



Thursday, March 20, 2025

# FactSet Earnings Call

## Second 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 March 20, 2025, which are posted on [www.factset.com](http://www.factset.com) under the Investor Relations section.

## Agenda

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



Business Update

## Key Metrics - Second Quarter 2025

4.1%<sup>1</sup>

ORGANIC ASV  
GROWTH

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

+

37.3%<sup>2</sup>

ADJUSTED  
OPERATING  
MARGIN

Decreased 100 bps mainly due to higher technology related expenses offset by lapping of the prior year's lower bonus accrual

+

\$4.28<sup>2</sup>

ADJUSTED  
DILUTED  
EPS

Increased 1.4% year over year driven by growth in revenues, offset by higher operating expenses and a higher tax rate on an adjusted basis

<sup>1</sup> LTM organic growth rate based on February 28, 2025. 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 its revenues. This underscores the shift of FactSet's offerings toward providing more managed services and less project-based services.

<sup>2</sup> 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 | Q2

91%

### CLIENT RETENTION

Percentage of clients retained over the last twelve months.

▲ Up ~70bps versus 2024 | Q2

219,141

### USER COUNT

Number of individuals accessing FactSet's solutions.<sup>1</sup>

▲ 6% change since 2024 | Q2

8,645

### CLIENT COUNT

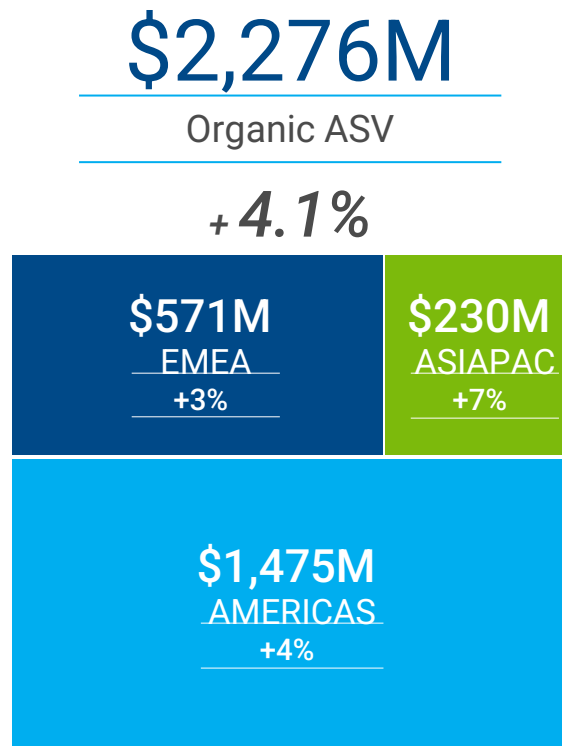
Companies subscribing to FactSet services with an ASV greater than \$10,000.<sup>2</sup>

▲ 8% change since 2024 | Q2

<sup>1</sup> User count does not reflect the Irwin and LiquidityBook acquisitions.

<sup>2</sup> Client count includes clients from the Irwin acquisition, but does not reflect the LiquidityBook acquisition.

## ASV Growth Rates by Global Segments \*



\* LTM Organic ASV Growth Rate based on last twelve months as of February 28, 2025

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





## Financial Overview

## Second Quarter 2025 Financial Results\*

(in thousands, except per share data)

