

**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): June 22, 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 June 22, 2023, FactSet Research Systems Inc. ("FactSet" or the "Company") issued a press release announcing its results for the three months ended May 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 June 22, 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
99.1	Press Release of FactSet Research Systems Inc., dated June 22, 2023, announcing its results for the three months ended May 31, 2023
99.2	Investor Presentation of FactSet Research Systems Inc. dated June 22, 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)

June 22, 2023

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

FactSet Reports Results for Third Quarter 2023

- Q3 GAAP revenues of \$529.8 million, up 8.4% from Q3 2022
- Organic Q3 ASV plus professional services of \$2.1 billion, up 8.0% year over year
- Q3 GAAP operating margin of 32.5%, up 1,260 bps year over year, and adjusted operating margin of 36.0%, down 60 bps from the prior year
- Q3 GAAP diluted EPS of \$3.46, up 79.3% from the prior year, and adjusted diluted EPS of \$3.79, up 0.8% year over year
- FactSet is updating its fiscal 2023 guidance, with an expected adjusted operating margin of 35%-36% and adjusted diluted EPS growth of 10%-13%. Organic ASV growth and GAAP revenues are expected to be at the lower end of previously communicated ranges.

NORWALK, Conn., June 22, 2023 - FactSet ("FactSet" or the "Company") (NYSE:FDS) (NASDAQ:FDS), a global financial digital platform and enterprise solutions provider, today announced results for its third quarter ended May 31, 2023.

Third Quarter Fiscal 2023 Highlights

- **GAAP revenues** increased 8.4%, or \$41.1 million, to \$529.8 million for the third quarter of fiscal 2023 compared with \$488.8 million for the same period in fiscal 2022. The increase was primarily due to 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 8.5% to \$530.3 million during the third quarter of fiscal 2023 from the prior year period.
- **Annual Subscription Value (ASV)** plus professional services was \$2.1 billion at May 31, 2023, compared with \$2.0¹ billion at May 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 \$2.1 billion at May 31, 2023, up \$156.6 million from the prior year at a growth rate of 8.0%.
- **Organic ASV** plus professional services increased \$21.2 million over the last three months. The primary contributor to this growth was Analytics & Trading solutions. Please see the "ASV + Professional Services" section of this press release for details.
- **GAAP operating margin** increased to 32.5% compared with 19.9% for the prior year, driven by the lapping of the previous year's impairment charge of \$49 million and \$12 million of expenses related to the acquisition of CUSIP Global Services (CGS). Adjusted operating margin decreased to 36.0% compared with 36.6% in the prior year period due to higher personnel costs and technology expenses, partially offset by lower third-party content costs, lower facilities expenses, and favorable impact from foreign exchange.
- **GAAP diluted earnings per share (EPS)** increased 79.3% to \$3.46 compared with \$1.93 for the same period in fiscal 2022, primarily due to lapping the prior year's non-recurring items, partially offset by increased income taxes. Adjusted diluted EPS increased 0.8% to \$3.79, compared with \$3.76 for the prior year period, driven by higher revenues mostly offset by higher income taxes.
- **Adjusted EBITDA** increased to \$205.3 million, up 15.6% for the third quarter of fiscal 2023 compared with \$177.6 million for the same period in fiscal 2022, driven by higher operating income and the lapping of expenses related to the CGS acquisition.
- 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 third quarter of fiscal 2023, FactSet paid \$62.5 million towards the term loan, and as of May 31, 2023, FactSet had made a total of \$562.5 million in total term loan payments.
- The Company's **effective tax rate** for the third quarter of fiscal 2023 increased to 16.9% compared with 12.2% for the three months ended May 31, 2022, primarily due to lower stock option exercises.
- FactSet updated its annual outlook for fiscal 2023. Please see the "Annual Business Outlook" section of this press release for details.

¹ Prior year Total ASV now reflects additional CGS revenues not previously included.

"We are pleased with our third-quarter results, which reflect the resiliency of our business in an uncertain environment," said Phil Snow, FactSet CEO. "As technology rapidly evolves, we remain confident in our ability to innovate and capture market share as we meet the needs of our clients."

Key Financial Measures*

(Condensed and Unaudited)

(In thousands, except per share data)	Three Months Ended			Change
	2023	May 31,	2022	
Revenues	\$	529,811	\$ 488,751	8.4 %
Organic revenues	\$	530,321	\$ 488,752	8.5 %
Operating income	\$	171,959	\$ 97,254	76.8 %
Adjusted operating income	\$	190,932	\$ 179,066	6.6 %
Operating margin		32.5 %	19.9 %	
Adjusted operating margin		36.0 %	36.6 %	
Net income	\$	134,663	\$ 74,910	79.8 %
Adjusted net income	\$	147,667	\$ 145,794	1.3 %
Adjusted EBITDA	\$	205,284	\$ 177,610	15.6 %
Diluted EPS	\$	3.46	\$ 1.93	79.3 %
Adjusted diluted EPS	\$	3.79	\$ 3.76	0.8 %

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

"Our continued cost management efforts are on track," said Linda Huber, FactSet CFO. "As a result, we have increased our fiscal 2023 adjusted operating margin guidance by 100 basis points to 35% -36%, with continued high single-digit ASV growth and double-digit EPS growth."

Annual Subscription Value (ASV) + Professional Services

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 \$2,120.1 million at May 31, 2023, compared with \$1,965.6 million at May 31, 2022. Organic ASV plus professional services was \$2,120.2 million at May 31, 2023, up \$156.6 million from the prior year at a growth rate of 8.0%. Organic ASV, which excludes the effects of acquisitions and dispositions completed within the last 12 months and foreign currency movements, plus professional services, increased \$21.2 million over the last three months.

Buy-side and sell-side organic ASV growth rates for the third quarter of fiscal 2023 were 7.3% and 12.3%, 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 ASV¹

ASV from the Americas region was \$1,344.7 million compared with ASV in the prior year period of \$1,245.2 million. Organic ASV increased 8.0% to \$1,344.7 million. Americas revenues for the quarter increased to \$337.7 million compared with \$309.7 million in

the third 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 9.0%.

ASV from the EMEA region was \$541.3 million compared with ASV in the prior year period of \$504.0 million. Organic ASV increased 7.4% to \$540.7 million. EMEA revenues were \$138.0 million compared with \$128.3 million in the third 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 7.5%.

ASV from the Asia Pacific region was \$209.8 million compared with ASV in the prior year period of \$192.0 million. Organic ASV increased 10.5% to \$210.5 million. Asia Pacific revenues were \$54.1 million compared with \$50.7 million in the third 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 7.9%.

Segment ASV does not include professional services, which totaled \$24.3 million at May 31, 2023.

