
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): July 31, 2008

FORRESTER RESEARCH, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-21433
(Commission File Number)

04-2797789
(I.R.S. Employer
Identification Number)

400 Technology Square
Cambridge, Massachusetts 02139
(Address, of principal executive offices, including zip code)

(617) 613-6000
(Registrant's Telephone number including area code)

N/A
(Former Name or Former Address, if Changes since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

TABLE OF CONTENTS

[ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION](#)

[ITEM 8.01 OTHER EVENTS](#)

[ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS](#)

[SIGNATURES](#)

[Ex-99.1 Press Release dated July 31, 2008](#)

[Ex-99.2 Press Release dated July 31, 2008](#)

[Table of Contents](#)

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

The information contained in this current report on Form 8-K is furnished pursuant to Item 2.02 of Form 8-K “Results of Operations and Financial Condition”. This information and the exhibits hereto are being furnished and shall not be deemed to be “filed” for the purposes of Section 18 of, or otherwise regarded as filed under, the Securities Exchange Act of 1934, as amended. The information contained in this report shall not be incorporated by reference into any filing of Forrester Research, Inc. with the SEC, whether made before or after the date hereof, regardless of any general incorporation language in such filings.

On July 31, 2008, Forrester Research, Inc. issued a press release announcing its financial results for the quarter ended June 30, 2008.

Forrester believes that pro forma financial results provide investors with consistent and comparable information to aid in the understanding of Forrester’s ongoing business. Forrester uses pro forma financial information to manage its business, including use of pro forma financial results as the basis for setting targets for various compensation programs. Our pro forma presentation excludes the following, as well as their related tax effects:

Amortization of intangibles—we exclude the effect of the amortization of intangibles from our pro forma results in order to more consistently present our ongoing results of operations.

Impairments of and gains related to non-marketable securities and gains from sales of marketable securities—we have consistently excluded both one-time gains and one-time write-offs related to our investments in non-marketable securities and sales of marketable securities from our pro forma results in order to keep quarter-over-quarter and year-over-year comparisons consistent.

Non-cash stock-based compensation expense—we exclude the stock-based compensation impact of SFAS 123R from our pro forma results in order to keep quarter-over-quarter and year-over-year comparisons consistent.

Expenses related to the Company’s stock option investigation and the restatement of the Company’s historical financial statements are also not included in our pro forma results in order to keep quarter-over-quarter and year-over-year comparisons consistent.

However, these measures should be considered in addition to, not as a substitute for, or superior to, operating income or other measures of financial performance prepared in accordance with generally accepted accounting principles as more fully discussed in our financial statements and filings with the Securities and Exchange Commission.

ITEM 8.01 OTHER EVENTS

On July 31, 2008, the Company announced the acquisition of Jupiter Research, LLC and its parent company, JUPR Holdings, Inc. from MCG Capital Corporation.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

[Table of Contents](#)

99.1 Press Release dated July 31, 2008 with respect to financial results for the quarter ended June 30, 2008.

99.2 Press Release dated July 31, 2008 with respect to the acquisition of Jupiter Research, LLC and its parent company, JUPR Holdings, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FORRESTER RESEARCH, INC.

By /s/ Michael A. Doyle

Name: Michael A. Doyle

Title: Chief Financial Officer and Treasurer

Date: July 31, 2008

Exhibit Index

<u>Exhibit</u>	<u>Description</u>
99.1	Press Release dated July 31, 2008
99.2	Press Release dated July 31, 2008

**Forrester Research Reports Second-Quarter Financial Results*****Company Also Announces Acquisition Of JupiterResearch***

Cambridge, Mass., July 31, 2008 . . . Forrester Research, Inc. (Nasdaq: FORR) today announced its second-quarter, ended June 30, 2008, financial results.

Second-Quarter Financial Performance

- Total revenues were \$63.5 million, compared with \$55.2 million for the second quarter of last year.
- On a GAAP-reported basis, which reflects an effective tax rate of 37 percent, Forrester reported net income of \$8.6 million or \$0.37 per diluted share, compared with net income of \$4.5 million, or \$0.19 per diluted share for the same period last year.
- On a pro forma basis, net income was \$8.6 million, or \$0.37 per diluted share, for the second quarter of 2008, which excludes non-cash stock-based compensation of \$1.3 million, amortization of \$23,000 of acquisition-related intangible assets, net gains on marketable and non-marketable investments of \$1.6 million, and expenses related to the stock option investigation and restatement of the Company's historical financial statements of \$666,000, and which reflects a pro forma effective tax rate of 39 percent. This compares with pro forma net income of \$7.3 million, or \$0.31 per diluted share, for the same period in 2007, which excludes non-cash stock-based compensation of \$1.7 million, amortization of \$293,000 of acquisition-related intangible assets, net impairments from non-marketable investments of \$2.0 million, and expenses related to the stock option investigation and restatement of the Company's historical financial statements of \$1.1 million, and which reflects a pro forma effective tax rate of 39 percent.

