



# Fourth Quarter 2018 Results

February 5, 2019

# Forward Looking Statement and Explanatory Note

Statements contained in this presentation regarding the growth and prospects of the business, the Company's projected 2019 financial results, long-term objectives and all other statements in this presentation other than recitation of historical facts are forward looking statements (as defined in the Private Securities Litigation Reform Act of 1995). Such forward looking statements involve known and unknown risks, uncertainties and other factors; consequently, actual results may differ materially from those expressed or implied thereby.

Factors that could cause actual results to differ materially include, but are not limited to, the ability to achieve and effectively manage growth, including the ability to integrate our acquisitions, and consummate and integrate future acquisitions; the ability to pay Gartner's debt obligations, the ability to maintain and expand Gartner's products and services; the ability to expand or retain Gartner's customer base; the ability to grow or sustain revenue from individual customers; the ability to attract and retain a professional staff of research analysts and consultants as well as experienced sales personnel upon whom Gartner is dependent; the ability to achieve continued customer renewals and achieve new contract value, backlog and deferred revenue growth in light of competitive pressures; the ability to carry out Gartner's strategic initiatives and manage associated costs; the ability to successfully compete with existing competitors and potential new competitors; the ability to enforce and protect our intellectual property rights; additional risks associated with international operations including foreign currency fluctuations; the impact of restructuring and other charges on Gartner's businesses and operations; general economic conditions; risks associated with the credit worthiness, budget cuts, and shutdown of governments and agencies; the impact of the U.S. Tax Cut and Jobs Act of 2017; and other risks listed from time to time in Gartner's reports filed with the Securities and Exchange Commission, including Gartner's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Non-GAAP financial measures such as Adj. Revenue, Adj. Contribution, Adj. Contribution Margin, Adj. EBITDA, Adj. Net Income, Adj. EPS and Free Cash Flow, as included in this presentation, are supplemental measures that are not calculated in accordance with U.S. GAAP. Definitions of these measures and reconciliations to the most-directly comparable GAAP measures are included in the appendix.

In this presentation, we include "combined" numbers that, for periods prior to our acquisition of CEB (**unless expressly noted otherwise**), reflect numerical addition of the results of Gartner and CEB for each line item and do not include all the adjustments required with respect to the presentation of pro forma financial information under GAAP and the rules and regulations of the SEC. Accordingly, these "combined" numbers are non-GAAP, but are provided because Gartner believes they are useful in comparing performance of Gartner following the CEB acquisition with performance of Gartner and CEB independently prior to Gartner's acquisition of CEB. These combined numbers should be read together with the historical financial statements of Gartner and CEB included in their respective quarterly reports on Form 10-Q and annual reports on Form 10-K, and the pro forma financial statements included in Exhibit 99.1 to Gartner's Current Report on Form 8-K filed with the SEC on April 6, 2017 and footnote 2 to Gartner's Annual Report on Form 10-K for the year ended December 31, 2017.

The Company's SEC filings can be found on Gartner's website at [investor.gartner.com](http://investor.gartner.com) and on the SEC's website at [www.sec.gov](http://www.sec.gov). Forward looking statements included herein speak only as of February 5, 2019 and the Company disclaims any obligation to revise or update such statements to reflect events or circumstances after this date or to reflect the occurrence of unanticipated events or circumstances, except as required by applicable law or regulation.

Some totals may not add due to rounding.

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# 4Q 2018 Growth and Financial Results

## Contract Value

Global Technology Sales (GTS)

**14.2%↑** \$2.6B

Global Business Sales (GBS)

**1.1%↑** \$0.6B

Total

**11.4%↑** \$3.2B

% increases above  
FX Neutral

## Consolidated Results

Adj. Revenue ex D.O.

**10.4%↑** \$1,088M

FX Neutral: 12.0%

Contribution\*: **10.7%↑**

63% margin

Adj. EBITDA ex D.O.

**5.6%↑** \$211M

FX Neutral: 6.3%

19% margin

Adj. EPS ex D.O.

**\$1.20**

Free Cash Flow

**\$7M**

## Research

Adj. Revenue ex D.O.

**9.5%↑** \$796M

FX Neutral: 11.2%

Contribution\*: **8.7%↑**

68% margin

## Conferences

Adj. Revenue

**16.2%↑** \$196M

FX Neutral: 18.0%

Contribution\*: **18.7%↑**

52% margin

## Consulting

Adj. Revenue

**12.1%↑** \$96M

FX Neutral: 13.6%

Contribution\*: **19.1%↑**

28% margin

## Capital Allocation

**\$156M**

Repurchases: \$156M

Acquisitions: \$0

## Medium Term Guidance

Organic, FX Neutral

Total Adj. Revenue: **10% – 14%**

Adj. EBITDA: **10% – 14%**

Free Cash Flow: **10% – 14%**

## 2019 Guidance

Total Revenue

**\$4,220 - 4,315M**

9 - 11%

Adj. EBITDA

**\$720 - 765M**

5 - 11%

Adj. EPS

**\$3.82 - \$4.19**

5 - 15%

Free Cash Flow

**\$455 - 485M**

11 - 19%

ex D.O.: Excluding Divested Operations

\*2017 and 2018 Contribution is Adj. Contribution excluding divested operations.

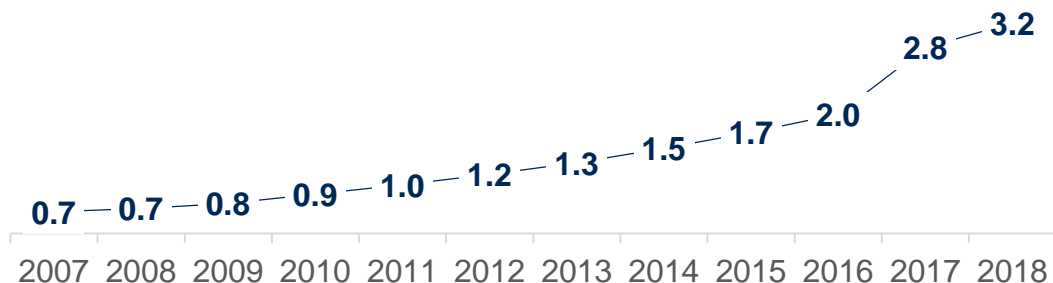
Note: 2019 Guidance growth rates are as reported. FX Neutral growth rates would be approximately 2 percentage points higher for revenue and EBITDA guidance.

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# Consolidated Financial Summary

**Contract Value \$ billions @ '18 rates**



**Free Cash Flow \$ millions**



\$ in millions except shares and per share amounts										
	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	2017	2018
Adj. Revenue ex D.O.	770	862	818	<b>985</b>	899	980	910	<b>1,088</b>	3,436	3,877
Y/Y	38.2%	41.4%	42.4%	<b>40.1%</b>	16.7%	13.6%	11.2%	<b>10.4%</b>		12.8%
Adj. Contribution ex D.O.	486	539	512	<b>615</b>	569	621	579	<b>681</b>	2,152	2,449
Y/Y	40.7%	42.2%	45.8%	<b>44.9%</b>	17.1%	15.3%	13.0%	<b>10.7%</b>		13.8%
Adj. Contribution Margin ex D.O.	63.1%	62.5%	62.6%	<b>62.4%</b>	63.3%	63.4%	63.6%	<b>62.6%</b>	62.6%	63.2%
Adj. EBITDA ex D.O.	129	165	130	<b>200</b>	144	183	149	<b>211</b>	625	687
Y/Y	25.3%	40.5%	42.6%	<b>38.0%</b>	11.5%	10.4%	14.9%	<b>5.6%</b>		10.0%
Adj. EPS ex D.O.	na	na	na	<b>na</b>	0.62	0.98	0.83	<b>1.20</b>		3.63
Free Cash Flow	-23	129	144	<b>14</b>	27	183	251	<b>7</b>	265	468
LTM Free Cash Flow	na	na	na	<b>265</b>	314	369	475	<b>468</b>		
Y/Y	na	na	na	<b>-23.8%</b>	2.5%	20.8%	45.2%	<b>76.9%</b>		76.9%
Avg. Diluted Shares	84.1	90.6	92.0	<b>92.2</b>	92.3	92.2	92.1	<b>91.7</b>	89.8	92.1

Note: 2016 and prior is Gartner stand-alone. 2017 and 2018 are on a combined basis excluding divested operations except Free Cash Flow which is as reported.

Contract Value includes both GTS and GBS values starting in 2017.

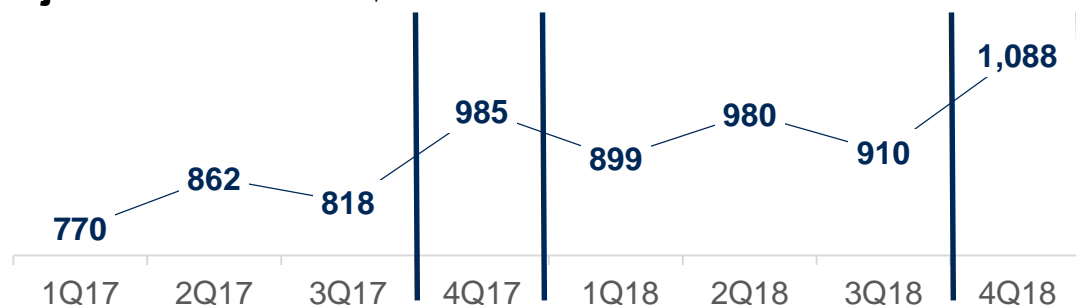
ex D.O.: Excluding Divested Operations

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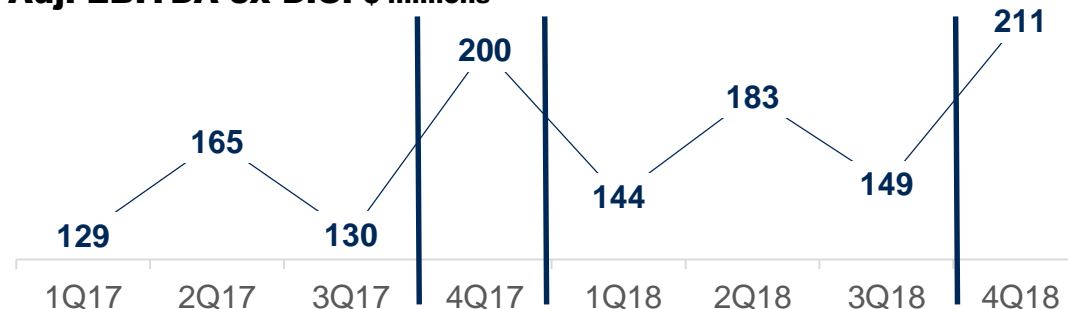


