Forrester Research, Inc. Consolidated Statements of Income

(Unaudited, In thousands, except per share data)

Total revenues $82,811$ $82,947$ $157,998$ $156,018$ Operating expenses: $23,558$ $63,321$ $53,038$ $53,038$ $53,038$ $53,128$ $63,321$ $53,038$ $53,128$ $63,221$ $53,038$ $58,112$ $10,313$ $114,8,020$ $148,2014$ $148,2014$ $148,2014$ $148,2014$ $148,2014$ $148,2014$ $16,2024$ $29,552$ $7,1916$ $116,0004$ $7,202$ $9,5526$ $52,262$ $52,262$	(Unaudited, In thousands, except per share data)	Three Months Ended			Six Months Ended				
S \$ \$2,604 \$ \$2,322 \$ 104,462 \$ 103,112 Advisory services and events 30,207 30,205 1,48,01 30,207 1,48,02 1,48,01 1,003 3,005 1,48,01 1,43,01 1,49,01 1,48,01 1,44,01 30,207 1,48,02 1,48,01 1,48,01 1,48,01 1,44,01 30,207 1,48,02 1,48,01 1,44,01 1,48,01 1,44,01 1,48,01 1,44,01 1,48,01 1,44,01 1,48,01 1,44,01				ie 30,	2014			ne 30,	2014
S \$ \$2,604 \$ \$2,322 \$ 104,462 \$ 103,112 Advisory services and events 30,207 30,205 1,48,01 30,207 1,48,02 1,48,01 1,003 3,005 1,48,01 1,43,01 1,49,01 1,48,01 1,44,01 30,207 1,48,02 1,48,01 1,48,01 1,48,01 1,44,01 30,207 1,48,02 1,48,01 1,44,01 1,48,01 1,44,01 1,48,01 1,44,01 1,48,01 1,44,01 1,48,01 1,44,01	D								
Advisory services and events $30,027$ $30,025$ $53,356$ $52,202$ Total revenues $82,811$ $82,947$ $157,998$ $156,013$ Cot of services and fulfilment $32,550$ $33,558$ $63,321$ $63,035$ Selling and marketing $92,481$ $28,690$ $98,112$ $98,851$ Operating expenses: 224 536 445 1079 Reorganization costs 811 10.993 3.5915 1.889 Total operating expenses $72,718$ $75,867$ $148,620$ $148,913$ Income form operations $10,093$ $7,080$ $9,378$ $7,100$ Other income (expense), net (99) 79 183 11 Gains (losses) on investments, net $10,004$ $7,202$ $9,552$ $7,192$ Income tax provision $4,254$ $2,913$ $4,026$ $2,972$ Net income $$ 0.31$ $$ 0.23$ $$ 0.32$ $$ 5,526$ $$ 4,224$ Diluted income per common share $$ 0.32$		\$	52 604	\$	52 322	\$	104 462	\$	103 115
Total revenues $82,811$ $82,947$ $157,998$ $156,018$ Operating expenses: $23,558$ $63,321$ $53,038$ $53,038$ $53,038$ $53,128$ $63,321$ $53,038$ $53,128$ $63,221$ $53,038$ $58,112$ $10,313$ $114,8,020$ $148,2014$ $148,2014$ $148,2014$ $148,2014$ $148,2014$ $148,2014$ $16,2024$ $29,552$ $7,1916$ $116,0004$ $7,202$ $9,5526$ $52,262$ $52,262$		ψ	,	φ	· · · · ·	φ	,	φ	52,903
Cost of services and fulfillment 32,500 33,558 63,321 63,033 Selling and marketing 28,481 28,630 58,112 58,031 General and administrative 9,276 9,815 19,004 19,343 Depreciation 2,006 2,289 4,203 5,005 Amortization of intangible assets 224 536 4,455 1,073 Reorganization costs 72,718 77,5,667 148,620 148,620 Income from operation express 72,718 77,267 9,552 7,100 Other income (expense), net (99) 79 183 15 Income form operation 4,254 2,913 4,026 2,977 Net income \$ 0,04 7,202 9,552 7,197 Net income \$ 0,31 \$ 0,23 \$ 0,22 Diluted weighted average shares outstanding 18,268 19,044 18,314 19,473 Basic income per common share \$ 0,32 \$ 0,22 3	-								156,018
