

FACTSET

October 16, 2024

# FactSet Overview



Copyright © 2024 FactSet Research Systems Inc. All rights reserved. FactSet Business Use Only



## 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.

FACTSET

01 Overview

---



## FactSet at a Glance<sup>1</sup>



<sup>1</sup> Figures as of FactSet FY2024, August 31, 2024

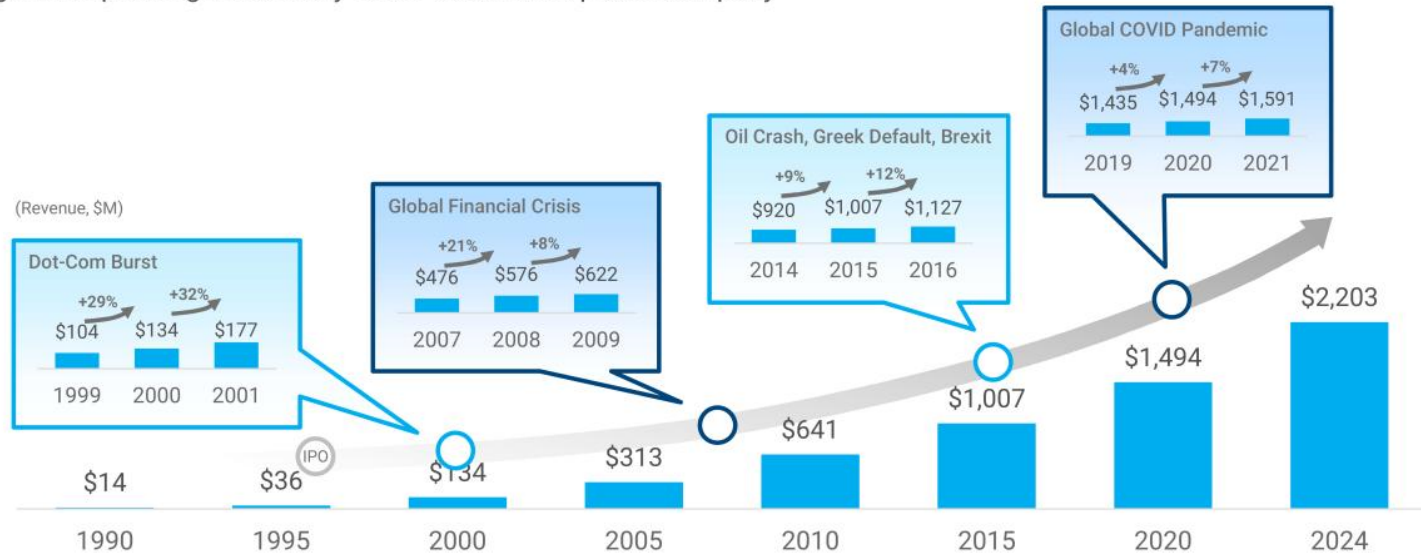
<sup>2</sup> LTM Organic ASV + Professional Services based on the last twelve months as of August 31, 2024

<sup>3</sup> FY2024 actual as of August 31, 2024

## FACTSET

### Consistent Revenue Growth, Resilient Through All Market Cycles

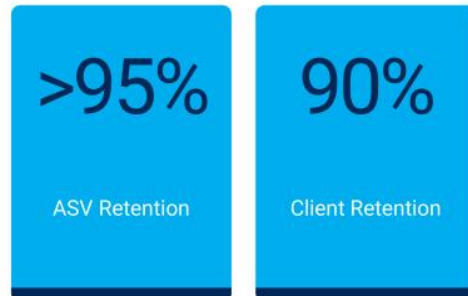
Track record of 44 consecutive years of revenue growth and 28 consecutive years of adjusted earnings per share growth spanning the entirety of our tenure as a public company



Figures shown for fiscal years ending August 31

# FACTSET

As we grow, our ASV remains sticky and strong



NOTE: Figures as of August 31, 2024.