# Normalized P&L: Ex. Divested Operations (Non-GAAP)

Adj. Revenue ex D.O. \$ millions



Adj. EBITDA ex D.O. \$ millions



\$ millions, except shares and per share data	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	2017	2018
Adjusted Revenue ex D.O.	770	862	818	<b>985</b>	899	980	910	<b>1,088</b>	3,436	3,877
Less Cost of Services ex D.O.	285	323	306	<b>371</b>	330	359	331	<b>407</b>	1,285	1,427
Adjusted Contribution ex D.O.	<u>486</u>	<u>539</u>	<u>512</u>	<b><u>615</u></b>	<u>569</u>	<u>621</u>	<u>579</u>	<b><u>681</u></b>	<u>2,152</u>	<u>2,449</u>
Less SG&A ex D.O.	383	385	393	<b>434</b>	458	455	443	<b>488</b>	1,595	1,845
Plus Equity Comp ex D.O.	27	16	12	<b>8</b>	29	14	10	<b>10</b>	64	63
Plus Other Adjustments	0	-5	-2	<b>12</b>	4	3	3	<b>9</b>	5	19
Adjusted EBITDA ex D.O.	<u>129</u>	<u>165</u>	<u>130</u>	<b><u>200</u></b>	<u>144</u>	<u>183</u>	<u>149</u>	<b><u>211</u></b>	<u>625</u>	<u>687</u>
Less Equity Comp ex D.O.	na	na	na	<b>na</b>	29	14	10	<b>10</b>	na	63
Less Depreciation ex D.O.	na	na	na	<b>na</b>	16	17	17	<b>18</b>	na	69
Less Non-GAAP Interest	na	na	na	<b>na</b>	28	28	25	<b>23</b>	na	104
Less Other expense (Income)	na	na	na	<b>na</b>	-1	0	2	<b>1</b>	na	1
Adjusted Pre-tax Income ex D.O.	<u>na</u>	<u>na</u>	<u>na</u>	<b><u>na</u></b>	<u>72</u>	<u>125</u>	<u>96</u>	<b><u>159</u></b>	<u>na</u>	<u>451</u>
Less Adjusted Tax ex D.O.	na	na	na	<b>na</b>	15	35	19	<b>49</b>	na	117
Adjusted Net Income ex D.O.	<u>na</u>	<u>na</u>	<u>na</u>	<b><u>na</u></b>	<u>57</u>	<u>90</u>	<u>77</u>	<b><u>110</u></b>	<u>na</u>	<u>334</u>
Adjusted Earnings Per Share ex D.O.	na	na	na	<b>na</b>	0.62	0.98	0.83	<b>1.20</b>	na	3.63

Note: ex D.O.: Excluding Divested Operations. Other Adjustments include lease accretion, other non-recurring expenses, pre-acquisition commissions and CEB straightline rent. See pg. 24 for details of the methodology.

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# 4Q 2018 Business Metrics

## Global Technology Sales

CV	CV Growth	Enterprises	CV/Enterprise	NCVI
<b>\$2.6B</b>	<b>14.2%</b>	<b>12,998</b>	<b>\$197K</b>	<b>\$318M</b>
QBH	Productivity	Client Retention	Wallet Retention	
<b>3,104</b>	<b>\$118K</b>	<b>82.9%</b>	<b>105.2%</b>	

## Global Business Sales

CV	CV Growth	Enterprises	CV/Enterprise	NCVI
<b>\$0.6B</b>	<b>1.1%</b>	<b>5,451</b>	<b>\$111K</b>	<b>\$7M</b>
QBH	Productivity	Client Retention	Wallet Retention	
<b>790</b>	<b>\$10K</b>	<b>82.0%</b>	<b>95.5%</b>	

## Conferences

# of Destination Conferences

**15**

# of Destination Conference Attendees

**32,275**

Same Conference, FX Neutral Revenue Growth

**18.0%**

## Consulting

Labor Revenue

**\$74M**

Backlog

**\$111M**

Utilization Rate

**61.3%**

Billable Headcount

**738**

CV: Contract Value

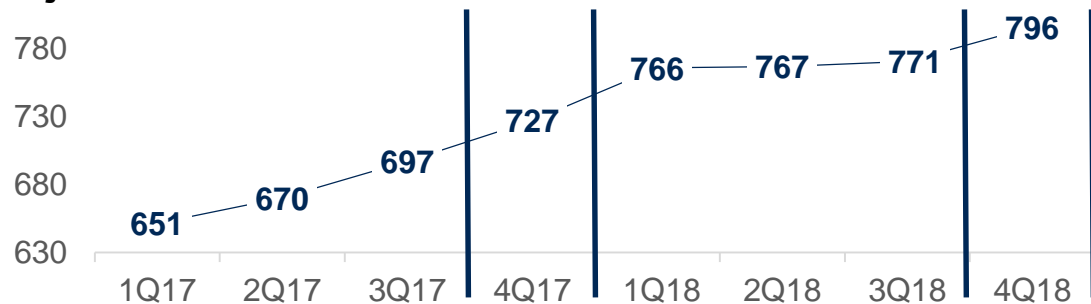
NCVI: Net Contract Value Increase (YYY on a rolling twelve month basis)

QBH: Quota Bearing Headcount

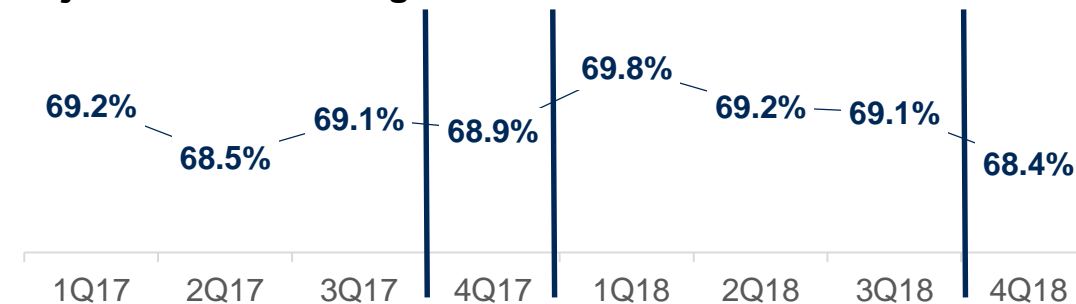
Productivity is NCVI divided by opening period quota-bearing headcount (see pages 9 & 10).

# Research Segment

**Adj. Revenue ex D.O. \$ millions**



**Adj. Contribution Margin ex D.O.**



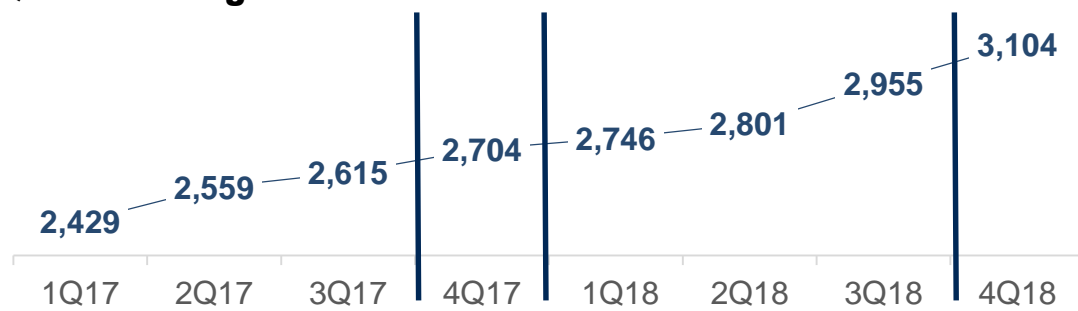
	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	2017	2018
Adj. Revenue ex D.O. (\$ millions)	651	670	697	<b>727</b>	766	767	771	<b>796</b>	2,746	3,101
Y/Y Growth	45.6%	46.8%	49.2%	<b>51.8%</b>	17.6%	14.5%	10.6%	<b>9.5%</b>		12.9%
Adj. Contribution ex D.O. (\$ millions)	451	459	481	<b>501</b>	535	531	533	<b>544</b>	1,892	2,144
Y/Y Growth	44.1%	44.0%	49.0%	<b>53.2%</b>	18.6%	15.7%	10.7%	<b>8.7%</b>		13.3%
Adj. Contribution Margin ex D.O.	69.2%	68.5%	69.1%	<b>68.9%</b>	69.8%	69.2%	69.1%	<b>68.4%</b>	68.9%	69.1%
Contract Value (\$ billions)	2.6	2.6	2.7	<b>2.8</b>	2.9	2.9	3.0	<b>3.2</b>	2.8	3.2
Y/Y FX Neutral Growth	10.4%	11.0%	10.6%	<b>11.6%</b>	11.8%	11.8%	11.8%	<b>11.4%</b>		11.4%

Note: Financial metrics for 1Q17 and forward are combined and excluding divested operations.  
ex D.O.: Excluding Divested Operations

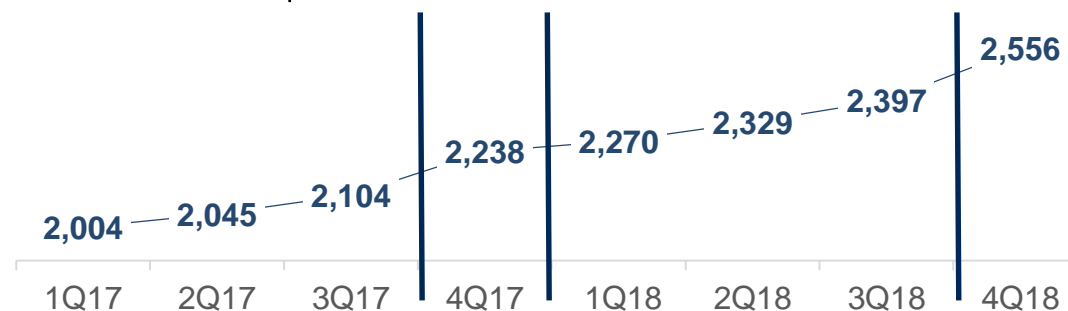


# Research: Global Technology Sales

## Quota-Bearing Head Count



## Contract Value \$ millions



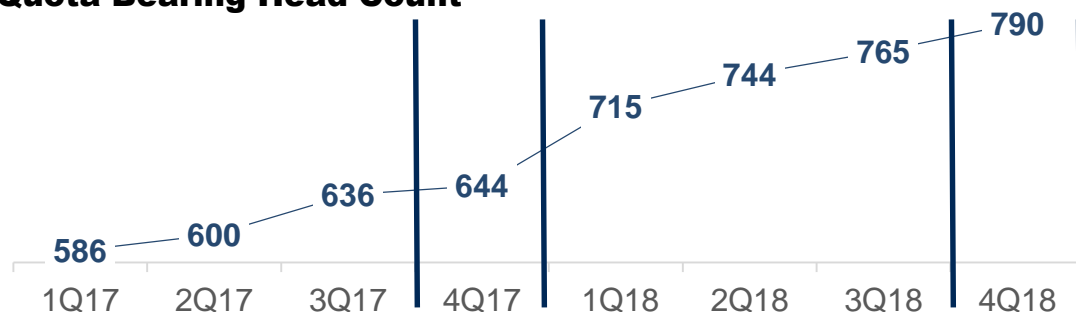
	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	2017	2018
Contract Value (\$ millions)	2,004	2,045	2,104	<b>2,238</b>	2,270	2,329	2,397	<b>2,556</b>	2,238	2,556
Contract Value FX Neutral Growth	11.9%	12.9%	12.6%	<b>13.3%</b>	13.3%	13.9%	13.9%	<b>14.2%</b>		14.2%
Net Contract Value Increase (NCVI, \$ millions)	212	233	236	<b>262</b>	267	285	293	<b>318</b>	262	318
Quota Bearing Head Count	2,429	2,559	2,615	<b>2,704</b>	2,746	2,801	2,955	<b>3,104</b>	2,704	3,104
Y/Y	10.1%	10.8%	11.8%	<b>13.1%</b>	13.1%	9.5%	13.0%	<b>14.8%</b>		14.8%
Productivity (\$ thousands)	96	101	101	<b>110</b>	110	111	112	<b>118</b>	110	118
Y/Y					14.1%	10.1%	11.3%	<b>7.2%</b>		7.2%
Client Enterprises	11,595	11,696	11,798	<b>12,319</b>	12,363	12,375	12,477	<b>12,998</b>	12,319	12,998
Contract Value / Enterprise (\$ thousands)	173	175	178	<b>182</b>	184	188	192	<b>197</b>	182	197
Wallet Retention	103.3%	103.8%	103.7%	<b>104.5%</b>	104.2%	104.6%	104.9%	<b>105.2%</b>	104.5%	105.2%
Client Retention	82.3%	82.6%	82.7%	<b>83.3%</b>	82.9%	82.2%	82.7%	<b>82.9%</b>	83.3%	82.9%

Note: All numbers are combined for all periods shown, at 2018 FX rates where applicable. Enterprises that are clients of both GTS and GBS appear in both counts.

