



Thursday, September 19, 2024

FactSet Earnings Call

Fourth Quarter Fiscal 2024



Forward-Looking Statements and Non-GAAP Measures

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

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

In addition, this presentation and oral statements made in connection with this presentation reference non-GAAP financial measures, such as ASV, organic revenues, adjusted operating income, adjusted operating margin, adjusted EBITDA, adjusted net income, adjusted diluted EPS and free cash flow. Forward-looking non-GAAP financial measures reflect management's current expectations and beliefs, and we are not able to reconcile such non-GAAP measures to reported measures without unreasonable efforts because it is not possible to predict with a reasonable degree of certainty the actual impact or exact timing of items that may impact comparability. Non-GAAP measures should be considered in addition to, not as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP, as more fully discussed in FactSet's financial statements and filings with the SEC. The use of these non-GAAP measures are limited as they include and/or do not include certain items not included and/or included in the most directly comparable GAAP measure. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures is provided in the appendix to this presentation and in FactSet's earnings release issued on September 19, 2024, which are posted on www.factset.com under the Investor Relations section.

Agenda

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

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Business Update

Fiscal 2024 - Key Accomplishments

▲ **44**
years of consecutive revenue growth

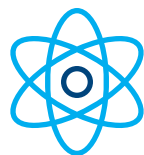
▲ **28**
years of consecutive adjusted diluted EPS growth

▲ **25**
years of consecutive dividend growth

\$104M Organic ASV + Professional Services Growth¹

\$2.2B Annual Revenue

37.8% Adjusted Operating Margin²



Deepened client relationships

Added 23,000 new **wealth** advisor desktops as a result of multiple, large competitive displacements

Signed 20 new **buy-side** managed services clients, outsourcing middle office functions

Successful global **banking** client renewals, with two-thirds renewing at higher levels



Generative AI

Mile-wide discoverability to unlock critical insights and help clients work smarter

Mile-deep workflow automation to streamline and simplify client workflows so they can focus on high value work

Mile-high innovation acceleration to empower clients with building blocks to optimize workflows



Won numerous awards

Continue to win industry-wide recognition for our solutions across multiple workflows, from research, data and wealth to risk and trading



Partnerships

Integration of **Irwin** investor management platform to streamline IR workflows for corporate clients

Relationship management data with **Aidentified** to accelerate client prospecting for wealth advisors

AI-powered summaries of key drivers to company performance in partnership with **Pebble Finance**

1. Growth over fiscal 2023

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

Key Metrics - Fourth Quarter 2024

4.8%¹

ORGANIC ASV +
PROFESSIONAL SERVICES
GROWTH

Added \$54M ASV in the quarter, in line with the amount from Q4 last year. This was driven by several, large multi-year renewals and seven-figure competitor displacements.

+

35.8%²

ADJUSTED
OPERATING
MARGIN

240 bps higher YoY due to lower bonus accrual and compensation expenses, partially offset by higher technology expenses and third-party content costs.

+

\$3.74²

ADJUSTED
DILUTED
EPS

23.8% increase YoY driven by revenue growth, margin expansion and a lower tax rate.

1. LTM organic growth rate based on August 31, 2024. Annual Subscription Value (ASV) at any given point in time represents the forward-looking revenues for the next twelve months from all subscription services currently supplied to clients. Professional services are revenues derived from project-based consulting and implementation services. Organic ASV excludes the effects of acquisitions and dispositions completed within the last twelve months and foreign currency movements.