### Historical LTM Organic ASV Growth



Note: Chart above includes CGS starting FY23 Q3

NOTE: Dollar amounts in millions.

FACTSET

02 FactSet Today

---



**FACTSET**

We are a global company with a diversified ASV footprint

65%

Americas

25%

Europe, Middle  
East & Africa

10%

Asia Pacific

NOTE: Percentages represent ASV from each region as of August 31, 2024.

Copyright © 2024 FactSet Research Systems Inc. All rights reserved. FactSet Business Use Only.

**FACTSET**

Our clients are at the center  
of what we do



NOTE: Percentages represent ASV from each firm type as of August 31, 2024.

Copyright © 2024 FactSet Research Systems Inc. All rights reserved. FactSet Business Use Only 10

# FACTSET

## Our Seamlessly Integrated Suite of Best-in-Class Applications

Our flexible technology architecture and unique, high-quality data, coupled with professional services and a consultative approach provides solutions across core workflows



# FACTSET

Comprehensive and connected inventory  
of client, proprietary and third-party data

35

Core Proprietary  
Data Sets

1,000+

Third Party  
Data Vendors

15M+

Client Portfolios  
(Institutional + Wealth)

## CORE

- Fundamentals
- Estimates
- Equity/Debt Capital Structure
- Terms & Conditions
- People
- Global Exchange Pricing & Reference Data

## MACRO

- Benchmarks & Indices
- Economics
- ETF & Funds
- Country & Industry Market Aggregates
- Ownership/Third Party Funds

## EVENT-DRIVEN

- Mergers & Acquisitions
- PE/VC Transactions
- Events & Transcripts
- Corporate Activism
- Street Account News

## UNIQUE

- Geographic Revenue
- Supply Chain
- Shipping Transactions
- Revenue by Industry Classification
- Company Product Tradenames
- Global Entity & Security Master

## EXPANDING

- Sustainability / ESG
- Private Markets
- Deep Sector
- Data Management
- Revere Content
- Real Time
- New Alternative Data Sets



We employ a **build/partner/buy strategy** to fuel growth, solve for more client workflows, and capture more of the addressable market



- BUILD
- PARTNER
- BUY

**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.

## FACTSET

### Recent deals complement our product offerings



Headquarters	Boston, MA	Lakewood, CO	Boston, MA	New York, NY	New York, NY
Founded	2004	2014	2011	1968	2014
Sponsoring Workflow	Institutional Buy-Side	Dealmakers	Dealmakers	Partnerships & CGS	Dealmakers
Strategic Alignment	Portfolio Lifecycle	Deep Sector	Private Markets	Data Management Solutions	Data Management Solutions
Deal Rationale	Address product gap in behavioral analytics to differentiate our PLC offering	Accelerate the Power/Energy sub-strategy of our Deep Sector roadmap	Building block to accelerate entry into private market workflows and path to differentiated data	Enhances symbology, concordance, and reference data management	An innovator in data structuring and collection technology
Transaction Timing	Closed in Q4 FY21 (June 1, 2021)	Closed in Q4 FY21 (July 1, 2021)	Closed in Q1 FY22 (October 12, 2021)	Closed in Q3 FY22 (March 1, 2022)	Closed in Q4 FY23 (July 11, 2023)

FACTSET

03 The Future

---



FACTSET

We are investing in the future.

DATA EXCELLENCE

End-to-end enterprise solutions  
and services provider

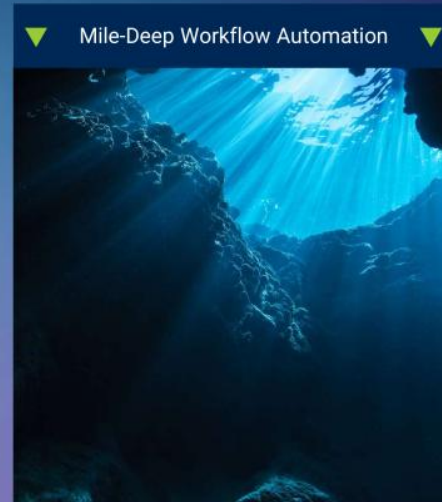
Open, flexible, modular

Leader in artificial intelligence



# FACTSET

We are elevating our AI capabilities to power our clients' key workflows and deliver unparalleled levels of personalization, discoverability, and productivity.