# 4.5%

### Revenues

2/28/25 \$570,660  
2/29/24 \$545,945

# 4.0%

### Organic Revenues

2/28/25 \$567,985  
2/29/24 \$545,945

# 2.0%

### Operating Income

2/28/25 \$185,492  
2/29/24 \$181,942

# 1.6%

### Adjusted Operating Income

2/28/25 \$212,669  
02/29/24 \$209,326

# (80)bps

### Operating Margin

2/28/25 32.5%  
2/29/24 33.3%

# (100)bps

### Adjusted Operating Margin

2/28/25 37.3%  
2/29/24 38.3%

# 2.8%

### Net Income

2/28/25 \$144,860  
2/29/24 \$140,940

# 1.2%

### Adjusted Net Income

2/28/25 \$164,976  
2/29/24 \$163,067

# 3.0%

### Diluted EPS

2/28/25 \$3.76  
2/29/24 \$3.65

# 1.4%

### Adjusted Diluted EPS

2/28/25 \$4.28  
2/29/24 \$4.22

# 3.6%

### EBITDA

2/28/25 \$224,646  
2/29/24 \$216,826

# 23.3%

### Free Cash Flow

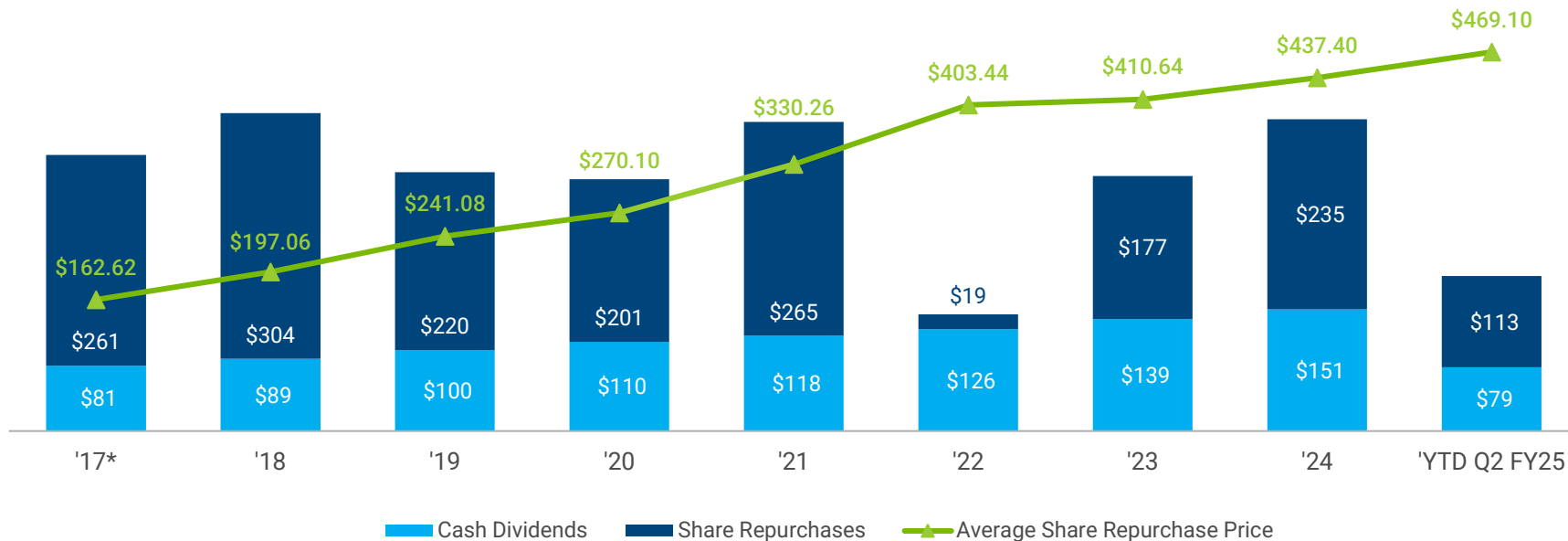
2/28/25 \$150,219  
2/29/24 \$121,881

\* 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 second quarter 2025

(in millions except share price)



\* Includes share repurchased from employee stock options for 2017

Note: Figures may not foot due to rounding

## Narrowing our organic ASV growth guidance range and reaffirming adjusted operating margin and EPS guidance. Increasing Revenues range and decreasing GAAP margin and EPS ranges to reflect recent acquisitions

	FISCAL 2025 OUTLOOK <i>As of December 19, 2024</i>	FISCAL 2025 OUTLOOK <i>As of March 20, 2025</i>
Organic ASV Growth <sup>1</sup>	\$90 - \$140 million (~4% to ~6%)	\$100- \$130 million (~4.4% to ~5.8%)
Revenues	\$2,285 - \$2,305 million	\$2,305 - \$2,325 million
GAAP Operating Margin	32.5% - 33.5%	32.0% - 33.0%
Adjusted Operating Margin	36.0% - 37.0%	36.0% - 37.0%
GAAP Effective Tax Rate	17.0% - 18.0%	17.0% - 18.0%
GAAP Diluted EPS	\$15.10 - \$15.70	\$14.80 - \$15.40
Adjusted Diluted EPS	\$16.80 - \$17.40	\$16.80 - \$17.40

