UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the quarterly period ended March 31, 2016

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

Commission File Number 1-14443

Gartner, Inc.

(Exact name of Registrant as specified in its charter)

Delaware	04-3099750
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
P.O. Box 10212 56 Top Gallant Road Stamford, CT	06902-7700
(Address of principal executive offices)	(Zip Code)

Registrant’s telephone number, including area code: (203) 316-1111

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☑	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

As of April 27, 2016, 82,501,772 shares of the registrant’s common shares were outstanding.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

GARTNER, INC.

Condensed Consolidated Balance Sheets

(Unaudited; in thousands)

	March 31, 2016	December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	$ 403,943	$ 372,976
Fees receivable, net of allowances of $7,200 and $6,900, respectively	602,877	580,763
Deferred commissions	118,125	124,831
Prepaid expenses and other current assets	54,332	62,427
Total current assets	1,179,277	1,140,997
Property, equipment and leasehold improvements, net	108,628	108,733
Goodwill	718,034	715,359
Intangible assets, net	90,553	96,544
Other assets	115,017	113,053
Total Assets	$ 2,211,509	$ 2,174,686
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable and accrued liabilities	$ 247,423	$ 387,691
Deferred revenues	986,301	900,801
Current portion of long-term debt	57,500	35,000
Total current liabilities	1,291,224	1,323,492
Long-term debt	832,500	790,000
Other liabilities	200,455	193,594
Total Liabilities	2,324,179	2,307,086
Stockholders' Deficit		
Preferred stock, $.01 par value, 5,000,000 shares authorized; none issued or outstanding	—	—
Common stock, $.0005 par value, 250,000,000 shares authorized; 156,234,415 shares issued for both periods	78	78
Additional paid-in capital	832,973	818,546
Accumulated other comprehensive loss, net	(49,430)	(44,402)
Accumulated earnings	1,490,851	1,450,684
Treasury stock, at cost, 73,734,432 and 73,896,245 common shares, respectively	(2,387,142)	(2,357,306)
Total Stockholders' Deficit	(112,670)	(132,400)
Total Liabilities and Stockholders' Deficit	$ 2,211,509	$ 2,174,686

See the accompanying notes to the condensed consolidated financial statements.

GARTNER, INC.

Condensed Consolidated Statements of Operations

(Unaudited; in thousands, except per share data)

	Three Months Ended March 31,	
	2016	**2015**
Revenues:		
Research	$ 440,271	$ 381,090
Consulting	84,940	76,792
Events	32,055	13,304
Total revenues	557,266	471,186
Costs and expenses:		
Cost of services and product development	212,041	177,762
Selling, general and administrative	257,411	229,522
Depreciation	8,834	7,989
Amortization of intangibles	6,183	2,139
Acquisition and integration charges	8,368	5,092
Total costs and expenses	492,837	422,504
Operating income	64,429	48,682
Interest expense, net	(6,006)	(3,480)
Other income (expense), net	1,884	(962)
Income before income taxes	60,307	44,240
Provision for income taxes	20,140	15,889
Net income	$ 40,167	$ 28,351
Net income per share:		
Basic	$ 0.49	$ 0.33
Diluted	$ 0.48	$ 0.32
Weighted average shares outstanding:		
Basic	82,451	86,539
Diluted	83,464	87,773

See the accompanying notes to the condensed consolidated financial statements.

GARTNER, INC.

Condensed Consolidated Statements of Comprehensive Income

(Unaudited; in thousands)

	Three Months Ended March 31,	
	2016	**2015**
Net income	$ 40,167	$ 28,351
Other comprehensive loss, net of tax:		
Foreign currency translation adjustments	2,068	(20,107)
Interest rate hedges – net change in deferred loss	(7,133)	(1,104)
Pension – net change in deferred actuarial loss	37	53
Other comprehensive loss, net of tax	(5,028)	(21,158)
Comprehensive income	$ 35,139	$ 7,193

See the accompanying notes to the condensed consolidated financial statements.

GARTNER, INC.

Condensed Consolidated Statements of Cash Flows

(Unaudited; in thousands)

