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ANNUAL RATES Past Past Est'd '07-'09 10 Yrs. 20.5% 22.0% of change (per sh) 5 Yrs. to '13-'15 Revenues "Cash Flow" 11.0% 10.5% 20.5% 19.5% 21.5% 30.5% Earnings 25.0% 11.5% Dividends 23.0% Book Value 20.5% 18.5% Fiscal Year QUARTERLY REVENUES (\$mill.) A Nov.30 Feb.28 May.31 Aug.31 108.9 116.3 121 1 129.5 475.8

92.6

Current Liab

99.4

85.2

2007 2008 134.2 140.2 147.4 153.7 575.5 2009 155.6 156.5 154.4 155.5 622.0 2010 155.2 157.3 160.3 167.2 640 2011 169 171 175 180 695 Full Fiscal Year Fiscal Year EARNINGS PER SHARE A B Nov.30 Feb.28 May.31 Aug.31 Ends 2007 47 52 .56 .60 2.14 2008 .58 .59 .65 .67 2 50 2009 .73 .71 .73 .74 291 2010 74 .75 .81 .80 3.10 2011 .81 .84 .86 .89 3.40 QUARTERLY DIVIDENDS PAID C Cal-Full endar Mar.31 Jun.30 Sep.30 Dec.31 2006 05 06 06 06 23 .42 2007 .06 .12 .12 .12 2008 .12 .18 .18 .18 .66 2009 .18 .20 .20 .20 2010 .20 .23

FactSet Research Systems earnings gains have been due in large part to higher subscription levels. With the financial sector's recovery accelerating, headcounts at many of FactSet's customers have continued to increase on a sequential basis. These hirings have bol-stered demand for the company's analytical products. Additionally, some recent product releases, such as New FactSet, have helped to bolster retention ratios and pricing, which has widened operating margins. Indeed, fiscal third-quarter (ended May 31st) share earnings were 11% higher than the prior year's figure. As a result of the improved demand, we are raising our share-net estimate for fiscal 2010 by a dime, to \$3.10.

A recent acquisition should help to expand the company's coverage sphere. In early June, FactSet purchased Market Metrics, a provider of research content that focuses on advisor-sold investments and insurance products. The newcomer surveys advisors and money managers in an effort to objectively rate alternative financial planning products. Although the initial top-line contribution from the transaction is minor (about \$16 million in revenues during fiscal 2011), the expansion of FactSet's product lineup should give it a nice foothold in this developing market.

The share-repurchase program has been extended. On May 14th, FactSet's board of directors increased the existing share-repurchase authorization by \$150 million, to \$198 million. This came on the heels of a recent increase of the quarterly dividend payment, to \$0.23 per share. Over the last 12 months, the company has returned nearly \$225 million to stockholders through its dividend payments and stock buyback efforts.

FDS stock is favorably ranked for Timeliness (2). However, although we expect the continued recovery in the financial sector and more diverse product portfolio to bolster the company's top and bottom lines, the more-than-65% runup in share price over the last 18 months has discounted much of our forecasted gains. Thus, this issue's price appreciation potential is below the Value Line median at this time. Christopher T. Wells September 3, 2010

change in share count. Next egs. report due (D) In millions, adjusted for stock splits year ends on August 31st. (B) Diluted earnings. Excludes nonrecurring gain/(loss): '00, (1¢); '02, 1¢; '03, 3¢; '05, 4¢, '09, 6¢. Earnings may not sum to total due to

late September.

(C) Div'd. historically paid in mid-March, June, Sept. & Dec.

(E) Includes intangibles. In 2009: \$227.7 million, \$5.81/share.

Company's Financial Strength Stock's Price Stability Price Growth Persistence a۸ 95 **Earnings Predictability** 100

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