



Thursday, December 19, 2024

FactSet Earnings Call

First Quarter Fiscal 2025



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 19, 2024, which are posted on www.factset.com under the Investor Relations section.

Agenda

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

FACTSET

Business Update

Key Metrics - First Quarter 2025

4.5%¹

ORGANIC ASV
GROWTH

Driven by the strength of our recurring sales model and disciplined execution by our sales team

+

37.6%²

ADJUSTED
OPERATING
MARGIN

Flat year over year, due to lower personnel and facilities expenses as a percentage of revenue, offset by higher technology expenses

+

\$4.37²

ADJUSTED
DILUTED
EPS

Increased 6.1% year over year due to revenue growth offset by higher operating expenses and a higher tax rate

¹ LTM organic growth rate based on November 30, 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. Organic ASV excludes the effects of acquisitions and dispositions completed within the last twelve months and foreign currency movements. Beginning in fiscal 2025, FactSet is reporting Organic ASV, rather than Organic ASV plus Professional Services, to focus on the recurring nature of our revenues. This underscores the shift of FactSet's offerings toward providing more managed services and less project-based services.

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

Key Operational Metrics

>95%

ASV RETENTION

ASV retained from clients over the last twelve months.

▬ No change versus 2024 | Q1

91%

CLIENT RETENTION

Percentage of clients retained over the last twelve months.

▲ Up ~10bps versus 2024 | Q1

218,267

USER COUNT

Number of individuals accessing FactSet's solutions.

▲ 5% change since 2024 | Q1

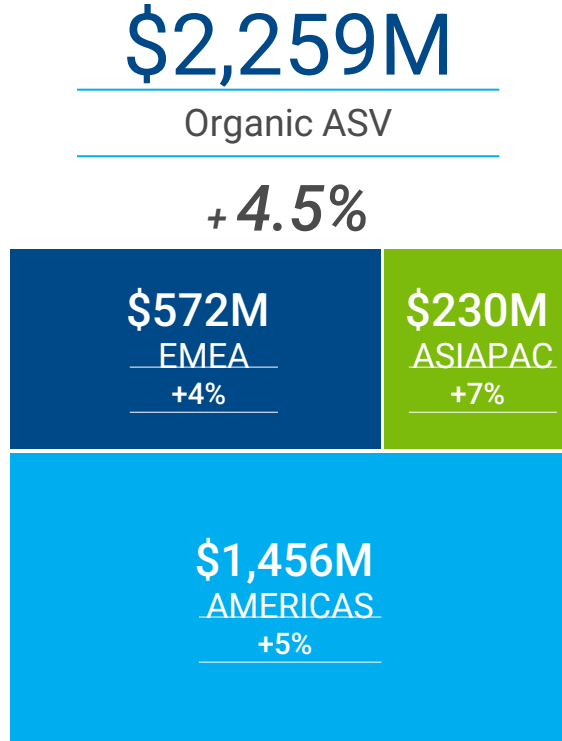
8,249

CLIENT COUNT

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

▲ 4% change since 2024 | Q1

ASV Growth Rates by Global Segments *



* LTM Organic ASV Growth Rate based on last twelve months as of November 30, 2024

Note: Figures may not foot due to rounding

Now, we are on a mission to **supercharge financial intelligence**



Maximize the value
of our data and
technology
ecosystem



Innovate across
workflows to maintain
and build leadership



Deliver value to our
clients as their enterprise
partner of choice

FACTSET

Financial Overview

First Quarter 2025 Financial Results*

(in thousands, except per share data)

