



FactSet Research Systems, Inc. (FDS)

Updated October 24th, 2025 by Yiannis Zourmpanos

Key Metrics

Current Price:	\$287	5 Year Annual Expected Total Return:	21.5%	Market Cap:	\$10.9 B
Fair Value Price:	\$485	5 Year Growth Estimate:	8.5%	Ex-Dividend Date:	11/28/25 ¹
% Fair Value:	59%	5 Year Valuation Multiple Estimate:	11.0%	Dividend Payment Date:	12/19/25 ²
Dividend Yield:	1.5%	5 Year Price Target	\$729	Years Of Dividend Growth:	26
Dividend Risk Score:	A	Sector:	Financials	Rating:	Buy

Overview & Current Events

FactSet Research Systems, Inc. (FDS), a financial data and analytics firm founded in 1978, provides integrated financial information and analytical tools to the investment community in the Americas, Europe, the Middle East, Africa, and the Asia Pacific. The company provides insight and information through research, analytics, trading workflow solutions, content and technology solutions, and wealth management.

On September 18th, 2025, FactSet Research Systems announced Q4 2025 results, reporting non-GAAP EPS of \$4.05 for the period, which missed market consensus by \$0.08, and revenue grew 6.2% to \$596.9 million. Operating performance also strengthened, with Q4 GAAP operating margin rising sharply to 29.7%, while GAAP diluted EPS surged 73.7% to \$4.03, reflecting higher revenue and one-time gains from a business divestiture.

For the full year, GAAP revenues climbed 5.4% to \$2.32 billion, marking the company's 46th consecutive year of revenue growth. Organic ASV grew 5.7% to \$2.37 billion, underscoring steady client demand and expansion across all regions. For the full fiscal year, FactSet delivered a 32.2% GAAP operating margin and \$15.55 in diluted EPS, up 11.8% year over year. Adjusted metrics were slightly lower, as increased technology spending weighed on margins, but overall profitability remained strong. Looking ahead, FactSet expects fiscal 2026 GAAP revenues between \$2.42 billion and \$2.45 billion and organic ASV growth of 4% to 6%. CEO Sanoke Viswanathan highlighted FactSet's readiness to "lead the AI-driven transformation in financial markets," emphasizing the firm's focus on data innovation, client relationships, and sustainable long-term value creation.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$8.29	\$6.55	\$6.90	\$9.25	\$9.83	\$10.56	\$10.25	\$12.03	\$13.91	\$15.55	\$17.31	\$26.02
DPS	\$1.88	\$2.12	\$2.40	\$2.72	\$2.98	\$3.18	\$3.42	\$3.74	\$4.04	\$4.28	\$4.40	\$7.25
Shares³	40.9	39.4	38.7	38.1	37.9	37.9	37.9	38.9	38.6	38.4	38.9	37.6

FactSet has grown its earnings-per-share with a compound growth rate of 7.2% over the last 10 years. The company's investments and improved product offerings could lead to significant margin expansion in the following years. We estimate EPS of \$17.31 by 2026, matching the midpoint of the analysts' estimates, and we reaffirm our 8.5% annual earnings growth forecast for the next five years, leading to an estimated earnings-per-share of \$26.02 by 2030. FactSet has increased its dividend for 26 consecutive years, making it a member of the "Dividend Champions," which could gain it greater visibility for income investors. However, we do not anticipate a significant increase in the dividend payout; instead, we forecast dividend growth to align with earnings growth. In addition, the increased earnings arising from expanding margins could be a primary dividend growth driver in the following years. We also believe that the company's continued investments in its digital platforms will continue to drive user-base growth in the coming years.

¹ Estimated ex-dividend date

² Estimated dividend payment date

³ Share count is in millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.



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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	24.4	25.3	22.6	26.4	29.4	36.2	34.5	30.3	29.5	29.0	16.6	28.0
Avg. Yld.	1.3%	1.4%	1.3%	1.1%	1.0%	0.9%	0.9%	1.0%	0.9%	0.9%	1.5%	1.0%

FactSet has traded with a relatively high valuation multiple in the last decade. The stock's 10-year average P/E ratio is around 29.0, and the five-year average is 31.9. We are using a P/E target of 28.0 as a fair value target for 2030, making shares very undervalued today. While the dividend yield remains relatively low at 1.0%, the modest payout ratio and above-average expected growth rate should allow for a long dividend growth runway in the years ahead.

