



TUESDAY, DECEMBER 20, 2022

FactSet Earnings Call

First Quarter Fiscal 2023

Forward-Looking Statements and Non-GAAP Measures

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

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

In addition, this presentation and oral statements made in connection with this presentation reference non-GAAP financial measures, such as ASV, organic revenues, adjusted operating income, adjusted operating margin, adjusted EBITDA, adjusted net income, adjusted diluted EPS and free cash flow. Forward-looking non-GAAP financial measures reflect management's current expectations and beliefs, and we are not able to reconcile such non-GAAP measures to reported measures without unreasonable efforts because it is not possible to predict with a reasonable degree of certainty the actual impact or exact timing of items that may impact comparability. Non-GAAP measures should be considered in addition to, not as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP, as more fully discussed in FactSet's financial statements and filings with the SEC. The use of these non-GAAP measures are limited as they include and/or do not include certain items not included and/or included in the most directly comparable GAAP measure. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures is provided in the appendix to this presentation and in FactSet's earnings release issued on December 20, 2022, which are posted on www.factset.com under the Investor Relations section.

Agenda

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

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Business Update

Key Metrics - First Quarter 2023

8.8%¹ ▲

ORGANIC ASV +
PROFESSIONAL SERVICES
GROWTH

Driven by higher sales of
Analytics & Trading and
Research & Advisory
Solutions

+

38.3%² ▲

ADJUSTED
OPERATING
MARGIN

471 basis points higher YoY
due to higher revenue, lower
third-party content costs, and
reduced facilities expenses

+

\$3.99² ▲

ADJUSTED
DILUTED
EPS

22.8% increase YoY from
higher revenues and
margin expansion

¹ LTM organic growth rate based on November 30, 2022. Annual Subscription Value (ASV) at any given point in time represents the forward-looking revenues for the next twelve months from all subscription services currently supplied to clients and excludes professional services fees billed in the last 12 months, which are not subscription-based. Organic ASV excludes the effects of acquisitions and dispositions completed within the last 12 months and foreign currency movements. Professional services are revenues derived from project-based consulting and implementation.

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

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

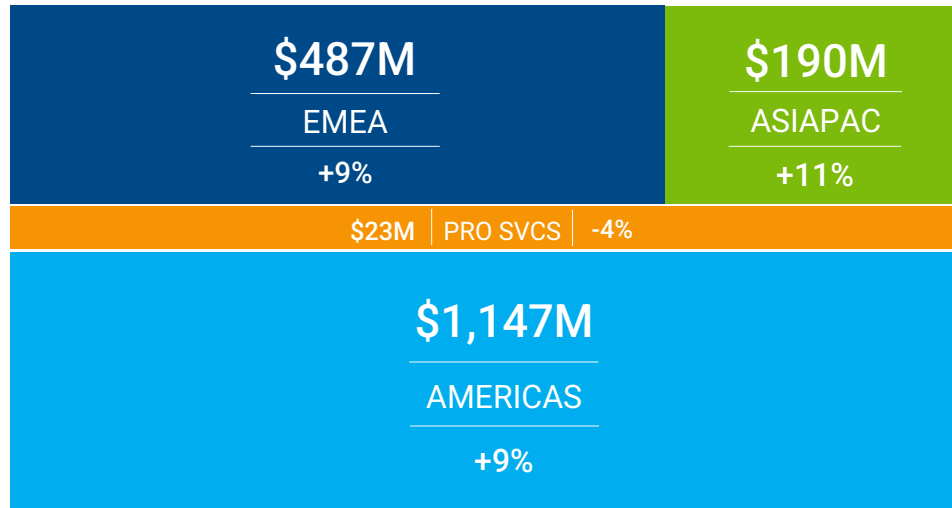
Provide open, flexible, adaptive, solutions as part of our open ecosystem with hyper-personalized digital products to provide the next best action across the investment lifecycle

ASV + Professional Services Growth Rates* – By Global Segments

\$1.8B

Organic ASV + Professional Services

+8.8%



* LTM Organic ASV Growth Rate based on last twelve months as of November 30, 2022

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Financial Overview

First Quarter 2023 Financial Results*

(in thousands, except per share data)

