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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported)

OCTOBER 27, 2004

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GARTNER, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

1-14443

04-3099750

-----  
(State or Other Jurisdiction of  
Incorporation)

-----  
(Commission File Number)

-----  
(IRS Employer  
Identification No.)

P.O. BOX 10212  
56 TOP GALLANT ROAD  
STAMFORD, CT 06902-7747

(Address of Principal Executive Offices, including Zip Code)

(203) 316-1111

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On October 27, 2004, Gartner, Inc. announced financial results for the quarter ended September 30, 2004. A copy of the Company's press release is furnished as Exhibit 99.1.

In accordance with General Instruction B.2 of Form 8-K, the information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(c) EXHIBITS

EXHIBIT NO.	DESCRIPTION
- - - - -	- - - - -
99.1	Press Release issued October 27, 2004, with respect to financial results for Gartner, Inc. (the "Company") for the quarter ended September 30, 2004.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Gartner, Inc.

Date: October 27, 2004

By: /s/ Christopher Lafond

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Christopher Lafond  
Executive Vice President,  
Chief Financial Officer

EXHIBIT INDEX

EXHIBIT NO.    DESCRIPTION  
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99.1            Press Release issued October 27, 2004, with respect to financial  
                 results for Gartner, Inc. for the quarter ended September 30,  
                 2004.

## GARTNER, INC. REPORTS 2004 THIRD QUARTER AND NINE MONTH RESULTS

STAMFORD, Conn., October 27, 2004 - Gartner, Inc. (NYSE: IT and ITB), the leading provider of research and analysis on the global information technology industry, today reported results for the third quarter and nine months ended September 30, 2004.

Highlights of Gartner's performance for the third quarter of 2004 included the following:

- - Total revenue was \$202 million, an increase of 3% compared with \$197 million in the same period of 2003.
- - Net income was \$160,000 or \$0.00 per diluted share on a GAAP basis, compared with net income of \$5 million, or \$0.07 per diluted share for the 2003 third quarter.
- - Normalized EPS was \$0.05 per share, compared with \$0.07 per share a year ago. Normalized net income for the recent quarter excluded a charge of \$4.3 million for severance arrangements and a non-cash charge on minority-owned investments of \$2.2 million. Normalized EPS is a non-GAAP financial measure. See "Non-GAAP Financial Measures" for a further discussion of normalized EPS.
- - Research contract value was \$489 million at September 30, 2004, an increase of 4% from \$470 million at September 30, 2003. Client retention in the Research business was 78% for the recent quarter, up from 76% a year ago; wallet retention rose to 93% from 85% a year ago.

For the first nine months of 2004:

- - Total revenue was \$638 million, an increase of 4% compared with \$615 million in the same period of 2003.
- - Net income was \$12 million, or \$0.09 per diluted share on a GAAP basis, compared with \$17 million, or \$0.21 per diluted share, for the 2003 period.
- - Normalized EPS for the recent nine months was \$0.26 per share, compared with \$0.21 per share for the 2003 period. Normalized net income excluded \$23.9 million of charges for severance arrangements; \$3.6 million in non-cash charges related to eliminating certain operations in Latin America as well as a non-cash charge of \$2.2 million on minority-owned investments in the 2004 period. In the same period of 2003, Gartner had \$5.4 million of charges associated with a workforce reductions and a pre-tax gain of \$5.5 million from an insurance recovery related to previous losses incurred from the sale of a business. See "Non-GAAP Financial Measures" for a further discussion of normalized EPS.

Gene Hall, Gartner's chief executive officer, said, "Since joining Gartner as CEO in August, I have gained increased admiration for the Company's respected brand name, powerful customer value proposition, and stable revenue-generation model. We are committed to building on these strengths to further improve performance and enhance Gartner's shareholder value."

## BUSINESS SEGMENT HIGHLIGHTS

Research revenue was \$119 million for the 2004 third quarter, a 3% increase from the same period of 2003. For the first nine months of 2004, Research revenue totaled \$360 million, a 3% increase compared with the 2003 period. Research contract value, a leading indicator of future revenue, was \$489 million at September 30, 2004, increasing \$19 million over the third quarter of 2003.

