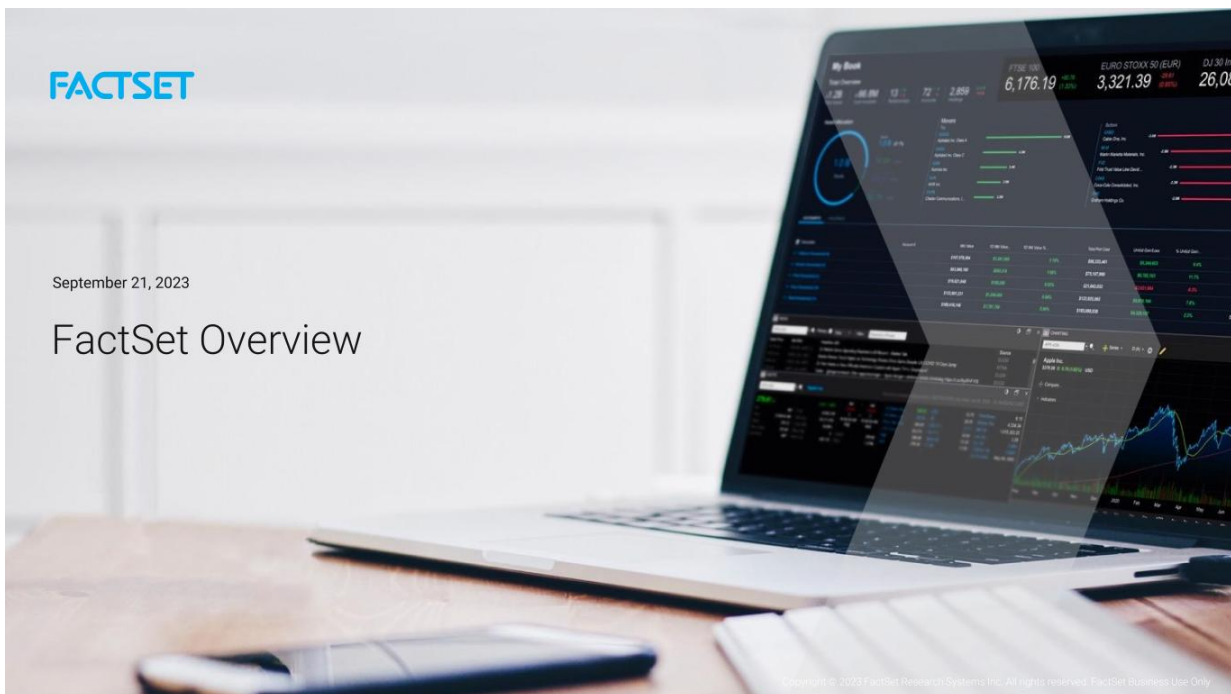
(b) The impact of foreign currency movements.

(c) ASV from acquisitions completed within the last 12 months.



September 21, 2023

# FactSet Overview



## 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 as of the date such statements are made 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 that may be made in connection with this presentation, references non-GAAP financial measures, such as ASV, adjusted operating metrics, adjusted diluted EPS, EBITDA, 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.

**Our purpose is to drive the investment community to see more, think bigger, and do its best work**

We are transforming the way our users discover, decide, and act on opportunities

- 01 **We are a growth company**  
We drive sustainable growth through continued investment and executional excellence.
- 02 **Innovation drives us**  
We relentlessly focus on products and solutions to meet the evolving needs of the market.
- 03 **Our large addressable market provides opportunity**  
We are a market leader with unique content that provides a deep competitive moat.
- 04 **Our subscription business provides stability**  
Our subscription-based model provides stable revenues and strong client retention.
- 05 **Talent and culture are our foundation**  
We focus on recruiting, retaining, and rewarding a diverse and empowered workforce.

