

Forrester Research, Inc.
Consolidated Balance Sheets

(In thousands)

	September 30, 2006 <u>(Unaudited)</u>	December 31, 2005 <u></u>
Assets:		
Cash and cash equivalents	\$ 31,622	\$ 48,538
Available-for-sale securities	159,934	83,730
Accounts receivable, net	29,902	52,177
Deferred commissions	7,132	8,940
Prepaid expenses and other current assets	7,129	5,126
Total current assets	<u>235,719</u>	<u>198,511</u>
Property and equipment, net	5,453	5,771
Goodwill, net	53,323	53,034
Intangible assets, net	1,965	3,530
Deferred income taxes	37,462	36,941
Non-marketable investments and other assets	13,703	13,915
Total assets	<u><u>\$ 347,625</u></u>	<u><u>\$ 311,702</u></u>
Liabilities and stockholders' equity:		
Accounts payable	\$ 2,003	\$ 1,716
Accrued expenses	31,619	24,569
Deferred revenue	74,939	86,663
Total liabilities	<u>108,561</u>	<u>112,948</u>
Preferred stock	-	-
Common stock	275	254
Additional paid-in capital	234,061	192,206
Retained earnings	93,103	82,425
Treasury stock, at cost	(85,834)	(73,527)
Accumulated other comprehensive loss	(2,541)	(2,604)
Total stockholders' equity	<u>239,064</u>	<u>198,754</u>
Total liabilities and stockholders' equity	<u><u>\$ 347,625</u></u>	<u><u>\$ 311,702</u></u>

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