Operational Highlights – Third Quarter Fiscal 2023

- Client count as of May 31, 2023 was 7,770, a net increase of 40 clients in the past three months, primarily driven by an increase in corporate and wealth management clients. The count includes clients with ASV of \$10,000 and more.
- User count increased by 1,382 to 187,845 in the past three months, primarily driven by an increase in asset management, asset owner, and wealth management users.
- Annual ASV retention was greater than 95%. When expressed as a percentage of clients, annual retention was 92%.
- Employee count was 12,072 as of May 31, 2023, up 12.9% 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. 65% of our employees are in our Centers of Excellence.
- Net cash provided by operating activities increased to \$218.6 million compared with \$192.0 million for the third quarter of fiscal 2022, primarily related to higher net income as well as the timing of income tax payments, partially offset by a higher bonus payout in the current year. Quarterly free cash flow increased to \$192.6 million compared with \$176.6 million a year ago, an increase of 9.1%, driven by cash generated from working capital changes as well as the timing of income tax payments.
- A quarterly dividend of \$37.4 million, or \$0.98 per share, was paid on June 15, 2023, to holders of record of FactSet's common stock at the close of business on May 31, 2023. This represented a 10% increase in the regular quarterly dividend from the \$0.89 per share paid in the previous quarter and marks the twenty-fourth consecutive year the Company has increased dividends on a stock split-adjusted basis.
- The Company announced the appointment of Elisha Wiesel to its Board of Directors. Wiesel is a founding partner and the Chief Risk Officer of ClearAlpha Technologies, an emerging investment manager. Previously, Wiesel spent 25 years at Goldman Sachs, including 15 years as a partner, innovating in software, markets, and risk management. He also served as Chief Risk Officer of the Securities Division for seven years and as Chief Information Officer for three years.

Share Repurchase Program

FactSet repurchased 165,950 shares of its common stock for \$67.1 million at an average price of \$404.29 during the third quarter under the Company's existing share repurchase program. As of May 31, 2023, \$114.2 million is available for share repurchases under this program. Additionally, on June 20, 2023, the Board of Directors of FactSet approved a new share repurchase program of up to \$300 million, which will be available on September 1, 2023.

Annual Business Outlook

FactSet is updating its outlook for fiscal 2023 from its previous guidance provided on March 22, 2023. 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 2023 Expectations

- Organic ASV plus professional services growth is expected to be in the lower end of the range of \$145 million to \$175 million during fiscal 2023.
- GAAP revenues are expected to be in lower end of the range of \$2,080 million to \$2,100 million.
- GAAP operating margin is expected to be in the range of 29.0% to 30.0%, a 50 basis point decrease at the midpoint from the prior guidance of 29.5% - 30.5%
- Adjusted operating margin is expected to be in the range of 35.0% to 36.0%, a 100 basis point increase at the midpoint from the prior guidance of 34.0% - 35.0%
- FactSet's annual effective tax rate is expected to be in the range of 14.0% to 15.0%, a 50 basis point increase at the midpoint from the prior guidance of 13.5% - 14.5%
- GAAP diluted EPS is expected to be in the range of \$12.25 to \$12.65, a \$0.20 decrease at the midpoint from the prior guidance of \$12.45 - \$12.85
- Adjusted diluted EPS is expected to be in the range of \$14.75 to \$15.15, a \$0.25 increase at the midpoint from the prior guidance of \$14.50 - \$14.90

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 2023. Please see the back of this press release for a reconciliation of GAAP to adjusted metrics.

Conference Call

Third Quarter 2023 Conference Call Details

Date: Thursday, June 22, 2023
Time: 11:00 a.m. Eastern Time
Participant Registration: [FactSet Q3 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 June 22, 2023, through June 22, 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 over 7,500 global clients, including over 185,000 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&P500, we are committed to sustainable growth and have repeatedly scored 100 on the Human Rights Campaign® Corporate Equality Index and 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 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 May 31,			Nine Months Ended May 31,		
	2023	2022		2023	2022	
Revenues	\$ 529,811	\$ 488,751	\$	1,549,711	\$ 1,344,595	\$
Operating expenses						
Cost of services	241,689	222,618		709,537	629,162	
Selling, general and administrative	115,725	119,881		325,903	309,185	
Asset impairments	438	48,998		1,167	62,985	
Total operating expenses	357,852	391,497		1,036,607	1,001,332	
Operating income	171,959	97,254		513,104	343,263	
Other income (expense), net						
Interest income	3,083	4,133		8,191	4,900	
Interest expense	(16,354)	(16,184)		(49,628)	(20,118)	
Other income (expense), net	3,310	77		4,978	(879)	
Income before income taxes	161,998	85,280		476,645	327,166	
Provision for income taxes	27,335	10,370		73,591	34,671	
Net income	\$ 134,663	\$ 74,910	\$	403,054	\$ 292,495	\$
Diluted earnings per common share	\$ 3.46	\$ 1.93	\$	10.35	\$ 7.58	\$
Diluted weighted average common shares	38,912	38,720		38,936	38,607	

Consolidated Balance Sheets (Unaudited)

(In thousands)	May 31, 2023	August 31, 2022
ASSETS		
Cash and cash equivalents	\$ 486,627	\$ 503,273
Investments	32,151	33,219
Accounts receivable, net of reserves of \$5,956 at May 31, 2023 and \$2,776 at August 31, 2022	237,794	204,102
Prepaid taxes	21,566	38,539
Prepaid expenses and other current assets	66,171	91,214
Total current assets	844,309	870,347
Property, equipment and leasehold improvements, net	81,908	80,843
Goodwill	982,162	965,848
Intangible assets, net	1,859,242	1,895,909
Deferred taxes	12,041	3,153
Lease right-of-use assets, net	156,786	159,458
Other assets	61,462	38,747
TOTAL ASSETS	\$ 3,997,910	\$ 4,014,305
LIABILITIES		
Accounts payable and accrued expenses	\$ 110,282	\$ 108,395
Current lease liabilities	29,600	29,185
Accrued compensation	75,803	114,808
Deferred revenues	147,813	152,039
Dividends payable	37,442	33,860
Total current liabilities	400,940	438,287
Long-term debt	1,674,194	1,982,424
Deferred taxes	6,068	8,800
Deferred revenues, non-current	7,580	7,212
Taxes payable	36,448	34,211
Long-term lease liabilities	200,740	208,622
Other liabilities	3,107	3,341
TOTAL LIABILITIES	\$ 2,329,077	\$ 2,682,897
STOCKHOLDERS' EQUITY		
TOTAL STOCKHOLDERS' EQUITY	\$ 1,668,833	\$ 1,331,408
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 3,997,910	\$ 4,014,305

Consolidated Statements of Cash Flows (Unaudited)

(In thousands)	Nine Months Ended May 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 403,054	\$ 292,495
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	78,681	60,176
Amortization of lease right-of-use assets	29,245	32,936
Stock-based compensation expense	44,365	40,604
Deferred income taxes	(12,716)	(5,488)
Asset impairments	1,167	62,985
Changes in assets and liabilities, net of effects of acquisitions		
Accounts receivable, net of reserves	(37,879)	(39,005)
Accounts payable and accrued expenses	5,870	15,292
Accrued compensation	(39,935)	(23,992)
Deferred revenues	(3,861)	4,091
Taxes payable, net of prepaid taxes	19,112	(18,552)
Lease liabilities, net	(34,041)	(35,961)
Other, net	36,841	1,343
Net cash provided by operating activities	489,903	386,924
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, equipment, leasehold improvements and capitalized internal-use software	(61,421)	(35,950)
Acquisition of businesses, net of cash and cash equivalents acquired	—	(1,981,641)
Purchases of investments	(10,889)	(678)
Net cash provided by (used in) investing activities	(72,310)	(2,018,269)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from debt	—	2,238,355
Repayment of debt	(312,500)	(700,000)
Payments of debt issuance costs	—	(9,736)
Dividend payments	(101,377)	(92,334)
Proceeds from employee stock plans	55,885	74,173
Repurchases of common stock	(67,092)	(18,639)
Other financing activities	(12,273)	(3,263)
Net cash provided by (used in) financing activities	(437,357)	1,488,556
Effect of exchange rate changes on cash and cash equivalents	3,118	(12,110)
Net increase (decrease) in cash and cash equivalents	(16,646)	(154,899)
Cash and cash equivalents at beginning of period	503,273	681,865
Cash and cash equivalents at end of period	\$ 486,627	\$ 526,966

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 May 31,		Change
	2023	2022	
Revenues	\$ 529,811	\$ 488,751	8.4 %
Deferred revenues fair value adjustment (a)	—	1	
Adjusted revenues	529,811	488,752	8.4 %
Acquired revenues (b)	—	—	
Currency impact (c)	510	—	
Organic revenues	\$ 530,321	\$ 488,752	8.5 %

(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 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.