FACTSET

## With FactSet...

...an **Investment Banker** can update a pitchbook with the click of a button.

...a **Portfolio Manager** can query their portfolio's performance in natural language.

...a **Wealth Advisor** can automatically create an investment proposal for a prospect.

FACTSET

04 Financials | Fiscal 2024

---

## FACTSET

Our long-term strategy to build the leading open content and analytics platform drives growth through changing market cycles

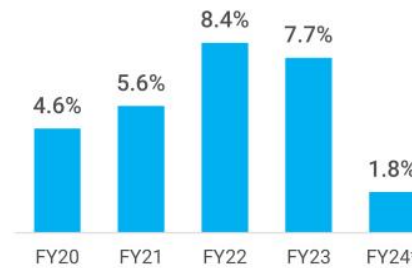
**Americas**  
\$1,457M<sup>1,2,3</sup>

- We saw gains from growth in wealth and banking.
- These gains were further enhanced by lower erosion and greater expansion.



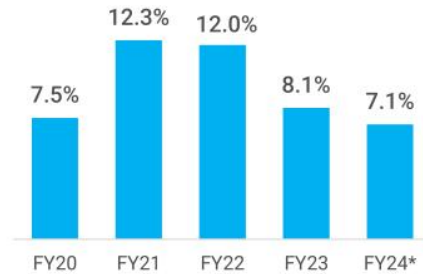
**EMEA**  
\$569M<sup>1,2,3</sup>

- Growth was driven by gains in wealth.
- These gains were offset by greater erosion and lower retention.



**AsiaPac**  
\$229M<sup>1,2,3</sup>

- We saw acceleration from buy-side and wealth wins.
- We saw increased demand for data solutions and workstations.



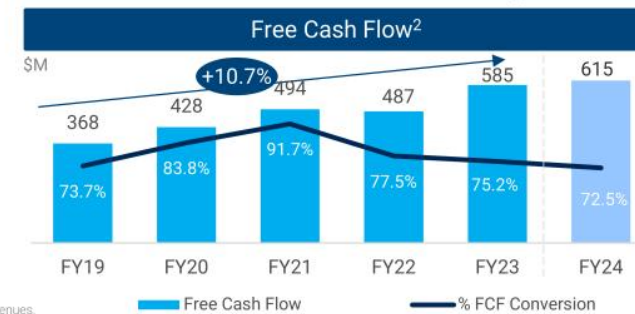
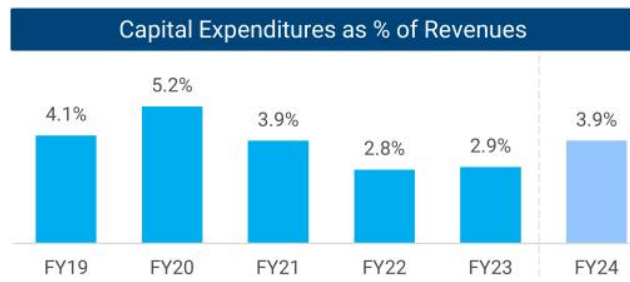
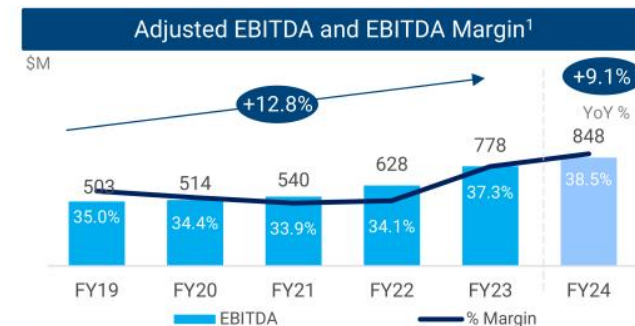
\* FY20 to FY24 Organic ASV LTM Growth Rates by Region

<sup>1</sup> FY24 Organic ASV LTM by Region.