4.9%

Revenues

11/30/24 \$568,667
11/30/23 \$542,216

4.7%

Organic Revenues

11/30/24 \$567,673
11/30/23 \$542,216

1.2%

Operating Income

11/30/24 \$191,335
11/30/23 \$189,040

4.8%

Adjusted Operating
Income

11/30/24 \$213,750
11/30/23 \$203,965

(120)bps

Operating Margin

11/30/24 33.6%
11/30/23 34.9%

0bps

Adjusted Operating
Margin

11/30/24 37.6%
11/30/23 37.6%

1.0%

Net Income

11/30/24 \$150,022
11/30/23 \$148,555

5.7%

Adjusted Net Income

11/30/24 \$168,132
11/30/23 \$159,127

1.3%

Diluted EPS

11/30/24 \$3.89
11/30/23 \$3.84

6.1%

Adjusted Diluted EPS

11/30/24 \$4.37
11/30/23 \$4.12

5.0%

EBITDA

11/30/24 \$229,856
11/30/23 \$219,002

(56.4)%

Free Cash Flow

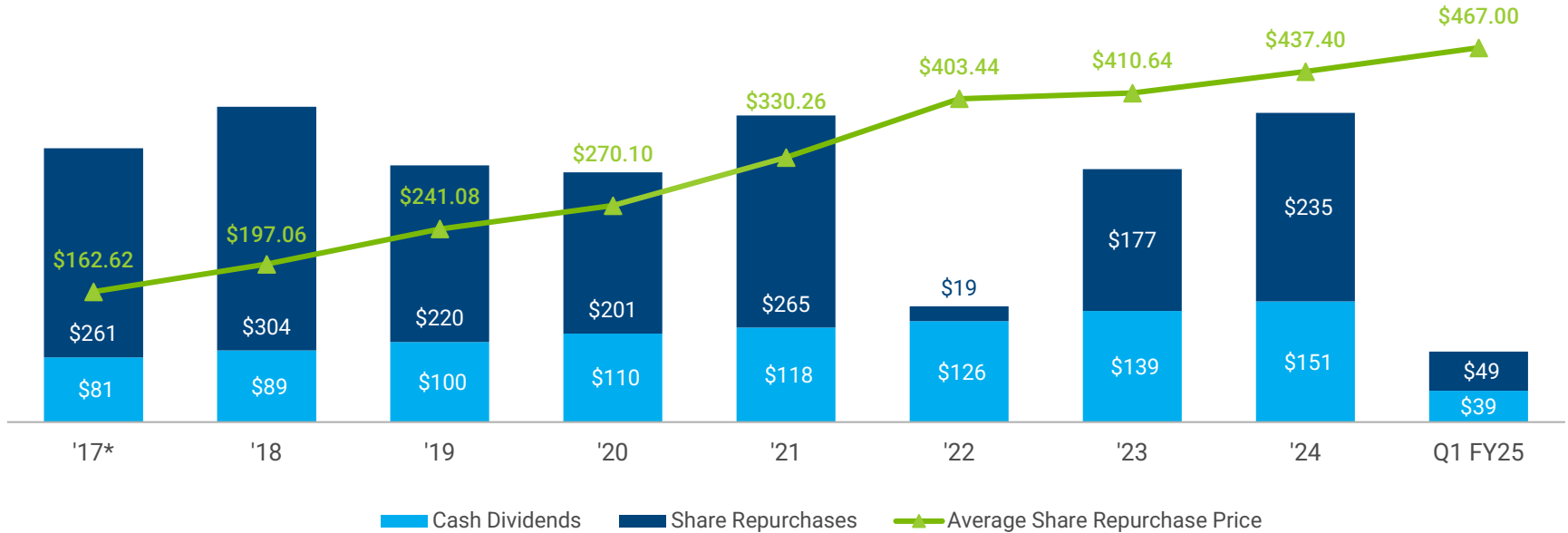
11/30/24 \$60,498
11/30/23 \$138,678

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

Returning Capital to Shareholders

FactSet has steadily increased annual dividends and continued share repurchases in the first quarter 2025

(in millions except share price)



* Includes share repurchased from employee stock options for 2017

Note: Figures may not foot due to rounding

We reaffirm fiscal 2025 guidance of 4% - 6% ASV¹ growth and 36% - 37% adjusted operating margin

	FISCAL 2025 OUTLOOK As of December 19, 2024
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 Expected Organic ASV growth for fiscal 2025 relative to fiscal 2024