Safety, Quality, Competitive Advantage, & Recession Resiliency

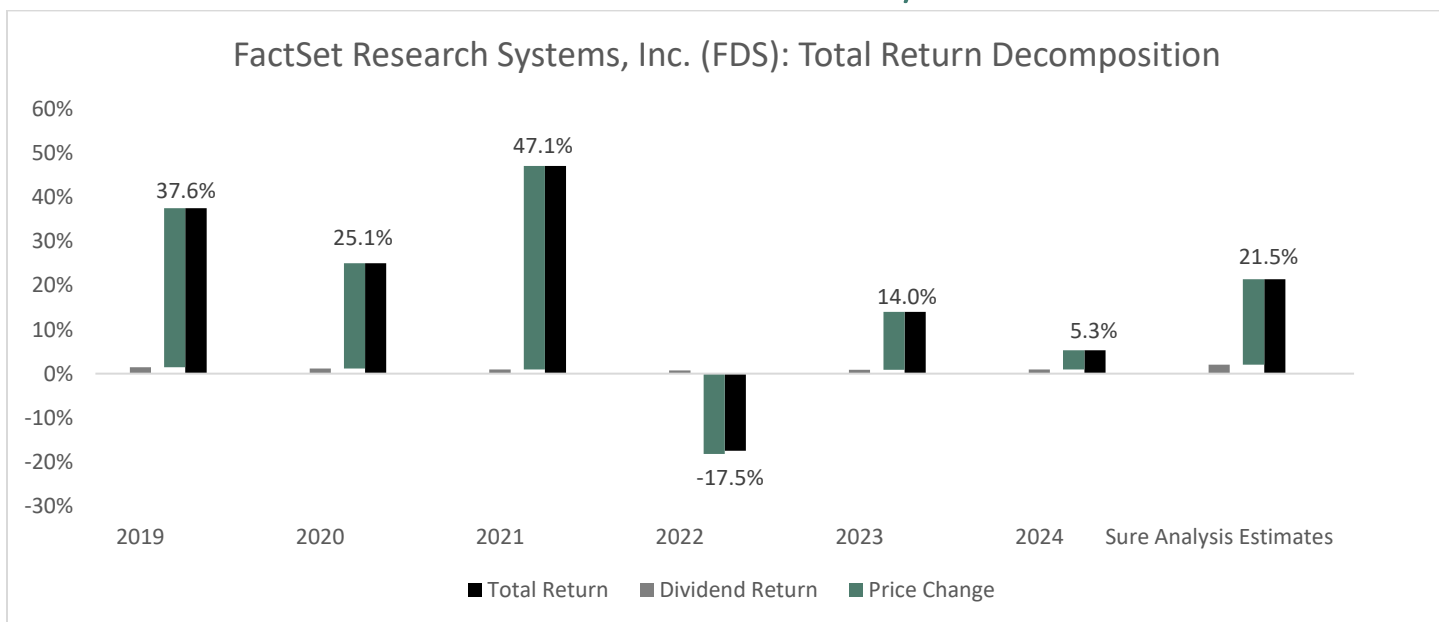
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	23%	32%	35%	29%	30%	30%	33%	31%	29%	28%	25%	28%

FactSet faces competition from Axioma, MSCI, Aladdin, S&P Capital IQ, Refinitiv, and Bloomberg. The company's proprietary data offerings differentiate the company in the marketplace, but alternative solutions by the other providers will dilute this competitive advantage over time. The high switching costs tied to changing providers provide the company with some protection and visibility over its cash flow because of its subscription-based offerings. However, the company remains exposed to fluctuations in the financial services industry, and any economic downturn that may lead to staffing contraction in the investment management industry will deteriorate FactSet's performance. During Q4, FactSet repurchased 259,721 shares of its common stock for \$106.6 million at an average price of \$410.51, underscoring its continued commitment to returning capital to shareholders.

Final Thoughts & Recommendation

FactSet offers a safe, consistent, and steady long-term dividend growth record. We forecast 21.5% annualized total returns for the medium-term, derived from the forecasted earnings-per-share growth of 8.5%, the 1.5% dividend yield, and a valuation tailwind. Therefore, we maintain our buy rating for the stock, as we believe the risk/reward profile is attractive at current levels.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	1,127	1,221	1,350	1,435	1,494	1,591	1,844	2,086	2,203
Gross Profit	640	655	691	772	799	805	973	1,112	1,191
Gross Margin	56.8%	53.6%	51.2%	53.8%	53.5%	50.6%	52.7%	53.3%	54.1%
SG&A Exp.	290	302	325	334	359	331	433	457	485
D&A Exp.	38	48	57	60	101	107		138	156
Operating Profit	350	352	366	438	440	474	540	655	706
Op. Margin	31.0%	28.8%	27.1%	30.5%	29.4%	29.8%	29.3%	31.4%	32.0%
Net Profit	339	258	267	353	373	400	397	468	537
Net Margin	30.1%	21.1%	19.8%	24.6%	25.0%	25.1%	20.1%	22.4%	24.4%
Free Cash Flow	283	284	352	368	428	494		585	615
Income Tax	122	86	85	69	54	68	47	116	114

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	1,019	1,413	1,419	1,560	2,083	2,225	4,014	3,963	4,055
Cash & Equivalents	228	195	209	360	586	682	503	425	423
Acc. Receivable	98	148	157	146	155	151	204	238	228
Goodwill & Int.	546	881	851	810	831	889	2,862	2,864	2,855
Total Liabilities	502	854	894	888	1,187	1,209	2,683	2,343	2,143
Accounts Payable	46	59	72	80	82	86	108	122	178
Long-Term Debt	300	575	575	574	574	575	1,982	1,613	1,366
Total Equity	517	560	526	672	896	1,016	1,331	1,620	1,912
LTD/E Ratio	0.58	1.03	1.09	0.85	0.64	0.57	1.48	1.00	0.71

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	38.6%	21.2%	18.9%	23.7%	20.5%	18.5%	12.7%	11.7%	13.4%
Return on Equity	64.6%	48.0%	49.2%	58.9%	47.5%	41.8%	33.8%	31.7%	30.4%
ROIC	49.0%	26.5%	23.9%	30.1%	27.5%	26.1%	16.2%	14.3%	16.5%
Shares Out.	40.9	39.4	38.7	38.1	37.9	37.9	38.7	39.9	38.6
Revenue/Share	27.25	30.81	34.29	36.92	38.66	41.26	47.69	53.61	57.05
FCF/Share	6.85	7.16	8.94	9.46	11.08	12.81	12.58	15.03	15.92

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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