(Unaudited)

(In thousands, except per share data)	Three Months Ended			Change
	2023	May 31,	2022	
Operating income	\$	171,959	\$ 97,254	76.8 %
Deferred revenues fair value adjustment		—	1	
Intangible asset amortization		17,655	18,548	
Restructuring / severance		1,318	1,079	
Real estate charges (a)		—	48,797	
Business acquisition / integration costs (b)		—	12,408	
Transformation costs (c)		—	979	
Adjusted operating income	\$	190,932	\$ 179,066	6.6 %
Operating margin		32.5 %	19.9 %	
Adjusted operating margin (d)		36.0 %	36.6 %	
Net income	\$	134,663	\$ 74,910	79.8 %
Deferred revenues fair value adjustment		—	1	
Intangible asset amortization		14,406	16,184	
Restructuring / severance		1,075	941	
Real estate charges (a)		—	42,577	
Business acquisition / integration costs (b)		—	10,827	
Transformation costs (c)		—	854	
Income tax items		(2,477)	(500)	
Adjusted net income (e)	\$	147,667	\$ 145,794	1.3 %
Net income	\$	134,663	\$ 74,910	79.8 %
Interest expense		16,354	16,184	
Income taxes		27,335	10,370	
Depreciation and amortization expense		26,473	27,349	
EBITDA	\$	204,825	\$ 128,813	59.0 %
Non-cash severance		459	—	
Real estate charges		—	48,797	
Adjusted EBITDA	\$	205,284	\$ 177,610	15.6 %
Diluted earnings per common share	\$	3.46	\$ 1.93	79.3 %
Deferred revenues fair value adjustment		—	0.00	
Intangible asset amortization		0.36	0.42	
Restructuring / severance		0.03	0.02	
Real estate charges (a)		—	1.10	
Business acquisition / integration costs (b)		—	0.28	
Transformation costs (c)		—	0.02	
Income tax items		(0.06)	(0.01)	
Adjusted diluted earnings per common share (e)	\$	3.79	\$ 3.76	0.8 %
Weighted average common shares (Diluted)		38,912	38,720	

- (a) 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 were taxed at the quarterly effective tax rates of 16.9% for fiscal 2023 and 12.7% for fiscal 2022.

Business Outlook Operating Margin, Net Income and Diluted EPS

(Unaudited)

(In millions, except per share data)	Annual Fiscal 2023 Guidance	
	Low end of range	High end of range
Revenues	\$ 2,080	\$ 2,100
Operating income	\$ 603	\$ 630
<i>Operating margin</i>	<i>29.0 %</i>	<i>30.0 %</i>
Intangible asset amortization	71	71
Restructuring / severance	29	29
Real estate charges	18	20
Business acquisition / integration costs (a)	7	7
Adjusted operating income	\$ 728	\$ 756
<i>Adjusted operating margin (b)</i>	<i>35.0 %</i>	<i>36.0 %</i>
Net income	\$ 469	\$ 497
Intangible asset amortization	60	61
Restructuring / severance	24	24
Real estate charges	15	17
Business acquisition / integration costs (a)	6	6
Discrete tax items	(7)	(7)
Adjusted net income	\$ 567	\$ 598
Diluted earnings per common share	\$ 12.25	\$ 12.65
Intangible asset amortization	1.55	1.57
Restructuring / severance	0.58	0.51
Real estate charges	0.39	0.44
Business acquisition / integration costs (a)	0.15	0.15
Discrete tax items	(0.17)	(0.17)
Adjusted diluted earnings per common share	\$ 14.75	\$ 15.15

- (a) Related to integration costs of the CGS acquisition.
- (b) 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			Change
	2023	May 31,	2022	
Net Cash Provided for Operating Activities	\$	218,589	\$ 191,972	
Less: purchases of property, equipment, leasehold improvements and capitalized internal-use software		(26,005)	(15,404)	
Free Cash Flow	\$	192,584	\$ 176,568	9.1 %

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.

	Q3'23	Q2'23	Q1'23	Q4'22	Q3'22	Q2'22	Q1'22	Q4'21
% of ASV from buy-side clients	82.1%	82.8%	82.8%	82.9%	83.7%	83.6%	83.1%	83.2%
% of ASV from sell-side clients	17.9%	17.2%	17.2%	17.1%	16.3%	16.4%	16.9%	16.8%
ASV Growth rate from buy-side clients	7.3%	8.1%	8.0%	8.5%	9.6%	8.4%	8.5%	6.5%
ASV Growth rate from sell-side clients	12.3%	15.8%	14.4%	13.8%	12.9%	12.6%	13.2%	12.0%

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

(Details may not sum to total due to rounding)

(In millions)	Q3'23
As reported ASV plus Professional Services (a)	\$ 2,120.1
Currency impact (b)	0.1
Acquisition ASV (c)	—
Organic ASV plus Professional Services	\$ 2,120.2
Organic ASV plus Professional Services growth rate	8.0 %

(a) Includes \$24.3 million in professional services as of May 31, 2023.

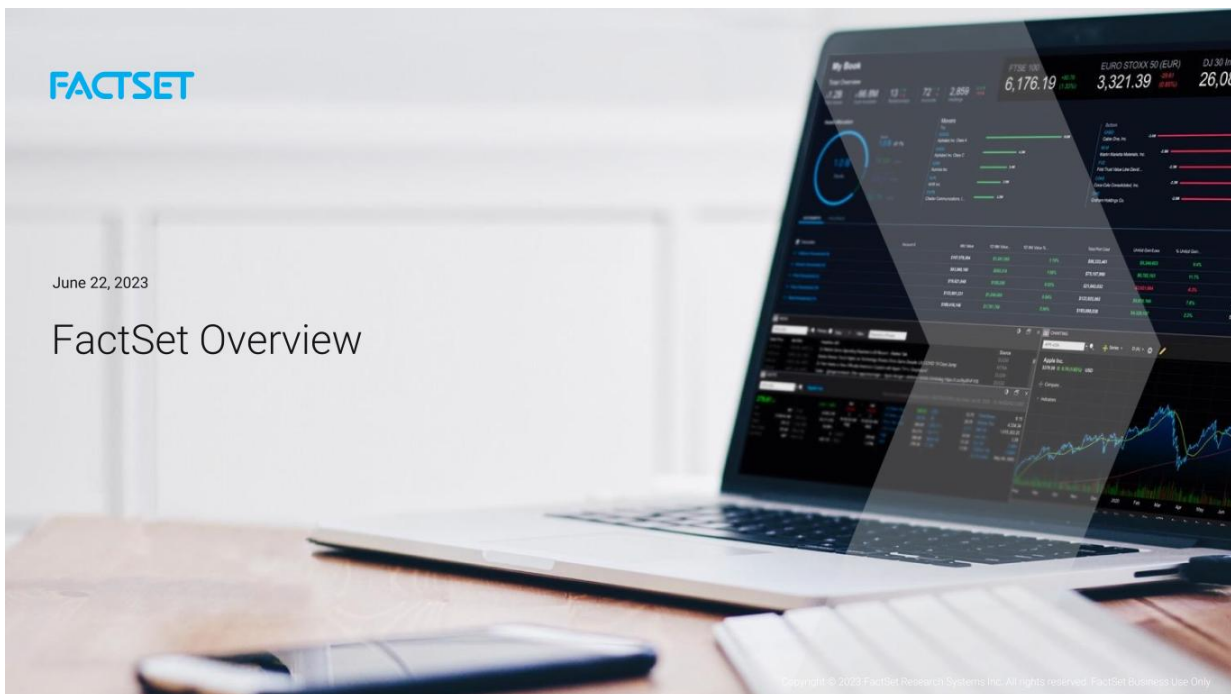
(b) The impact of foreign currency movements.