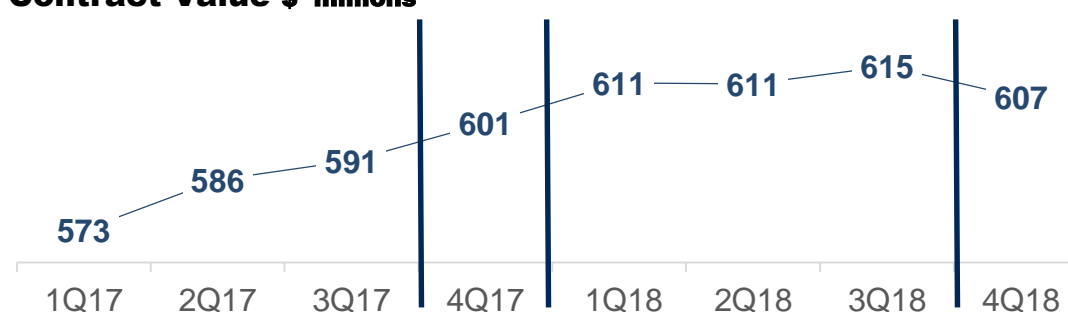
NCVI, or net change in contract value, and Productivity are on a rolling twelve month basis. Productivity is NCVI divided by opening period quota-bearing headcount (Opening period QBH not shown for 2017).

# Research: Global Business Sales

## Quota-Bearing Head Count



## Contract Value \$ millions



	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	2017	2018
Contract Value (\$ millions)	573	586	591	<b>601</b>	611	611	615	<b>607</b>	601	607
Contract Value FX Neutral Growth	5.6%	4.8%	3.8%	<b>5.7%</b>	6.6%	4.2%	4.1%	<b>1.1%</b>		1.1%
Net Contract Value Increase (NCVI, \$ millions)	30	27	22	<b>33</b>	38	25	24	<b>7</b>	33	7
Quota Bearing Head Count	586	600	636	<b>644</b>	715	744	765	<b>790</b>	644	790
Y/Y	10.4%	11.5%	18.0%	<b>16.0%</b>	22.0%	24.0%	20.3%	<b>22.7%</b>		22.7%
Productivity (\$ thousands)	57	50	40	<b>59</b>	64	41	38	<b>10</b>	59	10
Y/Y					13.0%	-18.4%	-4.9%	<b>-82.5%</b>		-82.5%
Client Enterprises	5,624	5,618	5,580	<b>5,668</b>	5,694	5,659	5,675	<b>5,451</b>	5,668	5,451
Contract Value / Enterprise (\$ thousands)	102	104	106	<b>106</b>	107	108	108	<b>111</b>	106	111
Wallet Retention	96.5%	96.4%	95.8%	<b>100.0%</b>	99.0%	96.8%	97.2%	<b>95.5%</b>	100.0%	95.5%
Client Retention	77.8%	79.0%	79.6%	<b>81.1%</b>	82.5%	82.6%	83.4%	<b>82.0%</b>	81.1%	82.0%

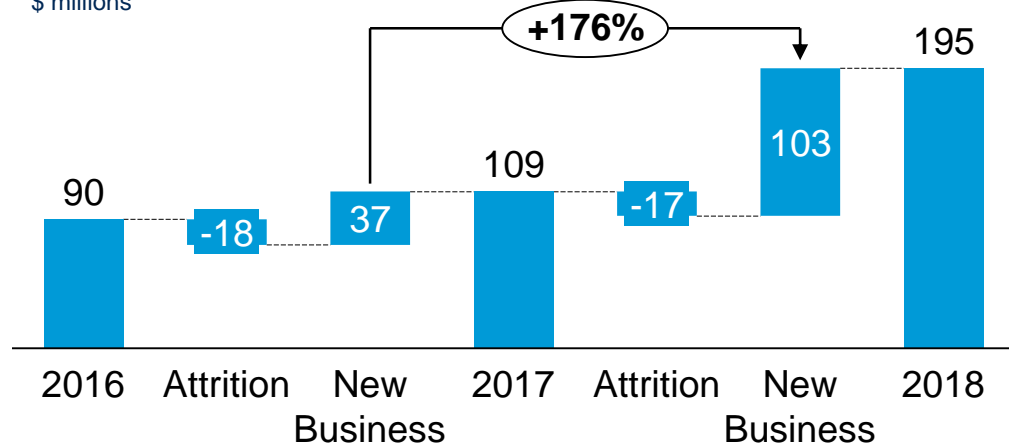
Note: All numbers are combined for all periods shown, at 2018 FX rates where applicable. Enterprises that are clients of both GTS and GBS appear in both counts. Numbers are updated to reflect recent divestitures. NCVI, or net change in contract value, and Productivity are on a rolling twelve month basis. Productivity is NCVI divided by opening period quota-bearing headcount (Opening period QBH not shown for 2017).

# GBS: Transition to GxL Products

## GxL Contract Value

GxL products ramp up, selling over \$100M of new business

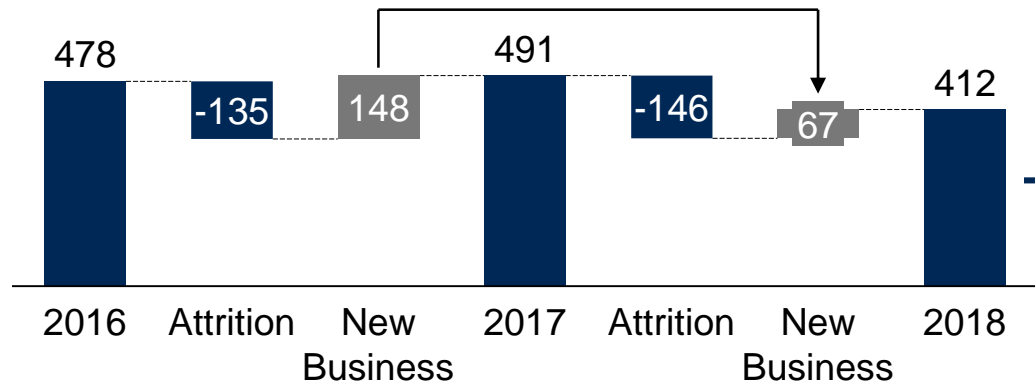
\$ millions



## Legacy Contract Value

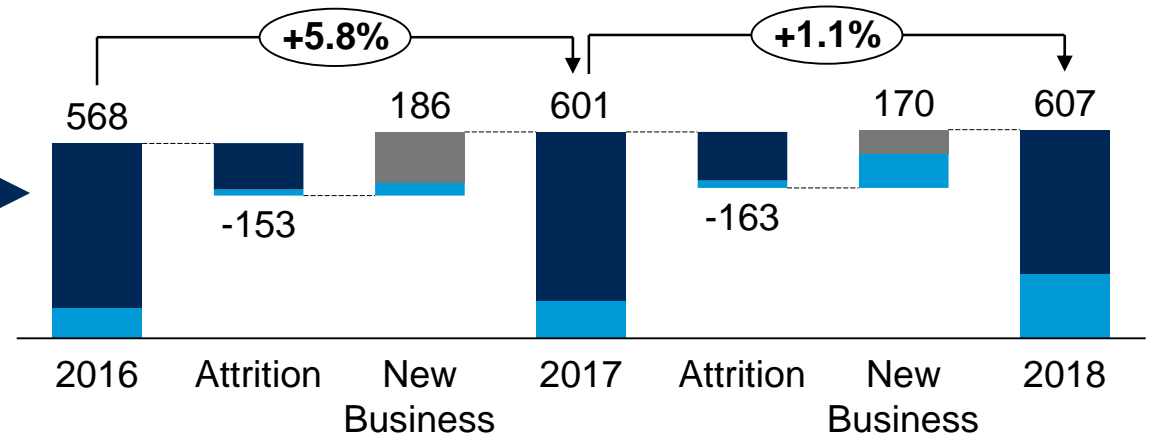
The key headwind to GBS metrics is the decline from \$148M to \$67M of legacy new business

\$ millions



## Total GBS: GxL + Legacy Contract Value

\$ millions



Note: All numbers are shown at 2018 FX rates where applicable.

# GBS: Path to Double Digit Growth

$$\text{CV Growth \%} = \frac{(\text{QBH} \times \text{New Business Productivity}) - (\text{Attrition Rate} \times \text{Starting CV})}{\text{Starting CV}}$$

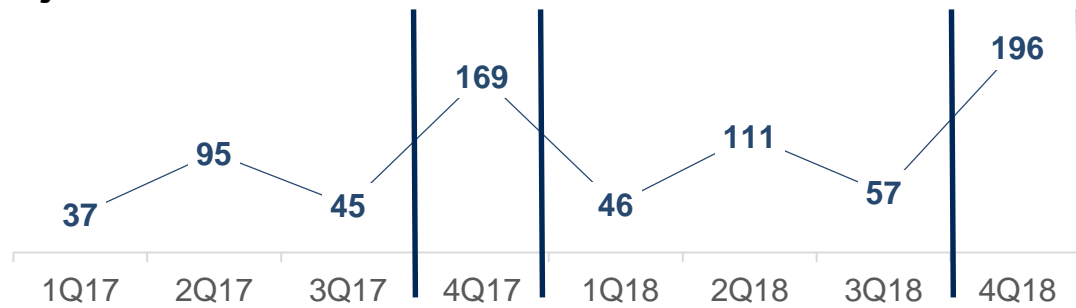
## GBS CV Growth

		New Business Productivity Improvement		
		0%	1%	3%
Attrition Improvement	0%	<b>8.0%</b>	<b>8.3%</b>	<b>9.0%</b>
	1%	<b>9.0%</b>	<b>9.3%</b>	<b>10.0%</b>
	2%	<b>9.9%</b>	<b>10.3%</b>	<b>11.0%</b>