<sup>2</sup> Includes CGS as of Q3 FY23.

<sup>3</sup> Segment ASV does not include professional services fees which totaled \$18.3 million at August 31, 2024.

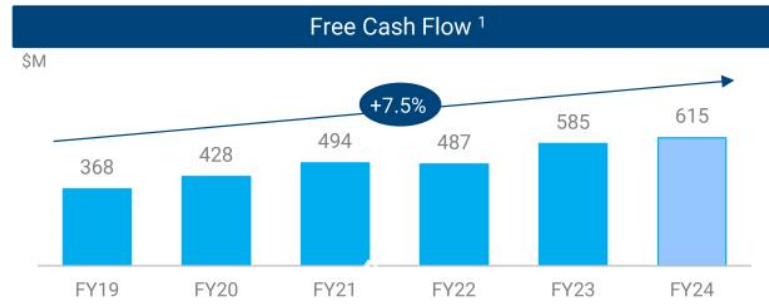
Attractive financial model with demonstrated strong free cash flow conversion



Note: Figures as of FactSet FY24 end August 31, 2024.  
 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.

## FACTSET

### Returning capital to shareholders



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



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



<sup>1</sup> Please see Appendix for free cash flow details.  
<sup>2</sup> Net income payout ratio reflects dividends as a percentage of net income.  
<sup>3</sup> Cash flow payout ratio reflects dividends as a percentage of free cash flow.  
<sup>4</sup> In FY22 we prioritized debt repayment over share repurchases to reduce our leverage.

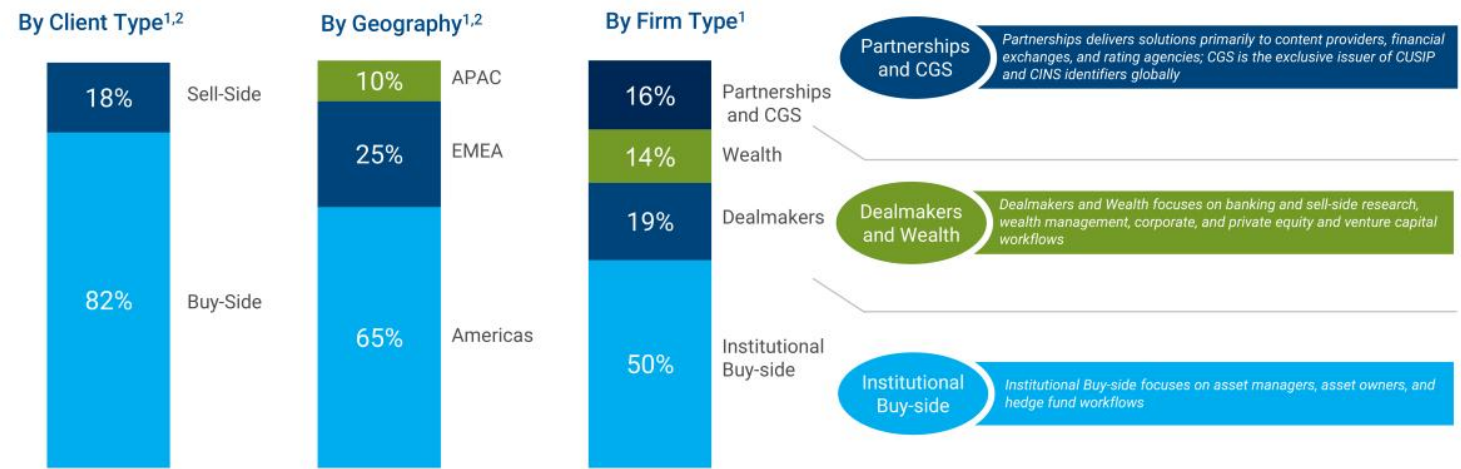


**Share Repurchases <sup>4</sup>**



Executing our strategy through workflow solutions that leverage our content refinery

