

Forrester 2021 Investor Summary

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April 2021

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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.

Forrester creates research that enables companies to grow profit and revenue in an age of tech-empowered customers.

Three Types of Research

Vision

Strategy

Execution

Client Executives

CIO and staff

CMO and staff

Research drives client profitability

+34%

Forrester clients
are 34% more
profitable than
non-clients.

+52%

Forrester's most
engaged clients are
52% more profitable
than non-clients.

Total Available
Research Market

\$82 Billion

Forrester's Competitive Position

	Back Office Tech	Customer Tech
Subscription	Gartner	FORRESTER®
Consulting	Deloitte... Accenture...	Nielsen... WPP...

Forrester's Global Reach

Offices and operations in 41 cities across 27 countries

1,700+ employees

2,697 clients

The Forrester Growth Engine

Forrester is in
three businesses

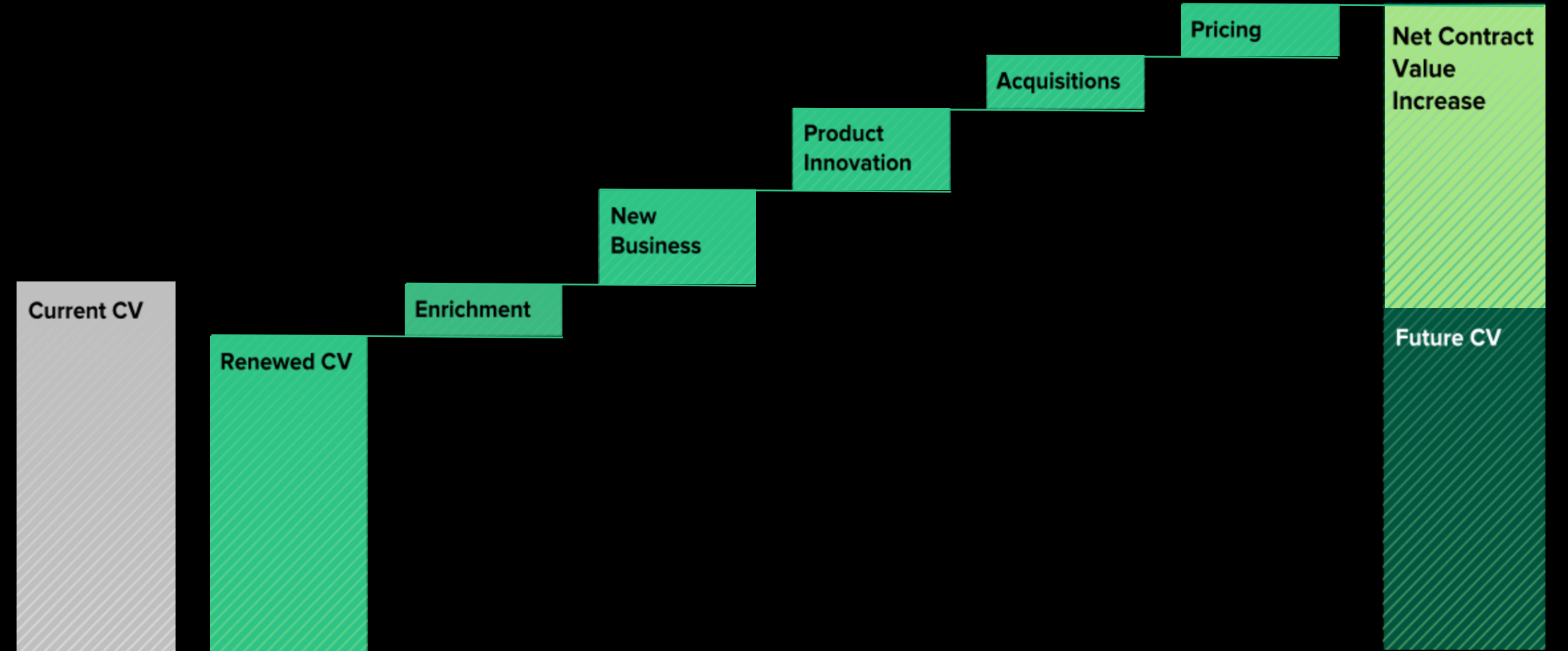
Research

Consulting

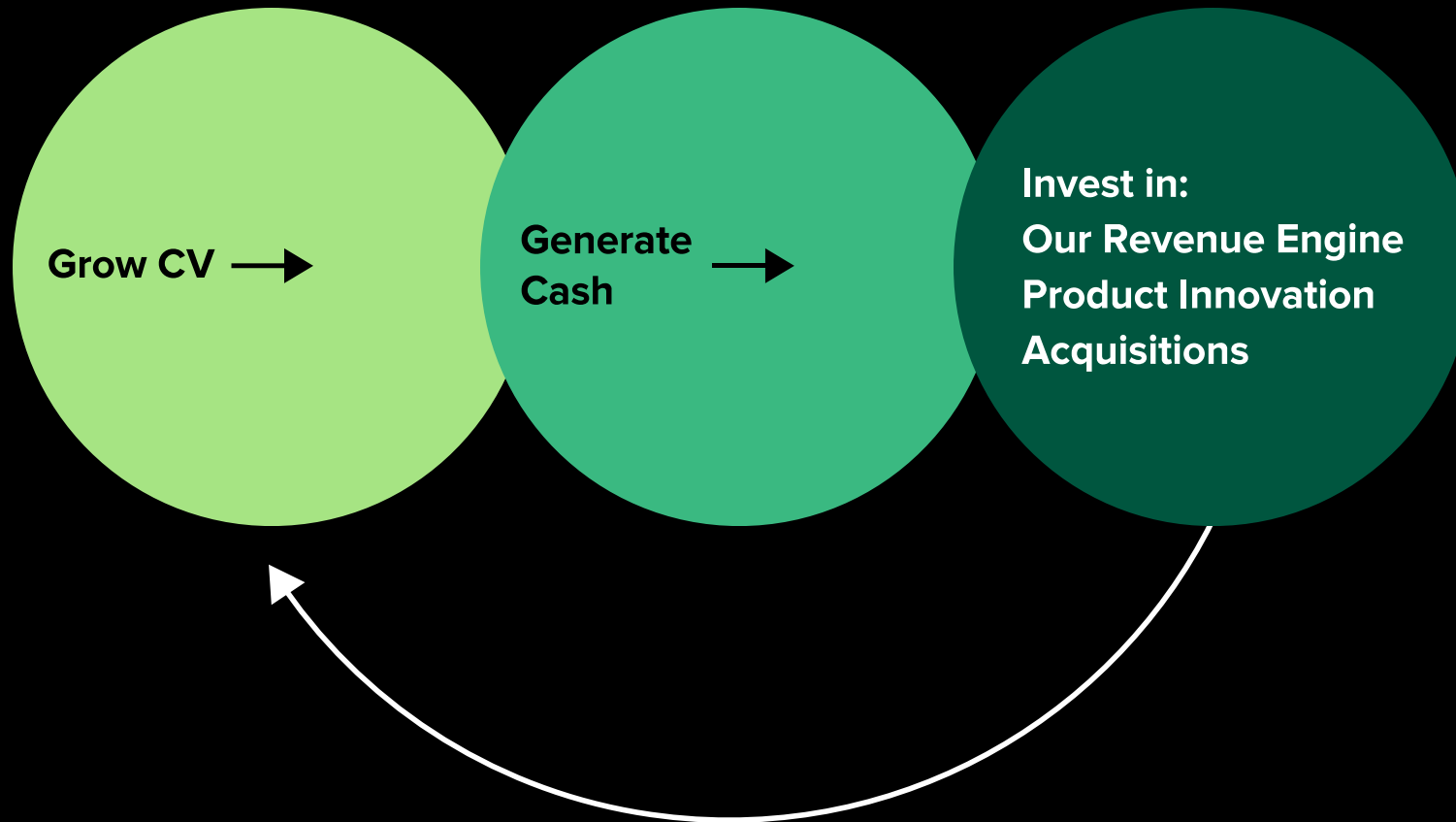
Events

The goal is to increase research
Contract Value (CV) by double
digits every year.

Growing CV



The Forrester Growth Engine



Revenue Engine

Client Enrichment finished 2019 at 106%, 2020 at 100%.

- **Saw steady improvement from low in Q2**

12 consecutive quarters of increased Salesperson productivity through year-end 2019