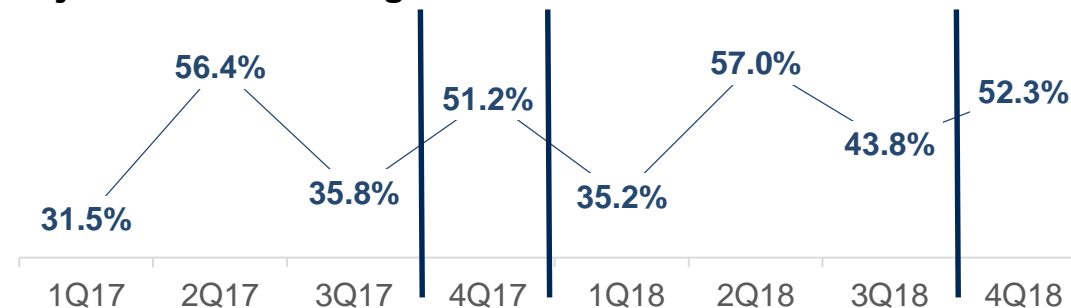
- Every 100 bps improvement in attrition = 100 bps improvement in growth
- Every 100 bps improvement in productivity = 30 bps improvement in growth

# Conferences Segment

Adj. Revenue \$ millions



Adj. Contribution Margin

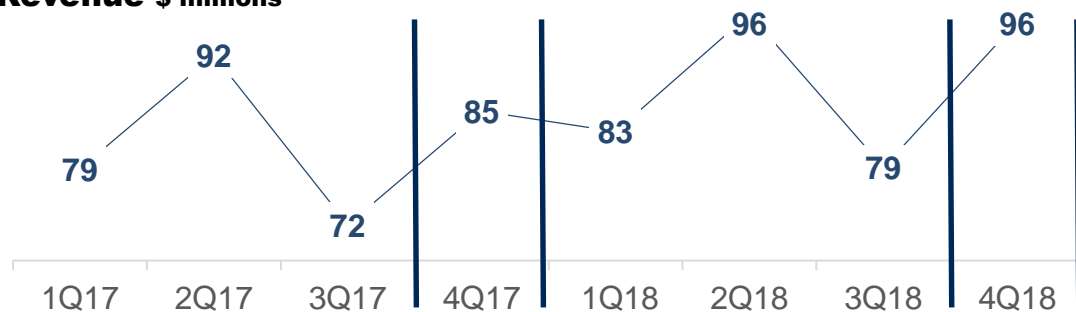


	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	2017	2018
Adj. Revenue	37	95	45	<b>169</b>	46	111	57	<b>196</b>	345	410
Y/Y Growth	13.9%	42.5%	34.7%	<b>23.8%</b>	26.3%	16.9%	26.7%	<b>16.2%</b>		18.8%
Adj. Contribution (\$ millions)	11	54	16	<b>86</b>	16	63	25	<b>103</b>	168	207
Y/Y Growth	-11.5%	48.9%	11.2%	<b>18.2%</b>	41.1%	18.3%	55.0%	<b>18.7%</b>		23.6%
Adj. Contribution Margin	31.5%	56.4%	35.8%	<b>51.2%</b>	35.2%	57.0%	43.8%	<b>52.3%</b>	48.6%	50.5%
Destination Conferences (#)	11	26	17	<b>15</b>	14	24	17	<b>15</b>	69	70
Destination Conference Attendees (#)	9,035	18,539	10,640	<b>29,187</b>	11,643	20,896	13,322	<b>32,275</b>	67,401	78,136
Same Conference Revenue Growth	5.6%	13.4%	17.9%	<b>8.1%</b>	25.9%	16.2%	17.6%	<b>15.6%</b>	10.6%	17.5%
Same Conference Attendee Growth	10.7%	17.9%	21.0%	<b>11.7%</b>	20.6%	16.2%	17.2%	<b>10.8%</b>	14.9%	14.6%

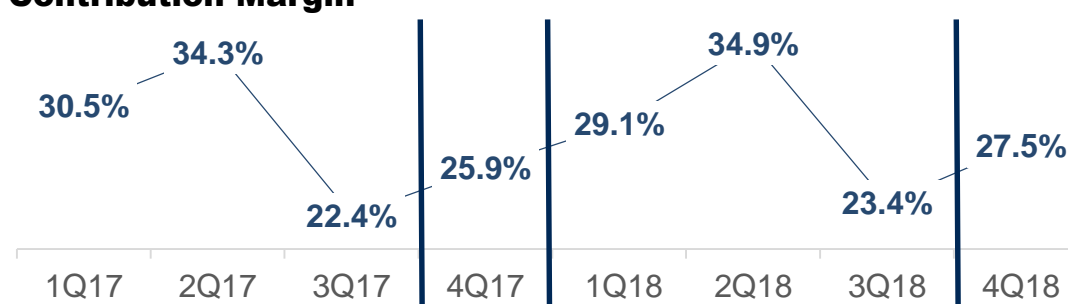
Note: Financial metrics for 1Q17 and forward are combined.  
Same Event Revenue Growth is shown at actual rates.

# Consulting Segment

Revenue \$ millions

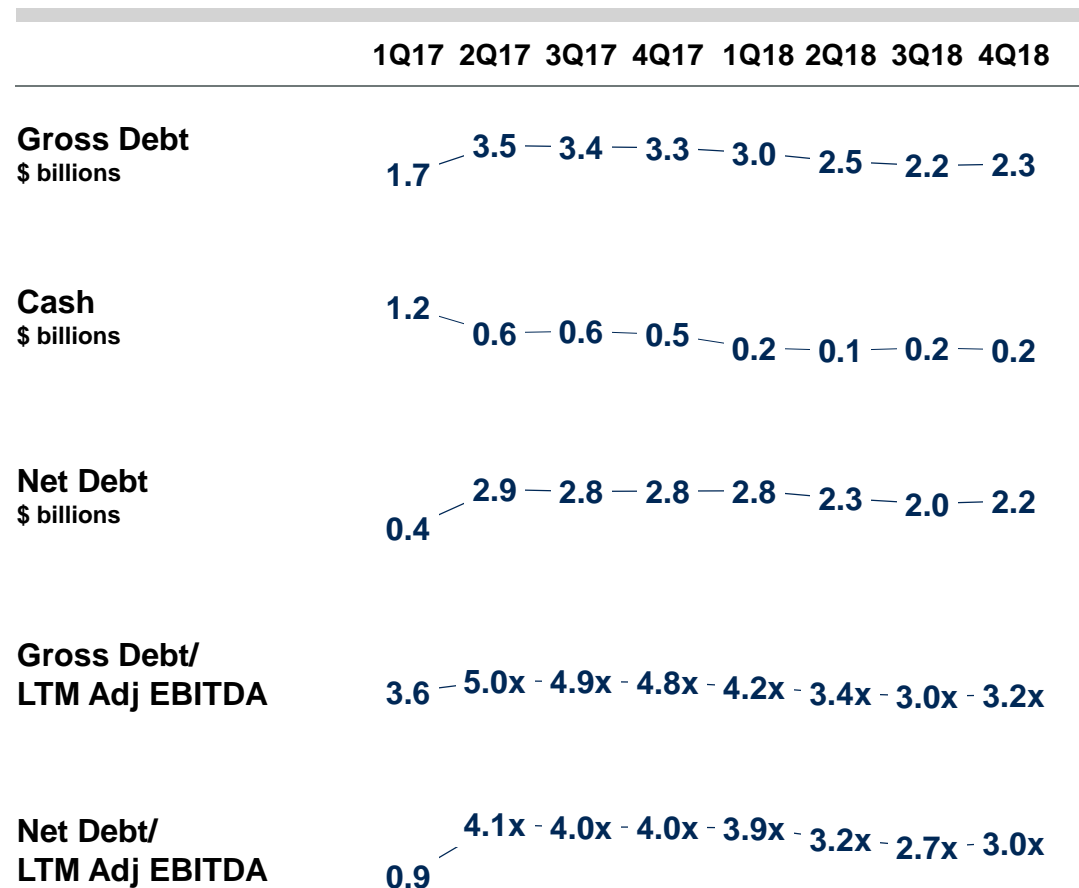


Contribution Margin



	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	2017	2018
Revenue (\$ millions)	79	92	72	<b>85</b>	83	96	79	<b>96</b>	328	354
Y/Y Growth	1.3%	5.9%	-2.2%	<b>-3.3%</b>	5.5%	5.2%	9.2%	<b>12.1%</b>		7.9%
Contribution (\$ millions)	24	31	16	<b>22</b>	24	34	18	<b>26</b>	94	103
Y/Y Growth	-2.5%	10.9%	-11.1%	<b>-5.3%</b>	0.8%	7.2%	13.8%	<b>19.1%</b>		9.5%
Contribution Margin	30.5%	34.3%	22.4%	<b>25.9%</b>	29.1%	34.9%	23.4%	<b>27.5%</b>	28.6%	29.0%
Labor Revenue (\$ millions)	65	68	64	<b>72</b>	74	77	70	<b>74</b>	269	295
Y/Y Growth	1.3%	3.7%	-5.1%	<b>2.7%</b>	14.1%	12.8%	8.2%	<b>2.7%</b>		9.3%
Backlog (\$ millions)	89	91	91	<b>95</b>	104	106	108	<b>111</b>	95	111
Y/Y Growth	-9.6%	-2.4%	1.6%	<b>7.4%</b>	17.0%	16.0%	18.1%	<b>16.3%</b>		16.3%
Billable Head Count	645	667	682	<b>682</b>	694	710	727	<b>738</b>	669	718
Y/Y Growth	5.4%	6.9%	9.2%	<b>8.4%</b>	7.5%	6.5%	6.6%	<b>8.2%</b>		7.3%
Utilization Rate	64.6%	65.3%	61.1%	<b>64.1%</b>	65.4%	66.8%	59.4%	<b>61.3%</b>	63.7%	63.1%
Y/Y Change (bps)	-268	-365	-153	<b>-58</b>	81	153	-172	<b>-277</b>		-60

# Capital Structure and Allocation

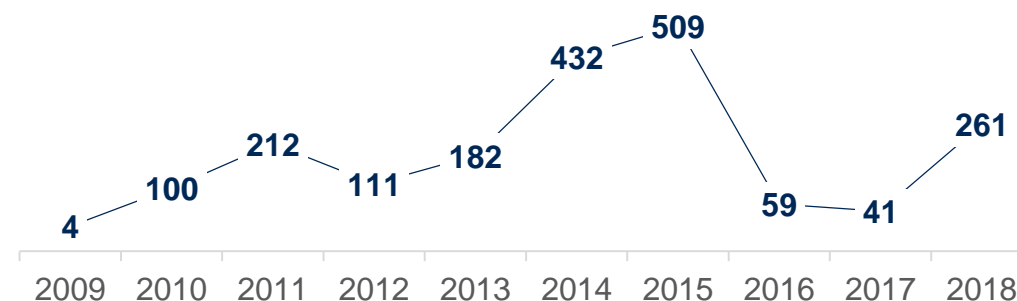


Note: LTM Adj. EBITDA is the sum of the last four quarters of combined Adj. EBITDA and includes divested operations in periods when owned.