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

FACTSET

June 22, 2023

FactSet Overview



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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.

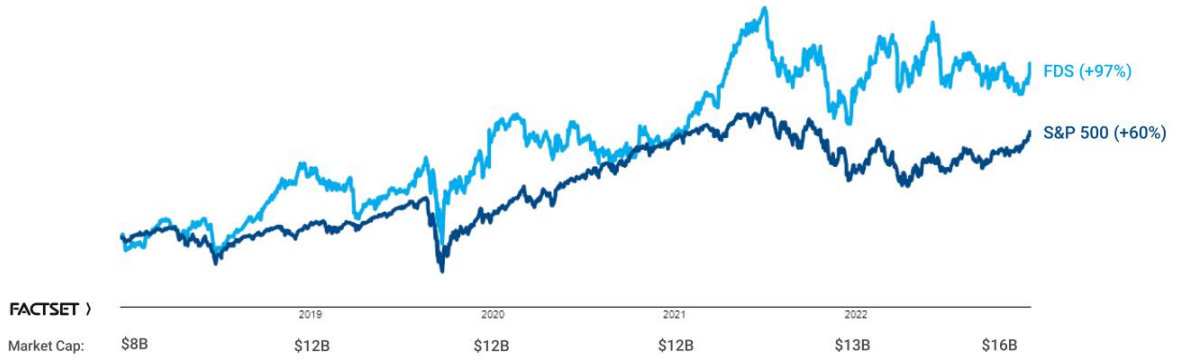


FactSet at a glance¹



¹ Figures as of FactSet Q3 FY2023, May 31, 2023
² LTM Organic ASV + Professional Services based on last twelve months as of May 31, 2023
³ Q3 FY2023 actual as of May 31, 2023
⁴ Including CGS

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



Notes:
Market prices for the past 5 years through to June 16, 2023
FactSet began trading on the New York Stock Exchange on June 28, 1996

Five key trends inform our strategic investments to drive growth



Efficiency of Operations



Technology Disruption, Generational Shift



Value Investing and Regulation



Alpha Driven by Depth of Data



Multi-Asset Class Content and Analytics

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

Provide the most comprehensive and connected inventory of client, proprietary and third-party content in our industry

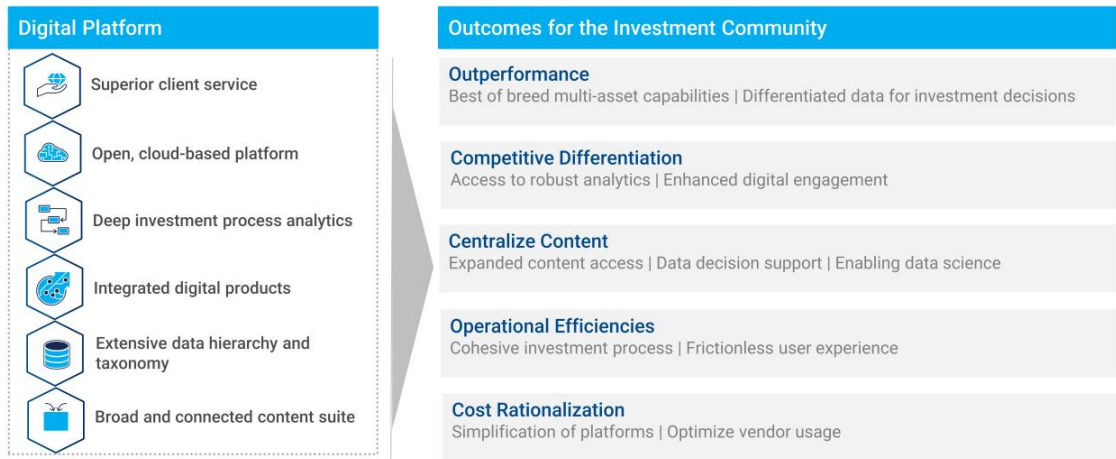
Next
Generation
Workflow
Solutions

Build differentiated next generation solutions to streamline our clients' workflows and deliver tangible efficiencies for the front, middle, and back office

Client
Obsession

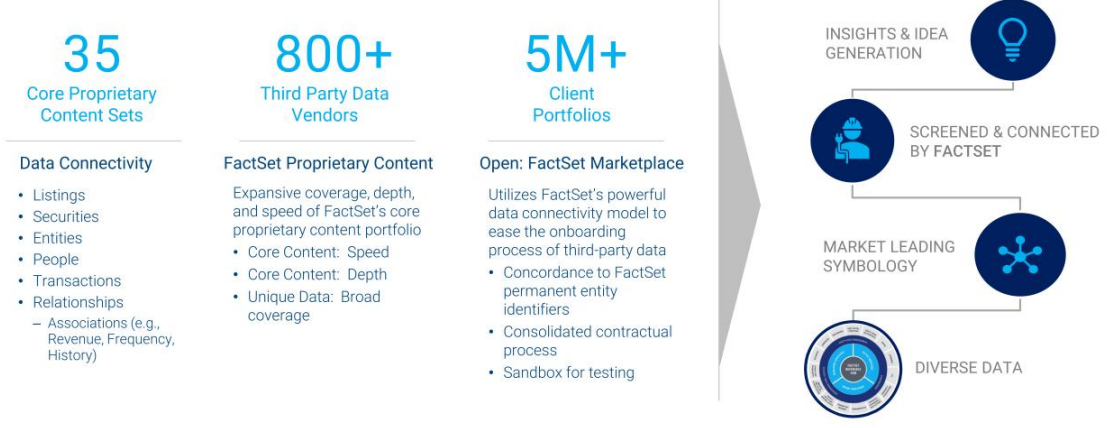
Provide open, flexible, adaptive, solutions as part of our open ecosystem with hyper-personalized digital products to provide the next best action across the investment lifecycle