	Three Months Ended March 31,	
	2016	**2015**
Operating activities:		
Net income	$ 40,167	$ 28,351
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	15,017	10,128
Stock-based compensation plan expense	15,495	16,729
Excess tax benefits from stock-based compensation plans	(4,751)	(7,556)
Deferred taxes	(2,191)	(3,358)
Amortization of debt issue costs	411	837
Changes in assets and liabilities:		
Fees receivable, net	(19,089)	9,631
Deferred commissions	7,047	8,352
Prepaid expenses and other current assets	8,205	(22,964)
Other assets	5,436	12,927
Deferred revenues	79,141	74,208
Accounts payable, accrued, and other liabilities	(136,308)	(121,622)
Cash provided by operating activities	8,580	5,663
Investing activities:		
Additions to property, equipment and leasehold improvements	(6,560)	(11,632)
Acquisitions - cash paid (net of cash acquired)	(800)	—
Cash used in investing activities	(7,360)	(11,632)
Financing activities:		
Proceeds from stock-based compensation plans and ESP Plan	2,580	2,076
Proceeds from borrowings	70,000	265,000
Payments on borrowings	(5,000)	(5,000)
Purchases of treasury stock	(45,487)	(324,042)
Excess tax benefits from stock-based compensation plans	4,751	7,556
Cash provided (used) in financing activities	26,844	(54,410)
Net increase (decrease) in cash and cash equivalents	28,064	(60,379)
Effects of exchange rates on cash and cash equivalents	2,903	(23,270)
Cash and cash equivalents, beginning of period	372,976	365,302
Cash and cash equivalents, end of period	$ 403,943	$ 281,653

See the accompanying notes to the condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Note 1 — Business and Basis of Presentation

Business. Gartner, Inc. is a global information technology research and advisory company founded in 1979 with its headquarters in Stamford, Connecticut. Gartner delivers its products and services globally through three business segments: Research, Consulting, and Events. When used in these notes, the terms "Gartner," "Company," "we," "us," or "our" refer to Gartner, Inc. and its consolidated subsidiaries.

Basis of presentation. The accompanying interim condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"), as defined in the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 270 for interim financial information and with the applicable instructions of the U.S. Securities & Exchange Commission ("SEC") Rule 10-01 of Regulation S-X on Form 10-Q and should be read in conjunction with the consolidated financial statements and related notes of the Company filed in its Annual Report on Form 10-K for the year ended December 31, 2015. The fiscal year of Gartner is the twelve-month calendar period from January 1 through December 31. In the opinion of management, all normal recurring accruals and adjustments considered necessary for a fair presentation of financial position, results of operations and cash flows at the dates and for the periods presented herein have been included. The results of operations for the three months ended March 31, 2016 may not be indicative of the results of operations for the remainder of 2016 or beyond.

Principles of consolidation. The accompanying interim condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

Use of estimates. The preparation of the accompanying interim condensed consolidated financial statements requires management to make estimates and assumptions about future events. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities, and reported amounts of revenues and expenses. Such estimates include the valuation of fees receivable, goodwill, intangible assets, and other long-lived assets, as well as tax accruals and other liabilities. In addition, estimates are used in revenue recognition, income tax expense, performance-based compensation charges, depreciation and amortization. Management believes its use of estimates in these interim condensed consolidated financial statements to be reasonable.

Management continuously evaluates and revises its estimates using historical experience and other factors, including the general economic environment and actions it may take in the future. Management adjusts these estimates when facts and circumstances dictate. However, these estimates may involve significant uncertainties and judgments and cannot be determined with precision. In addition, these estimates are based on management's best judgment at a point in time. As a result, differences between our estimates and actual results could be material and would be reflected in the Company's financial statements in future periods.

Adoption of new accounting standards. The Company adopted the following new accounting standards during the three months ended March 31, 2016:

Business Combinations — The Company adopted FASB Accounting Standards Update (ASU) 2015-16, "*Business Combinations - Simplifying the Accounting for Measurement-Period Adjustments*" ("ASU No. 2015-16") on January 1, 2016. ASU No. 2015-16 requires the recognition of adjustments to business combination provisional amounts, that are identified during the measurement period, in the reporting period in which the adjustments are determined. The effects of the adjustments to provisional amounts on depreciation, amortization or other income effects are required to be recognized in current-period earnings as if the accounting had been completed at the acquisition date. Disclosure of the portion of the adjustment recorded in current-period earnings that would have been reported in prior reporting periods if the adjustment to the provisional amounts had been recognized at the acquisition date is also required. The adoption of ASU No. 2015-16 did not have an impact on the Company's consolidated financial statements at the date of adoption or for the three months ended March 31, 2016. However, ASU No. 2015-16 could have an impact on the Company's consolidated financial statements in the future if a transaction occurs within the scope of the rule.

Debt Issuance Cost Presentation — The Company adopted FASB ASU No. 2015-03, "*Simplifying the Presentation of Debt Issuance Costs*" ("ASU No. 2015-03") on January 1, 2016. ASU No. 2015-03 requires that certain debt issuance costs related to our term loans be presented in the balance sheet as a direct deduction from the carrying amount of the liability. Previously such costs were presented on the balance sheet as deferred assets. The adoption of ASU No. 2015-03 did not have an impact on the Company's consolidated balance sheet at adoption since the Company did not have any of these specific debt issuance costs recorded in its

accounts. However, ASU No. 2015-03 could impact the Company's balance sheet presentation in the future if the Company incurs debt issuance costs that are covered by the standard.