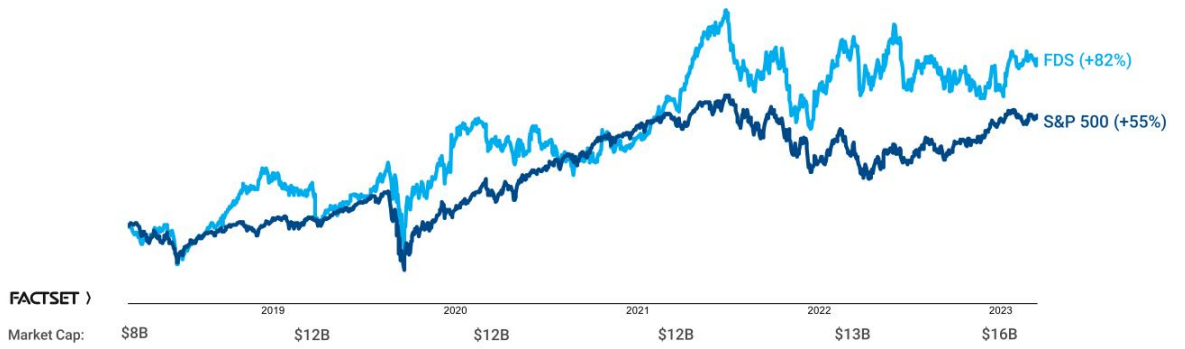


FactSet at a glance<sup>1</sup>



<sup>1</sup> Figures as of FactSet end of fiscal year, August 31, 2023  
<sup>2</sup> LTM Organic ASV + Professional Services based on last twelve months as of August 31, 2023  
<sup>3</sup> FY2023 actual as of August 31, 2023

The market continues to respond favorably to our performance and digital strategy

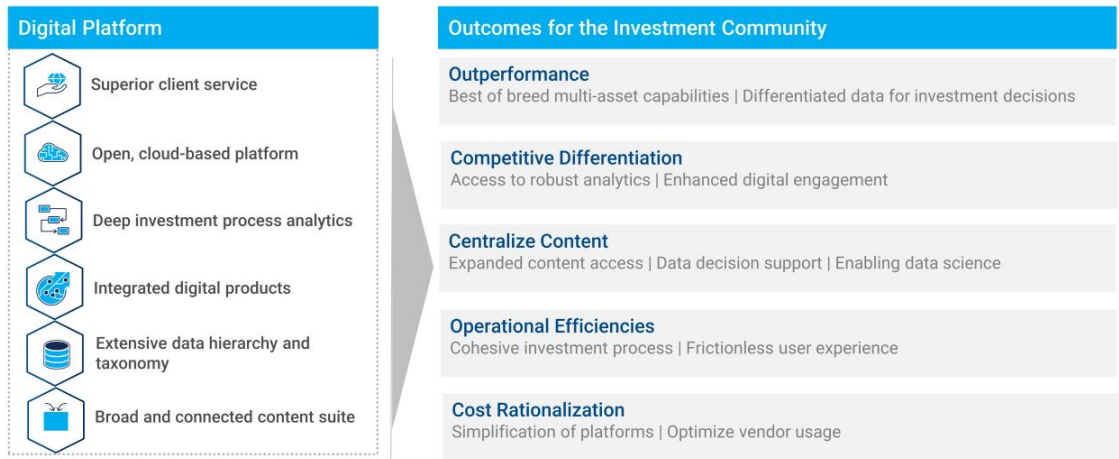


Notes:  
Market prices for the past 5 years through September 15, 2023

Build the leading **Innovation Platform** powering financial information that delivers differentiated advantage for our clients' success



Our digital platform is critical to the success of the investment community



Our data refinery expands our clients' knowledge and trust

Comprehensive and connected inventory of client, proprietary and third-party data that drives broader discoverability

**35**  
Core Proprietary  
Data Sets

Data Connectivity

- Listings
- Securities
- Entities
- People
- Transactions
- Relationships
  - Associations (e.g., Revenue, Frequency, History)

**800+**  
Third Party Data  
Vendors

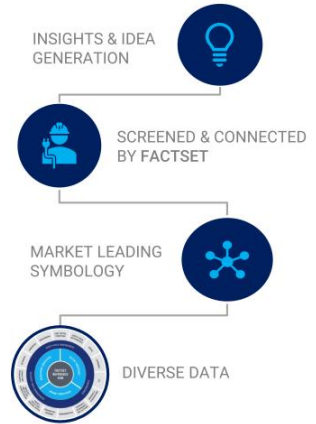
FactSet Proprietary Data

- Expansive coverage, depth, and speed of FactSet's core proprietary data portfolio
- Core Data: Speed
  - Core Data: Depth
  - Unique Data: Broad coverage