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

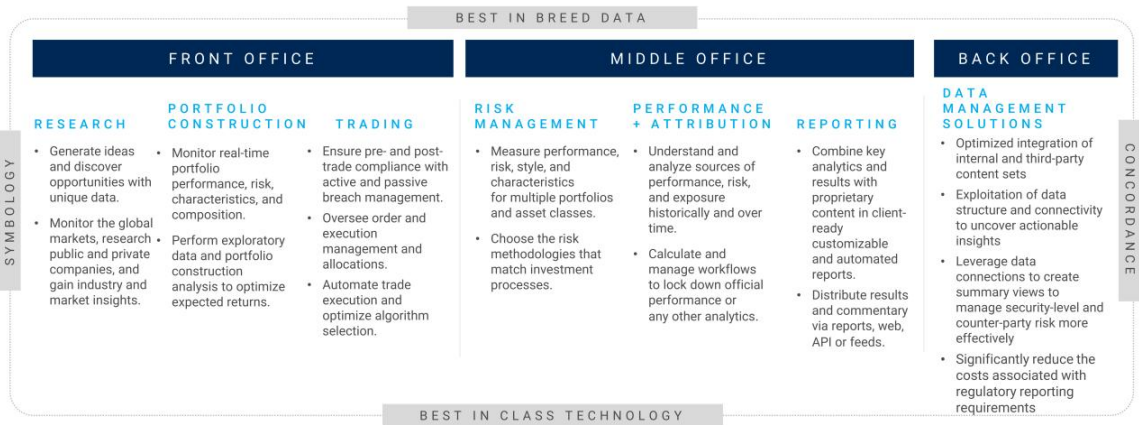


Our content refinery expands our clients' knowledge and trust

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



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

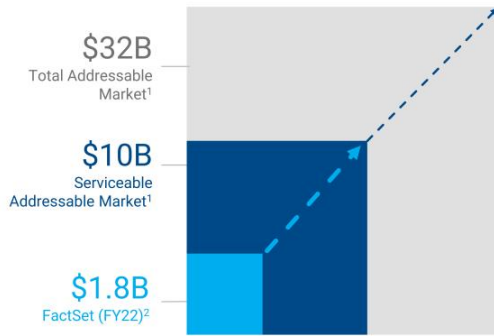
Open Ecosystem & Self-Service



- ❖ 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

We see significant opportunity to capture more of the addressable market

Total Addressable Market Opportunity



FactSet ASV and Opportunity Size (ASV vs. CAGR)

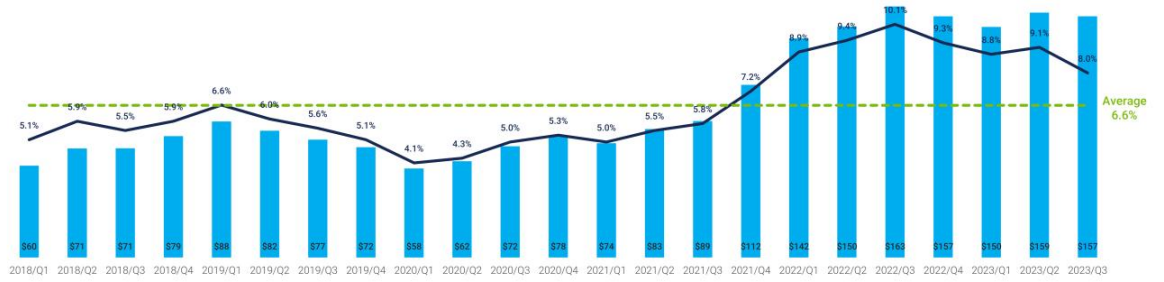


● Total Addressable Market (TAM) ● Serviceable Addressable Market (SAM)

Note: Total addressable market (TAM) is the total market demand for a product or service. Serviceable addressable market (SAM) is the segment of the TAM targeted by FactSet's products and services within our geographic segments.
¹ TAM and SAM are 2020 figures. Source: FactSet internal data, BCG analysis.
² Organic ASV + Professional Services

Historical LTM Organic ASV Growth

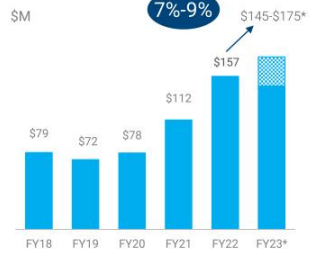
Strong execution drives higher retention in the Americas and strategic wins within Premier accounts



Note: Chart above includes COG starting FY23 Q3

We have accelerated top-line growth and maintained high retention

Incremental ASV^{1,2} growth FY23 outlook* \$145-\$175 million



\$2.1B

Organic ASV + Professional Services¹

ASV retention remains strong



Subscription based-business model



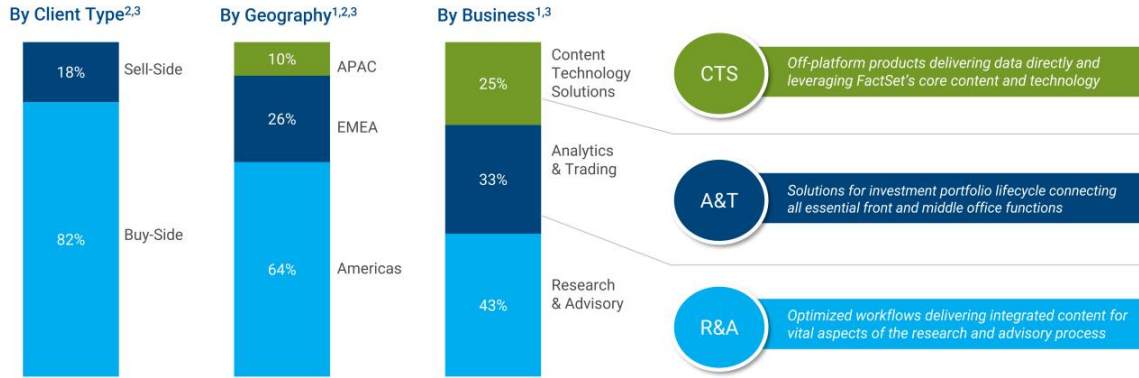
187K+
 ▲ 8% change since Q3/2022
 GLOBAL USERS

7.7K+
 ▲ 6% change since Q3/2022
 GLOBAL CLIENTS

¹ LTM Organic ASV + Professional Services Growth Rate is based on the last twelve months as of May 31, 2023
² CGS now included
 * FY23 Outlook as of June 22, 2023

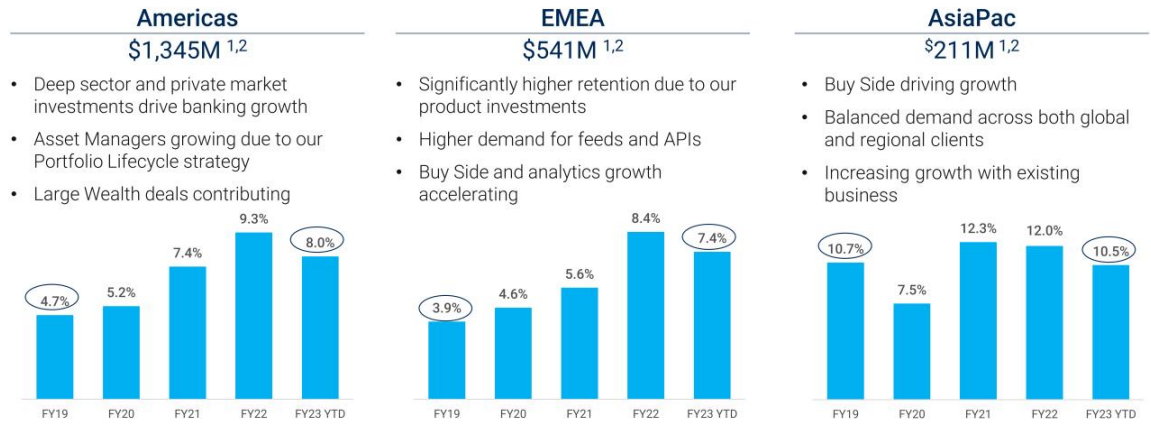
Executing our strategy through three workflow solutions that leverage our content refinery