Recently issued accounting Standards. The FASB has also issued several accounting standards that have not yet become effective and that may impact the Company’s consolidated financial statements or related disclosures in future periods. These standards and their potential impact are discussed below:

Stock-Based Compensation—In March 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-09, *Improvements to Employee Share-Based Payment Accounting* ("ASU No. 2016-09"). ASU 2016-09 modifies several aspects of the accounting for employee share-based payment transactions, to include the accounting for income taxes, forfeitures, and statutory tax withholding requirements, as well as the classification of related amounts within the statement of cash flows. The provisions of the new rule will be effective for Gartner on January 1, 2017, with early adoption permitted. We are currently evaluating the potential impact of ASU No. 2016-09 on the Company's consolidated financial statements upon adoption.

Leases — In February 2016, the FASB issued ASU 2016-02, "*Leases*" ("ASU No. 2016-02") which will require significant changes in the accounting and disclosure of lease arrangements. Among the significant changes required by ASU No. 2016-02 is that almost all lease obligations will be recorded on the balance sheet as a liability, along with a corresponding right of use asset. Currently under U.S. GAAP, lease arrangements that meet certain criteria are considered operating leases and are not recorded on the balance sheet. ASU No. 2016-02 also requires certain key information about leasing arrangements be disclosed. ASU No. 2016-02 will be effective for Gartner on January 1, 2019. We are currently evaluating the impact of ASU No. 2016-02.

Revenue — In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers*" ("ASU No. 2014-09"). ASU No. 2014-09 and related amendments require changes in revenue recognition policies as well as require enhanced disclosures. ASU No. 2014-09 is intended to clarify the principles for recognizing revenue by removing inconsistencies and weaknesses in existing revenue recognition rules; provide a more robust framework for addressing revenue recognition issues; improve comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets; and provide more useful information to users of financial statements through improved revenue disclosures. ASU No. 2014-09 will be effective for Gartner on January 1, 2018. We continue to evaluate the impact of ASU No. 2014-09 on the Company's consolidated financial statements upon adoption.

The FASB also continues to work on a number of other significant accounting standards which if issued could materially impact the Company's accounting policies and disclosures in future periods. However, since these standards have not yet been issued, the effective dates and potential impact are unknown.

Acquisitions. The Company accounts for business acquisitions in accordance with the acquisition method of accounting as prescribed by FASB ASC Topic 805, *Business Combinations.* The acquisition method of accounting requires the Company to record the net assets and liabilities acquired based on their estimated fair values as of the acquisition date, with any excess of the consideration transferred over the estimated fair value of the net assets acquired, including identifiable intangible assets, to be recorded to goodwill. Under the acquisition method, the operating results of acquired companies are included in the Company's consolidated financial statements beginning on the date of acquisition.

The Company recognized $8.4 million and $5.1 million of acquisition and integration charges in the three months ended March 31, 2016 and 2015, respectively, related to prior business acquisitions. These charges are classified in Acquisition and integration charges in the Condensed Consolidated Statements of Operations and include amounts accrued for payments contingent on the achievement of certain employment conditions, legal, consulting, and severance costs. The Company paid $22.7 million in the three months ended March 31, 2016 for the achievement of certain employment conditions related to an acquisition completed in 2014, of which $13.6 million was paid from escrow and $9.1 million was paid from existing Company cash. During the same period the Company also paid $0.8 million for an immaterial working capital adjustment related to one of its 2015 acquisitions.

Note 2 — Earnings per Share

The following table sets forth the calculations of basic and diluted earnings per share (in thousands, except per share data):

	Three Months Ended March 31,	
	2016	**2015**
Numerator:		
Net income used for calculating basic and diluted earnings per common share	$ 40,167	$ 28,351
Denominator:		
Weighted average number of common shares used in the calculation of basic earnings per share	82,451	86,539
Common stock equivalents associated with stock-based compensation plans (1)	1,013	1,234
Shares used in the calculation of diluted earnings per share	83,464	87,773
Basic earnings per share	$ 0.49	$ 0.33
Diluted earnings per share	$ 0.48	$ 0.32

(1) Certain common stock equivalents were not included in the computation of diluted earnings per share because the effect would have been anti-dilutive. These common share equivalents totaled less than 0.4 million in each of the periods presented.

Note 3 — Stock-Based Compensation

The Company grants stock-based compensation awards as an incentive for employees and directors to contribute to the Company's long-term success. The Company currently awards stock-settled stock appreciation rights, service-based and performance-based restricted stock units, and common stock equivalents. At March 31, 2016, the Company had a total of 6.2 million shares of its common stock, par value $.0005 per share (the "Common Stock"), available for stock-based compensation awards under its 2014 Long-Term Incentive Plan.