Cost of services and fulfillment 32,500 33,558 63,321 63,033 Selling and marketing 28,481 28,630 58,112 58,031 General and administrative 9,276 9,815 19,004 19,343 Depreciation 2,006 2,289 4,203 5,005 Amortization of intangible assets 224 536 4,455 1,073 Reorganization costs 72,718 77,5,667 148,620 148,620 Income from operation express 72,718 77,267 9,552 7,100 Other income (expense), net (99) 79 183 15 Income form operation 4,254 2,913 4,026 2,977 Net income \$ 0,04 7,202 9,552 7,197 Net income \$ 0,31 \$ 0,23 \$ 0,22 Diluted weighted average shares outstanding 18,268 19,044 18,314 19,473 Basic income per common share \$ 0,32 \$ 0,22 3	Operating expenses:								
General and administrative 9,276 9,815 19,044 19,343 Depreciation 2,096 2,289 4,203 5,005 Amortization of intangible assets 2,24 5,366 4,45 1,073 Reorganization costs 2,24 5,366 4,453 1,073 Total operating expanses 72,71/18 72,5867 14,8620 14,801 Income from operations 10,093 7,080 9,378 7,100 Other income (expense), net (99) 79 183 16 Gains (losses) on investments, net 10 43 99 88 Income tax provision $4,254$ 2,913 $4,025$ 2,277 Net income \$ 5,750 \$ 4,289 \$ 5,526 \$ 4,227 Diluted weighted average shares outstanding 18,268 19,044 18,314 19,475 Basic income per common share \$ 0,32 \$ 0,31 \$ 0,22 \$ 0,31 \$ 0,22 Basic income per common share \$ 0,32 \$ 0,31 \$ 0,23 \$ 0,31 \$ 0,22 Basic income per common share \$ 0,32 \$ 0,31			32,560		33,558		63,321		63,038
Depreciation 2.096 2.289 4.033 5.065 Amortization costs $\frac{81}{10.39}$ $\frac{1.039}{72,718}$ $\frac{3.505}{72,718}$ $\frac{1.88}{148,620}$ Total operating expenses $\frac{72,718}{72,718}$ $\frac{73,867}{72,867}$ $\frac{1.48,620}{148,620}$ $\frac{1.889}{148,620}$ Income from operations 10.093 7.000 9.378 $7,100$ Other income (expense), net (99) 79 183 15 Gains (losses) on investments, net 100 43 (99) 88 Income tax provision $\frac{4.254}{55,750}$ 2.913 4.026 2.977 Net income $\frac{5}{5,750}$ $\frac{5}{4.229}$ $\frac{5}{5,526}$ $\frac{5}{4.222}$ Diluted income per common share $\frac{5}{5,032}$ $\frac{5}{2,031}$ $\frac{5}{2,023}$ $\frac{5}{2,031}$ $\frac{5}{2,022}$ Basic income per common share $\frac{5}{2,032}$ $\frac{5}{2,031}$ $\frac{5}{2,032}$ $\frac{5}{2,031}$ $\frac{5}{2,022}$ Pro forma data (1): Income from operations $\frac{5}{10,093}$ $\frac{5}{2,085}$ $\frac{9,378}{2,35}$ $\frac{7,100}{1,047}$ 18	Selling and marketing		28,481		28,630		58,112		58,513
Amortization of intangible assets 224 1536 1445 1.079 Reorganization costs 81 1.039 3.5005 1.888 Total operating expenses 72.718 75.867 148,620 148,918 Income from operations 10.093 7.080 9.378 7.100 Other income (expense), net came taxs 10 43 (9) 88 Income tax provision 4.254 2.913 4.026 2.977 Net income \$ 5.750 \$ 4.289 \$ 5.526 \$ 4.222 Diluted income per common share \$ 0.31 \$ 0.23 \$ 0.30 \$ 0.22 Diluted weighted average shares outstanding 18.268 19.044 18.314 19.475 