18.9%

Revenues

11/30/22 \$504,815
11/30/21 \$424,725

8.3%

Organic Revenues

11/30/22 \$459,860
11/30/21 \$424,811

40.1%

Operating Income

11/30/22 \$171,895
11/30/21 \$122,661

35.5%

Adjusted Operating
Income

11/30/22 \$193,402
11/30/21 \$142,710

517_{bps}

Operating Margin

11/30/22 34.1%
11/30/21 28.9%

471_{bps}

Adjusted Operating
Margin

11/30/22 38.3%
11/30/21 33.6%

27.1%

Net Income

11/30/22 \$136,798
11/30/21 \$107,647

23.8%

Adjusted Net
Income

11/30/22 \$155,171
11/30/21 \$125,341

26.2%

Diluted EPS

11/30/22 \$3.52
11/30/21 \$2.79

22.8%

Adjusted Diluted EPS

11/30/22 \$3.99
11/30/21 \$3.25

38.2%

Adjusted EBITDA

11/30/22 \$200,419
11/30/21 \$145,029

37.8%

Free Cash Flow

11/30/22 \$88,676
11/30/21 \$64,335

Key Items

CUSIP Global Services

Total first fiscal quarter ASV was \$168 million, adding \$3 million in incremental ASV. We expect continued growth in mid to high single digits.

Interest Expense

Interest Expense for the first fiscal quarter was \$16 million, with an expectation of \$66 million in interest expense for fiscal 2023.

Share Count

No additional shares have been purchased since the first quarter of fiscal 2022. Weighted average diluted share count was 39 million shares on November 30, 2022.

Bonus Accrual

Bonus accrual for the first fiscal quarter was \$26 million. We expect the total accrual for fiscal 2023 will be approximately \$100 million.

FX

FX was a benefit to operating income when compared to the prior year, driven by a stronger U.S. Dollar vs. major currencies. Given current market conditions, we expect FX impact to fluctuate over fiscal 2023.

CAPEX

CAPEX was driven by increases in capitalization as well as technology. We expect CAPEX to be approximately \$90 million for fiscal 2023, driven by increases in technology, capitalization, and real estate expenses.

Dividends

We paid a dividend of \$0.89 on December 15, 2022. We increased our dividend by 8.5% in the third quarter of fiscal 2022, marking twenty-three consecutive years of growth.

Key Operational Metrics

>95%

ASV RETENTION

ASV retained from clients over the last twelve months.

▬ No change versus 2022 | Q1

92%

CLIENT RETENTION

Percentage of clients retained over the last twelve months.

▬ No change versus 2022 | Q1

180,959

USER COUNT

Number of individuals accessing FactSet's solutions.