ASV Split by Client, Geography and Business



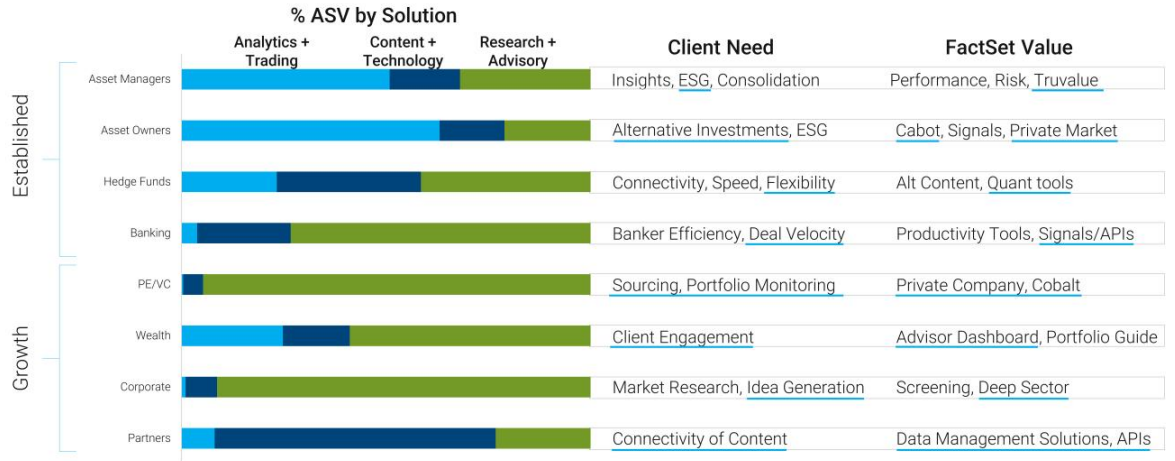
¹ Percentage of Organic ASV + Professional Services as of May 31, 2023
² Professional Services of \$24.3M not allocated by client type and geography
³ Now including CGS
 Note: Amounts may not add due to rounding

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



¹ FY19 to FY23 Q3 Organic ASV LTM Growth Rates by Region
² FY23 Q3 now includes DGS

Our client-centric solutions drive value in established and growing markets



Percentage of Organic ASV as of May 31, 2023
Including CGS starting FY23 Q3

Recent deals complement our product offerings

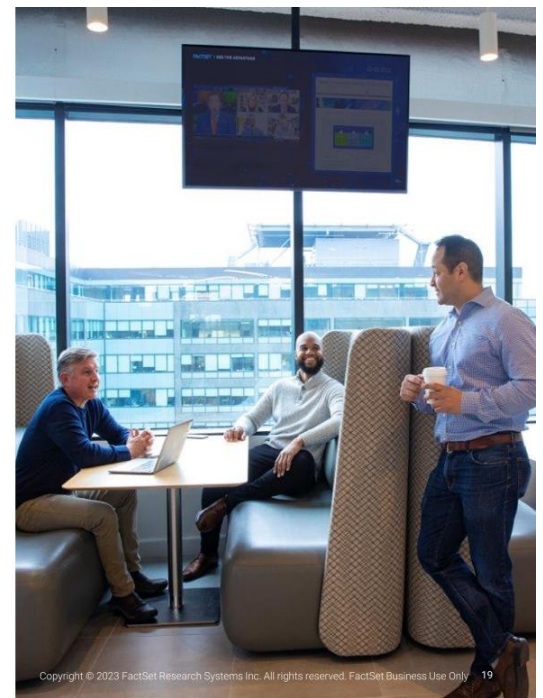


Headquarters	San Francisco, CA	Boston, MA	Lakewood, CO	Boston, MA	New York, NY
Founded	2013	2004	2014	2011	1968
Sponsoring SBU	CTS	Analytics & Trading	Research & Advisory	Research & Advisory	CTS
Strategic Alignment	ESG	Portfolio Lifecycle	Deep Sector	Private Markets	Data Management Solutions
Deal Rationale	Expand ESG footprint and enhance technology-enabled content collection capabilities	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
Transaction Timing	Closed in Q1 FY21 (November 2, 2020)	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)

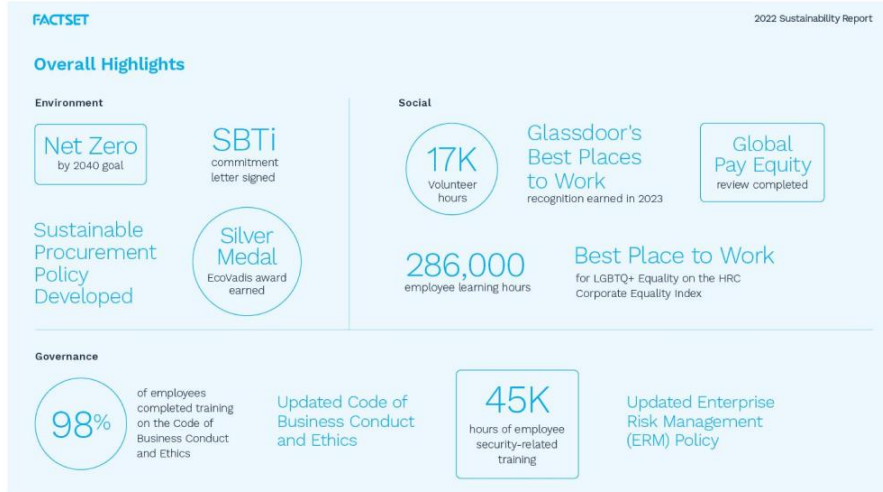
Our people and culture power our growth agenda

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

FACTSET

Financial Review | Q3 Fiscal 2023

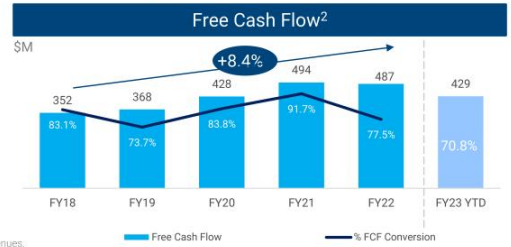
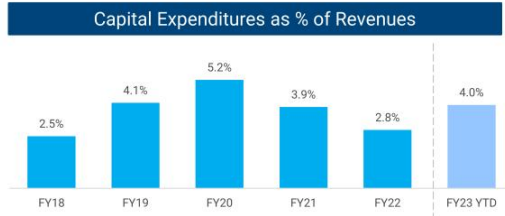
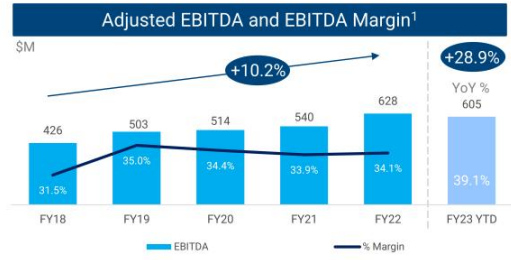
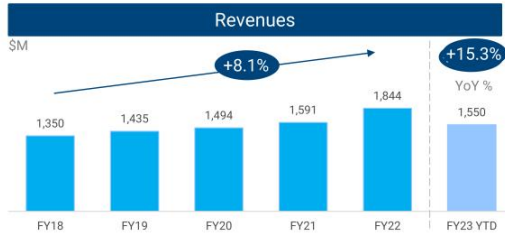
Key Highlights