Basic income per common share \$ 0.32 \$ 0.23 \$ 0.31 \$ 0.22 Basic income per common share \$ 0.32 \$ 0.23 \$ 0.31 \$ 0.22 Pro forma data (1): Income from operations \$ 18.007 18.757 18.033 19.148 Pro forma data (1): Income from operations \$ 1.039 3.5005 1.858 Cost of services and fulfilment 588 <td>General and administrative</td> <td></td> <td>9,276</td> <td></td> <td>9,815</td> <td></td> <td>19,034</td> <td></td> <td>19,342</td>	General and administrative		9,276		9,815		19,034		19,342
Reorganization costs 81 1.039 3.505 1.888 Total operating expenses 72,718 75,867 148,620 148,918 Income from operations 10.093 7.080 9.378 7.100 Other income (expense), net Gains (losses) on investments, net Income tax provision 4.254 2.913 4.026 2.977 Income tax provision Net income 4.254 2.913 4.026 2.977 9.552 7.192 Diluted income per common share \$ 0.31 \$ 0.23 \$ 0.30 \$ 0.22 Basic income per common share \$ 0.31 \$ 0.23 \$ 0.31 \$ 0.23 \$ 0.31 9.023 \$ 0.223 \$ 0.30 \$ 0.223 \$ 0.31 \$ 0.23 \$ 0.23 \$ 0.23 \$ 0.23 \$ 0.23 \$ 0.23 \$ 0.23 \$ 0.24 \$ 0.33 0.223 \$ 0.33 0.223 \$ <th< td=""><td>1</td><td></td><td>2,096</td><td></td><td>2,289</td><td></td><td>4,203</td><td></td><td>5,062</td></th<>	1		2,096		2,289		4,203		5,062
Total operating expenses 72,718 75,867 148,620 148,913 Income from operations 10,093 7,080 9,378 7,100 Other income (expense), net Gains (losses) on investments, net Income before income taxes 10 43 (9) 88 Income tax provision Net income 4.254 2,913 4.026 2,972 Net income $\frac{5}{5.700}$ $\frac{5}{4.289}$ $\frac{5}{5.526}$ $\frac{5}{4.229}$ Diluted income per common share $\frac{5}{0.31}$ $\frac{5}{0.23}$ $\frac{5}{0.30}$ $\frac{5}{2.023}$ Diluted weighted average shares outstanding $18,268$ 19,044 $18,314$ 19,475 Basic income per common share $\frac{5}{0.32}$ $\frac{5}{2.023}$ $\frac{5}{0.31}$ $\frac{5}{2.24}$ $\frac{5}{2.13}$ $\frac{10,27}{2.23}$ Basic weighted average shares outstanding $18,007$ $18,757$ $18,033$ $19,142$ Pro forma data (1): Income from operations 5 $10,093$ 5 $7,080$ 5 $9,378$ 5 $7,100$ Gram and actininistrative 580 224 <	Amortization of intangible assets		224				445		1,075
Income from operations 10.093 7.080 9.378 7.100 Other income (expense), net (99) 79 183 15 Gains (losses) on investments, net 10 43 (9) 88 Income before income taxes 10.004 7.202 9.552 7.192 Income tax provision $\frac{4.254}{$5.750}$ $\frac{$ 0.23}{$5.265}$ $\frac{$ 0.23}{$5.265}$ $\frac{$ 0.23}{$5.265}$ $\frac{$ 0.22}{$5.225}$ Diluted income per common share $\frac{$ 0.31}{$5.268}$ $\frac{$ 0.23}{$5.265}$ $\frac{$ 0.30}{$5.2526}$ $\frac{$ 0.22}{$5.2526}$ Diluted weighted average shares outstanding 18.268 19.044 18.314 19.479 Basic income per common share $\frac{$ 0.32}{$ 0.23}$ $\frac{$ 0.23}{$ 0.23}$ $\frac{$ 0.31}{$ 0.22}$ Basic weighted average shares outstanding 18.007 18.757 18.033 19.184 Proforma data (1): Income from operations $\frac{$ 10.093}{$ 1.873}$ $5 7.080$ $\frac{$ 9.378}{$ 9.378}$ $5 7.100$ Amortization costs $\frac{$ 10.093}{$ 1.873}$ $\frac{$ 2.24}{$ 5.36}$ $\frac{$ 5 0.32}{$ 1.873}$ $\frac{$ 1.033}{$ 3.505}$ $\frac{$ 1.873}{$ 1.873}$ $\frac{$ 2.34}{$ 1.203}$ $\frac{$ 2.24}{$ 2.22}$ $$ $									1,888