(\$ in billions)	Debt	12/31/2018	Rate <sup>(1)</sup>
	Revolver	0.2	LIBOR + 150
	TLA	1.4	LIBOR + 150
	Bonds	0.8	5.13%
	<b>Total Debt</b>	<b>2.3</b>	<b>4.24%</b>
	Revolver Unused Capacity	1.0	25 bps
	Interest Rate Hedges	1.4	1.84%
	% Debt With Fixed Rates	95%	

(1) Floating and total rates reflect LIBOR and spread as of date shown

## Share Repurchases \$ millions



**\$850M+ repurchase authorization remaining as of 12/31/2018 of \$1.2B plan**

# 2019 Guidance

In \$ millions, except per share amounts; shares in millions

Total Revenue		Adj. EBITDA	Adj. Earnings per Share	Free Cash Flow	
4,220 - 4,315		720 - 765	\$3.82 - \$4.19	455 - 485	
9 - 11%		5 - 11%	5 - 15%	11 - 19%	
Research Revenue		Conferences Revenue		Consulting Revenue	
3,405 - 3,465		455 - 475		360 - 375	
10 - 12%		11 - 16%		2 - 6%	
Depreciation & Amortization	Interest Expense, net	Stock-based Compensation	Effective Tax Rate	Shares	Capital Expenditures
~85 & ~129	~103 GAAP ~97 Adj.	~71	~25.5% GAAP ~25.5% Adj.	~91	147 - 157

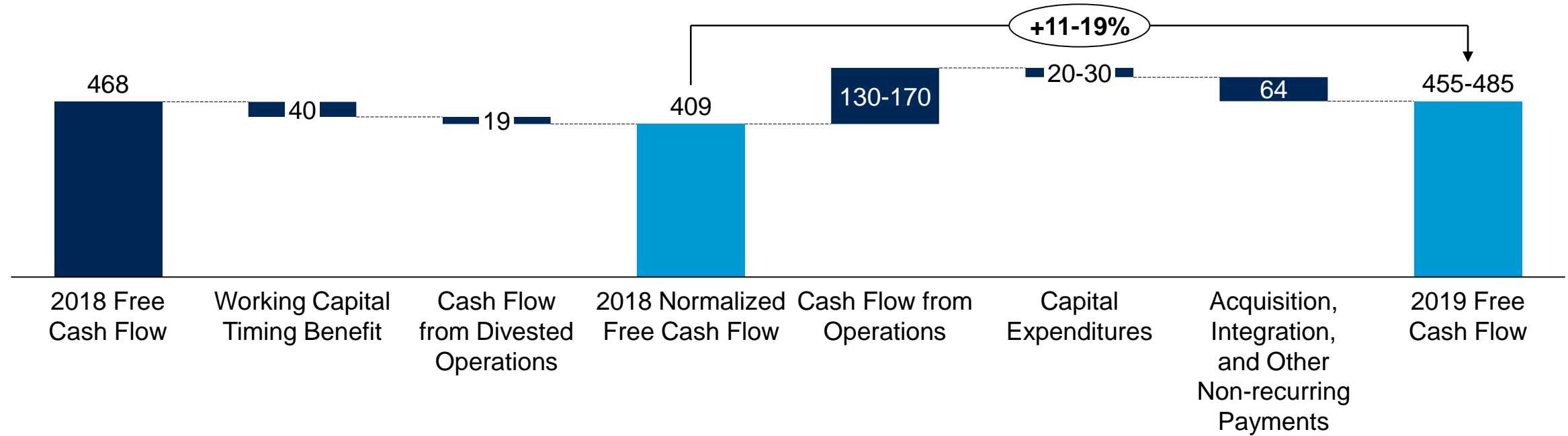
Note: 2019 Guidance growth rates are as reported. FX Neutral growth rates would be approximately 2 percentage points higher for revenue and EBITDA guidance.

Adj. Interest Expense, net excludes deferred financing fees.



# 2019 Free Cash Flow Guidance Walk

\$ millions



Note: 2018 normalized free cash flow adjusts 2018 free cash flow for (i) a working capital timing benefit in 2018 and (ii) an estimate of the cash flow in 2018 generated by divested operations. The cash flow from divested operations is calculated using 65% of the EBITDA from divested operations.

**4Q 2018  
GAAP  
Financial  
Statements**

# Condensed Consolidated Balance Sheet

	December 31, 2018	December 31, 2017
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 156.4	\$ 538.9
Fees receivable, net	1,255.1	1,176.8
Deferred commissions	235.0	205.3
Prepaid expenses and other current assets	165.2	124.6
Assets held-for-sale	\$ -	543.0
<b>Total current assets</b>	<b>1,811.7</b>	<b>2,588.6</b>
Property, equipment and leasehold improvements, net	267.7	221.5
Goodwill	2,923.1	2,987.3
Intangible assets, net	1,042.6	1,292.0
Other assets	156.4	193.7
<b>Total Assets</b>	<b>6,201.5</b>	<b>7,283.2</b>
<b>Liabilities and Stockholders' Equity (Deficit)</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 710.1	\$ 666.8
Deferred revenues	1,745.2	1,630.2
Current portion of long term debt	165.6	379.7
Liabilities held-for-sale	-	145.8
<b>Total current liabilities</b>	<b>2,620.9</b>	<b>2,822.6</b>
Long term debt	2,116.1	2,899.1
Other liabilities	613.7	578.0
<b>Total Liabilities</b>	<b>5,350.7</b>	<b>6,299.7</b>
<b>Total Stockholders' Equity</b>	<b>850.8</b>	<b>983.5</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 6,201.5</b>	<b>\$ 7,283.2</b>

(Unaudited; in millions)

# Condensed Consolidated Statement of Operations

	Three Months Ended December 31,	
	2018	2017
Revenues:		
Research	\$ 797.3	\$ 692.8
Conferences	196.0	166.5
Consulting	95.6	85.3
Other	-	70.0
Total revenues	1,088.9	1,014.5
Costs and expenses:		
Cost of services and product development	407.8	398.4
Selling, general and administrative	488.1	465.4
Depreciation	18.1	18.3
Amortization of intangibles	34.4	53.3
Acquisition and integration charges	10.9	16.3
Total costs and expenses	959.3	951.6
Operating income (loss)	129.6	62.9
Interest expense, net	(24.6)	(36.3)
Gain on divestitures	6.9	-
Other (expense) income, net	(1.0)	1.8
Income before income taxes	111.0	28.4
Provision (benefit) for income taxes	26.9	(78.9)
Net Income	\$ 84.0	\$ 107.3
Income per common share:		
Basic	\$ 0.93	\$ 1.18
Diluted	\$ 0.92	\$ 1.16
Weighted average shares outstanding:		
Basic	90.4	90.8
Diluted	91.7	92.2

(Unaudited; in millions, except per share amounts)

# Condensed Consolidated Statement of Cash Flows

	Three Months Ended December 31,	
	2018	2017
<b>Operating activities:</b>		
Net income	\$ 84.0	\$ 107.3
Adjustments to reconcile net income to net cash provided by operating		
Depreciation and amortization	52.5	71.5
Stock-based compensation expense	10.2	11.0
Deferred taxes	6	(118.0)
Gain from divested operations	(6.9)	-
Amortization and write-off of deferred financing fees	1.6	1.8
Changes in assets and liabilities, net of acquisitions and divestitures:		
Fees receivable, net	(287.7)	(353.4)
Deferred commissions	(69.5)	(64.6)
Prepaid expenses and other current assets	13.8	45.4
Other assets	(12.0)	58.0
Deferred revenues	118.3	184.5
Accounts payable, accrued, and other liabilities	134.6	78.7
<b>Cash provided by operating activities</b>	<b>45.1</b>	<b>22.3</b>
<b>Investing activities:</b>		
Additions to property, equipment and leasehold improvements	(62.2)	(35.2)
Divestitures - cash received (net of cash transferred)	6.1	-
<b>Cash (used in) provided by financing activities</b>	<b>(56.2)</b>	<b>(35.2)</b>
<b>Financing activities:</b>		
Proceeds from employee stock purchase plan	3.6	3.2
Proceeds from borrowings	128	-
Payments on borrowings	(18.7)	(64.8)
Purchases of treasury stock	(156.4)	(4.1)
<b>Cash (used in) financing activities</b>	<b>(43.6)</b>	<b>(65.7)</b>
<b>Net (decrease) in cash and cash equivalents and</b>	<b>(54.6)</b>	<b>(78.6)</b>
<b>Effects of exchange rates on cash and cash equivalents and restricted</b>	<b>(0)</b>	<b>(2.5)</b>
<b>Cash and cash equivalents and restricted cash, beginning of period</b>	<b>213.3</b>	<b>648.2</b>
<b>Cash and cash equivalents and restricted cash, end of period</b>	<b>158.7</b>	<b>567.1</b>

(Unaudited; in millions)

# Definitions

# Definitions

**Adj. Revenue:** Represents GAAP revenue plus: (i) revenue from pre-acquisition periods, as applicable; (ii) the amortization of non-cash fair value adjustments on pre-acquisition deferred revenues. The majority of the non-cash fair value adjustments on pre-acquisition deferred revenues is recognized ratably over the remaining period of the underlying revenue contract. We believe Adjusted Revenue is an important measure of our recurring operations as it provides a more accurate period-over-period comparison of trends in revenues.

**Adj. Contribution and Adj. Contribution Margin:** GAAP gross contribution is derived from our GAAP-based financial statements and represents revenue less direct expense; certain unallocated corporate costs are excluded. Adjusted Contribution represents GAAP gross contribution plus: (i) the contribution from pre-acquisition periods, as applicable, and (ii) the amortization of non-cash fair value adjustments on pre-acquisition deferred revenues; and (iii) for the consolidated Company, an adjustment for the unallocated corporate costs. Adjusted Contribution Margin represents the contribution margin on Adjusted Revenue. We believe these are important measures of our recurring operations as they provide a more accurate and consistent period-over-period comparison of our segment results.

**Adj. Revenue, Adj. Contribution, and Adj. Contribution Margin - Excluding Divested Operations:** Represent the non-GAAP metrics defined above less results of divested operations. We believe these are important measures of our recurring operations as they provide a more accurate and consistent period-over period comparison of our segment results.

**Adj. EBITDA:** Represents GAAP net income (loss) plus: (i) interest expense, net; (ii) tax provision (benefit); (iii) other operating expense, net; (iv) stock-based compensation expense; (v) depreciation, amortization, and accretion on excess facilities obligations; (vi) the amortization of non-cash fair value adjustments on pre-acquisition deferred revenues; (vii) acquisition and integration charges and certain other non-recurring items; (viii) the EBITDA from pre-acquisition periods, as applicable; less (ix) gain on divestitures. We believe Adjusted EBITDA is an important measure of our recurring operations as it excludes items not representative of our core operating results.

**Adj. EBITDA Excluding Divested Operations:** Represents Adjusted EBITDA as defined above less EBITDA from divested operations. We believe this metric is an important measure of our recurring operations as it provides a more accurate and consistent period-over-period comparison of our results.

**Adj. Net Income:** Represents GAAP net income (loss) adjusted for the impact of certain items directly related to acquisitions and other non-recurring items. These adjustments include (i) the amortization of acquired intangibles; (ii) acquisition and integration charges; (iii) the amortization of non-cash fair value adjustments on pre-acquisition deferred revenues; (iv) the non recurring impact from the enactment of the Tax Cuts and Jobs Act of 2017; (v) gains on divestitures; (vi) certain other non-recurring items; and (vii) the related tax effect. We believe Adjusted Net Income is an important measure of our recurring operations as it excludes items not indicative of our core operating results.