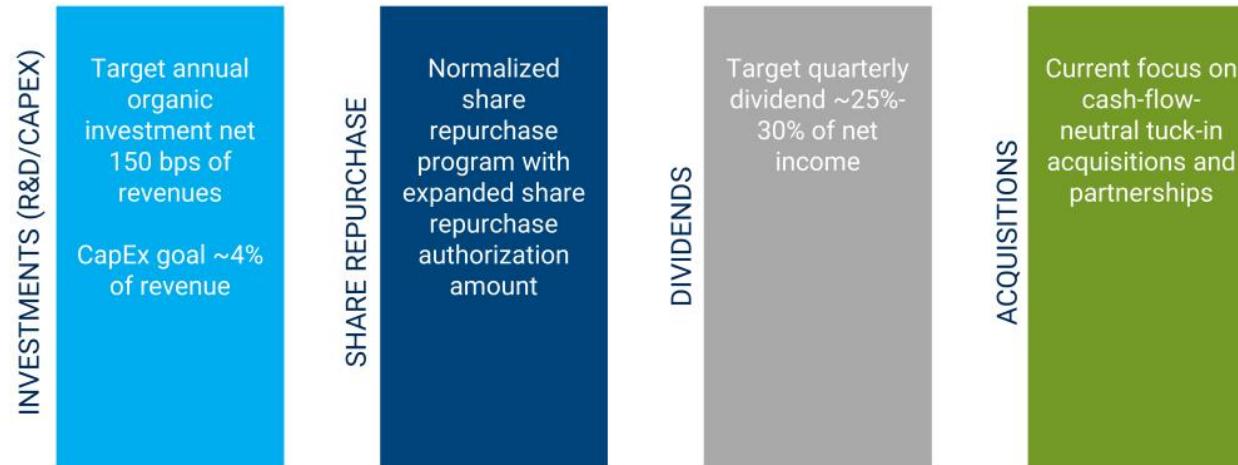
ASV Split by Client, Geography, and Firm Type



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

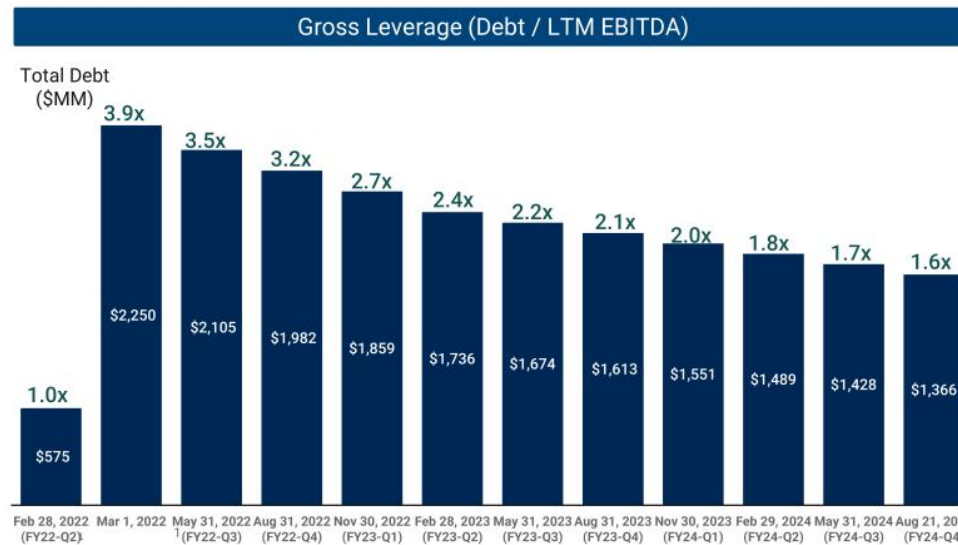
## FACTSET

Sustain value creation through disciplined capital allocation





## Optimizing capital structure to ensure flexibility



Debt incurred for CGS on March 1, 2022, included \$1.0B of new senior notes, \$1.0B of new term loan, \$250M drawn new revolver, net of repayment of \$575M previous revolver