**5M+**  
Client  
Portfolios

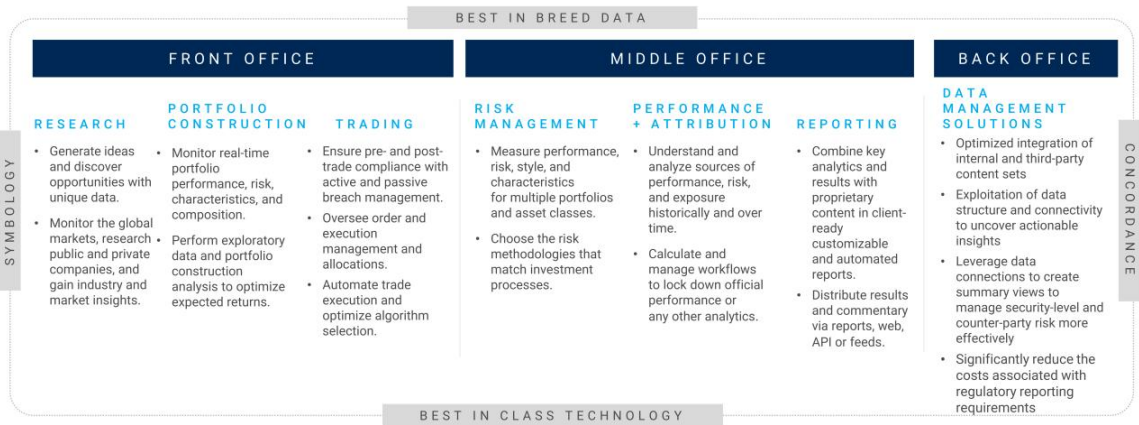
Open: FactSet Marketplace

- Utilizes FactSet's powerful data connectivity model to ease the onboarding process of third-party data
- Concordance to FactSet permanent entity identifiers
  - Consolidated contractual process
  - Sandbox for testing





Next-generation workflow solutions built on our content refinery



Our clients are at the center of what we do

Transforming the way our users discover, decide, and act on opportunities using our digital platform

Hyper-Personalized Products



- ❖ Push ideas and actions across the portfolio lifecycle
- ❖ Support anytime, anywhere decision-making via responsive, adaptable and accessible platforms

Trusted Partner



- ❖ Partner with our clients to provide the best services in the industry
- ❖ Provide an elevated level of technology and content expertise
- ❖ Expand our capabilities in professional services

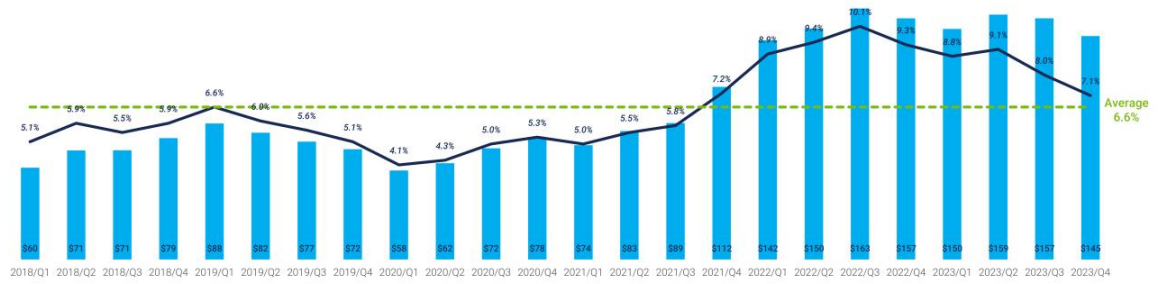
Open Ecosystem & Self-Service



- ❖ Remove friction from the client experience with solutions that are open, flexible, and easy to use
- ❖ Advance the Digital Transformation of our clients through our API program
- ❖ Offer a modern data layer with database capabilities in the cloud, including cloud marketplace integrations

## Historical LTM Organic ASV Growth

Strong execution drives higher retention in the Americas and strategic wins within Premier accounts



Note: Chart above includes QDS starting FY23 Q3

We have top-line growth and continued high retention

Incremental ASV<sup>1,2</sup> growth FY23  
actual \$145 million



**\$2.2B**

Organic ASV + Professional Services<sup>1</sup>

<sup>1</sup> LTM Organic ASV + Professional Services Growth Rate is based on the last twelve months as of August 31, 2023  
<sup>2</sup> CGS now included