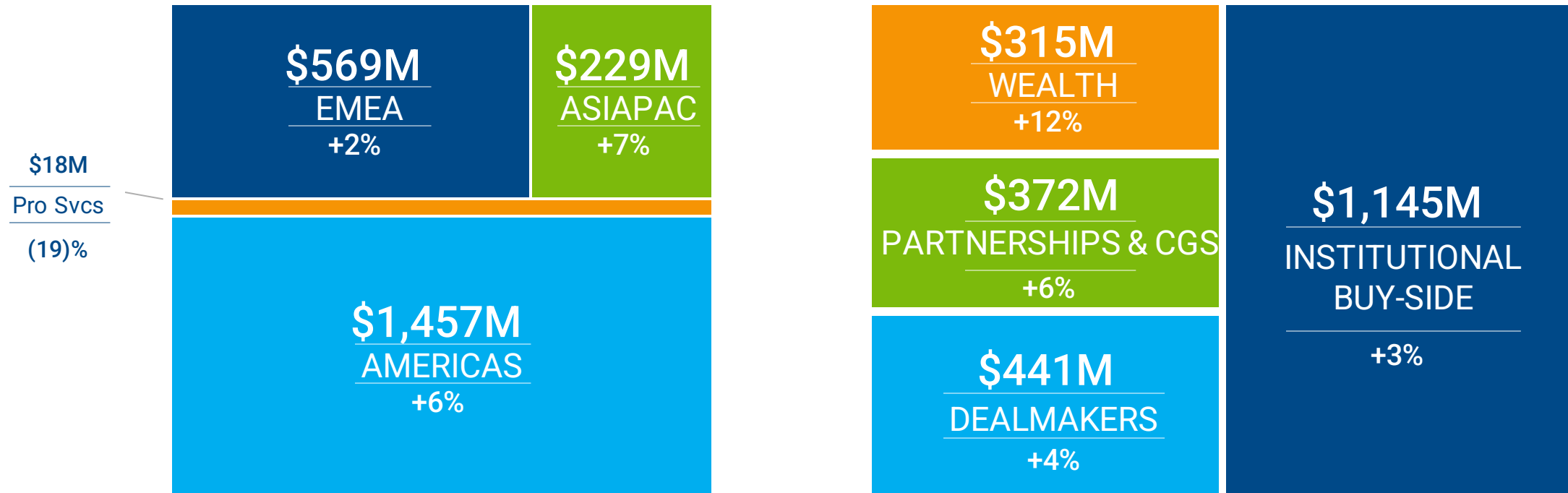
2. Please see Appendix for a reconciliation of these non-GAAP metrics to GAAP metrics.

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

\$2,273M

Organic ASV + Professional Services

+4.8%



* LTM Organic ASV Growth Rate based on last twelve months as of August 31, 2024

Strategic Investment Plan

1

Data Expansion

Continue our data expansion to finish what we started

- Largest **content expansion** in our history
- Major programs include **Deep Sector**, **Private Markets** and **Real-Time**
- Adding to our **growing universe** of proprietary, connected data
- Important factor in both **client renewals** and **competitive displacements**

2

Client Workflows

Embed FactSet deeper into our clients' workflows

- **Connecting portfolio workflows** across the front and middle office of the **institutional buy-side**
- Expanding into **adjacent portfolio workflows** in **wealth management**
- Bringing **next generation automation** to **dealmakers** in their research, modeling and pitch creation workflows

3

Generative AI

Execute on our AI roadmap to accelerate innovation

- Early investments are **already paying off**
- Integrating AI **directly into client workflows** and enhancing overall **FactSet experience**
- Multiple new AI products available in beta release through **FactSet Explorer**
- Enabling others to build proprietary workflows on **top of FactSet data and tech**

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Financial Overview

Fiscal 2024 Results vs. Guidance

	FISCAL 2024 GUIDANCE ¹	FISCAL 2024 RESULTS
Organic ASV + Professional Services Growth ²	\$85 - \$120M	\$104M +
Revenues	\$2,180 - \$2,190M	\$2,203M +
GAAP Operating Margin	33.7% - 34.0%	31.8% -
Adjusted Operating Margin ³	37.0% - 37.5%	37.8% +
Effective Tax Rate	16.5% - 17.5%	17.6% -
GAAP Diluted EPS	\$14.55 - \$14.95	\$13.91 -
Adjusted Diluted EPS ³	\$16.00 - \$16.40	\$16.45 +

1. FactSet's expectations as of June 21, 2024

2. Growth over fiscal 2023

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

Fourth Quarter 2024 Financial Results *

(in thousands, except per share data)

4.9%

Revenues

8/31/24 \$562,187
8/31/23 \$535,797

5.0%

Organic Revenues

8/31/24 \$562,781
8/31/23 \$535,797

10.1%

Operating Income

8/31/24 \$127,858
8/31/23 \$116,103

12.4%

Adjusted Operating Income

8/31/24 \$201,402
8/31/23 \$179,134

110bps

Operating Margin

8/31/24 22.7%
8/31/23 21.7%

240bps

Adjusted Operating Margin

8/31/24 35.8%
8/31/23 33.4%

37.4%

Net Income

8/31/24 \$89,496
8/31/23 \$65,119

22.9%

Adjusted Net Income

8/31/24 \$144,089
8/31/23 \$117,225

38.1%

Diluted EPS

8/31/24 \$2.32
8/31/23 \$1.68

23.8%

Adjusted Diluted EPS

8/31/24 \$3.74
8/31/23 \$3.02

(0.4)%

Adjusted EBITDA

8/31/24 \$170,494
8/31/23 \$171,207

(12.2)%

Free Cash Flow

8/31/24 \$137,202
8/31/23 \$156,305

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

Key Operational Metrics

>95%

ASV RETENTION

ASV retained from clients over the last twelve months.