**Adj. EPS:** Represents Adjusted Net Income as defined above divided by the weighted-average diluted shares outstanding. We believe Adjusted EPS is an important measure of our recurring operations as it excludes items that may not be indicative of our core operating results.

**Free Cash Flow:** Represents cash provided by operating activities determined in accordance with GAAP: (i) plus payments for acquisition and integration items directly-related to our acquisitions and certain other non-recurring items; (ii) less payments for capital expenditures. We believe that Free Cash Flow is an important measure of the recurring cash generated by the Company's core operations that may be available to be used to repay debt obligations, repurchase our stock, invest in future growth through new business development activities, or make acquisitions.

**Foreign Currency Neutral (FX Neutral):** We provide foreign currency neutral dollar amounts and percentages for our contract values, revenues, certain expenses, and other metrics. These foreign currency neutral dollar amounts and percentages eliminate the effects of exchange rate fluctuations and thus provide a more accurate and meaningful trend in the underlying data being measured. We calculate foreign currency neutral dollar amounts by converting the underlying amounts in local currency for different periods into U.S. dollars by applying the same foreign exchange rates.

**Net Debt:** Represents the gross debt less cash.

**Non-GAAP Interest:** Interest expense, net excluding amortization of deferred financing fees and the interest expense assuming net divestiture proceeds would have been used to repay debt on December 31, 2017.

# Normalized P&L (Non-GAAP) Methodology

- All numbers are on a combined basis excluding divested operations.
- For 2018, interest is calculated assuming net divestiture proceeds would have been used on December 31, 2017 to pay down debt.
- The tax rate for 2018 is calculated using the adjusted tax rate for the respective quarter.
- Shares used to calculate adjusted earnings per share ex D.O. are the diluted weighted average shares as then reported.

ex D.O.: Excluding Divested Operations



# Definitions of Key Metrics/Calculations

## Segment

## Business Measurements

### Research

**Total contract value** represents the value attributable to all of our subscription-related contracts. It is calculated as the annualized value of all contracts in effect at a specific point in time, without regard to the duration of the contract. Total contract value primarily includes Research deliverables for which revenue is recognized on a ratable basis, as well as other deliverables (primarily Conferences tickets) for which revenue is recognized when the deliverable is utilized. Our Total contract value consists of Global Technology Sales (GTS) contract value, which includes sales to users and providers of technology, and Global Business Sales (GBS) contract value, which includes sales to all other functional leaders.

**Client retention rate** represents a measure of client satisfaction and renewed business relationships at a specific point in time. Client retention is calculated on a percentage basis by dividing our current clients, who were also clients a year ago, by all clients from a year ago. Client retention is calculated at an enterprise level, which represents a single company or customer.

**Wallet retention rate** represents a measure of the amount of contract value we have retained with clients over a twelve-month period. Wallet retention is calculated on a percentage basis by dividing the contract value of clients, who were clients one year ago, by the total contract value from a year ago, excluding the impact of foreign currency exchange. When wallet retention exceeds client retention, it is an indication of retention of higher-spending clients, or increased spending by retained clients, or both. Wallet retention is calculated at an enterprise level, which represents a single company or customer.

**Attrition** represents the dollar amount of contract value lost on renewal transactions during the measurement period.

**New business growth** represents the amount of dollar amount of incremental contract value signed with both existing and new clients during the measurement period.

<u>\$ millions</u>	<u>2018 CV @ 2018 FX Rates</u>	<u>2018 CV @ 2019 FX Rates</u>
GTS	2,556	2,492
GBS	607	594
Total Gartner	3,163	3,086

Note: Please see Gartner's 2017 SEC Form 10-K for additional definitions and explanations about the business.

# Definitions of Key Metrics/Calculations

Segment	Business Measurements
Conferences	<p><b>Number of destination conferences</b> represents the total number of hosted conferences completed during the period. Single day, local conferences are excluded.</p> <p><b>Number of destination attendees</b> represents the total number of people who attend conferences. Single day, local conferences are excluded.</p>
Consulting	<p><b>Consulting backlog</b> represents future revenue to be derived from in-process consulting and measurement engagements.</p> <p><b>Utilization rate</b> represents a measure of productivity of our consultants. Utilization rates are calculated for billable headcount on a percentage basis by dividing total hours billed by total hours available to bill.</p> <p><b>Billing rate</b> represents earned billable revenue divided by total billable hours.</p> <p><b>Average annualized revenue per billable head count</b> represents a measure of the revenue generating ability of an average billable consultant and is calculated periodically by multiplying the average billing rate per hour times the utilization percentage times the billable hours available for one year.</p>

Note: Please see Gartner's 2017 SEC Form 10-K for additional definitions and explanations about the business.

# **Non-GAAP Reconciliations**

# 4Q Segment Results Summary

4Q 2018

	Research	Conferences	Consulting	Other	Unalloc.	Total
GAAP revenue	797.3	196.0	95.6	0.0	0.0	1,088.9
Add: Amortization of deferred revenue fair value adjustment	0.2	0.0	0.0	0.0	0.0	0.2
Less: Divested operations	<u>1.1</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>1.1</u>
<b>Adjusted revenue ex D.O.</b>	<b><u>796.4</u></b>	<b><u>196.0</u></b>	<b><u>95.6</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>1,088.0</u></b>
<b>Year/Year Growth</b>	<b>9.5%</b>	<b>16.2%</b>	<b>12.1%</b>	<b>na</b>	<b>nm</b>	<b>10.4%</b>
<b>FX Neutral Year/Year Growth</b>	<b>11.2%</b>	<b>18.0%</b>	<b>13.6%</b>	<b>na</b>	<b>nm</b>	<b>12.0%</b>
GAAP contribution	544.8	102.6	26.3	0.0	7.4	681.0
Add: Amortization of deferred revenue fair value adjustment	0.2	0.0	0.0	0.0	0.0	0.2
Less: Divested operations	<u>0.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.5</u>
<b>Adjusted contribution ex D.O.</b>	<b><u>544.5</u></b>	<b><u>102.6</u></b>	<b><u>26.3</u></b>	<b><u>0.0</u></b>	<b><u>7.4</u></b>	<b><u>680.7</u></b>
<b>Year/Year Growth</b>	<b>8.7%</b>	<b>18.7%</b>	<b>19.1%</b>	<b>na</b>	<b>nm</b>	<b>10.7%</b>
<b>FX Neutral Year/Year Growth</b>	<b>13.2%</b>	<b>58.0%</b>	<b>15.6%</b>	<b>na</b>	<b>nm</b>	<b>14.8%</b>
<b>Adjusted contribution margin ex D.O.</b>	<b>68.4%</b>	<b>52.3%</b>	<b>27.5%</b>	<b>na</b>	<b>nm</b>	<b>62.6%</b>

4Q 2017

	Research	Conferences	Consulting	Other	Unalloc.	Total
GAAP revenue	692.8	166.5	85.3	70.0	0.0	1,014.5
Add: Amortization of deferred revenue fair value adjustment	38.7	2.2	0.0	9.2	0.0	50.1
Less: Divested operations	4.1	0.0	0.0	75.1	0.0	79.1
Adjusted revenue ex D.O.	<u>727.4</u>	<u>168.7</u>	<u>85.3</u>	<u>4.1</u>	<u>0.0</u>	<u>985.5</u>
GAAP contribution	465.1	84.2	22.1	41.7	3.0	616.1
Add: Amortization of deferred revenue fair value adjustment	38.7	2.2	0.0	9.2	0.0	50.1
Less: Divested operations	2.8	0.0	0.0	48.4	0.0	51.2
Adjusted contribution ex D.O.	<u>501.0</u>	<u>86.4</u>	<u>22.1</u>	<u>2.5</u>	<u>3.0</u>	<u>615.0</u>
Adjusted contribution margin ex D.O.	68.9%	51.2%	25.9%	61.4%	nm	62.4%

# Non-GAAP Reconciliations

	GAAP Revenue Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Revenue Total	Divestitures Total	Adjusted Revenue ex D.O. Total	GAAP Direct Expense Total	GAAP Gross Contribution Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Contribution Total	Divestitures	Adjusted Contribution ex D.O. Total	GAAP Gross Contribution Margin	Adjusted Contribution Margin	Adjusted Contribution Margin, ex D.O.
<b>Three Months Ended 12/31/18</b>														
Research	\$ 797.3	\$ 0.2	\$ 797.5	\$ 1.1	\$ 796.4	\$ 252.5	\$ 544.8	\$ 0.2	\$ 545.0	\$ 0.5	\$ 544.5	68%	68%	68%
Events	196.0	-	196.0	-	196.0	93.4	102.6	-	102.6	-	102.6	52%	52%	52%
Consulting	95.6	-	95.6	-	95.6	69.3	26.3	-	26.3	-	26.3	28%	28%	28%
Other COS	-	-	-	-	-	(7.3)	7.3	-	7.3	-	7.3	n/a	n/a	n/a
<b>TOTAL</b>	<b>\$ 1,088.9</b>	<b>\$ 0.2</b>	<b>\$ 1,089.1</b>	<b>\$ 1.1</b>	<b>\$ 1,088.0</b>	<b>\$ 407.8</b>	<b>\$ 681.0</b>	<b>\$ 0.2</b>	<b>\$ 681.2</b>	<b>\$ 0.5</b>	<b>\$ 680.7</b>	<b>63%</b>	<b>63%</b>	<b>63%</b>

	GAAP Revenue Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Revenue Total	Divestitures Total	Adjusted Revenue ex D.O. Total	GAAP Direct Expense Total	GAAP Gross Contribution Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Contribution Total	Divestitures	Adjusted Contribution ex D.O. Total	GAAP Gross Contribution Margin	Adjusted Contribution Margin	Adjusted Contribution Margin, ex D.O.
<b>Three Months Ended 9/30/18</b>														
Research	\$ 774.2	\$ 0.3	\$ 774.5	\$ 3.4	\$ 771.0	\$ 239.3	\$ 534.9	\$ 0.3	\$ 535.2	\$ 2.1	\$ 533.1	69%	69%	69%
Events	57.1	(0.0)	57.1	-	57.1	32.1	25.0	(0.0)	25.0	-	25.0	44%	44%	44%
Consulting	78.8	-	78.8	-	78.8	60.3	18.4	-	18.4	-	18.4	23%	23%	23%
Talent Assessment & Other	11.6	0.0	11.6	8.6	3.0	4.7	6.9	0.0	6.9	4.9	2.0	60%	60%	68%
Other COS	-	-	-	-	-	(0.3)	0.3	-	0.3	-	0.3	n/a	n/a	n/a
<b>TOTAL</b>	<b>\$ 921.7</b>	<b>\$ 0.3</b>	<b>\$ 921.9</b>	<b>\$ 12.0</b>	<b>\$ 909.9</b>	<b>\$ 336.1</b>	<b>\$ 585.6</b>	<b>\$ 0.3</b>	<b>\$ 585.8</b>	<b>\$ 7.0</b>	<b>\$ 578.8</b>	<b>64%</b>	<b>64%</b>	<b>64%</b>