<sup>1</sup> 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*



Questions & Answers

## Appendix

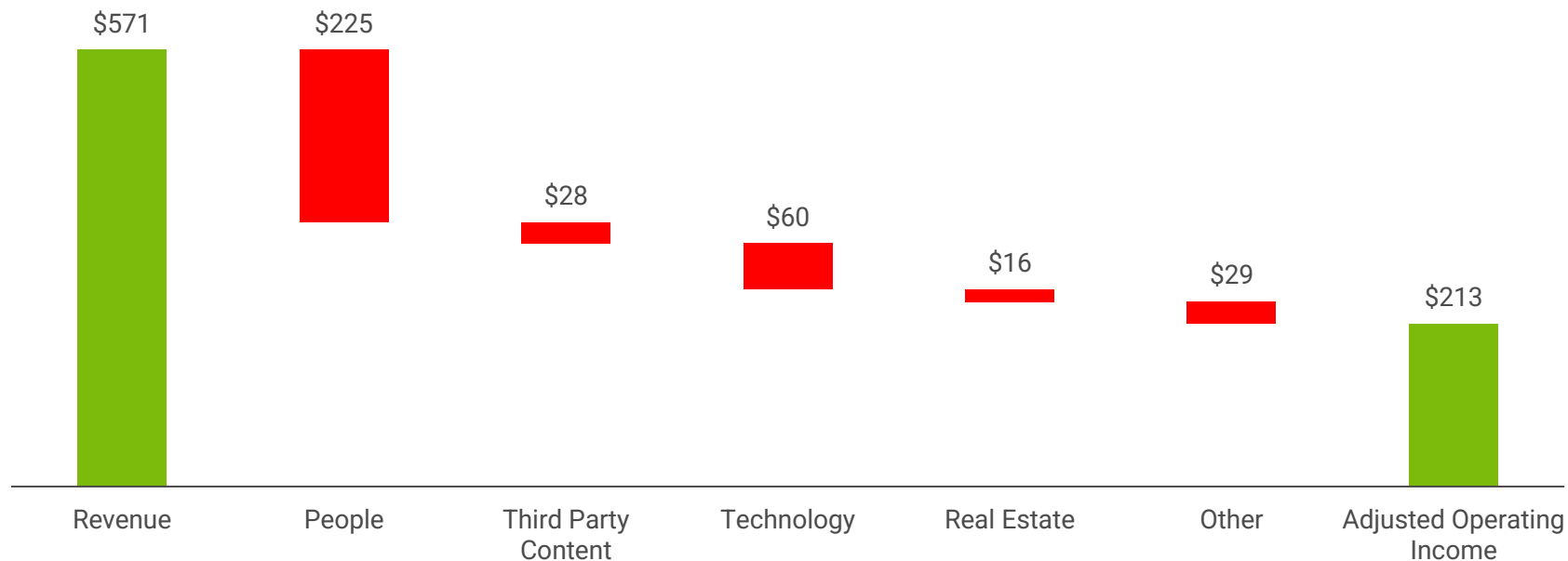
# Completing the End-to-End Portfolio Lifecycle (PLC)

Closing our PLC gaps to unlock new growth opportunities in the Front Office and strengthen leadership in the Middle Office by connecting adjacent workflows and further differentiating FactSet's value proposition



## Second Quarter 2025 Adjusted Operating Income Walk

(in millions)



Figures as of February 28, 2025

Note: Columns may not foot due to rounding



## Non-GAAP Reconciliations

Organic Revenues

(in thousands)

FOR THE THREE MONTHS ENDED

(Unaudited)	February 28, 2025	February 29, 2024	% Change
GAAP Revenues	\$ 570,660	\$ 545,945	4.5%
Acquired Revenues	(3,793)	—	
Currency Impact	1,118	—	
<b>Organic Revenues</b>	<b>\$ 567,985</b>	<b>\$ 545,945</b>	<b>4.0%</b>