ASV retention remains strong



Subscription based-business model



**189K+**

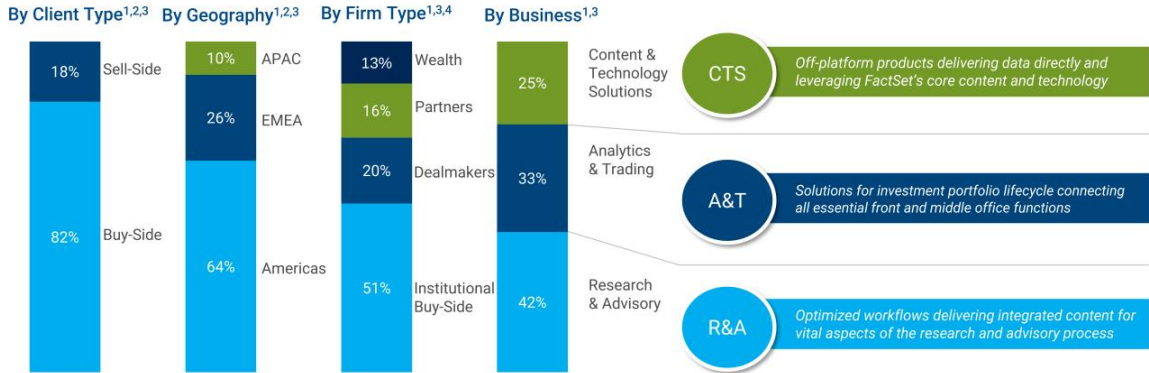
▲ 6% change since Q4/2022  
GLOBAL USERS

**7.9K+**

▲ 5% change since Q4/2022  
GLOBAL CLIENTS

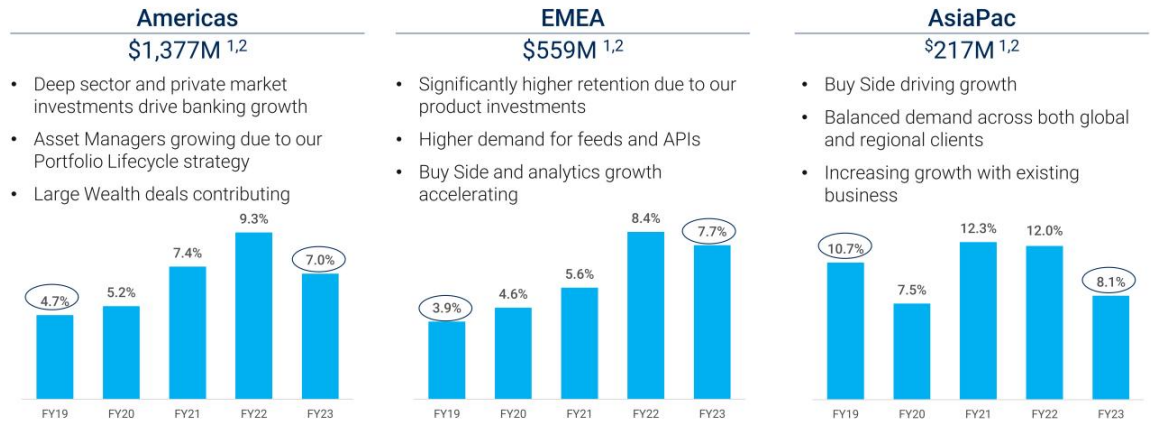
Executing our strategy through workflow solutions that leverage our content refinery

ASV Split by Client, Geography, Firm Type, and Business



<sup>1</sup> Percentage of Organic ASV + Professional Services as of August 31, 2023  
<sup>2</sup> Professional Services of \$22.7M not allocated by client type and geography  
<sup>3</sup> Including CGS beginning Q3 FY23  
<sup>4</sup> Reflects re-organization of Businesses into Firm Types, effective September 1, 2023  
 Note: Amounts may not add due to rounding

Our strategy building the leading open content and analytics platform has driven growth



<sup>1</sup> FY19 to FY23 Q4 Organic ASV LTM Growth Rates by Region  
<sup>2</sup> Includes CGS as of Q3 FY23