Six-Month Period Ended June 30, 2008 Financial Performance

- Total revenues were \$118.4 million, compared with \$102.5 million for the same period last year.
- On a GAAP-reported basis, which reflects an effective tax rate of 40 percent, Forrester reported net income of \$13.7 million, or \$0.58 per diluted share, for the six months ended June 30, 2008, compared with net income of \$6.5 million, or \$0.27 per diluted share, for the same period last year.

- More -

- On a pro forma basis, net income was \$14.8 million, or \$0.63 per diluted share, for the six months ended June 30, 2008, which excludes non-cash stock-based compensation of \$2.7 million, amortization of acquisition-related intangible assets of \$194,000, net gains on marketable and non-marketable investments of \$2.1 million, and expenses related to the stock option investigation and restatement of the Company's historical financial statements of \$597,000, and which reflects a pro forma effective tax rate of 39 percent. This compares with pro forma net income of \$12.1 million, or \$0.51 per diluted share, for the same period in 2007, which excludes non-cash stock-based compensation of \$4.3 million, amortization of \$685,000 of acquisition-related intangible assets, net impairments from non-marketable investments of \$1.8 million, and expenses related to the stock option investigation and restatement of the Company's historical financial statements of \$2.8 million, and which reflects a pro forma effective tax rate of 39 percent.

A reconciliation of GAAP results to pro forma results may be found in the attached financial tables.

"Forrester's second-quarter financial performance met our expectations," said George F. Colony, Forrester's chairman of the board and chief executive officer. "We performed particularly well in revenue growth, deferred revenue growth, and improved margin. The percentage of our syndicated business is moving in the right direction, and our role-based strategy continues to produce positive results. Overall, we are pleased with our performance in the second quarter and the first half of the year."

Forrester is providing third-quarter 2008 financial guidance as follows:

Third-Quarter 2008 (GAAP):

- Total revenues of approximately \$59.0 million to \$62.0 million.
 - Operating margin of approximately 10 percent to 16 percent.
 - Other income of approximately \$1.6 million.
 - An effective tax rate of approximately 40 percent.
 - Diluted weighted average shares outstanding of approximately 23.6 million.
 - Diluted earnings per share of approximately \$0.21 to \$0.27.
-

Third-Quarter 2008 (Pro Forma):

Pro forma financial guidance for the third quarter of 2008 excludes non-cash stock-based compensation expense of approximately \$1.2 million to \$1.5 million, amortization of intangible assets of \$500,000 to \$1.0 million, any gains or impairment charges related to marketable and non-marketable investments and any expenses related to the stock option investigation and restatement of the company's historical financial statements.

- Pro forma operating margin of approximately 15 percent to 17 percent.
- Pro forma effective tax rate of 39 percent.
- Pro forma diluted earnings per share of approximately \$0.27 to \$0.31.

Forrester is revising full-year 2008 guidance as follows:

Full-Year 2008 (GAAP):

- Total revenues of approximately \$246 million to \$252 million.
- Operating margin of approximately 13 percent to 15 percent.
- Other income of approximately \$7 million.
- An effective tax rate of 40 percent.
- Diluted earnings per share of approximately \$1.10 to \$1.20.

Full-Year 2008 (Pro Forma):

Pro forma financial guidance for full-year 2008 excludes non-cash stock-based compensation expense of \$5.0 million to \$6.0 million, amortization of acquisition-related intangible assets of \$1.0 million to \$2.0 million, costs related to the stock option investigation and restatement of the Company's historical financial statements of \$600,000 to \$1.0 million, and gains or impairment charges related to marketable and non-marketable investments.

- Pro forma operating margin of approximately 17 percent to 18 percent.
 - Pro forma diluted earnings per share of approximately \$1.28 to \$1.34.
 - An effective tax rate of 39 percent.
-

Forrester Acquires JupiterResearch

In a press release issued earlier today, Forrester announced the acquisition of JupiterResearch, LLC., and its parent company, JUPR Holdings, Inc., from MCG Capital Corporation for \$23 million in cash, plus assumed liabilities, subject to post-closing adjustments, in a strategic purchase that complements Forrester's syndicated business model. JupiterResearch has 83 employees and 2007 revenues of approximately \$14 million. Forrester, with 2007 revenues of \$212 million, now has more than 1,000 employees. JupiterResearch joins Forrester's Marketing & Strategy Client Group, which contributed \$46.4 million to Forrester's total revenue in 2007.