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

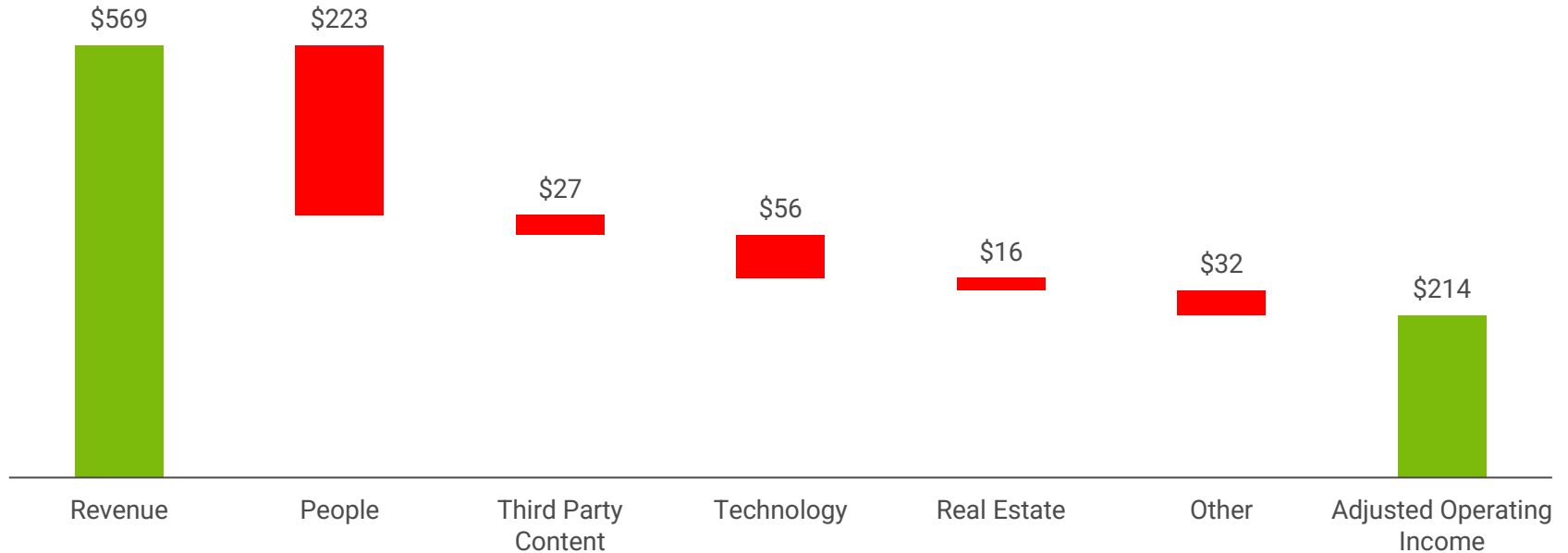
Questions & Answers

FACTSET

Appendix

First Quarter 2025 Adjusted Operating Income Walk

(in millions)



Figures as of November 30, 2024

Note: Columns may not foot due to rounding

Non-GAAP Reconciliations

Organic Revenues
(in thousands)

FOR THE THREE MONTHS ENDED NOVEMBER 30

(Unaudited)	2024	2023	% Change
GAAP Revenues	\$ 568,667	\$ 542,216	4.9%
Acquired Revenues	(696)	—	
Currency Impact	(298)	—	
Organic Revenues	\$ 567,673	\$ 542,216	4.7%

Note: Columns may not foot due to rounding

Non-GAAP Reconciliations

Adjusted Operating Income, Margin, Net Income

(in thousands, except per share data)

FOR THE THREE MONTHS ENDED NOVEMBER 30

(Unaudited)	2024	2023	% Change
GAAP Operating Income	\$191,335	\$189,040	1.2%
Intangible Asset Amortization	16,581	17,344	
Business acquisition and related costs	3,753	—	
Sales tax dispute	2,398	—	
Restructuring/Severance	(317)	(2,419)	
Adjusted Operating Income	\$213,750	\$203,965	4.8%
Operating Margin	33.6% ¹	34.9% ¹	
Adjusted Operating Margin	37.6%	37.6%	
GAAP Net Income	\$150,022	\$148,555	1.0%
Intangible Asset Amortization	12,397	12,368	
Business acquisition and related costs	2,806	—	
Sales tax dispute	1,793	—	
Restructuring/Severance	(237)	(1,725)	
Income tax items	1,351	(71)	
Adjusted Net Income	\$168,132	\$159,127	5.7%

Note: Columns may not foot due to rounding

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

Non-GAAP Reconciliations

EBITDA

(in thousands)

FOR THE THREE MONTHS ENDED NOVEMBER 30

(Unaudited)	2024	2023	% Change
Net Income	\$ 150,022	\$ 148,555	1 %
Interest Expense	14,400	16,738	
Income taxes	29,717	26,641	
Depreciation and amortization expense	35,717	27,068	
EBITDA	\$ 229,856	\$ 219,002	5 %

Note: Columns may not foot due to rounding

Non-GAAP Reconciliations

Adjusted Diluted EPS

(in thousands, except per share data)

FOR THE THREE MONTHS ENDED NOVEMBER 30

(Unaudited)	2024	2023	% Change
GAAP Diluted Earnings per Common Share	\$ 3.89	\$ 3.84	1.3 %
Intangible Asset Amortization	0.32	0.32	
Business acquisition and related costs	0.08	—	
Sales tax dispute	0.05	—	
Restructuring/Severance	(0.01)	(0.04)	
Income Tax Items	0.04	0.00	
Adjusted Diluted Earnings per Common Share	\$ 4.37	\$ 4.12	6.1 %
Weighted Average Common Shares (Diluted)	38,517	38,643	

Note: Columns may not foot due to rounding

Non-GAAP Reconciliations

Free Cash Flow

(in thousands)

FOR THE THREE MONTHS ENDED NOVEMBER 30

(Unaudited)	2024	2023	% Change
Net Cash Provided by Operating Activities	\$ 86,372	\$ 155,144	
Capital Expenditures	(25,874)	(16,466)	
Free Cash Flow	\$ 60,498	\$ 138,678	(56.4)%

Note: Columns may not foot due to rounding

Non-GAAP Reconciliations

Business Outlook Operating Margin, Net Income and Diluted EPS

(in thousands, 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

Note: Columns may not foot due to rounding

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

Thank you