

Forrester Research, Inc.
Consolidated Statements of Income

(In thousands, except per share data)

	Three months ended March 31,	
	2000	1999
	(Unaudited)	
Revenues		
Core research	\$ 23,759	\$ 12,978
Advisory services and other	7,058	4,951
Total revenues	30,817	17,929
Operating expenses		
Cost of services and fulfillment	9,295	6,612
Selling and marketing	12,214	6,192
General and administrative	3,780	2,041
Depreciation and amortization	1,432	873
Total operating expenses	26,721	15,718
Income from operations	4,096	2,211
Other income, net	1,454	860
Income before income taxes	5,550	3,071
Income tax provision	2,081	1,167
Net income	<u>\$ 3,469</u>	<u>\$ 1,904</u>
Diluted earnings per share	<u>\$ 0.15</u>	<u>\$ 0.10</u>
Diluted weighted average shares outstanding	<u>23,578</u>	<u>19,466</u>
Basic earnings per share	<u>\$ 0.17</u>	<u>\$ 0.11</u>
Basic weighted average shares outstanding	<u>19,949</u>	<u>17,492</u>