	GAAP Revenue Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Revenue Total	Divestitures Total	Adjusted Revenue ex D.O. Total	GAAP Direct Expense Total	GAAP Gross Contribution Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Contribution Total	Divestitures	Adjusted Contribution ex D.O. Total	GAAP Gross Contribution Margin	Adjusted Contribution Margin	Adjusted Contribution Margin, ex D.O.
<b>Three Months Ended 6/30/18</b>														
Research	\$ 770.3	\$ 0.5	\$ 770.8	\$ 3.6	\$ 767.2	\$ 237.4	\$ 532.9	\$ 0.5	\$ 533.4	\$ 2.3	\$ 531.1	69%	69%	69%
Events	111.3	0.0	111.3	-	111.3	47.8	63.5	0.0	63.5	-	63.5	57%	57%	57%
Consulting	96.5	-	96.5	-	96.5	62.8	33.7	-	33.7	-	33.7	35%	35%	35%
Talent Assessment & Other	23.3	0.0	23.3	18.4	4.9	8.2	15.1	0.0	15.1	11.0	4.1	65%	65%	85%
Other COS	-	-	-	-	-	11.5	(11.5)	-	(11.5)	-	(11.5)	n/a	n/a	n/a
<b>TOTAL</b>	<b>\$ 1,001.3</b>	<b>\$ 0.5</b>	<b>\$ 1,001.9</b>	<b>\$ 22.1</b>	<b>\$ 979.8</b>	<b>\$ 367.6</b>	<b>\$ 633.7</b>	<b>\$ 0.5</b>	<b>\$ 634.2</b>	<b>\$ 13.3</b>	<b>\$ 621.0</b>	<b>63%</b>	<b>63%</b>	<b>63%</b>

	GAAP Revenue Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Revenue Total	Divestitures Total	Adjusted Revenue ex D.O. Total	GAAP Direct Expense Total	GAAP Gross Contribution Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Contribution Total	Divestitures	Adjusted Contribution ex D.O. Total	GAAP Gross Contribution Margin	Adjusted Contribution Margin	Adjusted Contribution Margin, ex D.O.
<b>Three Months Ended 3/31/18</b>														
Research	\$ 763.9	\$ 5.9	\$ 769.9	\$ 3.7	\$ 766.2	\$ 232.5	\$ 531.5	\$ 5.9	\$ 537.4	\$ 2.4	\$ 535.0	70%	70%	70%
Events	46.1	0.0	46.1	-	46.1	29.9	16.2	0.0	16.2	-	16.2	35%	35%	35%
Consulting	82.9	-	82.9	-	82.9	58.8	24.1	-	24.1	-	24.1	29%	29%	29%
Talent Assessment & Other	70.7	3.7	74.3	70.3	4.0	27.6	43.0	3.7	46.7	44.6	2.1	63%	63%	52%
Other COS	-	-	-	-	-	8.5	(8.5)	-	(8.5)	-	(8.5)	n/a	n/a	n/a
<b>TOTAL</b>	<b>\$ 963.6</b>	<b>\$ 9.6</b>	<b>\$ 973.2</b>	<b>\$ 74.0</b>	<b>\$ 899.2</b>	<b>\$ 357.2</b>	<b>\$ 606.4</b>	<b>\$ 9.6</b>	<b>\$ 616.0</b>	<b>\$ 47.0</b>	<b>\$ 569.0</b>	<b>63%</b>	<b>63%</b>	<b>63%</b>

ex D.O.: Excluding Divested Operations

# Non-GAAP Reconciliations

	GAAP Revenue Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Revenue	Divestitures	Adjusted Revenue ex D.O. Total	GAAP Direct Expense	GAAP Gross Contribution Total	Deferred Revenue Fair Value Adjustment	Adjusted Contribution	Divestitures	Adjusted Contribution ex D.O. Total	GAAP Gross Contribution Margin	Adjusted Contribution Margin	Adjusted Contribution Margin, ex D.O.
<b>Three Months Ended 12/31/17</b>														
Research	\$ 692.8	\$ 38.7	\$ 731.5	\$ 4.1	\$ 727.4	\$ 227.7	\$ 465.1	\$ 38.7	\$ 503.8	\$ 2.8	\$ 501.0	69%	69%	69%
Events	166.5	2.2	168.7	-	168.7	82.3	84.2	2.2	86.4	-	86.4	51%	51%	51%
Consulting	85.3	-	85.3	-	85.3	63.2	22.1	-	22.1	-	22.1	26%	26%	26%
Talent Assessment & Other	70.0	9.2	79.1	75.2	4.0	28.2	41.7	9.2	50.9	48.4	2.5	64%	64%	63%
Other COS	-	-	-	-	-	(3.0)	3.0	-	3.0	-	3.0	n/a	n/a	n/a
<b>TOTAL</b>	<b>\$ 1,014.5</b>	<b>\$ 50.1</b>	<b>\$ 1,064.6</b>	<b>\$ 79.2</b>	<b>\$ 985.3</b>	<b>\$ 398.4</b>	<b>\$ 616.1</b>	<b>\$ 50.1</b>	<b>\$ 666.2</b>	<b>\$ 51.2</b>	<b>\$ 615.0</b>	<b>63%</b>	<b>63%</b>	<b>62%</b>

	GAAP Revenue Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Revenue	Divestitures	Adjusted Revenue ex D.O. Total	GAAP Direct Expense	GAAP Gross Contribution Total	Deferred Revenue Fair Value Adjustment	Adjusted Contribution	Divestitures	Adjusted Contribution ex D.O. Total	GAAP Gross Contribution Margin	Adjusted Contribution Margin	Adjusted Contribution Margin, ex D.O.
<b>Three Months Ended 09/30/17</b>														
Research	\$ 653.4	\$ 47.7	\$ 701.2	\$ 4.0	\$ 697.2	\$ 217.2	\$ 436.2	\$ 47.7	\$ 483.9	\$ 2.5	\$ 481.4	69%	69%	69%
Events	45.0	0.1	45.1	-	45.1	28.9	16.0	0.1	16.2	-	16.2	36%	36%	36%
Consulting	72.1	-	72.1	-	72.1	55.9	16.2	-	16.2	-	16.2	22%	22%	22%
Talent Assessment & Other	57.6	15.8	73.4	69.8	3.6	26.4	31.2	15.8	47.0	44.8	2.2	64%	64%	62%
Other COS	-	-	-	-	-	3.8	(3.8)	-	(3.8)	-	(3.8)	n/a	n/a	n/a
<b>TOTAL</b>	<b>\$ 828.1</b>	<b>\$ 63.7</b>	<b>\$ 891.7</b>	<b>\$ 73.8</b>	<b>\$ 818.0</b>	<b>\$ 332.2</b>	<b>\$ 495.9</b>	<b>\$ 63.7</b>	<b>\$ 559.5</b>	<b>\$ 47.3</b>	<b>\$ 512.3</b>	<b>63%</b>	<b>63%</b>	<b>63%</b>

	GAAP Revenue Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Revenue	Divestitures	Adjusted Revenue ex D.O. Total	GAAP Direct Expense	GAAP Gross Contribution Total	Deferred Revenue Fair Value Adjustment	Adjusted Contribution	Divestitures	Adjusted Contribution ex D.O. Total	GAAP Gross Contribution Margin	Adjusted Contribution Margin	Adjusted Contribution Margin, ex D.O.
<b>Three Months Ended 06/30/17</b>														
Research	\$ 613.7	\$ 60.8	\$ 674.6	\$ 4.3	\$ 670.3	\$ 213.2	\$ 400.6	\$ 60.8	\$ 461.4	\$ 2.5	\$ 458.9	68%	68%	68%
Events	91.2	3.9	95.2	-	95.2	41.5	49.7	3.9	53.7	-	53.7	56%	56%	56%
Consulting	91.7	-	91.7	-	91.7	60.3	31.4	-	31.4	-	31.4	34%	34%	34%
Talent Assessment & Other	47.1	26.8	73.9	68.8	5.1	29.8	17.3	26.8	44.1	42.3	1.8	60%	60%	35%
Other COS	-	-	-	-	-	7.3	(7.3)	-	(7.3)	-	(7.3)	n/a	n/a	n/a
<b>TOTAL</b>	<b>\$ 843.7</b>	<b>\$ 91.5</b>	<b>\$ 935.3</b>	<b>\$ 73.0</b>	<b>\$ 862.3</b>	<b>\$ 352.0</b>	<b>\$ 491.7</b>	<b>\$ 91.5</b>	<b>\$ 583.3</b>	<b>\$ 44.8</b>	<b>\$ 538.5</b>	<b>62%</b>	<b>62%</b>	<b>62%</b>

	GAAP Revenue Total	Deferred Revenue Fair Value Adjustment Total	Adjusted Revenue	Divestitures	Adjusted Revenue ex D.O. Total	GAAP Direct Expense	GAAP Gross Contribution Total	Deferred Revenue Fair Value Adjustment	Adjusted Contribution	Divestitures	Adjusted Contribution ex D.O. Total	GAAP Gross Contribution Margin	Adjusted Contribution Margin	Adjusted Contribution Margin, ex D.O.
<b>Three Months Ended 03/31/17</b>														
Research	\$ 655.5	\$ 0.1	\$ 655.7	\$ 4.2	\$ 651.5	\$ 202.0	\$ 453.5	\$ 0.1	\$ 453.7	\$ 2.5	\$ 451.1	69%	69%	69%
Events	36.4	0.1	36.5	-	36.5	25.0	11.4	0.1	11.5	-	11.5	31%	31%	31%
Consulting	78.6	-	78.6	-	78.6	54.7	23.9	-	23.9	-	23.9	30%	30%	30%
Talent Assessment & Other	68.8	-	68.8	65.2	3.7	31.9	36.9	-	36.9	36.6	0.3	54%	54%	9%
Other COS	-	-	-	-	-	1.1	(1.1)	-	(1.1)	-	(1.1)	n/a	n/a	n/a
<b>TOTAL</b>	<b>\$ 839.4</b>	<b>\$ 0.2</b>	<b>\$ 839.6</b>	<b>\$ 69.4</b>	<b>\$ 770.3</b>	<b>\$ 314.6</b>	<b>\$ 524.8</b>	<b>\$ 0.2</b>	<b>\$ 525.0</b>	<b>\$ 39.1</b>	<b>\$ 485.8</b>	<b>63%</b>	<b>63%</b>	<b>63%</b>

ex D.O.: Excluding Divested Operations

# Non-GAAP Reconciliations

Reconciliation - Net income to Adjusted EBITDA ex D.O.(a):	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
<b>Net (loss) income</b>	36.0	(92.3)	(48.2)	107.3	(19.6)	46.3	11.8	84.0
Interest expense, net	6.0	44.0	38.8	36.3	35.1	37.6	27.0	24.6
Gain on divestitures						(25.5)	(13.0)	(6.9)
Other (income) expense, net	(1.0)	0.4	(1.2)	(1.8)	(0.9)	(1.1)	0.8	1.0
Tax provision	12.0	(50.5)	(13.8)	(78.9)	(23.3)	28.8	26.2	26.9
Operating (loss) income	54.0	(98.4)	(24.3)	62.9	(8.7)	86.1	52.7	129.6
Normalizing adjustments:								
Stock-based compensation expense (b)	23.0	16.6	13.2	9.0	29.6	14.2	10.4	10.0
Depreciation, accretion, and amortization (c)	17.0	83.6	69.0	71.8	68.2	67.5	68.9	53.2
Amortization of pre-acquisition deferred revenues (d)	0.0	91.5	63.7	50.1	9.6	0.5	0.3	0.2
Acquisition and integration charges and other nonrecurring items (e)	13.0	91.7	27.5	27.2	62.7	22.7	19.8	18.7
Plus: CEB pre-acquisition (1Q17) EBITDA	36.0	-	-	-	-	-	-	-
<b>Adjusted EBITDA</b>	142.0	185.0	149.0	220.9	161.3	191.0	152.1	211.7
Less: Divested operations EBITDA (f)	12.5	19.7	19.2	20.8	17.1	8.5	2.9	(0.3)
<b>Adjusted EBITDA excluding Divested Operations</b>	129.5	165.4	129.8	200.2	144.3	182.6	149.1	211.4

(a) Adj. EBITDA is based on GAAP operating income Adj. for certain normalizing adjustments.  
 (b) Consists of charges for stock-based compensation awards.  
 (c) Includes depreciation expense, accretion on excess facilities accruals, and amortization of intangibles.  
 (d) Consists of the amortization of non-cash fair value adjustments on pre-acquisition deferred revenues. The majority of the pre-acquisition deferred revenue is recognized ratably over the remaining period of the underlying revenue contract.  
 (e) Consists of incremental and directly-related charges related to acquisitions and other non-recurring items.  
 (f) Consists of Adj. EBITDA from divested operations.