Consulting revenue was \$60 million for the 2004 third quarter, a decrease of 5% from the same period last year. For the first nine months of this year, Consulting revenue was \$192 million, a 1% increase from the 2003 period. Utilization has averaged 62% during 2004, up 6 points versus prior year, while billable headcount was 473 as of September 30, down 12% versus the prior year. Consulting backlog was \$103 million at September 30, 2004, compared with \$93 million a year earlier.

Events revenue was \$19 million for the third quarter of 2004, increasing 17% from a year ago. For the first nine months of 2004, Events revenue was \$74 million, increasing 14% from the 2003 period. The company held 44 events for the first nine months of 2004 versus 47 in 2003.

Excluding the effect of foreign currency, total revenue for the 2004 third quarter would have remained relatively flat versus 2003; cost of services and product development would have increased approximately 3%; and selling, general and administrative expenses would have increased approximately 4%. The impact of foreign currency on net income was negligible. Research contract value would have increased approximately 1% from the third quarter of 2003, excluding the effects of foreign currency.

Gartner's cash position was \$157 million at September 30, 2004, compared with \$230 million as of December 31, 2003. During the quarter, the Company closed on \$200 million of bank financing in the form of a term loan and secured a \$100 million revolving line of credit. In addition, the Company completed the Dutch auction self-tender offer for shares of Gartner's Class A and Class B Common Stock, and the purchase of Class A shares from Silver Lake Partners, L.P. As a result of these transactions, the Company purchased approximately 26 million shares at a total cost of \$342 million.

## BUSINESS OUTLOOK

The Company is contemplating a fourth quarter charge primarily related to closing certain facilities, restructuring within our international operations and non-cash charges related to the restructuring of certain internal systems. The Company is currently assessing the potential charge and will provide additional guidance when a final decision has been made.

For the fourth quarter ending December 31, 2004, the Company is targeting:

- - Total revenue of approximately \$245 million to \$254 million.
- - Research revenue of approximately \$117 million to \$119 million.
- - Consulting revenue of approximately \$64 million to \$67 million.
- - Events revenue of approximately \$61 million to \$64 million.
- - Other revenue of approximately \$3 million to \$4 million.
- - GAAP and Normalized EPS of \$0.15 to \$0.18 per share. The estimated fully diluted share count for the quarter is 113 million shares. The EPS guidance excludes the impact of the above mentioned charges.

## CONFERENCE CALL INFORMATION

The Company has scheduled a conference call at 10:00 a.m. ET on Wednesday, October 27, 2004, to discuss the Company's financial results. The conference call will also be available via the Internet by accessing Gartner's web site at [www.gartner.com/investors](http://www.gartner.com/investors). A replay of the webcast will be available for 30 days following the call.

## ABOUT GARTNER

Gartner, Inc. is the leading provider of research and analysis on the global information technology industry. Gartner serves more than 10,000 clients, including chief information officers and other senior IT executives in corporations and government agencies, as well as technology companies and the investment community. The Company focuses on delivering objective, in-depth analysis and actionable advice to enable clients to make more informed technology and business decisions. The Company's businesses consist of Gartner Intelligence, research and events for IT professionals; Gartner Executive Programs, membership programs and peer networking services; and Gartner Consulting, customized engagements with a specific emphasis on outsourcing and IT management. Founded in 1979, Gartner is headquartered in Stamford, Connecticut, and has more 3,500 associates, approximately 1,000 research analysts and consultants, in more than 75 locations worldwide. For more information, visit [www.gartner.com](http://www.gartner.com).

## NON-GAAP FINANCIAL MEASURES

Investors are cautioned that normalized EPS information contained in this press release is not a financial measure under generally accepted accounting principles. In addition, it should not be construed as an alternative to any other measures of performance determined in accordance with generally accepted accounting principles. This non-GAAP financial measure is provided to enhance the user's overall understanding of the Company's current financial performance and the Company's prospects for the future. We believe normalized EPS is an important measure of our recurring operations as it excludes items that may not be indicative of our core operating results. Normalized EPS for 2003 also includes the effect of the convertible debt as if it had been converted at the beginning of 2003. Normalized EPS is based on net income, excluding other charges, (loss)/gain from investments, goodwill impairments and other non-cash charges. See "Supplemental Information" at the end of this release for reconciliation of GAAP net income and loss and EPS to normalized net income and EPS.