Other income (expense), net Gains (losses) on investments, net Income before income taxes (99) 79 183 11 Income before income taxes 10004 7.202 9.552 7.195 Income tax provision 4.254 2.913 4.026 2.977 Net income $$5,526$ $$5,4229$ $$5,526$ $$5,4223$ Diluted income per common share $$5,031$ $$5,023$ $$5,022$ $$2,023$ Diluted weighted average shares outstanding $18,268$ $19,044$ $18,314$ $19,479$ Basic income per common share $$5,032$ $$5,023$ $$5,022$ $$6,023$ Basic weighted average shares outstanding $18,268$ $19,0444$ $18,314$ $19,479$ Basic income per common share $$5,032$ $$5,023$ $$5,025$ $$6,023$ Basic income per common share $$5,032$ $$5,023$ $$6,033$ $$19,142$ Pro forma data (1): $$18,007$ $18,757$ $18,033$ $$19,182$ Pro forma data (1): $$10,093$ $$7,080$ $$9,378$ $$7,100$ Cost of services and fulfillment $$798$ $$2$	Total operating expenses		72,718		75,867		148,620		148,918
Gains (losses) on investments, net Income before income taxes 10 43 (9) 88 Income before income taxes 10,004 7,202 9,552 7,195 Income tax provision $4,254$ 2,913 $4,026$ 2,977 Net income \$ 0,31 \$ 0.23 \$ 0,30 \$ 0,223 Diluted income per common share \$ 0,31 \$ 0.23 \$ 0,30 \$ 0.22 Diluted weighted average shares outstanding 18,268 19,044 18,314 19,479 Basic income per common share \$ 0.32 \$ 0.23 \$ 0.31 \$ 0.22 Basic weighted average shares outstanding 18,268 19,044 18,314 19,479 Basic weighted average shares outstanding 18,007 18,757 18,003 19,184 Pro forma data (1): Income from operations \$ 10,093 \$ 7,080 \$ 9,378 \$ 7,100 Reorganization costs \$ 10,093 \$ 7,080 \$ 9,378 \$ 7,100 \$	Income from operations		10,093		7,080		9,378		7,100
Income before income taxes $10,004$ $7,202$ $9,552$ $7,193$ Income tax provision $4,254$ $2,913$ $4,026$ $2,977$ Net income $$ 5,750$ $$ 4,289$ $$ 5,526$ $$ 4,223$ Diluted income per common share $$ 0,31$ $$ 0.23$ $$ 0.30$ $$ 0.22$ Diluted weighted average shares outstanding $18,268$ $19,044$ $18,314$ $19,479$ Basic income per common share $$ 0.32$ $$ 0.23$ $$ 0.31$ $$ 0.22$ Basic weighted average shares outstanding $18,268$ $19,044$ $18,314$ $19,479$ Basic weighted average shares outstanding $18,268$ $19,044$ $18,314$ $19,479$ Basic weighted average shares outstanding $18,007$ $18,757$ $18,033$ $19,184$ Pro forma data (1): Income from operations $$ 10,093$ $$ 7,080$ $$ 9,378$ $$ 7,100$ Mecoreganization costs S $10,093$ $$ 8,708$ $$ 9,378$ $$ 7,100$ Selling and marketing $$ 89$ 127 $$ 423$ $$ 445$ $$ 1,010$ $$ 823$ $$ 1,203$	Other income (expense), net		(99)		79		183		15