Like Forrester, JupiterResearch provides business professionals with syndicated research, analysis, and advice backed by proprietary data. JupiterResearch has a substantive and growing library of syndicated research and strong consumer data and excels at market forecasting.

In announcing the acquisition, Colony said, "Forrester's Marketing & Strategy business is a key differentiator in the marketplace. JupiterResearch enhances our existing role-based strategy and offering to make Forrester's Marketing & Strategy clients more successful every day."

About Forrester Research

Forrester Research, Inc. (Nasdaq: FORR) is an independent research company that provides pragmatic and forward-thinking advice to global leaders in business and technology. Forrester works with professionals in 19 key roles at major companies providing proprietary research, consumer insight, consulting, events, and peer-to-peer executive programs. For more than 25 years, Forrester has been making IT, marketing, and technology industry leaders successful every day. For more information, visit www.forrester.com.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, Forrester's financial and operating targets for the third quarter of and full-year 2008 and the benefits of acquisitions. These statements are based on Forrester's current plans and expectations and involve risks and uncertainties that could cause actual future activities and results of operations to be materially different from those set forth in the forward-looking statements. Important factors that could cause actual future activities and results to differ include, among others, Forrester's ability to anticipate business and economic conditions, technology spending, market trends, competition, industry consolidation, the ability to attract and retain professional staff, possible variations in Forrester's quarterly operating results, risks associated with Forrester's ability to offer new products and services, and Forrester's dependence on renewals of its membership-based research services and on key personnel. Forrester undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise. For further information, please refer to Forrester's reports and filings with the Securities and Exchange Commission.

The consolidated statements of income, consolidated balance sheets, and consolidated statements of cash flows are attached.

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Forrester Research, Inc.
Consolidated Statements of Income
(In thousands, except per share data)

	Three months ended June 30, 2008		Six months ended June 30, 2008	
	(Unaudited)		(Unaudited)	
Revenues				
Research services	\$ 37,861	\$ 32,065	\$ 73,810	\$ 63,367
Advisory services and other	<u>25,613</u>	<u>23,120</u>	<u>44,638</u>	<u>39,135</u>
Total revenues	63,474	55,185	118,448	102,502
Operating expenses				
Cost of services and fulfillment	22,894	21,620	44,042	41,458
Selling and marketing	20,987	17,783	39,837	34,900
General and administrative	8,190	7,773	15,416	15,531
Depreciation	950	932	1,986	1,855
Amortization of intangible assets	<u>23</u>	<u>293</u>	<u>194</u>	<u>685</u>
Total operating expenses	53,044	48,401	101,475	94,429
Income from operations	10,430	6,784	16,973	8,073
Other income, net	1,702	2,112	3,772	3,978
Realized gains (losses) from securities and non-marketable investments	<u>1,613</u>	<u>(1,962)</u>	<u>2,112</u>	<u>(1,788)</u>
Income from operations before income taxes	13,745	6,934	22,857	10,263
Income tax provision	<u>5,100</u>	<u>2,432</u>	<u>9,184</u>	<u>3,731</u>
Net income	<u>\$ 8,645</u>	<u>\$ 4,502</u>	<u>\$ 13,673</u>	<u>\$ 6,532</u>
Diluted income per share from net income	<u>\$ 0.37</u>	<u>\$ 0.19</u>	<u>\$ 0.58</u>	<u>\$ 0.27</u>
Diluted weighted average shares outstanding	<u>23,554</u>	<u>23,827</u>	<u>23,586</u>	<u>23,789</u>
Basic income per share from net income	<u>\$ 0.38</u>	<u>\$ 0.20</u>	<u>\$ 0.59</u>	<u>\$ 0.28</u>
Basic weighted average shares outstanding	<u>22,956</u>	<u>23,072</u>	<u>23,002</u>	<u>23,065</u>
Pro forma data (1):				
Income from operations	\$ 10,430	\$ 6,784	\$ 16,973	\$ 8,073
Amortization of intangible assets	23	293	194	685
Investigation related expenses	666	1,078	597	2,820
Non-cash stock-based compensation included in the following expense categories:				
Cost of services and fulfillment	648	840	1,416	2,302
Selling and marketing	206	532	476	1,211
General and administrative	<u>444</u>	<u>348</u>	<u>813</u>	<u>825</u>
Pro forma income from operations	12,417	9,875	20,469	15,916
Other income, net	1,702	2,112	3,772	3,978
Pro forma income before income taxes	14,119	11,987	24,241	19,894
Pro forma income tax provision	<u>5,506</u>	<u>4,675</u>	<u>9,454</u>	<u>7,759</u>
Pro forma net income	<u>\$ 8,613</u>	<u>\$ 7,312</u>	<u>\$ 14,787</u>	<u>\$ 12,135</u>
Pro forma diluted earnings per share	<u>\$ 0.37</u>	<u>\$ 0.31</u>	<u>\$ 0.63</u>	<u>\$ 0.51</u>
Diluted weighted average shares outstanding	<u>23,554</u>	<u>23,827</u>	<u>23,586</u>	<u>23,789</u>