The Company accounts for stock-based compensation awards in accordance with FASB ASC Topics 505 and 718, as interpreted by SEC Staff Accounting Bulletins No. 107 ("SAB No. 107") and No. 110 ("SAB No. 110"). Stock-based compensation expense is based on the fair value of the award on the date of grant, which is then recognized as expense over the related service period, net of estimated forfeitures. The service period is the period over which the related service is performed, which is generally the same as the vesting period. Currently, the Company issues treasury shares upon the exercise, release or settlement of stock-based compensation awards.

Determining the appropriate fair value model and calculating the fair value of stock-based compensation awards requires the input of certain complex and subjective assumptions, including the expected life of the stock-based compensation awards and the Common Stock price volatility. In addition, determining the appropriate amount of associated periodic expense requires management to estimate the amount of employee forfeitures and the likelihood of the achievement of certain performance targets. The assumptions used in calculating the fair value of stock-based compensation awards and the associated periodic expense represent management's best estimates, which involve inherent uncertainties and the application of judgment. As a result, if factors change and the Company deems it necessary in the future to modify the assumptions it made or to use different assumptions, or if the quantity and nature of the Company's stock-based compensation awards changes, then the amount of expense may need to be adjusted and future stock-based compensation expense could be materially different from what has been recorded in the current period.

Stock-Based Compensation Expense

The Company recognized the following amounts of stock-based compensation expense by award type and expense category in the periods indicated (in millions):

	Three Months Ended March 31,	
Award type:	**2016**	**2015**
Stock appreciation rights	$ 1.7	$ 2.1
Common stock equivalents	0.2	0.2
Restricted stock units	13.6	14.4
Total (1)	$ 15.5	$ 16.7

	Three Months Ended March 31,	
Amount recorded in:	**2016**	**2015**
Cost of services and product development	$ 7.6	$ 6.9
Selling, general and administrative	7.9	9.8
Total (1)	$ 15.5	$ 16.7

(1) Includes charges of $10.3 million and $10.5 million for the three months ended March 31, 2016 and 2015, respectively, for awards to retirement-eligible employees since these awards vest on an accelerated basis.

As of March 31, 2016, the Company had $80.0 million of total unrecognized stock-based compensation cost, which is expected to be expensed over the remaining weighted-average service period of approximately 2.7 years.

Stock-Based Compensation Awards

The following disclosures provide information regarding the Company's stock-based compensation awards, all of which are classified as equity awards in accordance with FASB ASC Topic 505:

Stock Appreciation Rights

Stock-settled stock appreciation rights (SARs) permit the holder to participate in the appreciation of the Common Stock. SARs are settled in shares of Common Stock by the employee once the applicable vesting criteria have been met. SARs vest ratably over a four-year service period and expire seven years from the grant date. The fair value of SARs awards is recognized as compensation expense on a straight-line basis over four years. SARs have only been awarded to the Company's executive officers.

When SARs are exercised, the number of shares of Common Stock issued is calculated as follows: (1) the total proceeds from the SARs exercise (calculated as the closing price of the Common Stock on the date of exercise less the exercise price of the SARs, multiplied by the number of SARs exercised) is divided by (2) the closing price of the Common Stock as reported on the New York Stock Exchange on the exercise date. The Company withholds a portion of the shares of Common Stock issued upon exercise to satisfy minimum statutory tax withholding requirements. SARs recipients do not have any stockholder rights until after actual shares of Common Stock are issued in respect of the award, which is subject to the prior satisfaction of the vesting and other criteria relating to such grants.

The following table summarizes changes in SARs outstanding during the three months ended March 31, 2016:

	SARs (in millions)	Per Share Weighted-Average Exercise Price	Per Share Weighted-Average Grant Date Fair Value	Weighted Average Remaining Contractual Term
Outstanding at December 31, 2015	1.3	$ 56.47	$ 14.92	4.46
Granted	0.4	80.06	16.50	6.86
Exercised	—	—	—	n/a
Outstanding at March 31, 2016 (1), (2)	1.7	$ 61.31	$ 15.24	4.63
Vested and exercisable at March 31, 2016 (2)	0.9	$ 49.80	$ 14.21	3.43

(1) As of March 31, 2016, 0.8 million of the SARs outstanding were unvested. The Company expects that substantially all of these unvested awards will vest in future periods.

(2) Total SARs outstanding had an intrinsic value of $46.6 million. SARs vested and exercisable had an intrinsic value of $34.2 million.

