

Forrester Research Reports First-Quarter Financial Results
Board Of Directors Declares Quarterly Dividend

Cambridge, Mass., April 25, 2012 . . . Forrester Research, Inc. (Nasdaq: FORR) today announced its 2012 first-quarter financial results.

First-Quarter Financial Performance

- Total revenues were \$70.3 million for the first quarter of 2012, compared with \$65.7 million for the first quarter of last year.
- On a GAAP basis, net income was \$3.2 million, or \$0.14 per diluted share, for the first quarter of 2012, compared with net income of \$2.9 million, or \$0.13 per diluted share, for the same period last year.
- On a pro forma basis, net income was \$5.1 million, or \$0.22 per diluted share, for the first quarter of 2012, which reflects a pro forma effective tax rate of 39%. Pro forma net income excludes stock-based compensation of \$1.3 million, amortization of \$0.6 million of acquisition-related intangible assets, \$1.3 million of reorganization costs, and net investment gains of \$0.1 million. This compares with pro forma net income of \$4.8 million, or \$0.21 per diluted share, for the same period in 2011, which reflects a pro forma tax rate of 40%. Pro forma net income for the first quarter of 2011 excludes stock-based compensation of \$1.4 million, amortization of \$0.7 million of acquisition-related intangible assets, \$1.5 million of duplicate lease costs, \$0.4 million of acquisition costs, and net investment gains of \$0.6 million.

A reconciliation of GAAP results to pro forma results may be found in the attached financial tables.

“Revenue for the quarter was in line with expectations, while operating margin and earnings per share exceeded guidance,” said George F. Colony, Forrester’s chairman and chief executive officer. “Clients are providing positive feedback regarding the realignment of our sales force and the innovative and differentiated client-facing experiences we’re investing in.”

Forrester is providing second-quarter 2012 financial guidance as follows:

Forrester Research Q1, 2012 Results

Second-Quarter 2012 (GAAP):

- Total revenues of approximately \$78.5 million to \$81.5 million.
- Operating margin of approximately 12.0% to 14.0%.
- Other income, net of approximately \$0.2 million.
- An effective tax rate of 39%.
- Diluted earnings per share of approximately \$0.26 to \$0.30.

Second-Quarter 2012 (Pro Forma):

Pro forma financial guidance for the second quarter of 2012 excludes stock-based compensation expense of \$1.0 million to \$1.2 million, amortization of acquisition-related intangible assets of approximately \$0.6 million, reorganization costs of \$0.1 million to \$0.2 million and any investment gains or losses.

- Pro forma operating margin of approximately 14.5% to 16.5%.
- Pro forma effective tax rate of 39%.
- Pro forma diluted earnings per share of approximately \$0.30 to \$0.34.

Our full-year 2012 guidance is as follows:

Full-Year 2012 (GAAP):

- Total revenues of approximately \$308.0 million to \$316.0 million.
- Operating margin of approximately 11.0% to 12.0%.
- Other income, net of approximately \$0.8 million.
- An effective tax rate of 39%.
- Diluted earnings per share of approximately \$0.94 to \$1.00.

Full-Year 2012 (Pro Forma):

Pro forma financial guidance for full-year 2012 excludes stock-based compensation expense of \$4.5 million to \$5.0 million, amortization of acquisition-related intangible assets of approximately \$2.4 million, reorganization costs of \$1.4 million to \$1.5 million, and any investment gains or losses.

- Pro forma operating margin of approximately 14.0% to 15.0%.
- Pro forma effective tax rate of 39%.
- Pro forma diluted earnings per share of approximately \$1.16 to \$1.22.

Quarterly Dividend

Forrester also announced today that its Board of Directors has approved a quarterly dividend of \$0.14 per share payable June 20, 2012, to shareholders of record on June 6, 2012.

About Forrester Research

Forrester Research, Inc. (Nasdaq: FORR) is an independent research company that provides pragmatic and forward-thinking advice to global leaders in business and technology. Forrester works with professionals in 19 roles at major companies providing proprietary research, customer insight, consulting, events, and peer-to-peer executive programs. For more than 28 years, Forrester has been making IT, marketing, and technology industry leaders successful every day. 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 guidance for the second quarter of and full-year 2012. 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 retain and enrich memberships for its research products and services, technology spending, Forrester's ability to respond to business and economic conditions and market trends, the risks and challenges inherent in international business activities, competition and industry consolidation, the ability to attract and retain professional staff, Forrester's dependence on key personnel, and possible variations in Forrester's quarterly operating results. 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 and the table of selected balance sheet and cash flow data are attached.

Forrester Research Q1, 2012 Results

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