Recent deals complement our product offerings

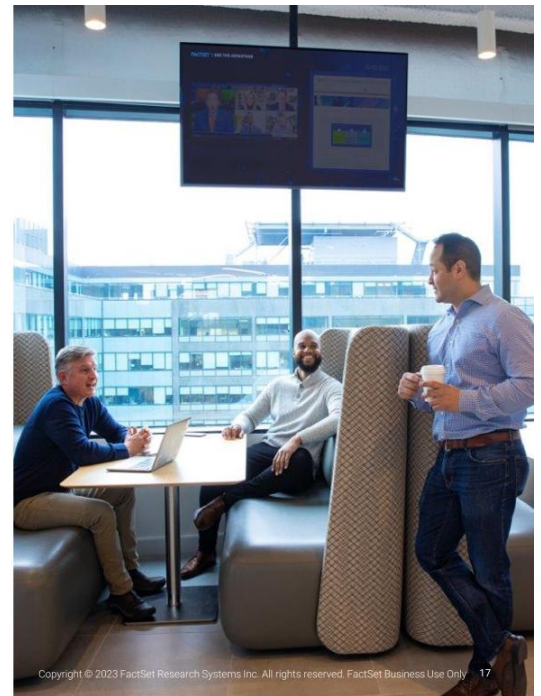


Headquarters	Boston, MA	Lakewood, CO	Boston, MA	New York, NY	New York, NY
Founded	2004	2014	2011	1968	2014
Sponsoring SBU	Analytics & Trading	Research & Advisory	Research & Advisory	CTS	CTS
Strategic Alignment	Portfolio Lifecycle	Deep Sector	Private Markets	Data Management Solutions	Data Management Solutions
Deal Rationale	Address product gap in behavioral analytics to differentiate our PLC offering	Accelerate the Power/Energy sub-strategy of our Deep Sector roadmap	Building block to accelerate entry into private market workflows and path to differentiated data	Enhances symbology, concordance, and reference data management	An innovator in data structuring and collection technology
Transaction Timing	Closed in Q4 FY21 (June 1, 2021)	Closed in Q4 FY21 (July 1, 2021)	Closed in Q1 FY22 (October 12, 2021)	Closed in Q3 FY22 (March 1, 2022)	Closed in Q4 FY23 (July 11, 2022)

## Our people and culture power our growth agenda

We empower our diverse and engaged team to meet our business needs and the needs of our clients

- Our client focus drives the creation of industry-leading products and services
- Our culture of innovation and collaboration makes FactSet an attractive firm for top talent, including technologists
- Our focused investment in learning and development allows us to "upskill" the workforce of the future
- The evolution of "the way we work" offers flexibility to support work/life balance and to increase productivity







## 2022 Sustainability Report – Key Highlights



Scan QR code to read FactSet's 2022 Sustainability Report



Our Awards

<p><b>BEST DATA ANALYTICS PROVIDER</b></p> <p>Inside Market Data &amp; Inside Reference Data Award Buy-Side Technology Award Fund Technology &amp; WSL Awards</p>		<p><b>BEST OVERALL TECHNOLOGY PROVIDER</b></p> <p>Buy-Side Technology Award Inside Market Data and Inside Reference Data Awards Financial Technologies Forum Awards</p>	<p><b>BEST RISK MANAGEMENT TECHNOLOGY PROVIDER</b></p> <p>MENA Fund Services Award Ranked 19 in Chartis RiskTech100 Private Equity Wire</p>
	<p><b>BEST BUY-SIDE PERFORMANCE MEASUREMENT AND ATTRIBUTION</b></p> <p>Buy-Side Technology Awards   Waters Ranking Awards Wealth &amp; Finance International Alternative Investment Awards</p>	<p><b>BEST REPORTING SYSTEM PROVIDER</b></p> <p>Waters Ranking Awards Wealth Briefing European Award</p>	<p><b>MARKETPLACE PARTNER OF THE YEAR</b></p> <p>Snowflake</p>

FACTSET

Financial Review | Fiscal 2023

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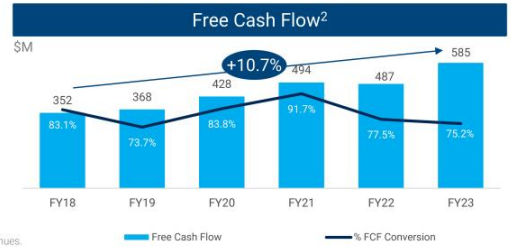
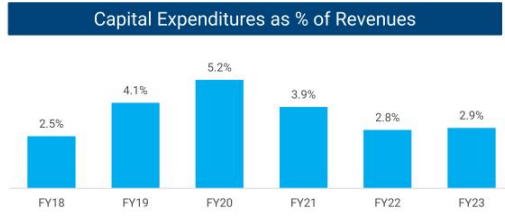
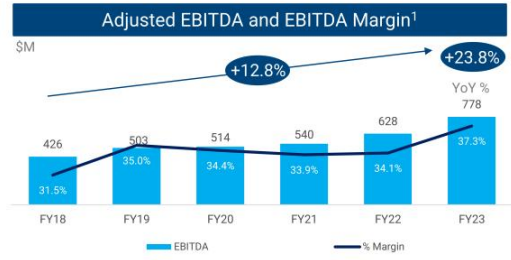
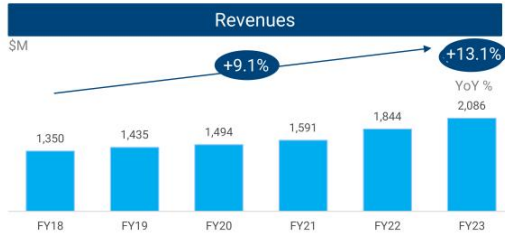
## Key Highlights