▬ No change versus 2023 | Q4

90%

CLIENT RETENTION

Percentage of clients retained over the last twelve months.

▼ Down ~94bps versus 2023 | Q4

216,381

USER COUNT

Number of individuals accessing FactSet's solutions.

▲ 14% change since 2023 | Q4

8,217

CLIENT COUNT

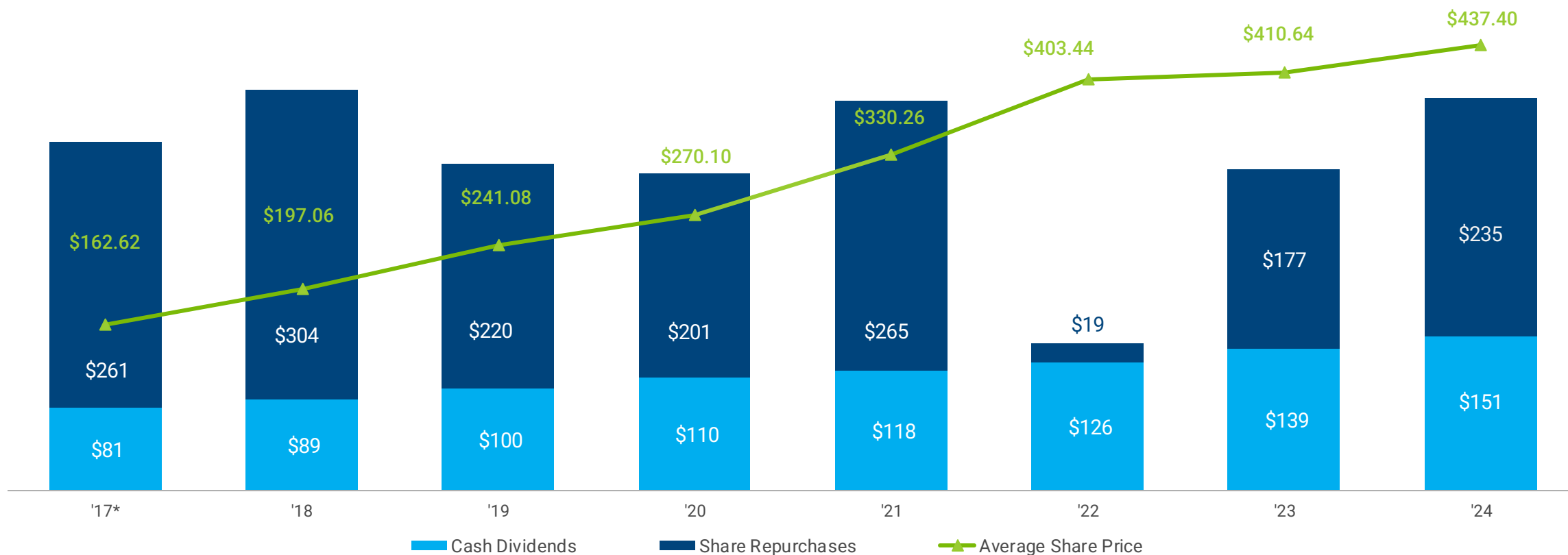
Companies subscribing to FactSet services with an ASV greater than \$10,000.