Income tax provision $\frac{4,254}{\$}$ $2,913$ $4,026$ $2,972$ Net income $\frac{\$}{\$}$ $5,750$ $\frac{\$}{\$}$ $4,289$ $\frac{\$}{\$}$ $5,526$ $\frac{\$}{\$}$ $4,223$ Diluted income per common share $\frac{\$}{\$}$ 0.31 $\frac{\$}{\$}$ 0.23 $\frac{\$}{\$}$ 0.30 $\frac{\$}{\$}$ 0.22 Diluted weighted average shares outstanding $18,268$ $19,044$ $18,314$ $19,479$ Basic income per common share $\frac{\$}{\$}$ 0.32 $\frac{\$}{\$}$ 0.23 $\frac{\$}{\$}$ 0.31 $\frac{\$}{\$}$ 0.23 $\frac{\$}{\$}$ 1.033 $19,184$ 1.033 $19,184$ 1.033 $19,184$ 1.033 $10,1633$ 1.073 $8.9,378$ <									80
Net income $$$$ $$5,750$ $$$$ $$4,289$ $$$$ $$5,526$ $$$$ $$4,223$ Diluted income per common share $$$$ 0.31 $$$ 0.23 $$$$ 0.30 $$$ 0.22 Diluted weighted average shares outstanding $18,268$ $19,044$ $18,314$ $19,475$ Basic income per common share $$$$ 0.32 $$$ 0.31 $$$$ 0.22 Basic income per common share $$$$ 0.32 $$$ 0.31 $$$$ 0.23 Basic weighted average shares outstanding $18,007$ $18,757$ $18,003$ $19,184$ Pro forma data (1): Income from operations $$$$ $10,093$ $$$ $7,080$ $$$$ $9,378$ $$$$ $7,100$ Amortization ots $$$$ $10,093$ $$$ $7,080$ $$$$ $9,378$ $$$$ $7,100$ Stock-based compensation included in the following expense categories: $Cost of services and fulfillment 798 798 2,035 1,871$	Income before income taxes		10,004		7,202		9,552		7,195
Diluted income per common share $\$$ 0.31 $\$$ 0.23 $\$$ 0.30 $\$$ 0.22 Diluted weighted average shares outstanding 18.268 19.044 18.314 19.479 Basic income per common share $\$$ 0.32 $\$$ 0.23 $\$$ 0.31 $\$$ 0.22 Basic income per common share $\$$ 0.32 $\$$ 0.23 $\$$ 0.31 $\$$ 0.22 Basic income per common share $\$$ 0.32 $\$$ 0.31 $\$$ 0.22 Basic weighted average shares outstanding 18.007 18.757 18.033 19.184 Pro forma data (1): Income from operations $\$$ 1.0093 $\$$ 7.080 $\$$ 9.378 $\$$ 7.100 Amortization of intangible assets 81 1.039 3.505 1.888 Stock-based compensation included in the following expense categories: Cost services and fulfillment 7.98 7.98 2.035 1.871 4.23 4.65	1								2,972
Diluted weighted average shares outstanding $18,268$ $19,044$ $18,314$ $19,475$ Basic income per common share \$ 0.32 \$ 0.23 \$ 0.31 \$ 0.22 Basic weighted average shares outstanding $18,007$ $18,757$ $18,033$ $19,184$ Pro forma data (1): Income from operations \$ $10,093$ \$ $7,080$ \$ $9,378$ \$ $7,100$ Amortization of intangible assets \$ $10,093$ \$ $7,080$ \$ $9,378$ \$ $7,100$ Amortization of intangible assets \$ $10,093$ \$ $7,080$ \$ $9,378$ \$ $7,100$ Mortization of intangible assets \$ $10,093$ \$ $7,080$ \$ $9,378$ \$ $7,100$ Reorganization costs \$ $10,093$ \$ $7,080$ \$ $9,378$ \$ $7,100$ Stock-based compensation included in the following expense categories: 0.2035 $11,873$ $9,873$ $16,989$ $13,226$ Pro forma income from operations $11,873$ <	Net income	\$	5,750	\$	4,289	\$	5,526	\$	4,223