- 01 **Robust financial model** with 98.9% subscription-based revenues supported by pricing discipline, demonstrated EBITDA flow-through and strong free cash flow conversion
- 02 **Strategic investments** drive best-in-class solutions and scale up the content refinery, accelerating top-line growth
- 03 **Disciplined capital allocation** drives value creation while investment grade balance sheet ensures flexibility
- 04 **Sustainable earnings growth** driven by ASV growth, strategic investments and enterprise-wide productivity initiatives

\*FY23 Ending ASV and ASV LTM growth. Including CGS beginning in Q3 FY23



Attractive financial model with demonstrated strong free cash flow conversion



Note: Figures as of FactSet FY23 end August 31, 2023.  
<sup>1</sup> See appendix for a reconciliation of EBITDA to GAAP net income. EBITDA margin is defined as EBITDA as a percentage of Revenues.  
<sup>2</sup> See appendix for a reconciliation of Free Cash Flow to Cash Flows from Operations. FCF conversion is defined as Free Cash Flow as a percentage of EBITDA.

Returning capital to shareholders



### Net Income Payout Ratio <sup>2</sup>



### Cash Flow Payout Ratio <sup>3</sup>



Amounts may not add due to rounding.  
<sup>1</sup> Please see Appendix for free cash flow details.  
<sup>2</sup> Net income payout ratio reflects dividends as a percentage of net income.  
<sup>3</sup> Cash flow payout ratio reflects dividends as a percentage of free cash flow.

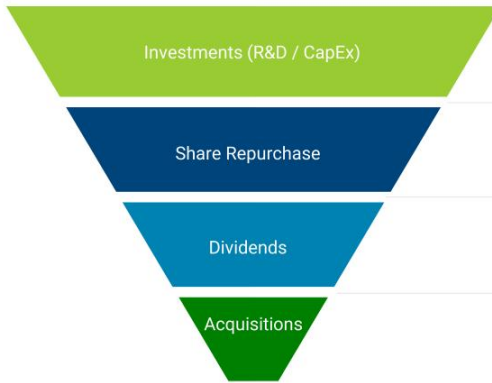


### Share Repurchases



Maintain disciplined capital allocation framework to sustain value creation

Capital Allocation Framework



Medium Term Goals

Target annual organic investment net ~100 to 150 bps of revenues  
CapEx goal 2.5% – 3% revenues

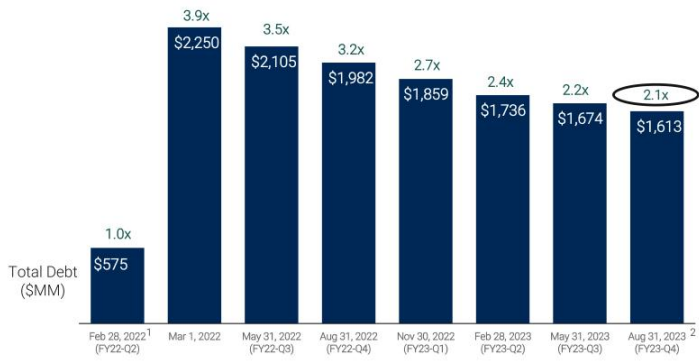
Normalized share repurchase program with expanded share repurchase authorization amount