## SAFE HARBOR STATEMENT

Statements contained in this press release regarding the Company's business outlook, the development of the Company's services, the demand for the Company's products and services, and all other statements in this release 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 include risks and uncertainties; 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: ability to expand or even retain the Company's customer base in light of the adverse current economic conditions; ability to grow or even sustain revenue from individual customers in light of the adverse impact of the current economic conditions on overall IT spending; the duration and severity of the current economic slowdown; ability to attract and retain professional staff of research analysts and consultants upon whom the Company is dependent; ability to achieve and effectively manage growth, ability to pay the Company's debt obligations; ability to achieve continued customer renewals and achieve new contract value, backlog and deferred revenue growth in light of competitive pressures; ability to integrate operations of possible acquisitions; ability to carry out the Company's strategic initiatives and manage associated costs; ability to manage the Company's strategic partnerships; rapid technological advances which may provide increased indirect competition to the Company from a variety of sources; substantial competition from existing competitors and potential new competitors; risks associated with intellectual property rights important to the Company's products and services; additional risks associated with international operations including foreign currency fluctuations; and other risks listed from time to time in the Company's reports filed with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the year ended December 31, 2003 and Quarterly Report on Form 10-Q for the quarter ended June 30, 2004. These filings can be found on Gartner's Web site at [www.gartner.com/investors](http://www.gartner.com/investors) and the SEC's Web site at [www.sec.gov](http://www.sec.gov). Forward-looking statements included herein speak only as of the date hereof and the Company disclaims any obligation to revise or update such statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events or circumstances.

CONTACT GARTNER, INC.  
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GARTNER, INC.  
Condensed Consolidated Statements of Operations  
(Unaudited, in thousands, except per share amounts)

	Three Months Ended September, 30					
	2004	2003	2004	2003		
	-----	-----		-----		-----
Revenues:						
Research	\$ 119,004	\$ 115,830	3%	\$ 360,212	\$ 349,347	3%
Consulting	60,073	62,998	-5%	192,308	191,302	1%
Events	18,675	15,904	17%	74,057	64,705	14%
Other	4,136	2,172	90%	11,835	9,150	29%
	-----	-----		-----	-----	
Total revenues	201,888	196,904	3%	638,412	614,504	4%
Costs and expenses:						
Cost of services and product development	100,196	94,378	6%	310,058	300,151	3%
Selling, general and administrative	85,090	79,169	7%	254,312	243,403	4%
Depreciation	6,589	9,046	-27%	21,370	27,835	-23%
Amortization of intangibles and goodwill impairments	203	320	-37%	1,329	1,063	25%
Other charges	4,333	-	U	23,909	5,426	U
	-----	-----		-----	-----	
Total costs and expenses	196,411	182,913	7%	610,978	577,878	6%
	-----	-----		-----	-----	
Operating income	5,477	13,991	-61%	27,434	36,626	-25%
(Loss) gain from investments	(2,184)	102	U	(2,145)	5,624	U
Interest (expense) income, net	(602)	(5,774)	F	13	(16,928)	F
Other (expense) income, net	(189)	(148)	U	(3,625)	348	U
	-----	-----		-----	-----	
Income before income taxes	2,502	8,171	-69%	21,677	25,670	-16%
Provision for income taxes	2,342	2,697	-13%	10,025	8,854	13%
	-----	-----		-----	-----	
Net income	\$ 160	\$ 5,474	-97%	\$ 11,652	\$ 16,816	-31%
	=====	=====		=====	=====	
Income per common share:						
Basic	\$ -	\$ 0.07	-100%	\$ 0.09	\$ 0.21	-57%
Diluted	\$ -	\$ 0.07	-100%	\$ 0.09	\$ 0.21	-57%
Weighted average shares outstanding:						
Basic	121,767	78,026	56%	128,044	79,251	62%
Diluted	124,318	128,934	-4%	130,923	128,363	2%
SUPPLEMENTAL INFORMATION						
Normalized EPS (1)	\$ 0.05	\$ 0.07	-29%	\$ 0.26	\$ 0.21	24%

(1) Normalized net income & EPS is based on net income, excluding other charges, (loss)/gain from investments, goodwill impairments and other non-cash charges. We believe normalized EPS is an important measure of our recurring operations. See "Supplemental Information" at the end of this release for a reconciliation from GAAP net income and EPS to Normalized net income and EPS and a discussion of the reconciling items.

