

GARTNER, INC. - SELECTED FINANCIAL DATA (Quarterly)

	Quarter ending March '12	Quarter ending June '12	Quarter ending September '12	Quarter ending December '12	Quarter ending March '13	Quarter ending June '13	Quarter ending September '13	Quarter ending December '13	Quarter ending March '14	Quarter ending June '14
<u>INCOME STATEMENT DATA</u>										
Revenues:										
Research	\$274,620	\$278,302	\$284,048	\$300,177	\$310,331	\$311,233	\$316,518	\$332,929	\$348,114	\$358,495
Consulting	74,563	76,676	71,731	81,923	72,633	85,928	70,149	85,547	84,271	93,488
Events	19,988	42,504	18,627	92,649	23,790	48,886	24,038	102,231	14,317	67,837
Total revenues	369,171	397,482	374,406	474,749	406,754	446,047	410,705	520,707	446,702	519,820
Net income	\$34,221	\$41,484	\$31,375	\$58,823	\$36,675	\$46,514	\$38,194	\$61,418	\$37,736	\$53,040
Diluted earnings per share	\$0.36	\$0.43	\$0.33	\$0.61	\$0.38	\$0.49	\$0.40	\$0.65	\$0.40	\$0.58
Normalized EBITDA ⁽¹⁾	\$71,185	\$79,015	\$68,019	\$97,015	\$75,062	\$89,911	\$74,933	\$105,518	\$85,053	\$105,010
<u>CASH FLOW DATA</u>										
Cash provided (used) by operating activities	\$18,679	\$80,773	\$109,299	\$71,062	\$19,693	\$120,623	\$101,753	\$73,585	\$16,470	\$136,288
Capital expenditures	(\$7,118)	(\$13,524)	(\$10,158)	(\$13,537)	(\$9,648)	(\$9,987)	(\$8,137)	(\$8,726)	(\$9,185)	(\$9,966)
<u>BALANCE SHEET DATA</u>										
Cash and cash equivalents	\$138,985	\$150,531	\$255,391	\$299,852	\$269,063	\$333,363	\$374,521	\$423,990	\$283,284	\$317,925
Total assets	\$1,349,848	\$1,380,115	\$1,479,148	\$1,621,277	\$1,567,395	\$1,613,787	\$1,628,398	\$1,783,582	\$1,757,713	\$1,796,808
Total debt	\$240,293	\$200,088	\$200,000	\$205,000	\$205,000	\$205,000	\$205,000	\$205,000	\$355,000	\$375,000
Stockholders' equity	\$171,781	\$214,991	\$261,465	\$306,673	\$319,157	\$328,694	\$321,635	\$361,316	\$236,723	\$197,509

(1) Normalized EBITDA represents operating income excluding depreciation, accretion on obligations related to excess facilities, amortization, stock-based compensation expense, and acquisition related adjustments.

We believe Normalized EBITDA is an important measure of our recurring operations as it excludes items that may not be indicative of our core operating results. Investors are cautioned that Normalized EBITDA is not a financial measure defined under generally accepted accounting principles and as a result is considered a non-GAAP financial measure. We provide this measure to enhance the user's overall understanding of the Company's current financial performance and the Company's prospects for the future. It should not be construed as an alternative to any other measure of performance determined in accordance with generally accepted accounting principles. The following table presents a reconciliation of Normalized EBITDA:

Reconciliation - GAAP to Normalized EBITDA:

Net income	\$34,221	\$41,484	\$31,375	\$58,823	\$36,675	\$46,514	\$38,194	\$61,418	\$37,736	\$53,040
Interest expense, net	2,195	2,153	2,209	2,302	2,436	2,144	2,124	2,133	2,250	2,680
Other expense (income), net	978	76	748	(550)	(211)	280	(5)	152	229	(175)
Tax provision	16,162	19,009	15,436	19,086	15,105	25,049	18,430	25,054	18,955	26,216
Operating income	\$53,556	\$62,722	\$49,768	\$79,661	\$54,005	\$73,987	\$58,743	\$88,757	\$59,170	\$81,761
Normalizing adjustments:										
Depreciation, accretion and amortization	6,690	7,167	7,712	8,413	9,740	8,464	9,740	9,015	8,775	9,740
Stock-based compensation expense	10,939	7,863	9,219	8,357	12,342	7,232	7,475	7,687	13,752	6,865
Pre-acquisition deferred revenue	0	81	376	290	137	122	0	0	0	0
Acquisition and integration charges	-	1,182	6,268	294	6,507	106	6,644	59	3,356	6,644
Normalized EBITDA	\$71,185	\$79,015	\$73,343	\$97,015	\$82,731	\$89,911	\$82,602	\$105,518	\$85,053	\$105,010

GARTNER, INC. - SELECTED FINANCIAL DATA (ANNUAL)

	Year ending December '09	Year ending December '10	Year ending December '11	Year ending December '12	Year ending December '13
<u>INCOME STATEMENT DATA</u>					
Revenues:					
Research	\$752,505	\$865,000	\$1,012,062	\$1,137,147	\$1,271,011
Consulting	286,847	302,117	308,047	304,893	314,257
Events	100,448	121,337	148,479	173,768	198,945
Total revenues	\$1,139,800	\$1,288,454	\$1,468,588	\$1,615,808	\$1,784,213
Net income	\$82,964	\$96,285	\$136,902	\$165,903	\$182,801
Diluted earnings per share	\$0.85	\$0.96	\$1.39	\$1.73	\$1.93
Normalized EBITDA ⁽¹⁾	\$191,181	\$230,372	\$279,448	\$315,234	\$345,424
<u>CASH FLOW DATA</u>					
Cash provided by operating activities	\$161,937	\$205,499	\$255,566	\$279,813	\$16,470
Capital expenditures	(\$15,142)	(\$21,694)	(\$41,954)	(\$44,337)	(\$9,185)
<u>BALANCE SHEET DATA</u>					
Cash and cash equivalents	\$116,574	\$120,181	\$142,739	\$299,852	\$283,284
Total assets	\$1,215,279	\$1,285,658	\$1,379,872	\$1,621,277	\$1,783,582
Total debt	\$329,000	\$220,156	\$200,000	\$205,000	\$205,000
Stockholders' equity (deficit)	\$112,535	\$187,056	\$181,784	\$306,673	\$361,316

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We believe Normalized EBITDA is an important measure of our recurring operations as it excludes items that may not be indicative of our core operating results. Investors are cautioned that Normalized EBITDA is not a financial measure defined under generally accepted accounting principles and as a result is considered a non-GAAP financial measure. We provide this measure to enhance the user's overall understanding of the Company's current financial performance and the Company's prospects for the future. It should not be construed as an alternative to any other measure of performance determined in accordance with generally accepted accounting principles.

The following table presents a reconciliation of Normalized EBITDA:

Reconciliation - Operating income to Normalized EBITDA:

Net income	\$82,964	\$96,285	\$136,902	\$165,903	\$182,801
Interest expense, net	16,032	15,616	9,967	8,859	8,837
Other expense (income), net	2,919	(436)	1,911	1,252	216
Discontinued operations	0	0	0	0	0
Tax provision	32,562	37,800	65,282	69,693	83,638
Operating income	\$134,477	\$149,265	\$214,062	\$245,707	\$275,492
Normalizing adjustments:					
Depreciation, accretion and amortization	27,704	36,475	32,329	29,982	34,601
Stock-based compensation expense	26,066	32,634	32,864	36,378	34,735
Pre-acquisition deferred revenue	0	4,095	193	747	259
Acquisition and integration charges	2,934	7,903	0	2,420	337
Normalized EBITDA	\$191,181	\$230,372	\$279,448	\$315,234	\$345,424