
**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): April 30, 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)

(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))
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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 April 30, 2008, Forrester Research, Inc. issued a press release announcing its financial results for the quarter ended March 31, 2008.

We believe that pro forma financial results provide investors with consistent and comparable information to aid in the understanding of Forrester’s ongoing business. We use pro forma financial information to manage our 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 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

99.1 Press Release dated April 30, 2008

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: April 30, 2008

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Forrester Research Reports First-Quarter Financial Results

Cambridge, Mass., April 30, 2008 . . . Forrester Research, Inc. (Nasdaq: FORR) today announced its first-quarter, ended March 31, 2008, financial results.

First-Quarter Financial Performance

- Total revenues were \$55.0 million, compared with \$47.3 million for the first quarter of last year.
- On a GAAP-reported basis, Forrester reported net income of \$5.0 million or \$0.21 per diluted share, compared with net income of \$2.0 million, or \$0.09 per diluted share, for the same period last year.
- On a pro forma basis, net income was \$6.2 million, or \$0.26 per diluted share, for the first quarter of 2008, which reflects a pro forma effective tax rate of 39 percent. Pro forma net income excludes non-cash stock-based compensation expense of \$1.4 million, amortization of \$171,000 of acquisition-related intangible assets, marketable and non-marketable investment gains of \$497,000, and a net benefit of \$68,000 related to the settlement of stock option-related payroll tax exposure offset by professional fees related to the stock option investigation and restatement of the Company's historical financial statements. This compares with pro forma net income of \$4.8 million, or \$0.20 per diluted share, for the same period in 2007, which excludes non-cash stock-based compensation expense of \$2.6 million, amortization of \$392,000 of acquisition-related intangible assets, non-marketable investment gains of \$174,000, and expenses related to the stock option investigation and restatement of the Company's historical financial statements of \$1.7 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 believes that pro forma financial results provide investors with consistent and comparable information 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.

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“Our first-quarter results demonstrate a positive start to 2008,” said George F. Colony, Forrester’s chairman of the board and chief executive officer. “We fell squarely in the range of our revenue and pro forma EPS targets, and deferred revenue increased nicely quarter over quarter and year over year, which should bode well for the remainder of 2008. During the first quarter, we introduced a new metric to gauge the success and penetration of the role-based strategy we launched last year. Roles per client measures the average number of roles Forrester serves in each of its client companies. As of the first quarter, this metric stood at 3.2.”

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

Second-Quarter 2008 (GAAP):

- Total revenues of approximately \$62.0 million to \$64.5 million.
- Operating margin of approximately 15 percent to 17 percent.
- Other income of approximately \$1.8 million.
- An effective tax rate of 39 percent to 41 percent.
- Diluted earnings per share of approximately \$0.26 to \$0.32

Second-Quarter 2008 (Pro Forma):

Pro forma financial guidance for the second quarter of 2008 excludes amortization of acquisition-related intangible assets of approximately \$23,000, non-cash stock-based compensation expense of \$1.2 million to \$1.6 million, costs related to the stock option investigation and restatement of the Company’s historical financial statements of approximately \$100,000, and any gains or impairment charges related to marketable and non-marketable investments.

- Pro forma operating margin of approximately 18 percent to 19 percent.
- Pro forma effective tax rate of 39 percent.
- Pro forma diluted earnings per share of approximately \$0.32 to \$0.36.

Forrester is providing full-year 2008 guidance as follows:

Full-Year 2008 (GAAP):

- Total revenues of approximately \$240 million to \$248 million.
- Operating margin of approximately 14 percent to 16 percent.
- Other income of approximately \$8 million.
- An effective tax rate of 41 percent.
- Diluted earnings per share of approximately \$1.14 to \$ 1.24.

Full-Year 2008 (Pro Forma):

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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 approximately \$250,000, costs related to the stock option investigation and restatement of the Company's historical financial statements of \$200,000 to \$500,000, 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 \$1.36.
- An effective tax rate of 39 percent.