The fair value of the SARs is determined on the date of grant using the Black-Scholes-Merton valuation model with the following weighted-average assumptions:

	Three Months Ended March 31,	
	2016	2015
Expected dividend yield (1)	—%	—%
Expected stock price volatility (2)	22%	24%
Risk-free interest rate (3)	1.1%	1.5%
Expected life in years (4)	4.4	4.4

(1) The dividend yield assumption is based on the history and expectation of the Company's dividend payouts. Historically, the Company has not paid cash dividends on its Common Stock.

(2) The determination of expected stock price volatility was based on both historical Common Stock prices and implied volatility from publicly traded options in the Common Stock.

(3) The risk-free interest rate is based on the yield of a U.S. Treasury security with a maturity similar to the expected life of the award.

(4) The expected life represents the Company's weighted-average estimate of the period of time the SARs are expected to be outstanding (that is, period between the service inception date and the expected exercise date).

Restricted Stock Units

Restricted stock units (RSUs) give the awardee the right to receive shares of Common Stock when the vesting conditions are met and the restrictions lapse, and each RSU that vests entitles the awardee to one common share. RSU awardees do not have any of the rights of a Gartner stockholder, including voting rights and the right to receive dividends and distributions, until the shares are released. The fair value of RSUs is determined on the date of grant based on the closing price of the Common Stock as reported by the New York Stock Exchange on that date. Service-based RSUs vest ratably over four years and are expensed on a straight-line basis over four years. Performance-based RSUs are subject to the satisfaction of both performance and service conditions, vest ratably over four years, and are expensed on an accelerated basis.

The following table summarizes the changes in RSUs outstanding during the three months ended March 31, 2016:

	Restricted Stock Units (RSUs) (in millions)	Per Share Weighted Average Grant Date Fair Value
Outstanding at December 31, 2015	1.4	$ 62.80
Granted (1)	0.6	80.07
Vested and released	(0.6)	57.19
Forfeited	(0.1)	30.67
Outstanding at March 31, 2016 (2), (3)	1.3	$ 72.55

(1) The 0.6 million RSUs granted consisted of 0.3 million performance-based RSUs awarded to executives and 0.3 million service-based RSUs awarded to non-executive employees and non-management board members. The 0.3 million performance-based RSUs represents the target amount of the grant for the year, which is tied to an increase in the Company's total contract value for 2016. The final number of performance-based RSUs that will ultimately be awarded for 2016 ranges from 0% to 200% of the target amount, with the final number dependent on the actual increase in total contract value for 2016 as measured on December 31, 2016. If the specified minimum level of achievement is not met, the performance-based RSUs will be forfeited in their entirety, and any compensation expense previously recorded will be reversed.

(2) The Company expects that substantially all of the outstanding awards will vest in future periods.

(3) The weighted-average remaining contractual term of the outstanding RSUs is approximately 1.8 years.

Common Stock Equivalents

Common stock equivalents (CSEs) are convertible into Common Stock and each CSE entitles the holder to one common share. Members of our Board of Directors receive directors' fees payable in CSEs unless they opt to receive up to 50% of the fees in cash. Generally, the CSEs have no defined term and are converted into common shares when service as a director terminates unless the director has elected an accelerated release. The fair value of the CSEs awarded is determined on the date of grant based on the closing price of the Common Stock as reported by the New York Stock Exchange on that date. CSEs vest immediately and as a result are recorded as expense on the date of grant.

The following table summarizes the changes in CSEs outstanding during the three months ended March 31, 2016:

	Common Stock Equivalents (CSEs)	Per Share Weighted Average Grant Date Fair Value
Outstanding at December 31, 2015	105,664	$ 19.57
Granted	1,749	90.58
Converted to common shares upon grant	(1,400)	90.58
Outstanding at March 31, 2016	106,013	$ 19.81

Employee Stock Purchase Plan

The Company has an employee stock purchase plan (the "ESP Plan") under which eligible employees are permitted to purchase Common Stock through payroll deductions, which may not exceed 10% of an employee's compensation (or $23,750 in any calendar year), at a price equal to 95% of the closing price of the Common Stock as reported by the New York Stock Exchange at the end of each offering period. At March 31, 2016, the Company had 1.0 million shares available for purchase under the ESP Plan. The ESP Plan is considered non-compensatory under FASB ASC Topic 718, and as a result the Company does not record stock-based compensation expense for employee share purchases. The Company received $2.6 million and $2.1 million in cash from purchases under the ESP Plan during the three months ended March 31, 2016 and 2015, respectively.

Note 4 — Segment Information

The Company manages its business through three reportable segments: Research, Consulting and Events. Research consists primarily of subscription-based research products, access to research inquiry, peer networking services, and membership programs. Consulting consists primarily of consulting, measurement engagements, and strategic advisory services. Events consists of various symposia, conferences, and exhibitions.