(1) Forrester believes that pro forma financial results provide investors with consistent and comparable information to aid in the understanding of Forrester's ongoing business. Forrester uses pro forma financial information to manage its business, including use of pro forma results as the basis for setting targets for various compensation programs. Our pro forma presentation excludes amortization of intangibles, non-cash stock-based compensation expense, net gains and losses from marketable and non-marketable investments, costs associated with the stock option investigation and

restatement of our historical financial statements, as well as their related tax effects. The pro forma data does not purport to be prepared in accordance with Accounting Principles Generally Accepted in the United States.

- More -

Forrester Research, Inc.
Consolidated Balance Sheets
(In thousands)

	June 30, 2008	December 31, 2007
Assets:		
Cash and cash equivalents	\$ 155,315	\$ 53,163
Available-for-sale securities	73,450	195,811
Accounts receivable, net	44,884	69,865
Deferred commissions	9,729	10,631
Deferred income taxes, net	11,694	13,236
Prepaid expenses and other current assets	12,183	11,304
Total current assets	<u>307,255</u>	<u>354,010</u>
Available-for-sale securities	49,910	—
Property and equipment, net	6,598	6,834
Goodwill, net	53,769	53,677
Intangible assets, net	126	309
Deferred income taxes, net	4,925	2,274
Non-marketable investments and other assets	9,279	9,253
Total assets	<u>\$ 431,862</u>	<u>\$ 426,357</u>
Liabilities and stockholders' equity:		
Accounts payable	\$ 3,834	\$ 4,174
Accrued expenses	27,555	28,891
Deferred revenue	108,057	111,418
Total current liabilities	<u>139,446</u>	<u>144,483</u>
Non-current liabilities	7,404	6,858
Preferred stock	—	—
Common stock	288	282
Additional paid-in capital	303,224	284,431
Retained earnings	95,151	81,478
Treasury stock, at cost	(110,459)	(90,428)
Accumulated other comprehensive loss	(3,192)	(747)
Total stockholders' equity	<u>285,012</u>	<u>275,016</u>
Total liabilities and stockholders' equity	<u>\$ 431,862</u>	<u>\$ 426,357</u>

- More -

Forrester Research, Inc.
Consolidated Statements of Cash Flows
(In thousands)

	Six months ended June 30,	
	2008 (Unaudited)	2007 (Unaudited)
Cash flows from operations:		
Net income	\$ 13,673	\$ 6,532
Adjustments to reconcile net income to net cash provided by operating activities —		
Depreciation	1,986	1,855
Amortization of intangible assets	194	685
Non-cash stock-based compensation	2,705	4,338
Increase in provision for doubtful accounts	394	300
Deferred income taxes	1,338	2,099
(Gains) impairments from non-marketable investments, net	(55)	1,788
Gains on sales of available-for-sale securities	(2,057)	—
Amortization of premiums on available-for-sale securities	397	333
Changes in assets and liabilities —		
Accounts receivable	25,429	21,861
Deferred commissions	901	1,575
Prepaid expenses and other current assets	(909)	(4,613)
Accounts payable	(410)	363
Accrued expenses	(1,462)	(2,574)
Deferred revenue	(4,630)	(8,414)
Net cash provided by operating activities	37,494	26,128
Cash flows from investing activities:		
Purchases of property and equipment	(1,674)	(2,861)
Proceeds from non-marketable investments	225	883
Decrease in other assets	248	149
Proceeds from sale of discontinued operations	—	250
Purchases of available-for-sale securities	(678,811)	(541,494)
Proceeds from sales and maturities of available-for-sale securities	747,792	517,955
Net cash provided by (used in) investing activities	67,780	(25,118)
Cash flows from financing activities:		
Proceeds from issuance of common stock under stock option plans and employee stock purchase plan	12,811	811
Tax benefits related to stock options	3,255	—
Acquisition of treasury shares	(20,031)	—
Net cash (used in) provided by financing activities	(3,965)	811
Effect of exchange rate changes on cash and cash equivalents	843	212
Net increase in cash and cash equivalents	102,152	2,033
Cash and cash equivalents, beginning of period	53,163	39,157
Cash and cash equivalents, end of period	\$ 155,315	\$ 41,190

The Forrester logo consists of the word "FORRESTER" in a white, serif, all-caps font, centered within a dark green, horizontally-oriented oval.