<sup>1</sup> Based on \$575M of drawn revolver as of February 28, 2022, and \$561M of FY22 Q2 LTM Adjusted EBITDA (excludes CGS); see appendix for Adjusted EBITDA reconciliation

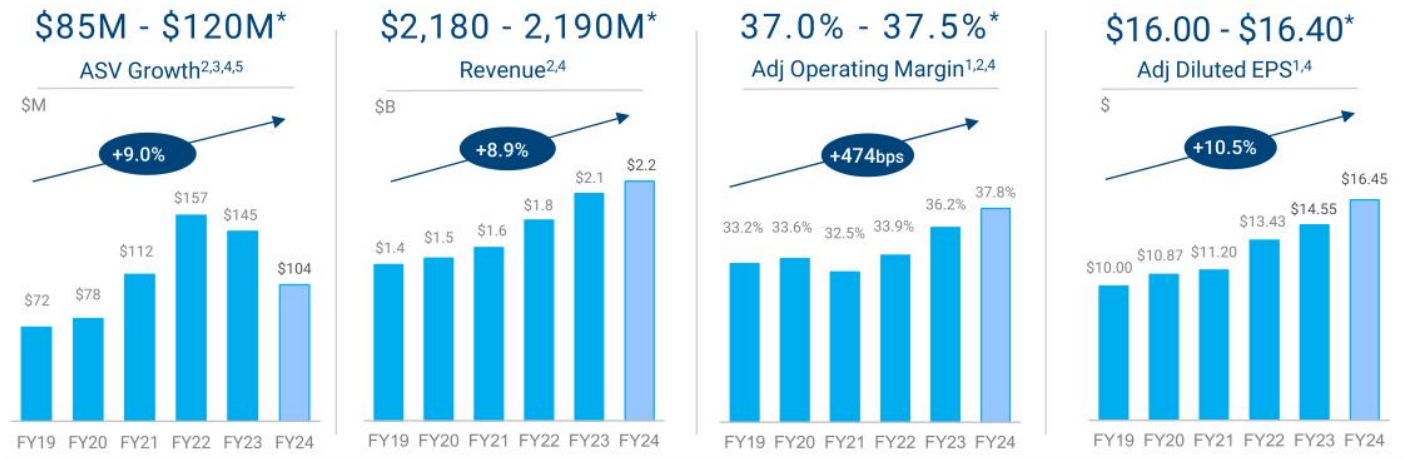
<sup>2</sup> Based on August 31, 2024, net of repayment of \$875m of the term facility, Q4 Debt of \$1,366m / \$847.5 FY24 Q4 LTM Adj. EBITDA = 1.6x

\*Leverage Ratio is calculated using Net Carrying Value of Debt and Adjusted LTM EBITDA

### Capital Structure Optimization

- Investment grade ratings from Moody's (Baa3) and Fitch (BBB+)
- Credit agreement with \$500 million revolver (\$250 million drawn) and additional \$750 million accordion feature
- \$1 billion unsecured senior notes issued (5 year \$500 million 2.9% coupon; 10 year \$500 million 3.45% coupon)
- \$1 billion pre-payable three-year term loan - \$125 million outstanding as of August 31, 2024
- Annual interest expense ramping down to ~\$40 - \$45 million as term loan is repaid
- Floating rate exposure hedged with a fixed rate swap

FY2024 Guidance vs Performance



...building on momentum of the last several years

<sup>1</sup> Please see Appendix for a reconciliation of these non-GAAP metrics to GAAP metrics