Basic income per common share \$ 0.32 \$ 0.23 \$ 0.31 \$ 0.22 Basic weighted average shares outstanding 18,007 18,757 18,033 19,184 Pro forma data (1): Income from operations \$ 10,093 \$ 7,080 \$ 9,378 \$ 7,100 Amortization of intangible assets 224 536 445 1,075 Reorganization costs 81 1,039 3,505 1,888 Stock-based compensation included in the following expense categories: 0 798 293 1,203 825 Cost of services and fulfilment 798 293 1,203 825 Pro forma income from operations 11,873 9,873 16,989 13,228 Other income (expense), net (99) 79 183 15 Pro forma income before income taxes 11,774 9,952 17,172 13,242 Pro forma net income \$ 7,300 \$ 6,170 \$ 10,647 \$ 8,211 Pro forma diluted income per share \$ 0,40 \$ <t< td=""><td>Diluted income per common share</td><td>\$</td><td>0.31</td><td>\$</td><td>0.23</td><td>\$</td><td>0.30</td><td>\$</td><td>0.22</td></t<>	Diluted income per common share	\$	0.31	\$	0.23	\$	0.30	\$	0.22
Basic weighted average shares outstanding $18,007$ $18,757$ $18,033$ $19,184$ Pro forma data (1): Income from operations \$ 10,093 \$ 7,080 \$ 9,378 \$ 7,100 Amortization of intangible assets 224 536 445 $1,075$ Reorganization costs 81 $1,039$ $3,505$ $1,888$ Stock-based compensation included in the following expense categories: Cost of services and fulfilment 798 798 $2,035$ $1,871$ Cost of services and fulfilment 798 293 $1,203$ 825 Pro forma income from operations $11,873$ $9,873$ $16,989$ $13,228$ Other income (expense), net (99) 79 183 15 Pro forma income taxes $11,774$ $9,952$ $17,172$ $13,228$ Pro forma income tax provision $4,474$ $3,782$ $6,525$ $5,032$ Pro forma net income \$ 7,300 \$ 6,170 \$ 10,647 \$ 8,211 Pro forma diluted income per share \$ 0,40 \$ 0,32 \$ 0,58 \$ 0,42	Diluted weighted average shares outstanding		18,268		19,044		18,314		19,479
Pro forma data (1):Income from operations\$ 10,093\$ 7,080\$ 9,378\$ 7,100Amortization of intangible assets2245364451,075Reorganization costs811,0393,5051,888Stock-based compensation included in the following expense categories: Cost of services and fulfillment7987982,0351,871Selling and marketing89127423465General and administrative5882931,203825Pro forma income from operations11,8739,87316,98913,228Other income (expense), net(99)7918315Pro forma income tax provision4,4743,7826,5255,032Pro forma net income\$7,300\$6,170\$10,647\$8,211Pro forma diluted income per share\$0,40\$0,32\$0,58\$0,42	Basic income per common share	\$	0.32	\$	0.23	\$	0.31	\$	0.22
Income from operations\$ $10,093$ \$ $7,080$ \$ $9,378$ \$ $7,100$ Amortization of intangible assets 224 536 445 $1,075$ Reorganization costs 81 $1,039$ $3,505$ $1,888$ Stock-based compensation included in the following expense categories: Cost of services and fulfilment 798 798 $2,035$ $1,871$ Cost of services and fulfilment 798 798 $2,035$ $1,871$ Selling and marketing 89 127 423 465 General and administrative 588 293 $1,203$ 825 Pro forma income from operations $11,873$ $9,873$ $16,989$ $13,228$ Other income (expense), net Pro forma income taxes (99) 79 183 11 Pro forma income tax provision $4,474$ $3,782$ $6,525$ $5,032$ Pro forma net income $$7,300$ $$6,170$ $$10,647$ $$8,211$ Pro forma diluted income per share $$0,40$ $$0,32$ $$0,58$ $$0,42$	Basic weighted average shares outstanding		18,007		18,757		18,033		19,184