▲ 4% change since 2023 | Q4

We remain focused on returning capital to shareholders

FactSet has steadily increased annual dividends and continued share repurchases in the fourth quarter of 2024

(in millions, except per share data)



* Includes shares repurchased from employee stock options for 2017

Note: Figures may not foot due to rounding

Guidance for FY2025

	FISCAL 2025 OUTLOOK <i>As of September 19, 2024</i>
Organic ASV Growth ¹	\$90 - \$140 million (~4% to ~6%)
Revenues	\$2,285 - \$2,305 million
GAAP Operating Margin	32.5% - 33.5%
Adjusted Operating Margin	36.0% - 37.0%
GAAP Effective Tax Rate	17.0% - 18.0%
GAAP Diluted EPS	\$15.10 - \$15.70
Adjusted Diluted EPS	\$16.80 - \$17.40

1. Organic ASV growth as compared to fiscal 2024. Beginning in fiscal 2025, FactSet will report Organic ASV, rather than Organic ASV plus Professional Services.

The Fiscal 2025 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.

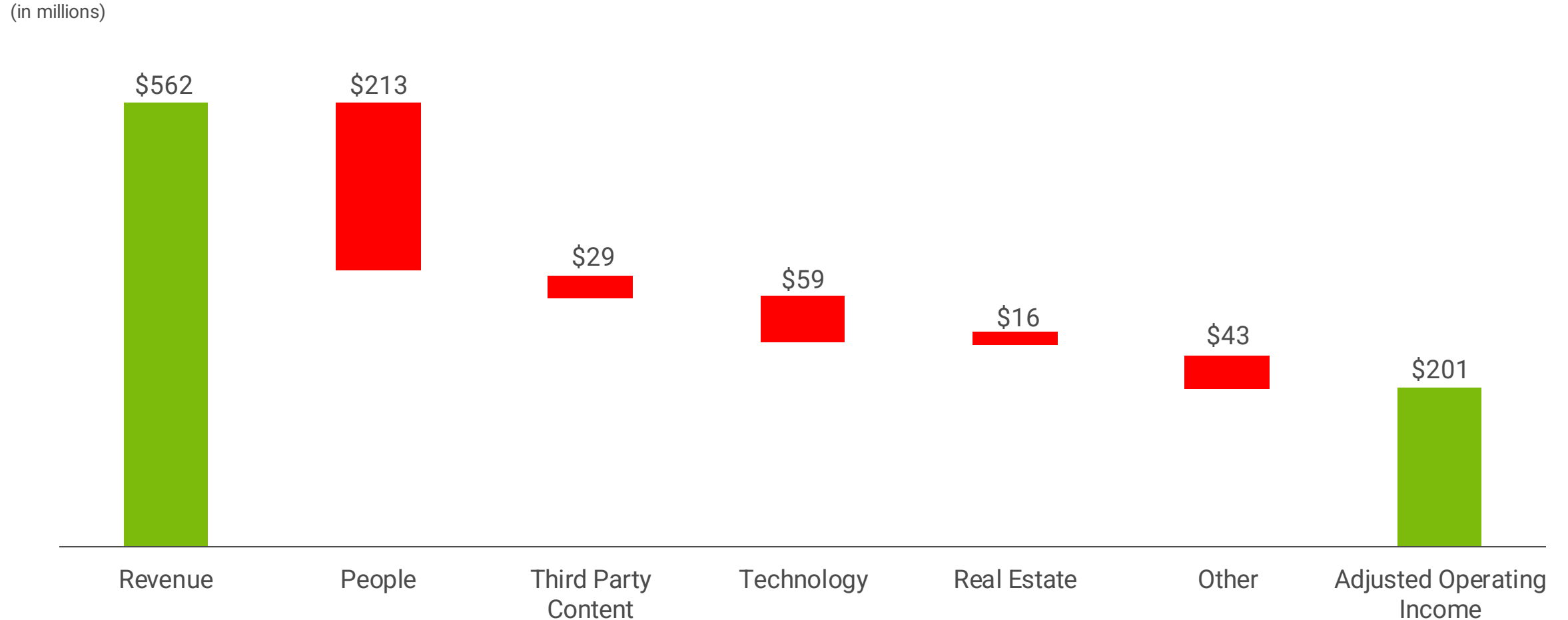
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Questions & Answers