The Company evaluates segment performance and allocates resources based on gross contribution margin. Gross contribution, as presented in the table below, is defined as operating income excluding certain Cost of services and product development expenses, Selling, general and administrative expense, depreciation, amortization of intangibles, and acquisition and integration charges. Certain bonus and fringe benefit costs included in consolidated Cost of services and product development are not allocated to segment expense. The accounting policies used by the reportable segments are the same as those used by the Company. There are no intersegment revenues. The Company does not identify or allocate assets, including capital expenditures, by reportable segment. Accordingly, assets are not reported by segment because the information is not available by segment and is not reviewed in the evaluation of segment performance or in making decisions in the allocation of resources.

The following tables present operating information about the Company’s reportable segments for the periods indicated (in thousands):

Three Months Ended March 31, 2016	**Research**	**Consulting**	**Events**	**Consolidated**
Revenues	$ 440,271	$ 84,940	$ 32,055	$ 557,266
Gross contribution	308,186	29,378	12,983	350,547
Corporate and other expenses				(286,118)
Operating income				$ 64,429

Three Months Ended March 31, 2015	**Research**	**Consulting**	**Events**	**Consolidated**
Revenues	$ 381,090	$ 76,792	$ 13,304	$ 471,186
Gross contribution	267,065	26,327	2,442	295,834
Corporate and other expenses				(247,152)
Operating income				$ 48,682

The following table provides a reconciliation of total segment gross contribution to net income for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2016	**2015**
Total segment gross contribution	$ 350,547	$ 295,834
Costs and expenses:		
Cost of services and product development - unallocated (1)	5,322	2,410
Selling, general and administrative	257,411	229,522
Depreciation and amortization	15,017	10,128
Acquisition and integration charges	8,368	5,092
Operating income	64,429	48,682
Interest expense and other	4,122	4,442
Provision for income taxes	20,140	15,889
Net income	$ 40,167	$ 28,351

(1) The unallocated amounts consist of certain bonus and related fringe costs recorded in Consolidated cost of services and product development expense that are not allocated to segment expense. The Company's policy is to only allocate bonus and related fringe charges to segments for up to 100% of the segment employee's target bonus. Amounts above 100% are absorbed by corporate.

Note 5 — Goodwill and Intangible Assets

Goodwill

Goodwill represents the excess of the purchase price of acquired businesses over the estimated fair value of the tangible and identifiable intangible net assets acquired. The evaluation of the recoverability of goodwill is performed in accordance with FASB ASC Topic 350, which requires an annual assessment of potential goodwill impairment at the reporting unit level and whenever events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable. The annual assessment of the recoverability of recorded goodwill can be based on either a qualitative or quantitative assessment or a combination of the two. Both methods utilize estimates which in turn require judgments and assumptions regarding future trends and events. As a result, both the precision and reliability of the resulting estimates are subject to uncertainty.

In connection with its most recent annual impairment test of goodwill performed as of September 30, 2015, the Company utilized the quantitative approach in assessing the fair value of its reporting units relative to their respective carrying value, which indicated no impairment of recorded goodwill. No triggering events or other circumstances have occurred since that annual testing date that would have necessitated an interim impairment test of goodwill.

The following table presents changes to the carrying amount of goodwill by reportable segment during the three months ended March 31, 2016 (in thousands):

	Research	Consulting	Events	Total
Balance, December 31, 2015 (1)	$ 575,292	$ 98,412	$ 41,655	$ 715,359
Additions due to acquisitions (2)	1,913	—	—	1,913
Foreign currency translation adjustments	1,161	(427)	28	762
Balance, March 31, 2016	$ 578,366	$ 97,985	$ 41,683	$ 718,034

(1) The Company does not have any accumulated goodwill impairment losses.

(2) The additions to goodwill reflect certain measurement period working capital and other adjustments related to the acquisition of Capterra, Inc. in September 2015.

Amortizable Intangible Assets

The following tables present reconciliations of the carrying amounts of amortizable intangible assets as of the dates indicated (in thousands):

March 31, 2016	Trade Name	Customer Relationships	Content	Software	Non-Compete	Total
Gross cost, December 31, 2015	$ 4,144	$ 62,860	$ 5,450	$ 16,219	$ 29,330	$ 118,003
Foreign currency translation impact and other	18	204	(150)	(85)	17	4
Gross cost	4,162	63,064	5,300	16,134	29,347	118,007
Accumulated amortization (1), (2)	(946)	(11,675)	(3,868)	(4,926)	(6,039)	(27,454)
Balance, March 31, 2016	$ 3,216	$ 51,389	$ 1,432	$ 11,208	$ 23,308	$ 90,553