Target quarterly dividend ~ 25% - 30% of net income

Current focus on cash flow neutral tuck-in acquisitions and partnerships

## Optimizing capital structure to ensure flexibility

### Gross Leverage (Debt / LTM EBITDA)



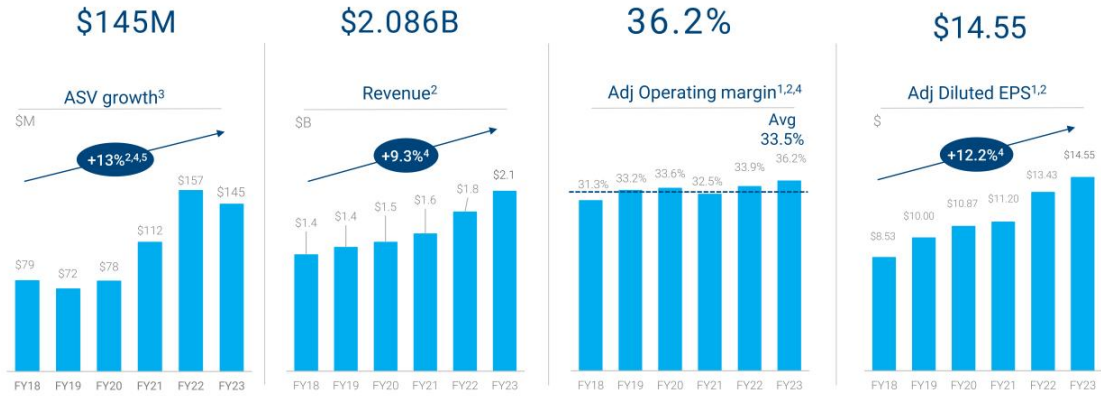
Debt incurred for CGS on March 1, 2022, included \$1.0B of new senior notes, \$1.0B of new term loan, \$250M drawn new revolver, net of repayment of \$575M previous revolver  
<sup>1</sup> Based on \$575M of drawn revolver as of February 28, 2022, and \$561M of FY22 Q2 LTM Adjusted EBITDA (excludes CGS); see appendix for Adjusted EBITDA reconciliation  
<sup>2</sup> Based on August 31, 2023, net of repayment of \$625m of the term facility, Q4 Debt of \$1,613m / \$778m FY23 Q4 LTM Adj. EBITDA = 2.1x  
<sup>3</sup> Leverage Ratio is calculated using Net Carrying Value of Debt and Adjusted 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 - \$375 million outstanding as of August 31, 2023
- Annual interest expense ~\$60 million, ramping down to ~\$46 million as term loan is repaid
- Floating rate exposure hedged with a fixed rate swap for the next 12 months



In fiscal year 2023 we delivered on ASV Growth, Revenue & Adjusted Operating Margin



...building on momentum of the last several years

<sup>1</sup> Please see Appendix for a reconciliation of these non-GAAP metrics to GAAP metrics.  
<sup>2</sup> Includes CUSIP Global Services (CGS)  
<sup>3</sup> Incremental ASV Growth  
<sup>4</sup> FY18-FY23 actual  
<sup>5</sup> Total Organic ASV Growth

## FACTSET

### Committed to balancing sustainable margin expansion with investing in innovation to drive top-line growth.

- Actively managed key expense drivers: people, real estate, technology, and third-party data in FY23
- Real estate rightsizing was completed in FY23, resulting in a 7% decrease in facility expenses year over year
- Technology, People and Third-party data costs will shape the margin in FY24

<b>People</b> 7% - 8% growth <sup>1</sup> (lower than ASV <sup>2</sup> growth)	<b>Real Estate</b> ~150 bps reduction (as % Revenues)	<b>Technology</b> Support growth and investments (8.5% - 9.5% of Revenues)	<b>Third-Party Data Costs</b> 5% - 6% growth <sup>1</sup> (lower than ASV <sup>2</sup> growth)
<ul style="list-style-type: none"><li>• Increase workforce productivity with improved technology and "upskilling"</li><li>• 67% in COE locations<sup>3</sup></li><li>• Prioritize resources for new investments and growth opportunities</li></ul>	<ul style="list-style-type: none"><li>• Reduced real estate footprint due to hybrid operating model</li><li>• Significant reduction of real estate completed in Q4 FY23</li><li>• Rationalization for Q4 FY 23 was approximately \$20 million</li></ul>	<ul style="list-style-type: none"><li>• Investing in generative AI technology to drive next-generation workflow solutions</li><li>• Continue to invest in Cloud to optimize performance</li><li>• Increase expense growth to support investment strategy</li></ul>	<ul style="list-style-type: none"><li>• Rationalize data sources</li><li>• Support strategic initiatives while managing base cost growth to inflation increases</li></ul>