Reconciliation - Cash Provided by Operating Activities to Free Cash Flow (a):	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
<b>Cash provided by (used in) operating activities</b>	(29.6)	112.3	149.5	22.3	2.7	174.0	249.3	45.1
Adjustments:								
Plus: cash paid for acquisition, integration, and other non-recurring items	17.6	47.5	28.5	27.3	42.1	31.4	25.8	24.5
Less: cash paid for capital expenditures	(10.7)	(30.9)	(34.0)	(35.1)	(17.7)	(22.4)	(24.5)	(62.2)
<b>Free Cash Flow</b>	(22.7)	128.9	144.1	14.4	27.1	183.0	250.5	7.4

(a) Free cash flow is based on cash provided by operating activities determined in accordance with GAAP plus cash acquisition and integration payments less additions to capital expenditures.

Numbers may differ from other presentations due to rounding.

# Non-GAAP Reconciliations

Reconciliation - GAAP Net (Loss) Income to Adjusted Net Income (a):	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
<b>GAAP net (loss) income</b>	36.0	(92.0)	(48.2)	107.3	(19.6)	46.3	11.8	84.0
Acquisition and other adjustments:								
Amortization of acquired intangibles (b)	6.0	65.4	51.1	53.3	51.6	50.1	50.9	34.4
Amortization of pre-acquisition deferred revenues (c)	-	91.5	63.7	50.1	9.6	0.5	0.3	0.2
Acquisition and integration charges and other nonrecurring items (d)	13.0	100.7	31.3	29.0	64.5	31.5	21.4	20.3
Impact of Tax Cuts and Jobs Act of 2017 (e for 4Q17)	-	-	-	(59.6)	-	0.7	-	(6.1)
Gain on divestitures	-	-	-	-	-	(25.5)	(13.0)	(6.9)
Tax impact of adjustments	(5.0)	(86.0)	(38.4)	(72.0)	(40.2)	(8.6)	6.7	(15.5)
<b>Adjusted net income</b>	51.0	79.4	59.5	108.0	66.0	95.0	77.9	110.4
Diluted shares	84.1	90.6	92.0	92.2	92.3	92.2	92.1	91.7
<b>Adjusted EPS</b>	0.60	0.88	0.65	1.17	0.72	1.03	0.85	1.20
Excluding divested operations	na	na	na	na	(0.10)	(0.05)	(0.02)	-
<b>Adjusted EPS excluding divested operations</b>	na	na	na	na	0.62	0.98	0.83	1.20

(a) Adj. net income represents GAAP net (loss) income Adj. for the impact of certain items directly related to acquisitions and other non-recurring items.

(b) Consists of non-cash amortization charges from acquired intangibles.

(c) Consists of the amortization of non-cash fair value adjustments on pre-acquisition deferred revenues. The majority of the pre-acquisition deferred revenue is recognized ratably over the remaining period of the underlying revenue contract.

(d) Consists of incremental and directly-related charges related to acquisitions and other non-recurring items.

(e) Consists of the provisional, non-recurring net income tax benefit from the reduction of certain deferred tax liabilities and the repatriation tax on foreign earnings resulting from the Tax Cuts and Jobs Act of 2017.

Reconciliation - GAAP Net (Loss) Income to Adjusted Net Income (a) per share:	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
<b>GAAP net (loss) income</b>	0.44	(1.03)	(0.53)	1.16	(0.22)	0.51	0.13	0.92
Acquisition and other adjustments:								
Amortization of acquired intangibles (b)	0.07	0.72	0.56	0.58	0.56	0.54	0.55	0.37
Amortization of pre-acquisition deferred revenues (c)	0.00	1.01	0.69	0.54	0.10	0.01	0.00	0.00
Acquisition and integration charges and other nonrecurring items (d)	0.16	1.11	0.34	0.32	0.70	0.34	0.23	0.22
Impact of Tax Cuts and Jobs Act of 2017 (e for 4Q17)	-	-	-	(0.65)	-	0.01	-	(0.07)
Gain on divestitures	-	-	-	-	-	(0.28)	(0.14)	(0.07)
Tax impact of adjustments	(0.06)	(0.95)	(0.42)	(0.78)	(0.44)	(0.09)	0.07	(0.17)
Rounding	(0.01)	0.01	0.01	-	0.00	(0.01)	-	-
<b>Adjusted net income</b>	0.60	0.88	0.65	1.17	0.72	1.03	0.85	1.20
Excluding divested operations	na	na	na	na	(0.10)	(0.05)	(0.02)	-
<b>Adjusted net income excluding divested operations</b>	na	na	na	na	0.62	0.98	0.83	1.20



# Non-GAAP Reconciliations

## Reconciliation - Cost of Services to Cost of Services excluding divested operations:

	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Cost of Services	237.6	352.0	332.2	398.4	357.2	367.6	336.1	407.8
CEB Q1 2017 Cost of Services	78.0	-	-	-	-	-	-	-
Less divested operations	(30.2)	(29.3)	(26.2)	(27.1)	(27.7)	(8.8)	(5.0)	(0.6)
Cost of Services ex D.O.	285.4	322.7	306.0	371.3	329.5	358.9	331.1	407.2

## Reconciliation - SG&A to SG&A excluding divested operations:

	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Selling, general and administrative	304.2	408.2	421.2	465.4	488.0	461.0	448.0	488.1
CEB Q1 2017 SG&A	106.0	-	-	-	-	-	-	-
Less divested operations	(27.3)	(23.3)	(28.3)	(31.6)	(29.7)	(5.5)	(4.9)	(0.3)
Selling, general and administrative ex D.O.	382.9	385.0	392.9	433.8	458.3	455.5	443.1	487.8

## Reconciliation - Stock-based compensation expense to Stock-based compensation expense excluding divested operations:

	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Stock-based compensation expense	22.6	16.6	13.2	9.0	29.6	14.2	10.4	10.2
CEB Q1 2017 Cost of Services	5.7	-	-	-	-	-	-	-
Less divested operations	(0.8)	(0.9)	(0.7)	(0.8)	(0.4)	(0.6)	(0.4)	-
Stock-based compensation expense ex D.O.	27.5	15.7	12.5	8.2	29.2	13.6	10.0	10.2

## Reconciliation - Gross Debt to Net Debt:

	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Gross Debt	1.7	3.5	3.4	3.3	3.0	2.5	2.2	2.3
Less Cash	1.2	0.6	0.6	0.5	0.2	0.1	0.2	0.2
Net Debt	0.4	2.9	2.8	2.8	2.8	2.3	2.0	2.2

Note: ex D.O.: Excluding Divested Operations.

# Non-GAAP Reconciliations

## Reconciliation - Depreciation to Depreciation excluding divested operations:

	1Q18	2Q18	3Q18	4Q18
Depreciation	16.4	16.7	17.3	18.1
Less divested operations	(0.0)	0.0	0.0	-
Depreciation ex D.O.	16.4	16.7	17.3	18.1

## Reconciliation - Income (loss) before income taxes to Adjusted Pre-tax Income excluding divested operations:

	1Q18	2Q18	3Q18	4Q18
Income (loss) before income taxes	(42.9)	75.1	38.0	111.0
Other Adjustments	125.8	56.7	59.5	48.0
Less divested operations	(11.2)	(6.7)	(1.8)	-
Adjusted Pre-tax Income ex D.O.	71.7	125.1	95.7	159.0

## Reconciliation - Interest Expense, net to Non-GAAP Interest:

	1Q18	2Q18	3Q18	4Q18
Interest Expense, net	35.1	37.6	27.0	24.6
Less Non-GAAP Interest items (a)	-7.3	-9.9	-2.4	-2.0
Non-GAAP Interest	27.7	27.7	24.6	22.6

(a) Non-GAAP Interest: Interest expense, net excluding amortization of deferred financing fees and the interest expense assuming net divestiture proceeds would have been used to repay debt on December 31, 2017.

Note: ex D.O.: Excluding Divested Operations.

# Non-GAAP Reconciliations – 2019 Guidance

## Financial Outlook Reconciliation: GAAP Revenue to Adjusted Revenue Excluding Divested Operations

(\$ in millions, except per share data) (1)	Full Year 2019 Guidance	
	Low	High
GAAP / Adjusted Revenue	\$ 4,220	\$ 4,315

## Financial Outlook Reconciliation: GAAP Net Income to Adjusted EBITDA Excluding Divested Operations

	Full Year 2019 Guidance	
	Low	High
Net Income	\$ 238	\$ 272
Interest Expense, net (a)	103	103
Other (income) expense, net	1	1
Tax Provision	81	93
Operating Income	424	469
<i>Normalizing Adjustments</i>		
Stock-based compensation expense	71	71
Depreciation, accretion, and amortization	215	215
Acquisition and integration changes and other non-recurring items	11	11
Adjusted EBITDA	\$ 720	\$ 765

(a) Includes \$6.0 million of amortization of deferred financing fees, which is reported in Interest expense, net

## Financial Outlook Reconciliation: GAAP EPS to Adjusted EPS

(\$ in millions, except per share data) (1)	Full Year 2019 Guidance	
	Low	High
GAAP EPS	\$ 2.65	\$ 3.03
<i>Normalizing Adjustments</i>		
Amortization of acquired intangibles	1.04	1.04
Acquisition and integration charges and other nonrecurring items	0.13	0.13
Rounding	-	(0.01)
Adjusted EPS	\$ 3.82	\$ 4.19

## Financial Outlook Reconciliation: GAAP Cash Provided by operating activities to Free Cash Flow

(\$ in millions, except per share data) (1)	Full Year 2019 Guidance	
	Low	High
Operating Cash Flow	\$ 542	\$ 582
Acquisition, integration and other nonrecurring payments	60	60
Capital Expenditures	(147)	(157)
Free Cash Flow	\$ 455	\$ 485