December 31, 2015	Trade Name	Customer Relationships	Content	Software	Non-Compete	Total
Gross cost	$ 4,144	$ 62,860	$ 5,450	$ 16,219	$ 29,330	$ 118,003
Accumulated amortization (1), (2)	(681)	(9,028)	(3,525)	(3,699)	(4,526)	(21,459)
Balance, December 31, 2015	$ 3,463	$ 53,832	$ 1,925	$ 12,520	$ 24,804	$ 96,544

(1) Intangible assets are being amortized against earnings over the following periods: Trade name—2 to 4 years; Customer relationships—4 to 7 years; Content—1.5 to 4 years; Software—3 years; Non-compete—3 to 5 years.

(2) Aggregate amortization expense related to intangible assets was $6.2 million and $2.1 million for the three months ended March 31, 2016 and 2015, respectively.

The estimated future amortization expense by year from amortizable intangibles is as follows (in thousands):

2016 (remaining nine months)	$	17,938
2017		21,516
2018		18,855
2019		14,346
2020		12,472
Thereafter		5,426
	$	90,553

Note 6 — Debt

2014 Credit Agreement

The Company has a $1.5 billion credit arrangement (the "2014 Credit Agreement") that provides for a five-year, $400.0 million term loan and a $1.1 billion revolving credit facility. In addition, the 2014 Credit Agreement contains an expansion feature by which the term loan and revolving credit facility may be increased, at the Company's option and under certain conditions, by up to an additional $500.0 million in the aggregate.

The term loan will be repaid in 16 consecutive quarterly installments which commenced on March 31, 2015, plus a final payment due in December 2019, and may be prepaid at any time without penalty or premium (other than applicable breakage costs) at the Company's option. The revolving credit facility may be used for loans, and up to $40.0 million may be used for letters of credit. The revolving loans may be borrowed, repaid and re-borrowed until December 2019, at which time all amounts borrowed must be repaid.

Amounts borrowed under the 2014 Credit Agreement bear interest at a rate equal to, at Gartner's option, either:

(1) the greater of: (i) the administrative agent's prime rate; (ii) the average rate on overnight federal funds plus 1/2 of 1%; (iii) the eurodollar rate (adjusted for statutory reserves) plus 1%, in each case plus a margin equal to between 0.125% and 0.50% depending on Gartner's consolidated leverage ratio as of the end of the four consecutive fiscal quarters most recently ended; or

(2) the eurodollar rate (adjusted for statutory reserves) plus a margin equal to between 1.125% and 1.50%, depending on Gartner's leverage ratio as of the end of the four consecutive fiscal quarters most recently ended.

The 2014 Credit Agreement contains certain customary restrictive loan covenants, including, among others, financial covenants requiring a maximum leverage ratio, a minimum interest expense coverage ratio, and covenants limiting Gartner's ability to incur indebtedness, grant liens, make acquisitions, be acquired, dispose of assets, pay dividends, repurchase stock, make capital expenditures, make investments and enter into certain transactions with affiliates. As of March 31, 2016, the Company was in full compliance with the loan covenants. The Company's total outstanding borrowings were as follows (in thousands):

Description:		**Balance March 31, 2016**		**Balance December 31, 2015**
Term loans (1)	$	375,000	$	380,000
Revolver loans (1), (2)		510,000		440,000
Other (3)		5,000		5,000
Total (4)	$	890,000	$	825,000

(1) The contractual annualized interest rates as of March 31, 2016 on the term loan and the revolver ranged from 1.80% to 1.90%, which consisted of a floating eurodollar base rate ranging from 0.42% to 0.52% plus a margin of 1.38%. However, the Company has outstanding interest rate swap contracts, accounted for as cash flow hedges, which effectively convert the floating eurodollar base rates to a fixed base rate on $700.0 million of borrowings (see below).

(2) The Company had $586.0 million of available borrowing capacity on the revolver (not including the expansion feature) as of March 31, 2016.

(3) Consists of a $5.0 million State of Connecticut economic development loan with a 3.00% fixed rate of interest. The loan was originated in 2012 and has a 10 years maturity. Principal payments are deferred for the first five years and the loan may be repaid at any point by the Company without penalty. The loan has a principal forgiveness provision in which up to $2.5 million of the loan may be forgiven if the Company meets certain employment targets during the first five years of the loan.

(4) The average annual effective rate on the Company's total debt outstanding for the three months ended March 31, 2016, including the effect of the interest rate swaps discussed below, was approximately 2.75%.

Interest Rate Swaps

The Company has three fixed-for-floating interest rate swap contracts which it designates as accounting hedges of the forecasted interest payments on $700.0 million of the Company’s variable rate borrowings. The Company pays base fixed rates on these swaps ranging from 1.53% to 1.60% and in return receives a floating eurodollar base rate on $700.0 million of 30 day notional borrowings.