- 01 **Robust financial model** with 97.6% 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 Q3 Ending ASV and ASV LTM growth
*FY23 Q3 Including CGS

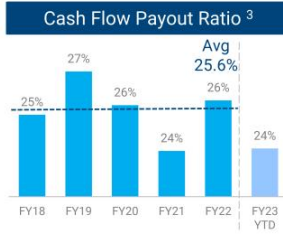
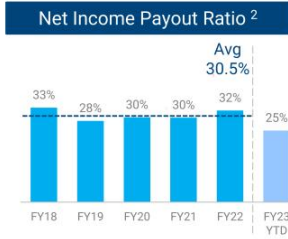
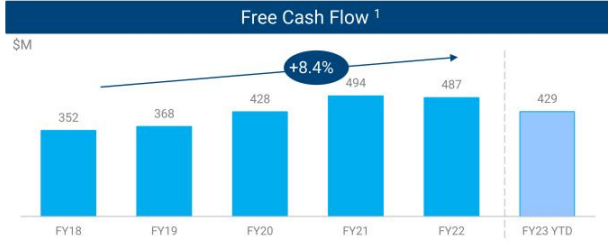


Attractive financial model with demonstrated strong free cash flow conversion



Note: Figures as of FactSet Q3 FY23 end May 31, 2023.
 ¹ See appendix for a reconciliation of EBITDA to GAAP net income. EBITDA margin is defined as EBITDA as a percentage of Revenues.
 ² 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

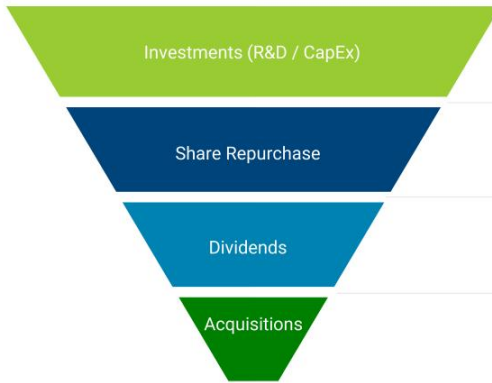


Amounts may not add due to rounding
¹ Please see Appendix for free cash flow details.
² Net income payout ratio reflects dividends as a percentage of net income.
³ Cash flow payout ratio reflects dividends as a percentage of free cash flow.



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

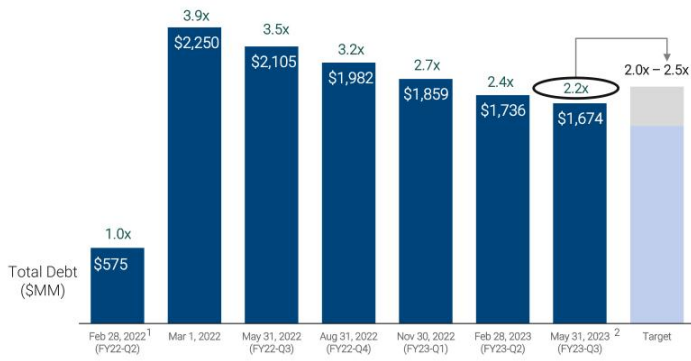
Normalized share repurchase program with expanded share repurchase authorization amount

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
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 May 31, 2023, net of repayment of \$62.5m of the term facility, Q3 Debt of \$1,674m / \$764m FY23 Q3 LTM Adj. EBITDA = 2.2x
³ 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)
- New 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 - \$437.5 million outstanding as of May 31, 2023
- Annual interest expense ~\$60 million, ramping down to ~\$46 million as term loan is repaid
- Floating rate exposure hedged with 24-month fixed rate swap

In fiscal year 2023, we expect to deliver 7%-9% higher ASV¹ growth and expanded margin







...building on momentum of the last several years

¹ Please see Appendix for a reconciliation of these non-GAAP metrics to GAAP metrics.
² Includes CUSIP Global Services (CGS)
³ Incremental ASV Growth
⁴ FY18-FY22 actual; *FY23 guidance (mid-point June 22, 2023)
⁵ Total Organic ASV Growth

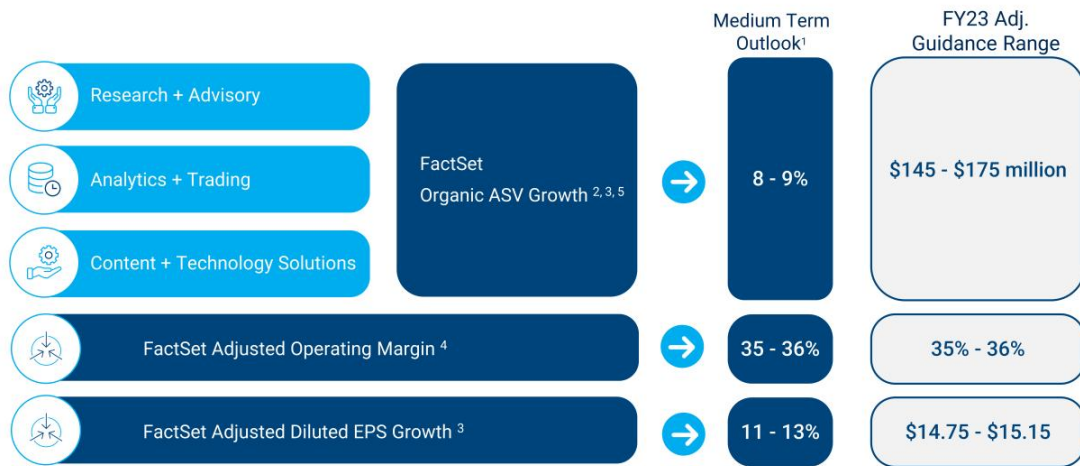
Disciplined expense management drives our margin expansion plan

- Actively manage key expense drivers: people, real estate, technology and third-party data
- Reduce real estate footprint to mitigate costs.
- Focus on sustainable margin; we anticipate ~\$45 million restructuring charge in the fourth quarter of fiscal 2023, which includes ~\$15 - \$20 million for real estate right-sizing

 People 7% - 8% growth ¹ (lower than ASV ² growth)	 Real Estate ~150 bps reduction (as % Revenues)	 Technology Support growth and investments (8.5% - 9.5% of Revenues)	 Third-Party Data Costs 5% - 6% growth ¹ (lower than ASV ² growth)
<ul style="list-style-type: none"> • Increase workforce productivity with improved technology and "upskilling" • 65% in COE locations³ • Prioritize resources for new investments and growth opportunities 	<ul style="list-style-type: none"> • Reduced real estate footprint due to hybrid operating model • Significant reduction of real estate footprint continues • Additional rationalization planned for Q4 FY 23 of approximately \$15 - \$20 million 	<ul style="list-style-type: none"> • Investing in generative AI technology to drive next-generation workflow solutions • Continue to invest in Cloud to optimize performance • Increase expense growth to support investment strategy 	<ul style="list-style-type: none"> • Rationalize data sources • Support strategic initiatives while managing base cost growth to inflation increases