Forrester Acquires JupiterResearch

Combined Companies To Provide Enhanced Offerings To Marketing & Strategy Professionals

Cambridge, Mass., July 31, 2008 . . . Forrester Research, Inc. (Nasdaq: FORR) today announced that it has acquired JupiterResearch, LLC, and its parent company, JUPR Holdings, Inc., from MCG Capital Corporation (Nasdaq: MCGC) for \$23 million in cash plus assumed liabilities, subject to post-closing adjustments, in a strategic purchase that complements Forrester's syndicated business model. JupiterResearch has 83 employees and 2007 revenues of approximately \$14 million. Forrester, with 2007 revenues of \$212 million, now has more than 1,000 employees. JupiterResearch joins Forrester's Marketing & Strategy Client Group, which contributed \$46.4 million to Forrester's total revenue in 2007.

"Uniting JupiterResearch and Forrester brings together the two leading research brands used by Marketing & Strategy executives," said George F. Colony, Forrester's chairman of the board and chief executive officer. "JupiterResearch enhances our existing role-based strategy and offerings to bring unprecedented value to Forrester's Marketing & Strategy clients. We welcome JupiterResearch employees and clients to Forrester."

Forrester serves marketing and strategy, IT, and technology industry leaders across 19 professional roles. The addition of JupiterResearch will fortify Forrester's existing data-driven insight, forward-looking research and analysis, objective advice, and best practices for Marketing & Strategy professionals globally. These professionals include CMOs, consumer market researchers, consumer product strategists, customer experience experts, direct marketers, interactive marketers, and eBusiness and channel specialists at major companies.

Like Forrester, JupiterResearch provides business professionals with syndicated research, analysis, and advice backed by proprietary data. JupiterResearch has a substantive and growing library of syndicated research and strong consumer data and excels at market forecasting.

- More -

“Acquiring JupiterResearch is a significant step in our growth strategy for the Marketing & Strategy segment of Forrester’s business,” said Dennis van Lingen, managing director of Forrester’s Marketing & Strategy Client Group. “JupiterResearch’s established offering, well-respected research team, and strong sales organization complement Forrester’s and solidify our long-standing leadership position as advisors to Marketing & Strategy professionals worldwide.”

“We are very excited to be joining the Forrester brand, culture, and community,” said David Schatsky, president, JupiterResearch. “For a quarter of a century, Forrester has been a trusted advisor to many of the top businesses and organizations in the world, and we are honored to bring the best of JupiterResearch to the Forrester name.”

Forrester will discuss the JupiterResearch acquisition today at 11 a.m. ET as part of the company’s second-quarter earnings call. Investors interested in listening to the Webcast can preregister at <https://www.theconferencingservice.com/prereg/key.process?key=PUGCD66A3>.

During the JupiterResearch acquisition, Forrester was represented by The Jordan, Edmiston Group, Inc., a New York City-based investment bank that specializes in the media and information industries.

About Forrester Research

Forrester Research, Inc. (Nasdaq: FORR) is an independent research company that provides pragmatic and forward-thinking advice to global leaders in business and technology. Forrester works with professionals in 19 key roles at major companies providing proprietary research, consumer insight, consulting, events, and peer-to-peer executive programs. For more than 25 years, Forrester has been making IT, marketing, and technology industry leaders successful every day. For more information, visit www.forrester.com.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements, which include statements about the benefits of acquisitions, are based on Forrester's current plans and expectations and involve risks and uncertainties that could cause actual future activities and results of operations to be materially different from those set forth in the forward-looking statements. Important factors that could cause actual future activities and results to differ include, among others, Forrester's ability to anticipate business and economic conditions, technology spending, market trends, competition, industry consolidation, the ability to attract and retain professional staff, possible variations in Forrester's quarterly operating results, risks associated with Forrester's ability to offer new products and services, and Forrester's dependence on renewals of its membership-based research services and on key personnel. Forrester undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise. For further information, please refer to Forrester's reports and filings with the Securities and Exchange Commission.

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