Forrester Research, Inc. (Nasdaq : FORR) is an independent technology and market research company that provides pragmatic and forward-thinking advice to global leaders in business and technology. For more than 24 years, Forrester has been making leaders successful every day through its proprietary research, consulting, events, and peer-to-peer executive programs. 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 second quarter of and full-year 2008. 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 March 31, 2008 2007	
	(Unaudited)	
Revenues		
Research services	\$ 35,949	\$ 31,302
Advisory services and other	<u>19,025</u>	<u>16,015</u>
Total revenues	54,974	47,317
Operating expenses		
Cost of services and fulfillment	21,148	19,838
Selling and marketing	18,850	17,117
General and administrative	7,226	7,758
Depreciation	1,036	923
Amortization of intangible assets	<u>171</u>	<u>392</u>
Total operating expenses	48,431	46,028
Income from operations	6,543	1,289
Other income, net	2,072	1,866
Realized gains from securities and non-marketable investments	<u>497</u>	<u>174</u>
Income from operations before income taxes	9,112	3,329
Income tax provision	<u>4,084</u>	<u>1,299</u>
Net income	<u>\$ 5,028</u>	<u>\$ 2,030</u>
Diluted income per share from net income	<u>\$ 0.21</u>	<u>\$ 0.09</u>
Diluted weighted average shares outstanding	<u>23,617</u>	<u>23,752</u>
Basic income per share from net income	<u>\$ 0.22</u>	<u>\$ 0.09</u>
Basic weighted average shares outstanding	<u>23,048</u>	<u>23,058</u>
Pro forma data (1):		
Income from operations	\$ 6,543	\$ 1,289
Amortization of intangible assets	171	392
Investigation related expenses	(68)	1,742
Non-cash stock-based compensation included in the following expense categories:		
Cost of services and fulfillment	768	1,462
Selling and marketing	270	678
General and administrative	<u>368</u>	<u>478</u>
Pro forma income from operations	8,052	6,041
Other income, net	2,072	1,866
Pro forma income before income taxes	<u>10,124</u>	<u>7,907</u>
Pro forma income tax provision	<u>3,948</u>	<u>3,084</u>
Pro forma net income	<u>\$ 6,176</u>	<u>\$ 4,823</u>
Pro forma diluted earnings per share	<u>\$ 0.26</u>	<u>\$ 0.20</u>
Diluted weighted average shares outstanding	<u>23,617</u>	<u>23,752</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, gains 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.

Forrester Research, Inc.
Consolidated Balance Sheets

(In thousands)

	March 31, 2008	December 31, 2007
Assets:		
Cash and cash equivalents	\$ 126,510	\$ 53,163
Available-for-sale securities	79,613	195,811
Accounts receivable, net	50,880	69,865
Deferred commissions	10,300	10,631
Deferred income taxes, net	11,694	13,236
Prepaid expenses and other current assets	10,079	11,304
Total current assets	289,076	354,010
Available-for-sale securities	61,412	—
Property and equipment, net	6,830	6,834
Goodwill, net	53,769	53,677
Intangible assets, net	150	309
Deferred income taxes, net	4,271	2,274
Non-marketable investments and other assets	9,437	9,253
Total assets	\$ 424,945	\$ 426,357
Liabilities and stockholders' equity:		
Accounts payable	\$ 3,347	\$ 4,174
Accrued expenses	25,835	28,891
Deferred revenue	117,059	111,418
Total current liabilities	146,241	144,483
Non-current liabilities	6,936	6,858
Preferred stock		—
Common stock	284	282
Additional paid-in capital	291,388	284,431
Retained earnings	86,506	81,478
Treasury stock, at cost	(104,902)	(90,428)
Accumulated other comprehensive loss	(1,508)	(747)
Total stockholders' equity	271,768	275,016
Total liabilities and stockholders' equity	\$ 424,945	\$ 426,357

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Forrester Research, Inc.
Consolidated Statements of Cash Flows

(In thousands)

	Three months ended March 31,	
	2008 (Unaudited)	2007 (Unaudited)
Cash flows from operations:		
Net income	\$ 5,028	\$ 2,030
Adjustments to reconcile net income to net cash provided by operating activities –		
Depreciation	1,036	923
Amortization of intangible assets	171	392
Non-cash stock-based compensation	1,406	2,618
Increase in provision for doubtful accounts	96	100
Deferred income taxes	605	952
Gains from non-marketable investments	(100)	(174)
Gains on sales of available-for-sale securities	(397)	—
Amortization of premiums on available-for-sale securities	187	173
Changes in assets and liabilities –		
Accounts receivable	19,802	19,457
Deferred commissions	331	521
Prepaid expenses and other current assets	1,873	(2,790)
Accounts payable	(886)	(689)
Accrued expenses	(3,819)	(2,115)
Deferred revenue	4,419	88
Net cash provided by operating activities	29,752	21,486
Cash flows from investing activities:		
Purchases of property and equipment	(954)	(1,993)
Proceeds from non-marketable investments	200	300
Decrease in other assets	202	86
Purchases of available-for-sale securities	(390,696)	(225,360)
Proceeds from sales and maturities of available-for-sale securities	442,962	204,310
Net cash provided by (used in) investing activities	51,714	(22,657)
Cash flows from financing activities:		
Proceeds from exercises of employee stock options	4,377	811
Excess tax benefits from non-cash stock-based compensation	1,175	—
Acquisition of treasury shares	(14,474)	—
Net cash (used in) provided by financing activities	(8,922)	811
Effect of exchange rate changes on cash and cash equivalents	803	48
Net increase (decrease) in cash and cash equivalents	73,347	(312)
Cash and cash equivalents, beginning of period	53,163	39,157
Cash and cash equivalents, end of period	\$ 126,510	\$ 38,845

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