Forrester Research, Inc.

George Colony, Chairman & CEO
Mike Doyle, CFO
Safe Harbor

This presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of the Company. These projections or statements are only predictions. Actual events or results may differ materially from those in the projections or other forward-looking statements. Please see the Company’s Annual Report to shareholders and its filings with the SEC, including its recent filings on Forms 10-K and 10-Q, for a discussion of important risk factors that could cause actual events or results to differ materially from those in the projections or forward-looking statements.
Company Summary

Technology research and advisory
1,351 employees in 26 global locations
2,431 clients, primarily 1B+ companies.
Market

18,000 corporate and gov’t organizations
Four million executives
$12 billion -- growing and under-penetrated
Global, and driven by technology change.
Capital Structure

Public since 1996, ~18.5 m shares outstanding
Quarterly dividend $0.17 per share
Share count reduced 18% over the last 24 months through buybacks
44% inside ownership.
Investment Thesis

Subscription-based revenue model
67% revenue is syndicated and recurring
High free cash flow – up to two times net
In a dynamic and continually changing market.
Strategy

The world is entering the 20 year “Age of the customer”

Forrester helps large organizations as they seek to win, serve, and retain increasingly empowered customers.
Power Shift
2014 Revenue of 312.1 Million

By roles served
- BT: 53%
- M&S: 43%
- Events: 4%

By region
- US: 74%
- Ex-US: 26%
Fueled by Proprietary Research…

- 6,000 technology briefings
- 35,000 client inquires
- 475,000 consumer surveys
- 50,000 business surveys

- Research
- Boards
- Data
- Consulting
- Events
Yearly-Renewed Research

Seat-based contracts
Access to over 10,000 research reports
Unlimited 30 minute analyst inquiry
Daily conference calls
43% of total revenue in 2014.
Leadership Boards

13 role-specific boards
1,636 members at the end of 2014
Facilitating peers advising peers
18% of total revenue.
Data

Three data products...newest is the FCXI Consumer and business behavior and attitudes
Covering 80% of the global GDP
9% of total revenue.
Consulting

Project consulting (multi-week) performed by a new dedicated consulting team

Advisory performed by analysts

26% of total revenue.
Events

16 events worldwide in 2014
300-1,700 attendees per event
4% of total revenue.
2014 Financial Performance

Met revenue and margin guidance and were at the upper end of EPS guidance

Achieved targeted cash levels and continued to return value to shareholders

Continue to invest in Sales and Technology to fuel growth and enhance our customer experience.
### FY Income Statement – Pro-Forma

<table>
<thead>
<tr>
<th></th>
<th>FY14</th>
<th>FY13</th>
<th>Y/Y %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>312.1</td>
<td>297.6</td>
<td>5%</td>
</tr>
<tr>
<td>*<em>Expense</em></td>
<td>282.4</td>
<td>265.6</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>29.6</td>
<td>32.0</td>
<td>-7%</td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>9%</td>
<td>11%</td>
<td>-12%</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>18.7</td>
<td>19.9</td>
<td>-6%</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>0.98</td>
<td>0.93</td>
<td>5%</td>
</tr>
<tr>
<td><strong>WASO</strong></td>
<td>19.0</td>
<td>21.4</td>
<td>-11%</td>
</tr>
</tbody>
</table>

*Dollars in Millions*

*Includes pro-forma adjustments*

**Guidance:**
- Revenue: $310mm - $314mm
- Operating Margin: 9.0% - 10.0%
- EPS: $0.94 - $0.98
Key Financials

Historical Revenue ($ MM)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$283</td>
</tr>
<tr>
<td>2012</td>
<td>$293</td>
</tr>
<tr>
<td>2013</td>
<td>$298</td>
</tr>
<tr>
<td>2014</td>
<td>$314</td>
</tr>
<tr>
<td>2015F</td>
<td>$329</td>
</tr>
<tr>
<td>2016F</td>
<td>$364</td>
</tr>
</tbody>
</table>
Key Financials

Historical EPS

- 2011: $1.26
- 2012: $1.11
- 2013: $0.93
- 2014: $0.98
- 2015F: $1.09
- 2016F: $1.53
Capital Structure

$104.5 mm in cash at end of 2014

Stock re-purchases a good use of our capital at this time

Long-term, capital will be used for internal investment, M&A, dividends, share re-purchase, in that order.
Capital Structure Actions

Shares Repurchased ($ MM)

- 2011: $18 0.5 MM Shares
- 2012: $30 0.9 MM Shares
- 2013: $118 3.3 MM Shares
- 2014: $73 2.0 MM Shares
Dividends represent annual per share payout. Dividends are paid quarterly.
Acquisitions

Building out geography, role, or product
Must meet strict financial & strategic criteria
2015 First Quarter Outlook

Revenue of $74.5-$77.5 Million

*Pro forma* operating margin of 5% to 7%

*Pro forma* earnings per share of $.13 to $.17.
2015 Full Year Outlook

Revenue of $325-$333 Million

*Pro forma* operating margin of 9.5% to 10.5%

*Pro forma* earnings per share of $1.03 to $1.13.
Summary
Age of the customer is an extraordinary growth and differentiation opportunity
Project consulting, Product and Research organizations in place and resourced to drive growth
Returning the company to historical revenue and margin.