<sup>2</sup> Includes CUSIP Global Services (CGS) as of Q3 FY23

<sup>3</sup> Incremental ASV Growth

<sup>4</sup> FY19-FY24 actual

<sup>5</sup> Total Organic ASV Growth

\*FY24 Guidance as of June 21, 2024

Committed to margin management while investing in innovation to drive top-line growth

<b>People</b> ~7% cost reduction YoY Q4 Variance <sup>1</sup>	<b>Real Estate</b> ~9% cost reductions YoY Q4 Variance <sup>1</sup>	<b>Technology</b> ~20% expense increase YoY Q4 Variance <sup>1</sup>	<b>Third-Party Data Costs</b> ~15% expense increase YoY Q4 Variance <sup>1</sup>
<ul style="list-style-type: none"> <li>Reduction driven by lower compensation expenses due to earlier cost reduction efforts and lower bonus accrual.</li> <li>69% in COE locations.<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>Reduced real estate footprint due to the hybrid operating model.</li> </ul>	<ul style="list-style-type: none"> <li>Investing in generative AI technology to drive next-generation workflow solutions.</li> <li>Technology expense is expected to increase ~20% in FY25.</li> </ul>	<ul style="list-style-type: none"> <li>The cost increase this quarter was due to changes in the timing of variable fees.</li> <li>Third-party data costs are ~5% of revenue.</li> </ul>

<sup>1</sup> As of August 31, 2024



## Guidance for FY2025

	<b>FISCAL 2025 OUTLOOK</b> <i>As of September 19, 2024</i>
Organic ASV Growth <sup>1</sup>	\$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

<sup>1</sup> 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.*



## FactSet EBITDA and Adjusted EBITDA reconciliation

(\$ in millions)	FY2019 <sup>1</sup>	FY2020 <sup>1</sup>	FY2021 <sup>1</sup>	FY2022 <sup>1</sup>	FY2023 <sup>1</sup>	FY2024 <sup>1</sup>
Net Income	\$352.8	\$372.9	\$399.6	\$396.9	\$468.1	\$537.1
Interest Expense <sup>2</sup>	20.1	13.1	8.2	35.7	66.3	65.8
Income Taxes	69.2	54.2	68.0	46.7	116.8	114.4
Depreciation and Amortization Expense	60.5	57.6	64.5	86.7	105.4	125.2
<b>EBITDA</b>	<b>\$502.6</b>	<b>\$497.8</b>	<b>\$540.3</b>	<b>\$566.0</b>	<b>\$756.7</b>	<b>\$842.5</b>
Non-Recurring Non-Cash Expenses <sup>3</sup>	—	16.5	—	62.2	21.0	5.1
<b>Adjusted EBITDA</b>	<b>\$502.6</b>	<b>\$514.3</b>	<b>\$540.3</b>	<b>\$628.2</b>	<b>\$777.6</b>	<b>\$847.5</b>

Note: Columns may not foot due to rounding

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

<sup>2</sup> Gross interest expense

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



## FactSet free cash flow reconciliation

<i>(\$ millions)</i>	FY2019 <sup>1</sup>	FY2020 <sup>1</sup>	FY2021 <sup>1</sup>	FY2022 <sup>1</sup>	FY2023 <sup>1</sup>	FY2024 <sup>1</sup>
Net cash provided by operating activities	\$427.1	\$505.8	\$555.2	\$538.3	\$645.6	\$700.3
Capital Expenditures <sup>2</sup>	(59.4)	(77.6)	(61.3)	(51.2)	(60.8)	(85.7)
<b>Free Cash Flow</b>	<b>\$367.8</b>	<b>\$428.2</b>	<b>\$493.9</b>	<b>\$487.1</b>	<b>\$584.8</b>	<b>\$614.6</b>

Note: Columns may not foot due to rounding

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

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



## Non-GAAP Reconciliations

Business Outlook Operating Margin, Net Income and Diluted EPS  
(in millions, except per share data)

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

*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.*

Note: Columns may not foot due to rounding