Amortization of intangible assets 224 536 445 1.075 Reorganization costs 81 1.039 3.505 1.888 Stock-based compensation included in the following expense categories: Cost of services and fulfillment 798 798 2.035 1.871 Selling and marketing 89 127 423 465 General and administrative 588 293 1.203 825 Pro forma income from operations 11.873 9.873 $16,989$ $13,228$ Other income (expense), net Pro forma income before income taxes 11.774 9.952 $17,172$ $13,243$ Pro forma income tax provision 4.474 3.782 6.525 5.032 Pro forma net income $\frac{$}{7,300}$ $\frac{$}{6,170}$ $\frac{$}{10,647}$ $\frac{$}{8,211}$ Pro forma diluted income per share $\frac{$0.40}{$}$ 0.32 $\frac{$}{5}$ 0.58 $\frac{$}{5}$	Pro forma data (1):								
Reorganization costs 81 1,039 3,505 1,888 Stock-based compensation included in the following expense categories: 798 798 2,035 1,871 Cost of services and fulfillment 798 798 2,035 1,871 Selling and marketing 89 127 423 465 General and administrative 588 293 1,203 825 Pro forma income from operations 11,873 9,873 16,989 13,228 Other income (expense), net (99) 79 183 15 Pro forma income before income taxes 11,774 9,952 17,172 13,243 Pro forma income tax provision 4,474 3,782 6,525 5,032 Pro forma net income \$ 7,300 \$ 6,170 \$ 10,647 \$ 8,211 Pro forma diluted income per share $$ 0.40 $ 0.32 $ 0.58 $ 0.42 $	Income from operations	\$	10,093	\$	7,080	\$	9,378	\$	7,100
Stock-based compensation included in the following expense categories: Cost of services and fulfillment7987982,0351,871Selling and marketing General and administrative89127423465Pro forma income from operations11,8739,87316,98913,228Other income (expense), net 	Amortization of intangible assets		224		536		445		1,075
Cost of services and fulfillment 798 798 798 2,035 1,871 Selling and marketing 89 127 423 465 General and administrative 588 293 1,203 829 Pro forma income from operations 11,873 9,873 16,989 13,228 Other income (expense), net (99) 79 183 15 Pro forma income before income taxes 11,774 9,952 17,172 13,243 Pro forma income tax provision $4,474$ $3,782$ $6,525$ $5,032$ Pro forma net income § $7,300$ $$ 6,170 $ 10,647 $ 8,211 Pro forma diluted income per share § 0.40 $ 0.32 $ 0.58 $ 0.42 $	Stock-based compensation included in the		81		1,039		3,505		1,888
Selling and marketing 89 127 423 465 General and administrative 588 293 1,203 825 Pro forma income from operations 11,873 9,873 16,989 13,228 Other income (expense), net (99) 79 183 15 Pro forma income before income taxes 11,774 9,952 17,172 13,243 Pro forma income tax provision $4,474$ $3,782$ $6,525$ $5,032$ Pro forma net income § $7,300$ § $6,170$ § $10,647$ § $8,211$ Pro forma diluted income per share § 0.40 0.32 § 0.58 § 0.42					-		2 0 2 5		1.051