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Appendix

Fourth Quarter 2024 Adjusted Operating Income Walk



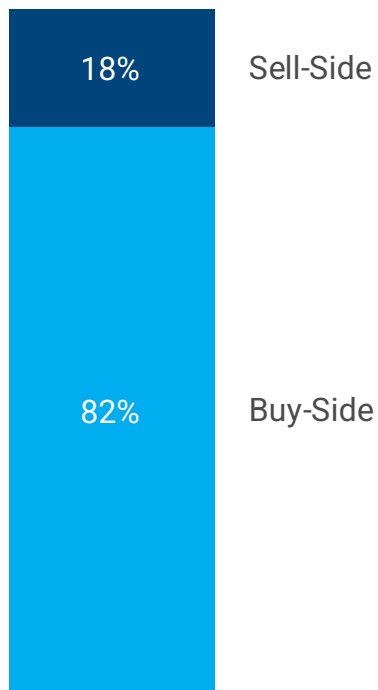
Figures as of August 31, 2024

Note: Figures may not foot due to rounding

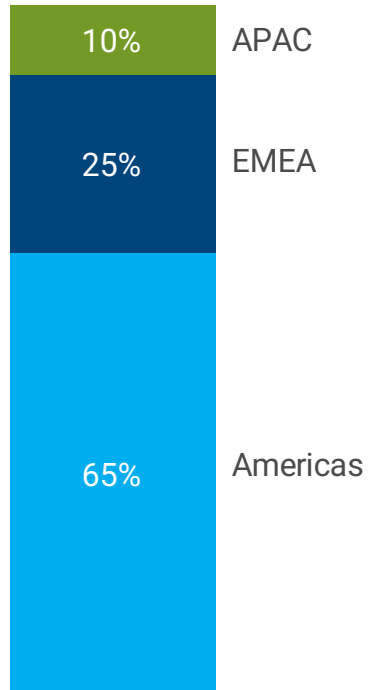
Executing our strategy through workflow solutions that leverage our content refinery

ASV Split by Client, Geography, and Firm Type

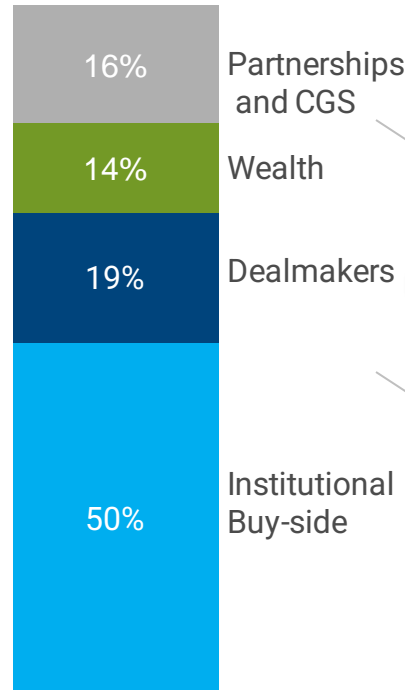
By Client Type^{1,2}



By Geography^{1,2}



By Firm Type¹



Partnerships and CGS

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

Dealmakers and Wealth

Dealmakers and Wealth focuses on banking and sell-side research, wealth management, corporate, and private equity and venture capital workflows

Institutional Buy-side

Institutional Buy-side focuses on asset managers, asset owners, and hedge fund workflows

1. Percentage of Organic ASV+ Professional Services as of August 31, 2024
 2. Professional Services of \$18.3M not allocated by client type and geography
 Note: Figures may not foot due to rounding

Non-GAAP Reconciliations

Organic Revenues
(in thousands)

FOR THE THREE MONTHS ENDED AUGUST 31

FOR THE YEAR ENDED AUGUST 31

(Unaudited)	2024	2023	% Change	2024	2023	% Change
GAAP Revenues	\$ 562,187	\$ 535,797	4.9%	\$ 2,203,056	\$ 2,085,508	5.6%
Adjusted revenues	562,187	535,797	4.9%	2,203,056	2,085,508	5.6%
Acquired revenues	16	–		(414)	–	
Currency impact	578	–		1,094	–	
Organic Revenues	\$ 562,781	\$ 535,797	5.0%	\$ 2,203,736	\$ 2,085,508	5.7%

Non-GAAP Reconciliations

Adjusted Operating Income, Margin, Net Income
(in thousands, except per share data)

