

Forrester Research, Inc.
Consolidated Statements of Income

(In thousands, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	2001	2000	2001	2000
	(Unaudited)		(Unaudited)	
Revenues				
Core research	\$ 32,963	\$ 28,011	\$ 68,315	\$ 51,769
Advisory services and other	13,451	10,269	21,744	17,327
Total revenues	46,414	38,280	90,059	69,096
Operating expenses				
Cost of services and fulfillment	15,138	11,674	27,436	20,968
Selling and marketing	16,909	14,323	34,654	26,537
General and administrative	4,790	4,703	9,766	8,483
Depreciation and amortization	2,777	1,750	5,499	3,182
Total operating expenses	39,614	32,450	77,355	59,170
Income from operations	6,800	5,830	12,704	9,926
Other income, net	2,148	1,972	3,905	3,425
Income before income taxes	8,948	7,802	16,609	13,351
Income tax provision	3,266	2,926	6,062	5,007
Net income	\$ 5,682	\$ 4,876	\$ 10,547	\$ 8,344
Diluted earnings per share	\$ 0.24	\$ 0.20	\$ 0.44	\$ 0.35
Diluted weighted average shares outstanding	23,722	24,727	24,196	24,152
Basic earnings per share	\$ 0.25	\$ 0.23	\$ 0.47	\$ 0.41
Basic weighted average shares outstanding	22,451	20,895	22,253	20,422

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