General and administrative 588 293 1,203 825 Pro forma income from operations 11,873 9,873 16,989 13,228 Other income (expense), net (99) 79 183 15 Pro forma income before income taxes 11,774 9,952 17,172 13,243 Pro forma income tax provision $4,474$ $3,782$ $6,525$ $5,032$ Pro forma net income § $7,300$ § $6,170$ § 10,647 § $8,211$ Pro forma diluted income per share § 0.40 0.32 § 0.58 $$ 0.442 $,
Other income (expense), net (99) 79 183 15 Pro forma income before income taxes 11,774 9,952 17,172 13,243 Pro forma income tax provision $4,474$ $3,782$ $6,525$ $5,032$ Pro forma net income § $7,300$ § $6,170$ § $10,647$ § $8,211$ Pro forma diluted income per share § 0.40 § 0.32 § 0.58 § 0.42				_					465 829
Pro forma income before income taxes 11,774 9,952 17,172 13,243 Pro forma income tax provision 4,474 3,782 6,525 5,032 Pro forma net income \$ 7,300 \$ 6,170 \$ 10,647 \$ 8,211 Pro forma diluted income per share \$ 0.40 \$ 0.32 \$ 0.58 \$ 0.42	Pro forma income from operations		11,873		9,873		16,989		13,228
Pro forma income before income taxes 11,774 9,952 17,172 13,243 Pro forma income tax provision 4,474 3,782 6,525 5,032 Pro forma net income \$ 7,300 \$ 6,170 \$ 10,647 \$ 8,211 Pro forma diluted income per share \$ 0.40 \$ 0.32 \$ 0.58 \$ 0.42	Other income (expense) net		(99)		79		183		15
Pro forma net income \$ 7,300 \$ 6,170 \$ 10,647 \$ 8,211 Pro forma diluted income per share \$ 0.40 \$ 0.32 \$ 0.58 \$ 0.42			()		9,952				13,243
Pro forma diluted income per share \$ 0.40 \$ 0.32 \$ 0.58 \$ 0.42	Pro forma income tax provision		4,474		3,782		6,525		5,032
	Pro forma net income	\$	7,300	\$	6,170	\$	10,647	\$	8,211
	Pro forma diluted income per share	\$	0.40	\$	0.32	\$	0.58	\$	0.42
	Pro forma diluted weighted average shares outstanding		18,268	<u> </u>	19.044	<u> </u>	18,314	<u> </u>	19,479

(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, and are also used by Forrester in making compensation decisions. Our pro forma presentation excludes amortization of acquisition-related intangible assets, stock-based compensation, reorganization costs and net gains or losses from investments, 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. Key Financial Data (Unaudited, dollars in thousands)

	June 30, 2015		December 31, 2014	
Balance sheet data:				
Cash, cash equivalents and marketable investments	\$	110,840	\$	104,535
Accounts receivable, net	\$	42,656	\$	67,429
Deferred revenue	\$	136,228	\$	144,568

		Six Months Ended June 30,			
	2015		2014		
Cash flow data:					
Net cash provided by operating activities	\$	24,761	\$	35,281	
Purchases of property and equipment	\$	(1,678)	\$	(871)	
Repurchases of common stock	\$	(11,786)	\$	(54,940)	
Dividends paid	\$	(6,126)	\$	(6,128)	

	As of				
	June 30,				
	 2015				
Metrics:					
Agreement value	\$ 233,400	\$	225,500		
Client retention	80%		75%		
Dollar retention	90%		87%		
Enrichment	97%		97%		
Number of clients	2,482		2,439		

	As of				
	June 30,	June 30,			
	2015	2014			
Headcount:					
Total headcount	1,305	1,306			
Research and consulting staff	487	489			
Sales staff	519	500			