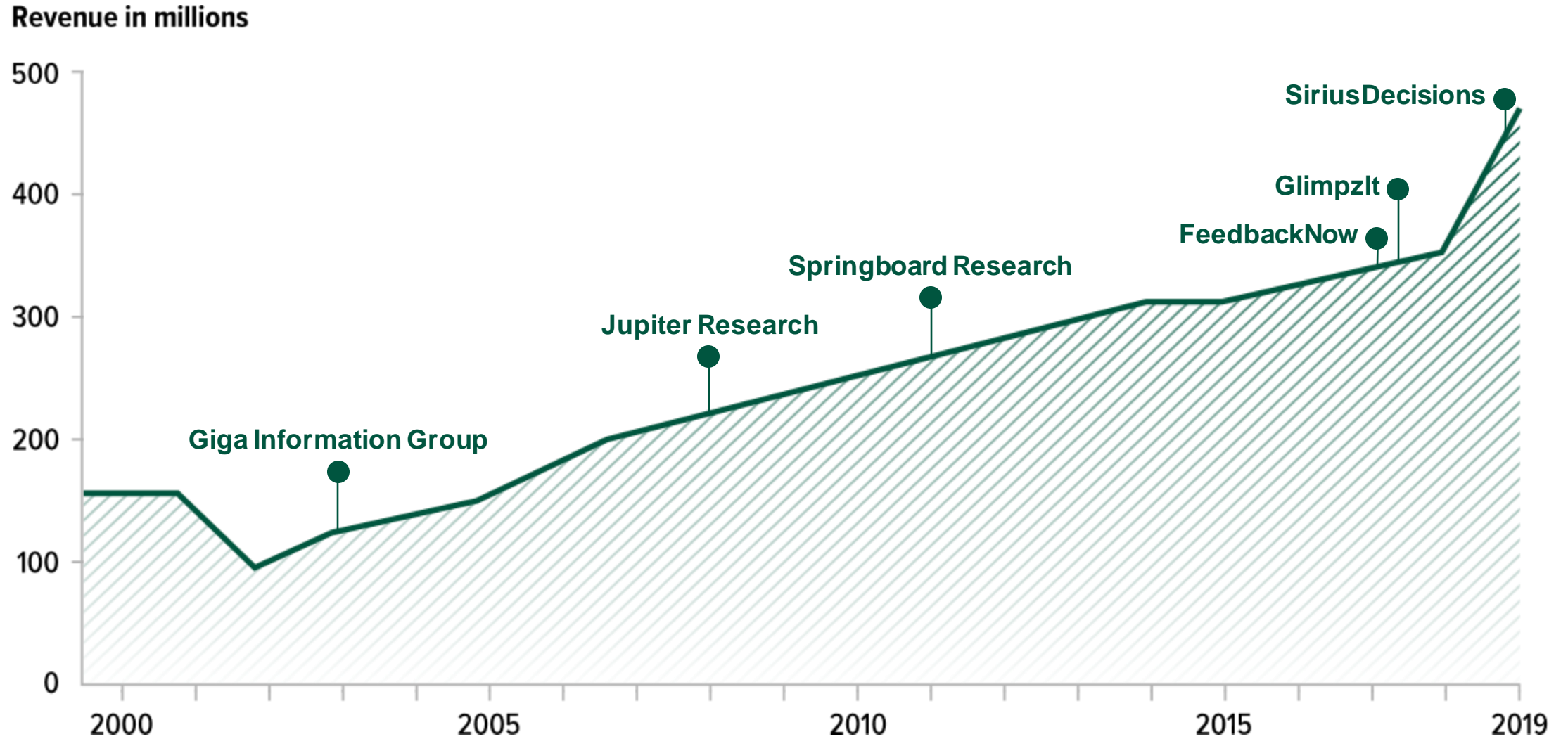
- **Productivity dipped in 2020 due to the pandemic**
- **Finished 2020 with highest number of ramped sales reps in Forrester history**

Product Innovation

**Continual improvement and
digitization of existing products**

Touchless FeedbackNow

Acquisitions



Financial Overview

Pandemic Impact on Forrester

Events

Analyst advisory

General economic slowdown

Actions we implemented in 2020

Cut \$60 million in cost

In-depth pandemic research

**Successfully pivoted Events to
virtual**

Maintained sales organization

Continued to invest for growth

Adjusted Income Statement – FY 2020

(in \$M)	FY 20	FY19	Y/Y \$Δ	Y/Y %Δ
Revenue	449.4	473.0	-23.5	-5%
Research Services	294.9	307.4	-12.5	-4%
Consulting Services	144.4	136.0	8.4	6%
Events	10.1	29.5	-19.4	-66%
Expenses	399.7	419.5	-19.8	-5%
Operating Income	49.7	53.4	-3.7	-7%
Operating Margin	11.1%	11.3%	-0.2%	-2%
Interest & Other Expense	-5.7	-8.6	2.9	-33%
Net Income	30.4	31.0	-0.6	-2%
EPS	\$1.60	\$1.65	-\$0.05	-3%
WASO	18.9	18.7	0.2	1%

Client Metrics – Q4 2020

	Q4-18	Q4-19	Q4-20	Q3-20
Agreement Value (in \$M)	266.3	358.0	345.3	337.9
Y/Y growth	9.7%	34.4%	-3.5%	-4.8%
Sequential Q/Q growth	3.4%	0.8%	2.2%	-0.4%
Deferred Revenue (in \$M)	135.3	179.2	180.0	155.4
Y/Y growth	-6.8%	32.4%	0.4%	-7.5%
Sequential Q/Q growth	5.4%	6.7%	15.8%	-9.0%
12 mo. Rolling Client Retention	70.8%	71.9%	64.9%	65.1%
12 mo. Rolling Dollar Retention	89.6%	90.2%	88.3%	88.0%
12 mo. Rolling Enrichment	109.4%	105.8%	99.8%	97.8%
Client Count	2,353	2,880	2,697	2,660
Y/Y growth	-2.3%	22.4%	-6.4%	-7.2%

2021 Full Year Guidance – Adjusted

- Revenue: \$466MM to \$476MM
- Op. Margin: 10% to 11%
- EPS: \$1.50 to \$1.60
- Performance vs. PY: 4% to 6%
- Performance vs. PY: Flat to -1pts
- Performance vs. PY: Flat to -6%

Summary

The pandemic created near-term pressure on Forrester, like most businesses, that impacted revenue and operating profit in 2020.

We finished 2020 strong beating revenue and EPS guidance:

- From a low in Q2 we saw steady, accelerating improvement in our business
- The decision to retain sales people paid off in the 2nd half of 2020 as businesses released budget and we were there to capitalize
- Our balance sheet remains in good shape as we finished 2020 with more cash than the beginning of the year a \$75 million revolving line of credit available.

We ended 2020 well positioned for double digit CV growth in 2021.

Thank You.

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