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

(Unaudited)	February 28, 2025	February 29, 2024	% Change
GAAP operating income	\$185,492	\$181,942	2.0%
Intangible asset amortization	18,137	16,674	
Business acquisitions and related costs <sup>(1)</sup>	9,040	—	
Restructuring/severance	—	10,710	
<b>Adjusted operating income</b>	<b>\$212,669</b>	<b>\$209,326</b>	<b>1.6%</b>
Operating margin	32.5%	33.3%	
<b>Adjusted operating margin<sup>(2)</sup></b>	<b>37.3%</b>	<b>38.3%</b>	
GAAP net income	\$144,860	\$140,940	2.8%
Intangible asset amortization	13,425	12,579	
Business acquisitions and related costs <sup>(1)</sup>	6,691	—	
Restructuring/severance	—	8,080	
Income tax items	—	1,468	
<b>Adjusted net income<sup>(3)</sup></b>	<b>\$164,976</b>	<b>\$163,067</b>	<b>1.2%</b>

Note: Columns may not foot due to rounding

<sup>1</sup> Primarily related to the acquisition of LiquidityBook.

<sup>2</sup> Adjusted operating margin is calculated as Adjusted operating income divided by Revenues.

<sup>3</sup> For purposes of calculating Adjusted net income, all adjustments for the three months ended February 28, 2025 and February 29, 2024 were taxed at an adjusted tax rate of 26.0% and 24.6%, respectively.

## Non-GAAP Reconciliations

EBITDA

(in thousands)

FOR THE THREE MONTHS ENDED

(Unaudited)	February 28, 2025	February 29, 2024	% Change
Net income	\$ 144,860	\$ 140,940	2.8 %
Interest expense	13,916	16,599	
Income taxes	27,460	27,705	
Depreciation and amortization expense	38,410	31,582	
EBITDA	\$ 224,646	\$ 216,826	3.6 %
Non-recurring non-cash expenses	—	1,285	
Adjusted EBITDA	\$ 224,646	\$ 218,111	3.0%

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

(Unaudited)	February 28, 2025	February 29, 2024	% Change
GAAP diluted earnings per common share	\$ 3.76	\$ 3.65	3.0 %
Intangible asset amortization	0.35	0.32	
Business acquisitions and related costs <sup>(1)</sup>	0.17	—	
Restructuring/severance	—	0.21	
Income tax items	—	0.04	
<b>Adjusted diluted earnings per common share<sup>(2)</sup></b>	<b>\$ 4.28</b>	<b>\$ 4.22</b>	<b>1.4 %</b>
Weighted average common shares (diluted)	38,510	38,650	

Note: Columns may not foot due to rounding

<sup>1</sup> Primarily related to the acquisition of LiquidityBook.

<sup>2</sup> For purposes of calculating Adjusted diluted earnings per common share, all adjustments for the three months ended February 28, 2025 and February 29, 2024 were taxed at an adjusted tax rate of 26.0% and 24.6%, respectively.

## Non-GAAP Reconciliations

Free Cash Flow  
(in thousands)

FOR THE THREE MONTHS ENDED

(Unaudited)	February 28, 2025	February 29, 2024	% Change
Net Cash Provided by Operating Activities	\$ 173,955	\$ 143,798	
Capital Expenditures	(23,736)	(21,917)	
Free Cash Flow	\$ 150,219	\$ 121,881	23.3 %

Note: Columns may not foot due to rounding

## 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	\$2,305	\$2,325
Operating Income	\$761	\$744
<b>Operating Margin</b>	<b>33.0 %</b>	<b>32.0 %</b>
Intangible Asset Amortization	80	81
Other Adjustments (net)	12	12
Adjusted Operating Income	\$853	\$837
<b>Adjusted Operating Margin</b>	<b>37.0 %</b>	<b>36.0 %</b>
Net Income	\$588	\$567
Intangible Asset Amortization	66	66
Other Adjustments (net)	10	10
Discrete Tax Items	(4)	(4)
<b>Adjusted Net Income</b>	<b>\$660</b>	<b>\$640</b>
<b>Diluted Earnings per Common Share</b>	<b>\$15.40</b>	<b>\$14.80</b>
Intangible Asset Amortization	1.73	1.73
Other Adjustments (net)	0.30	0.30
Discrete Tax Items	(0.03)	(0.03)
<b>Adjusted Diluted Earnings per Common Share</b>	<b>\$17.40</b>	<b>\$16.80</b>

Note: Columns may not foot due to rounding

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Thank you