GARTNER, INC.  
Condensed Consolidated Balance Sheets  
(in thousands)

	September 30, 2004	December 31, 2003	
	-----	-----	
	(unaudited)		
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$156,641	\$229,962	-32%
Fees receivable, net	215,587	266,122	-19%
Deferred commissions	26,967	27,751	-3%
Prepaid expenses and other current assets	31,700	25,642	24%
	-----	-----	
Total current assets	430,895	549,477	-22%
Property, equipment and leasehold improvements, net	64,911	66,541	-2%
Goodwill	229,555	230,387	0%
Intangible assets, net	328	985	-67%
Other assets	68,601	69,874	-2%
	-----	-----	
<b>TOTAL ASSETS</b>	<b>\$794,290</b>	<b>\$917,264</b>	<b>-13%</b>
	=====	=====	
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
Current liabilities:			
Accounts payable and accrued liabilities	\$140,553	\$175,609	-20%
Deferred revenues	299,929	315,524	-5%
Current portion of long term debt	40,000	-	
	-----	-----	
Total current liabilities	480,482	491,133	-2%
Other liabilities	50,461	50,385	0%
Long term debt	160,000	-	
	-----	-----	
<b>TOTAL LIABILITIES</b>	<b>690,943</b>	<b>541,518</b>	<b>28%</b>
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>103,347</b>	<b>375,746</b>	<b>-72%</b>
	-----	-----	
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$794,290</b>	<b>\$917,264</b>	<b>-13%</b>
	=====	=====	

GARTNER, INC.  
Condensed Consolidated Statements of Cash Flows  
(Unaudited, in thousands)

	Nine Months Ended September 30,	
	2004	2003
<b>OPERATING ACTIVITIES:</b>		
Net income	\$ 11,652	\$ 16,816
Adjustments to reconcile net income to net cash provided by Operating activities:		
Depreciation and amortization, including goodwill impairments	22,699	28,898
Non-cash compensation	1,273	758
Tax benefit associated with employees' exercise of stock options	8,262	1,423
Deferred taxes	409	88
Loss (Gain) from investments, net	2,145	(5,624)
Accretion of interest and amortization of debt issue costs	1,915	17,909
Non-cash charges associated with South America closings	2,943	-
Changes in assets and liabilities:		
Fees receivable, net	49,352	68,646
Deferred commissions	698	2,249
Prepaid expenses and other current assets	(6,215)	1,300
Other assets	(1,320)	(2,014)
Deferred revenues	(14,107)	(11,964)
Accounts payable and accrued liabilities	(33,432)	(2,557)
	46,274	115,928
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>		
<b>INVESTING ACTIVITIES:</b>		
Proceeds from insurance recovery	-	5,464
Payments for Investments	-	(1,507)
Additions to property, equipment and leasehold improvements	(19,036)	(16,401)
	(19,036)	(12,444)
<b>CASH USED IN INVESTING ACTIVITIES</b>		
<b>FINANCING ACTIVITIES:</b>		
Proceeds from stock issued for stock plans	56,472	20,956
Payments for debt issuance costs	(2,821)	(570)
Proceeds from debt	200,000	-
Purchases of treasury stock	(352,262)	(32,380)
	(98,611)	(11,994)
<b>CASH USED IN FINANCING ACTIVITIES</b>		
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(71,373)	91,490
EFFECTS OF EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	(1,948)	5,790
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	229,962	109,657
	\$ 156,641	\$ 206,937
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	\$ 156,641	\$ 206,937

SELECTED STATISTICAL DATA  
(Dollars In thousands)

	September 30, 2004	September 30, 2003
	-----	-----
Research contract value	\$489,223	\$469,605
Consulting backlog	\$103,383	\$ 92,804
Research client organizations	8,506	8,698

BUSINESS SEGMENT DATA  
(Dollars in thousands)

