

GARTNER, INC. - SELECTED FINANCIAL DATA (Quarterly)

(In thousands)

	Quarter ending March '14	Quarter ending June '14	Quarter ending September '14	Quarter ending December '14	Quarter ending March '15	Quarter ending June '15	Quarter ending September '15	Quarter ending December '15	Quarter ending March '16	Quarter ending June '16	Quarter ending September '16	Quarter ending December '16
<u>INCOME STATEMENT DATA</u>												
Revenues:												
Research	\$348,114	\$358,495	\$365,334	\$373,395	\$381,090	\$385,718	\$396,179	\$420,499	\$440,271			
Consulting	84,271	93,488	82,300	88,337	76,792	88,336	74,686	87,921	84,940			
Events	14,317	67,837	23,306	122,247	13,304	73,882	29,301	135,348	32,055			
Total revenues	446,702	519,820	470,940	583,979	471,186	547,936	500,166	643,768	557,266			
Net income	\$37,736	\$53,040	\$33,846	\$59,144	\$28,351	\$51,155	\$30,366	\$65,763	\$40,167			
Diluted earnings per share	\$0.40	\$0.58	\$0.38	\$0.66	\$0.32	\$0.61	\$0.36	\$0.78	\$0.48			
Normalized EBITDA ⁽¹⁾	\$85,053	\$105,010	\$74,701	\$121,672	\$80,655	\$110,130	\$79,822	\$136,928	\$103,330			
<u>CASH FLOW DATA</u>												
Cash provided (used) by operating activities	\$16,470	\$136,288	\$122,851	\$71,167	\$5,663	\$143,741	\$116,904	\$79,253	\$8,580			
Capital expenditures	(\$9,185)	(\$9,966)	(\$6,365)	(\$12,970)	(\$11,632)	(\$11,982)	(\$12,453)	(\$10,061)	(\$6,560)			
<u>BALANCE SHEET DATA</u>												
Cash and cash equivalents	\$283,284	\$317,925	\$341,220	\$365,302	\$281,653	\$357,581	\$371,244	\$372,976	\$403,943			
Total assets	\$1,757,713	\$1,796,808	\$1,768,953	\$1,904,351	\$1,789,370	\$1,861,039	\$2,091,542	\$2,174,686	\$2,211,509			
Total debt	\$355,000	\$375,000	\$370,000	\$405,000	\$665,000	\$715,000	\$840,000	\$825,000	\$890,000			
Stockholders' equity (deficit)	\$236,723	\$197,509	\$152,523	\$161,171	(\$139,513)	(\$170,155)	(\$159,589)	(\$132,400)	(\$112,670)			

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

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	\$37,736	\$53,040	\$33,846	\$59,144	\$28,351	\$51,155	\$30,366	\$65,763	\$40,167
Interest expense, net	2,250	2,680	2,656	3,301	3,480	5,240	6,049	6,013	6,006
Other (income) expense, net	229	(175)	287	251	962	468	(5,367)	(1,059)	(1,884)
Tax provision	18,955	26,216	12,602	33,144	15,889	28,357	21,426	30,904	20,140
Operating income	\$59,170	\$81,761	\$49,391	\$95,840	\$48,682	\$85,220	\$52,474	\$101,621	\$64,429
Normalizing adjustments:									
Depreciation, accretion and amortization	8,775	9,740	10,487	10,543	10,152	10,564	15,226	15,226	15,038
Stock-based compensation expense	13,752	6,865	8,808	9,436	16,729	10,663	9,588	9,169	15,495
Acquisition and integration	3,356	6,644	6,015	5,853	5,092	3,683	15,336	10,912	8,368
Normalized EBITDA	\$85,053	\$105,010	\$74,701	\$121,672	\$80,655	\$110,130	\$88,200	\$136,928	\$103,330