▲ 12% change since 2022 | Q1

7,631

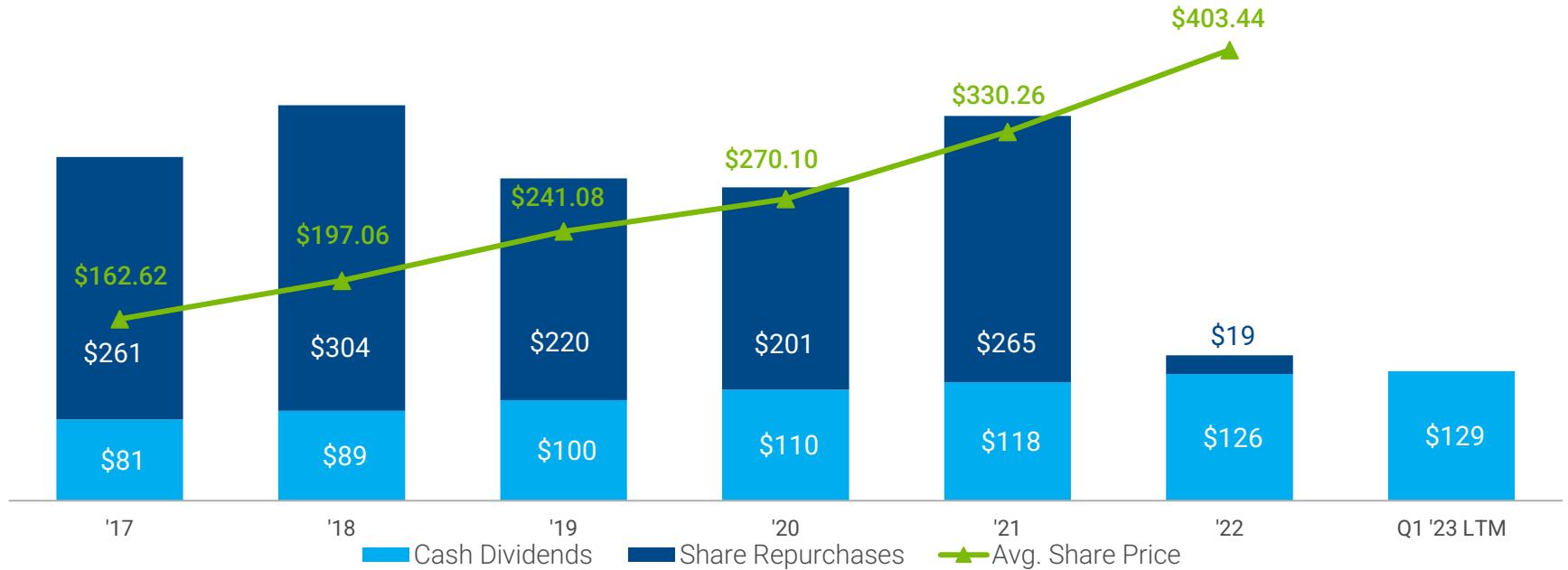
CLIENT COUNT

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

▲ 13% change since 2022 | Q1

Returning Capital to Shareholders

(in millions except share price)



* Includes shares repurchased from employee stock options for 2017

We reaffirm fiscal 2023 guidance of 8% - 10% ASV¹ growth and expanded margin

	FISCAL 2023 OUTLOOK <i>As of September 22, 2022</i>
Organic ASV + Professional Services Growth ¹	\$150 - \$180 million
Revenues	\$2,100 - \$2,115 million
Operating Margin	30% - 31%
Adjusted Operating Margin	34% - 35%
Effective Tax Rate	12.5% - 13.5%
Diluted EPS	\$12.70 - \$13.10
Adjusted Diluted EPS	\$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 2022

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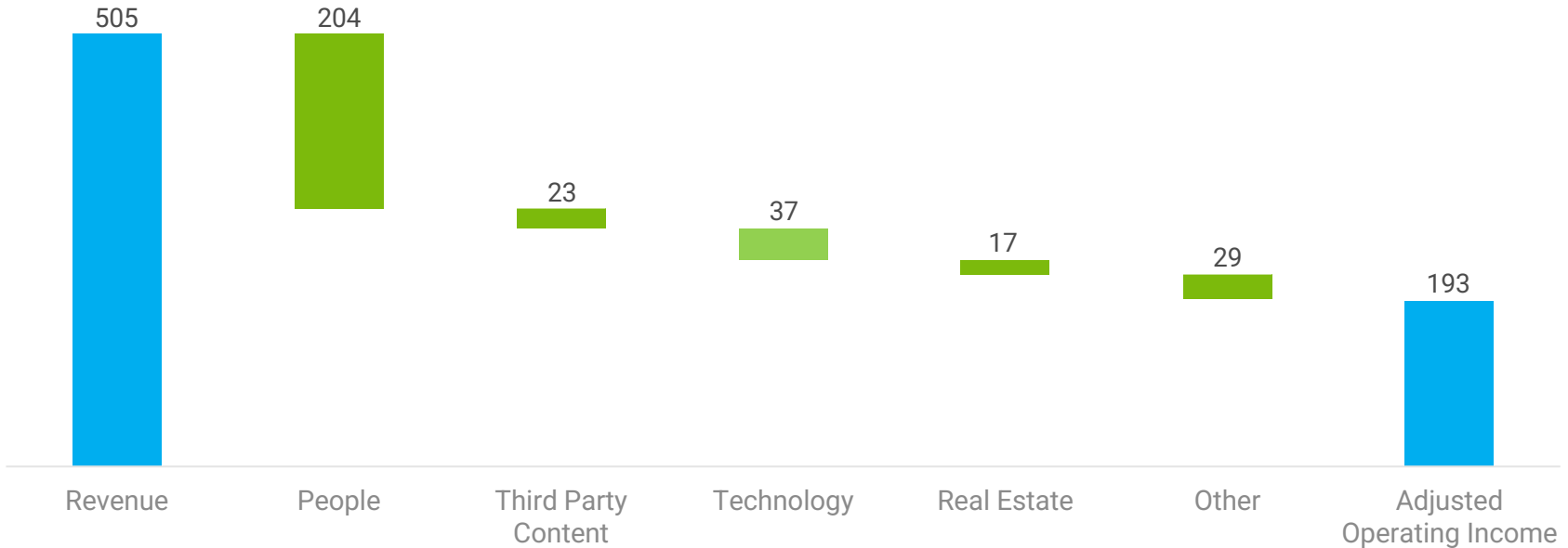
Questions & Answers

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Appendix

First Quarter 2023 Adjusted Operating Income Walk

US\$ millions



Non-GAAP Reconciliations

Organic Revenues
(in thousands)