	Revenue	Direct Expense	Gross Contribution	Contrib. Margin
	-----	-----	-----	-----
THREE MONTHS ENDED 9/30/04				
Research	\$119,004	\$ 46,954	\$ 72,050	61%
Consulting	60,073	39,335	20,738	35%
Events	18,675	12,104	6,571	35%
Other	4,136	383	3,753	91%
	-----	-----	-----	
TOTAL	\$201,888	\$ 98,776	\$103,112	51%
	=====	=====	=====	
THREE MONTHS ENDED 9/30/03				
Research	\$115,830	\$ 42,500	\$ 73,330	63%
Consulting	62,998	41,318	21,680	34%
Events	15,904	10,741	5,163	32%
Other	2,172	797	1,375	63%
	-----	-----	-----	
TOTAL	\$196,904	\$ 95,356	\$101,548	52%
	=====	=====	=====	
NINE MONTHS ENDED 9/30/04				
Research	\$360,212	\$136,130	\$224,082	62%
Consulting	192,308	121,492	70,816	37%
Events	74,057	43,520	30,537	41%
Other	11,835	1,312	10,523	89%
	-----	-----	-----	
TOTAL	\$638,412	\$302,454	\$335,958	53%
	=====	=====	=====	
NINE MONTHS ENDED 9/30/03				
Research	\$349,347	\$126,966	\$222,381	64%
Consulting	191,302	125,994	65,308	34%
Events	64,705	40,610	24,095	37%
Other	9,150	2,815	6,335	69%
	-----	-----	-----	
TOTAL	\$614,504	\$296,385	\$318,119	52%
	=====	=====	=====	

SUPPLEMENTAL INFORMATION  
EPS Reconciliation - GAAP to Normalized  
(in thousands, except per share data)

	THREE MONTHS ENDED SEPTEMBER 30,					
	2004			2003		
	After-Tax Income	Shares	EPS	After-Tax Income	Shares	EPS
GAAP Basic EPS	\$ 160	121,767	\$0.00	\$ 5,474	78,026	\$0.07
Share equivalents from stock compensation shares	-	2,551	(0.00)	-	1,878	(0.00)
Convertible long-term debt	-	-	-	3,341	49,030	(0.00)
GAAP Diluted EPS	\$ 160	124,318	\$0.00	\$ 8,815	128,934	\$0.07
Other charges (1)	3,698	-	0.03	-	-	-
Non-cash charges (2)	2,186	-	0.02	-	-	-
Goodwill impairments (3)	-	-	-	-	-	-
Income from investments	(1)	-	(0.00)	(68)	-	(0.00)
Normalized net income & EPS	\$ 6,043	124,318	\$0.05	\$ 8,747	128,934	\$0.07

	NINE MONTHS ENDED SEPTEMBER 30,					
	2004			2003		
	After-Tax Income	Shares	EPS	After-Tax Income	Shares	EPS
GAAP Basic EPS	\$ 11,652	128,044	\$ 0.09	\$ 16,816	79,251	\$ 0.21
Share equivalents from stock compensation shares	-	2,879	(0.00)	-	797	(0.00)
Convertible long-term debt	-	-	-	9,908	48,315	(0.00)
GAAP Diluted EPS	\$ 11,652	130,923	\$ 0.09	\$ 26,724	128,363	\$ 0.21
Other charges (1)	16,953	-	0.13	3,635	-	0.03
Non-cash charges (2)	5,129	-	0.04	-	-	-
Goodwill impairments (3)	739	-	0.00	-	-	-
Income from investments (4)	(27)	-	(0.00)	(3,386)	-	(0.03)
Normalized net income & EPS	\$ 34,446	130,923	\$ 0.26	\$ 26,974	128,363	\$ 0.21

GENERAL NOTES & FOOTNOTES

- - Normalized net income & EPS is based on net income, excluding other charges, (loss)/gain from investments, goodwill impairments and non-cash charges. Normalized EPS includes the effect of the convertible debt as if it had been converted at the beginning of 2003 in order to be on a comparable basis with 2004. We believe normalized EPS is an important measure of our recurring operations.

- - The normalized effective tax rate was 33% for 2004 and 2003.

(1) Other charges during both years were for costs associated with reductions in workforce. Other charges during 2004 also included costs associated with closing certain operations in South America.

(2) The non-cash charges in 2004 were associated with our closing of certain operations in South America recorded in "Other (expenses) income, net and a loss in minority owned investments recorded in "Loss (gain) from investments."

(3) The goodwill impairments in 2004 were associated with our closing of certain operations in South America and were recorded in Amortization of

intangibles and goodwill impairments.

- (4) The 2003 gain from investments includes a pre-tax \$5.5 million insurance recovery relating to previous losses

Incurred associated with the sale of a business