FOR THE THREE MONTHS ENDED AUGUST 31

FOR THE YEAR ENDED AUGUST 31

(Unaudited)	2024	2023	% Change	2024	2023	% Change
Operating Income	\$ 127,858	\$ 116,103	10.1%	\$ 701,299	\$ 629,207	11.5%
Intangible asset amortization	16,691	18,131		67,383	71,503	
Massachusetts sales tax dispute	54,048	6,239		54,048	6,239	
Restructuring / severance	(1,099)	18,128		5,596	19,879	
Asset Impairment	3,443	20,327		3,443	20,327	
Business acquisition / integration costs	461	206		884	7,033	
Adjusted Operating Income	\$ 201,402	\$ 179,134	12.4%	\$832,653	\$ 754,188	10.4%
Operating Margin	22.7%	21.7%		31.8%	30.2%	
Adjusted Operating Margin¹	35.8%	33.4%		37.8%	36.2%	
Net Income	\$ 89,496	\$ 65,119	37.4%	537,126	468,173	14.7%
Intangible asset amortization	12,390	14,496		49,529	59,422	
Massachusetts sales tax dispute	40,121	4,988		39,727	5,185	
Restructuring / severance	(816)	14,493		4,113	16,520	
Asset Impairment	2,556	16,251		2,531	16,893	
Business acquisition / integration costs	342	165		650	5,845	
Income tax items	--	1,713		1,397	(2,316)	
Adjusted Net Income	\$ 144,089	\$ 117,225	22.9%	\$ 635,073	\$ 569,722	11.5%

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

Note: Columns may not foot due to rounding

Non-GAAP Reconciliations

Adjusted EBITDA
(in thousands)

FOR THE THREE MONTHS ENDED AUGUST 31

(Unaudited)	2024	2023	% Change
Net Income	\$ 89,496	\$65,119	37.4%
Interest Expense	15,547	16,691	
Income taxes	27,634	42,190	
Depreciation and amortization expense	34,032	26,703	
EBITDA	\$ 166,709	\$ 150,703	
Non-recurring non-cash expenses	3,785	20,504	
Adjusted EBITDA	\$ 170,494	\$ 171,207	(0.4)%

Non-GAAP Reconciliations

Adjusted Diluted EPS
(in thousands, except per share data)

FOR THE THREE MONTHS ENDED AUGUST 31

FOR THE YEAR ENDED AUGUST 31

(Unaudited)	2024	2023	% Change	2024	2023	% Change
Diluted Earnings per Common Share	\$ 2.32	\$ 1.68	38.1%	\$ 13.91	\$ 12.04	15.5%
Intangible asset amortization	0.32	0.38		1.27	1.53	
Massachusetts sales tax dispute	1.04	0.13		1.03	0.13	
Restructuring/severance	(0.02)	.037		0.11	0.43	
Asset impairment	0.07	0.42		0.07	0.43	
Business acquisition/integration costs	0.01	0.00		0.02	0.15	
Income tax items	--	0.04		0.04	(0.06)	
Adjusted Diluted earnings per Common Share	\$ 3.74	\$ 3.02	23.8%	\$ 16.45	\$ 14.65	12.3%
Weighted Average Common Shares (Diluted)	38,517	38,784		38,618	38,898	

Non-GAAP Reconciliations

Free Cash Flow
(in thousands)

FOR THE THREE MONTHS ENDED AUGUST 31

FOR THE YEAR ENDED AUGUST 31

(Unaudited)	2024	2023	% Change	2024	2023	% Change
Net Cash Provided by Operating Activities	\$ 163,161	\$ 175,911		\$ 700,338	\$ 645,573	
Capital Expenditures	\$ (25,959)	\$ (19,606)		\$ (85,681)	\$ (60,786)	
Free Cash Flow	\$137,202	\$ 156,305	(12.2)%	\$614,657	\$ 584,787	5.1%

Non-GAAP Reconciliations

Business Outlook Operating Margin, Net Income and Diluted EPS

(in millions, except per share data)

Fiscal 2025 (Forward Looking)	Low End of Range	High End of Range
Revenues	\$2,285	\$2,305
Operating Income	\$ 765	\$749
Operating Margin	33.5%	32.5%
Intangible Asset Amortization	80	81
Adjusted Operating Income	\$845	\$830
Adjusted Operating Margin	37.0%	36.0%
Net Income	\$ 598	\$ 577
Intangible Asset Amortization	66	66
Discrete Tax Items	(4)	(3)
Adjusted Net Income	\$660	\$640
Diluted Earnings per Common Share	\$15.70	\$15.10
Intangible Asset Amortization	1.73	1.73
Discrete Tax Items	(0.03)	(0.03)
Adjusted Diluted Earnings per Common Share	\$17.40	\$16.80

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Thank you