¹ Average target growth rate through FY25
² Organic ASV + Professional Services
³ As of May 31, 2023

Fiscal 2023 guidance is in line with our medium-term outlook shared on Investor Day



¹ Medium term outlook represents FactSet's expectations as of June 22, 2023. Actual results may differ materially from expectations above.
² Organic ASV + Professional Services

³ Average target growth rate through FY25 (per year on average)
⁴ Target margin by year-end FY25
⁵ Includes CUSIP Global Services (CGS)

FACTSET

APPENDIX

Committed to Sustainable Growth in the Communities in Which We Live and Work

FactSet is committed to sustainable growth for our clients, employees, partners, investors, and our communities. We are continually monitoring and improving our social practices, our environmental and climate actions, and our governance initiatives while maintaining and strengthening our relationship with stakeholders.

 Environmental	 Social	 Governance
<p>Announced goal of achieving net zero emissions by 2040</p> <p>Committed to setting a near-term emission reduction target in line with the Science Based Targets initiative (SBTi)</p> <p>Continued to publish our validated Scope 1 and Scope 2 greenhouse gas (GHG) emissions</p> <p>Conducted a screening of Scope 3 emissions for the first time</p> <p>Earned EcoVadis Silver Medal and received B- score from CDP</p> <p>Of FactSet's global locations, 13 buildings have received LEED or LEED-equivalent certifications</p> <p>Created a Sustainable Procurement Policy and a Global Procurement Diversity Policy</p>	<p>Completed a Global Pay Equity Audit in fiscal 2022 that found that there was not a statistically significant association between salary and gender, worldwide, or between salary and race/ethnicity, in the U.S.</p> <p>Established DE&I goals for all employees as part of our annual performance review process</p> <p>Published our workplace demographics, including our EEO-1 Federal data</p> <p>Incorporated the FactSet Charitable Foundation to facilitate our corporate social responsibility goals</p> <p>During FY22, FactSet volunteers contributed over 17,000 hours of service</p>	<p>Board consists of nine directors: 8/9 independent, 3/9 women, 4/9 less than 5 years on Board, 7/9 less than 10 years on Board</p> <p>Independent Board Chair separate from CEO</p> <p>Board in process of becoming declassified</p> <p>Stockholders have ability to call a special meeting</p> <p>Amended charter to remove certain business combination restrictions, a creditor compromise provision, and supermajority voting provisions</p> <p>Comprehensive cybersecurity program designed to protect our enterprise environment, manage cyber risk, and maintain compliance</p>

To learn more about our sustainability efforts, please see our [2022 Sustainability Report](#)

Updated FY23 guidance: Increases in adjusted margin and adjusted EPS, with lower end of guidance range for revenue and ASV

	FISCAL 2023 OUTLOOK As of June 22, 2023	FISCAL 2023 OUTLOOK As of September 22, 2022
Organic ASV + Professional Services Growth ¹	\$145 - \$175 million ²	\$150 - \$180 million
Revenues	\$2,080 - \$2,100 million	\$2,100 - \$2,115 million
Operating Margin	29.0% - 30.0%	30.0% - 31.0%
Adjusted Operating Margin	35.0% - 36.0%	34.0% - 35.0%
Effective Tax Rate	14.0% - 15.0%	13.5% - 14.5%
Diluted EPS	\$12.25 - \$12.65	\$12.70 - \$13.10
Adjusted Diluted EPS	\$14.75 - \$15.15	\$14.50 - \$14.90

The Fiscal 2023 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 over fiscal 2023

² Core ASV guidance was reduced by \$15M (\$135 - \$165m), including CGS organic ASV increased the range by \$10M

FactSet EBITDA and Adjusted EBITDA reconciliation

(\$ in millions)	FY2018 ¹	FY2019 ¹	FY2020 ¹	FY2021 ¹	FY2022 ¹	LTM Q3FY2023 ²	YTD Q3 FY2023 ³
Net Income	\$267.1	\$352.8	\$372.9	\$399.6	\$396.9	\$507.5	\$403.1
Interest Expense ⁴	16.3	20.1	13.1	8.2	35.7	65.2	49.6
Income Taxes	84.8	69.2	54.2	68.0	46.7	85.6	73.6
Depreciation and Amortization Expense	57.3	60.5	57.6	64.5	86.7	105.2	78.7
EBITDA	\$425.5	\$502.6	\$497.8	\$540.3	\$566.0	\$763.5	\$605.0
Non-Recurring Non-Cash Expenses ⁵	—	—	16.5	—	62.2	0.4	0.4
Adjusted EBITDA	\$425.5	\$502.6	\$514.3	\$540.3	\$628.2	\$763.9	\$605.4

Note: Columns may not foot due to rounding

¹ Fiscal year ending August 31

² Last twelve months ending May 31, 2023

³ Fiscal year to date, nine months ending May 31, 2023

⁴ Gross interest expense

⁵ FY2020 impairment charge to reflect the estimated fair value of an investment in a company and 2022 impairment charge related to the exit of certain leased office space

FactSet free cash flow reconciliation

(\$ millions)	FY2018 ¹	FY2019 ¹	FY2020 ¹	FY2021 ¹	FY2022 ¹	YTD Q3 FY2023 ²
Net cash provided by operating activities	\$385.7	\$427.1	\$505.8	\$555.2	\$538.3	\$489.9
Capital Expenditures ³	(33.5)	(59.4)	(77.6)	(61.3)	(51.2)	(61.4)
Free Cash Flow	\$352.1	\$367.8	\$428.2	\$493.9	\$487.1	\$428.5

Note: Columns may not foot due to rounding.

¹ Fiscal year ending August 31

² Fiscal year to date, nine months ending May 31, 2023.

³ Includes property, equipment, leasehold improvements and capitalized internal-use software

FACTSET**Non-GAAP Reconciliations**

Business Outlook Operating Margin, Net Income

(in millions, except per share data)

Fiscal 2023 (Forward Looking)	Low End of Range	High End of Range
Revenues	\$2,080	\$2,100
Operating Income	\$603	\$630
Operating Margin	29.0%	30.0%
Intangible Asset Amortization	71	71
Restructuring / severance	29	29
Real estate charges	18	20
Business Acquisition / Integration Costs	7	7
Adjusted Operating Income	\$ 728	\$ 756
Adjusted Operating Margin	35.0%	36.0%
Net Income	\$469	\$497
Intangible Asset Amortization	60	61
Restructuring / severance	24	24
Real estate charges	15	17
Business Acquisition /Integration Costs	6	6
Discrete tax items	(7)	(7)
Adjusted Net Income	\$567	\$598

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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	\$12.25	\$12.65
Intangible asset amortization	1.55	1.57
Restructuring / severance	0.58	0.51
Real estate charges	0.39	0.44
Business acquisition / integration costs	0.15	0.15
Discrete tax items	(0.17)	(0.17)
Adjusted diluted earnings per common share	\$14.75	\$15.15

Note: Amounts may not add due to rounding

The Fiscal 2023 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

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