FOR THE THREE MONTHS ENDED NOVEMBER 30

(Unaudited)	2023	2022	% Change
GAAP Revenues	\$504,815	\$424,725	18.9%
Deferred Revenues Fair Value Adjustment	—	86	
Adjusted Revenues	\$504,815	\$424,811	18.8%
Acquired Revenues	(48,455)	—	
Currency Impact	3,500	—	
Organic Revenues	\$459,860	\$424,811	8.3%

Non-GAAP Reconciliations

Adjusted Operating Income, Margin, Net Income

(in thousands, except per share data)

FOR THE THREE MONTHS ENDED NOVEMBER 30

(Unaudited)	2023	2022	% Change GAAP
GAAP Operating Income	\$171,895	\$122,661	40.1%
Deferred Revenues Fair Value Adjustment	—	86	
Intangible Asset Amortization	18,008	6,052	
Business Acquisition / Integration Costs	3,499	—	
Restructuring/ Severance	—	9,028	
Real Estate Charges	—	3,695	
Transformation Costs	—	1,188	
Adjusted Operating Income	\$193,402	\$142,710	35.5%
GAAP Operating Margin	34.1%¹	28.9%¹	
Adjusted Operating Margin	38.3%	33.6%	
GAAP Net Income	\$136,798	\$107,647	27.1%
Deferred Revenues Fair Value Adjustment	—	77	
Intangible Asset Amortization	15,577	5,419	
Business Acquisition / Integration Costs	3,026	—	
Restructuring/ Severance	—	8,084	
Real Estate Charges	—	3,309	
Transformation Costs	—	1,064	
Income Tax Items	(230)	(259)	
Adjusted Net Income	\$155,171	\$125,341	23.8%

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

Non-GAAP Reconciliations

Adjusted EBITDA
(in thousands)

FOR THE THREE MONTHS ENDED NOVEMBER 30

(Unaudited)	2023	2022	% Change
Net Income	\$136,798	\$107,647	27.1%
Interest Expense, net	16,537	1,972	
Income taxes	21,087	12,283	
Depreciation and amortization expense	25,997	19,432	
EBITDA	\$200,419	\$141,334	41.8%
Non-recurring cash expenses	—	3,695	
Adjusted EBITDA	\$200,419	\$145,029	38.2%

Non-GAAP Reconciliations

Adjusted Diluted EPS

(in thousands, except per share data)

FOR THE THREE MONTHS ENDED NOVEMBER 30

(Unaudited)	2023	2022	% Change
GAAP Diluted Earnings per Common Share	\$3.52	\$2.79	26.2%
Deferred Revenues Fair Value Adjustment	0.00	0.00	
Intangible Asset Amortization	0.40	0.14	
Business Acquisition / Integration Costs	0.08	—	
Restructuring/ Severance	—	0.21	
Real Estate Charges	—	0.09	
Transformation Costs	—	0.03	
Income Tax Items	(0.01)	(0.01)	
Adjusted Diluted Earnings per Common Share	\$3.99	\$3.25	22.8%
Weighted Average Common Shares (Diluted)	38,914	38,641	

Non-GAAP Reconciliations

Free Cash Flow

(in thousands)

FOR THE THREE MONTHS ENDED NOVEMBER 30

(Unaudited)	2023	2022	% Change
Net Cash Provided by Operating Activities	\$106,636	\$72,918	
Capital Expenditures	(17,960)	(8,583)	
Free Cash Flow	\$88,676	\$64,335	37.8%

Non-GAAP Reconciliations

Business Outlook Operating Margin, Net Income

(in millions, except per share data)

Fiscal 2023 (Full Year)	Low End of Range	High End of Range
Revenues	\$2,100	\$2,115
Operating Income	\$630	\$656
Operating Margin	30.0%	31.0%
Intangible Asset Amortization	73	73
Business Acquisition / Integration Costs	11	11
Adjusted Operating Income	\$714	\$740
Adjusted Operating Margin	34.0%	35.0%
Net Income	\$492	\$508
Intangible Asset Amortization	64	63
Business Acquisition / Integration Costs	9	9
Discrete Tax Items	(4)	(3)
Adjusted Net Income	\$561	\$577

Non-GAAP Reconciliations

Business Outlook Diluted EPS

(in millions, except per share data)

Fiscal 2023 (Full Year)	Low End of Range	High End of Range
Diluted Earnings per Common Share	\$12.70	\$13.10
Intangible Asset Amortization	1.64	1.62
Integration Costs	0.23	0.24
Discrete Tax Items	(0.07)	(0.06)
Adjusted Diluted Earnings per Common Share	\$14.50	\$14.90

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Thank you