

**Forrester Research, Inc.**  
**Consolidated Statements of Income**

(In thousands, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	2000	1999	2000	1999
	(Unaudited)		(Unaudited)	
<b>Revenues</b>				
Core research	\$ 28,011	\$ 14,773	\$ 51,769	\$ 27,751
Advisory services and other	10,269	4,898	17,327	9,849
<b>Total revenues</b>	38,280	19,671	69,096	37,600
<b>Operating expenses</b>				
Cost of services and fulfillment	11,674	6,424	20,968	13,036
Selling and marketing	14,323	7,276	26,537	13,468
General and administrative	4,703	2,213	8,483	4,254
Depreciation and amortization	1,750	1,048	3,182	1,921
<b>Total operating expenses</b>	32,450	16,961	59,170	32,679
Income from operations	5,830	2,710	9,926	4,921
Other income, net	1,972	895	3,425	1,755
Income before income taxes	7,802	3,605	13,351	6,676
Income tax provision	2,926	1,370	5,007	2,537
<b>Net income</b>	<u>\$ 4,876</u>	<u>\$ 2,235</u>	<u>\$ 8,344</u>	<u>\$ 4,139</u>
Diluted earnings per share	<u>\$ 0.20</u>	<u>\$ 0.12</u>	<u>\$ 0.35</u>	<u>\$ 0.22</u>
Diluted weighted average shares outstanding	<u>24,727</u>	<u>18,964</u>	<u>24,152</u>	<u>19,215</u>

Basic earnings per share	<u>\$ 0.23</u>	<u>\$ 0.13</u>	<u>\$ 0.41</u>	<u>\$ 0.23</u>
Basic weighted average shares outstanding	<u>20,895</u>	<u>17,762</u>	<u>20,422</u>	<u>17,627</u>

- More -