<sup>1</sup> Average target growth rate through FY25

<sup>2</sup> Organic ASV + Professional Services

<sup>3</sup> As of August 31, 2023

FACTSET

APPENDIX

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At the midpoint, guidance for fiscal 2024 reflects ASV growth of 7% and adjusted operating margin of 36.5%, an expansion of 30bps over fiscal 2023

	<b>FISCAL 2024 OUTLOOK</b> <i>As of September 21, 2023</i>
Organic ASV + Professional Services Growth <sup>1</sup>	\$130 - \$175 million
Revenues	\$2,210 - \$2,230 million
Operating Margin	33.1% - 33.5%
Adjusted Operating Margin	36.3% - 36.7%
Effective Tax Rate	17% - 18%
Diluted EPS	\$14.20 - \$14.70
Adjusted Diluted EPS	\$15.65 - \$16.15

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.

<sup>1</sup> Organic ASV + Professional Services growth as compared to fiscal 2023

## FactSet EBITDA and Adjusted EBITDA reconciliation

(\$ in millions)	FY2018 <sup>1</sup>	FY2019 <sup>1</sup>	FY2020 <sup>1</sup>	FY2021 <sup>1</sup>	FY2022 <sup>1</sup>	FY2023 <sup>1</sup>
Net Income	\$267.1	\$352.8	\$372.9	\$399.6	\$396.9	\$468.1
Interest Expense <sup>2</sup>	16.3	20.1	13.1	8.2	35.7	66.3
Income Taxes	84.8	69.2	54.2	68.0	46.7	116.8
Depreciation and Amortization Expense	57.3	60.5	57.6	64.5	86.7	105.4
<b>EBITDA</b>	<b>\$425.5</b>	<b>\$502.6</b>	<b>\$497.8</b>	<b>\$540.3</b>	<b>\$566.0</b>	<b>\$756.7</b>
Non-Recurring Non-Cash Expenses <sup>3</sup>	—	—	16.5	—	62.2	21.0
<b>Adjusted EBITDA</b>	<b>\$425.5</b>	<b>\$502.6</b>	<b>\$514.3</b>	<b>\$540.3</b>	<b>\$628.2</b>	<b>\$777.6</b>

Note: Columns may not foot due to rounding

<sup>1</sup> Fiscal year ending August 31

<sup>2</sup> Gross interest expense

<sup>3</sup> FY2020 impairment charge to reflect the estimated fair value of an investment in a company, 2022 and 2023 impairment charge related to the exit of certain leased office space

## FactSet free cash flow reconciliation

(\$ millions)	FY2018 <sup>1</sup>	FY2019 <sup>1</sup>	FY2020 <sup>1</sup>	FY2021 <sup>1</sup>	FY2022 <sup>1</sup>	FY2023 <sup>1</sup>
Net cash provided by operating activities	\$385.7	\$427.1	\$505.8	\$555.2	\$538.3	\$645.6
Capital Expenditures <sup>2</sup>	(33.5)	(59.4)	(77.6)	(61.3)	(51.2)	(60.8)
<b>Free Cash Flow</b>	<b>\$352.1</b>	<b>\$367.8</b>	<b>\$428.2</b>	<b>\$493.9</b>	<b>\$487.1</b>	<b>\$584.8</b>

Note: Columns may not foot due to rounding

<sup>1</sup> Fiscal year ending August 31

<sup>2</sup> Includes property, equipment, leasehold improvements and capitalized internal-use software

## 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	\$2,210	\$2,230
Operating Income	\$732	\$747
<b>Operating Margin</b>	<b>33.1%</b>	<b>33.5%</b>
Intangible Asset Amortization	70	71
Adjusted Operating Income	\$ 802	\$ 818
<b>Adjusted Operating Margin</b>	<b>36.3%</b>	<b>36.7%</b>
Net Income	\$550	\$569
Intangible Asset Amortization	60	59
Discrete tax items	(4)	(3)
<b>Adjusted Net Income</b>	<b>\$606</b>	<b>\$625</b>

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## Non-GAAP Reconciliations

### Business Outlook Adjusted Diluted EPS

(In Millions Except Per Share Data)	Low-end of range	High-end of range
Diluted earnings per common share	\$14.20	\$14.70
Intangible asset amortization	1.54	1.53
Discrete tax items	(0.09)	(0.08)
Adjusted diluted earnings per common share	\$15.65	\$16.15

Note: Amounts may not add due to rounding

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