The Company accounts for the interest rate swaps as cash flow hedges in accordance with FASB ASC Topic 815. Since the swaps hedge forecasted interest payments, changes in the fair value of the swaps are recorded in accumulated other comprehensive loss, a component of equity, as long as the swaps continue to be highly effective hedges of the designated interest rate risk. Any ineffective portion of change in the fair value of the hedges is recorded in earnings. All of the swaps were highly effective hedges of the forecasted interest payments as of March 31, 2016. The interest rate swaps had a total negative fair value (liability) to the Company of $17.0 million at March 31, 2016, which is deferred and recorded in accumulated other comprehensive loss, net of tax effect.

Letters of Credit

The Company had $4.0 million of letters of credit outstanding at March 31, 2016. The Company enters into these instruments in the ordinary course of business to facilitate transactions with customers and others.

Note 7 — Equity

Share Repurchase Program

The Company has a $1.2 billion board approved authorization to repurchase the Company's common stock. The Company may repurchase its common stock from time to time in amounts and at prices the Company deems appropriate, subject to the availability of stock, prevailing market conditions, the trading price of the stock, the Company’s financial performance and other conditions. Repurchases may be made through open market purchases, private transactions or other transactions and will be funded from cash on hand and borrowings under the Company’s credit agreement.

The Company’s recent share repurchase activity is presented in the following table:

	Three Months Ended March 31,	
	2016	**2015**
Number of shares repurchased (1)	466,823	4,084,590
Cash paid for repurchased shares (in thousands) (2)	$ 45,487	$ 324,042

(1) The average purchase price for shares was $82.02 and $81.83 for the three months ended March 31, 2016 and 2015, respectively.

(2) The cash paid for the three months ended March 31, 2016 includes $7.2 million for share repurchase orders that were placed in late December 2015 and were settled in early January 2016.

Accumulated Other Comprehensive (Loss) Income ("AOCL/I")

The following tables disclose information about changes in AOCL/I by component and the related amounts reclassified out of AOCL/I to income during the periods indicated (net of tax, in thousands) (1):

For the three months ended March 31, 2016:

	Interest Rate Swaps	Defined Benefit Pension Plans	Foreign Currency Translation Adjustments	Total
December 31, 2015	$ (3,079)	$ (4,832)	$ (36,491)	$ (44,402)
Changes during the period:				
Change in AOCL/I before reclassifications to income	(8,357)	—	2,068	(6,289)
Reclassifications from AOCL/I to income during the period (2), (3)	1,224	37	—	1,261
Other comprehensive (loss) income for the period	(7,133)	37	2,068	(5,028)
Balance – March 31, 2016	$ (10,212)	$ (4,795)	$ (34,423)	$ (49,430)

For the three months ended March 31, 2015:

	Interest Rate Swaps	Defined Benefit Pension Plans	Foreign Currency Translation Adjustments	Total
Balance – December 31, 2014	$ (1,740)	$ (6,028)	$ (13,402)	$ (21,170)
Changes during the period:				
Change in AOCL/I before reclassifications to income	(1,857)	—	(20,107)	(21,964)
Reclassifications from AOCL/I to income during the period (2), (3)	753	53	—	806
Other comprehensive (loss) income for the period	(1,104)	53	(20,107)	(21,158)
Balance – March 31, 2015	$ (2,844)	$ (5,975)	$ (33,509)	$ (42,328)

(1) Amounts in parentheses represent debits (deferred losses).

(2) The reclassifications related to interest rate swaps (cash flow hedges) were recorded in Interest expense, net of tax effect. See Note 9 – Derivatives and Hedging for information regarding the hedges.

(3) The reclassifications related to defined benefit pension plans were recorded in Selling, general and administrative expense, net of tax effect. See Note 11 – Employee Benefits for information regarding the Company's defined benefit pension plans.

Note 8 — Income Taxes

The provision for income taxes was $20.1 million for the three months ended March 31, 2016 compared to $15.9 million in the three months ended March 31, 2015. The effective income tax rate was 33.4% for the three months ended March 31, 2016 and 35.9% for the same period in 2015. The quarter-over-quarter decrease in the effective income tax rate was largely due to an estimated greater percentage of 2016 pretax income being earned in lower tax countries and favorable tax law changes affecting the three months ended March 31, 2016, which was partially offset by an increase in non-deductible expenses relating to acquisitions.

As of March 31, 2016 and December 31, 2015, the Company had gross unrecognized tax benefits of $27.0 million and $25.9 million, respectively. The unrecognized tax benefits as of March 31, 2016 relate primarily to the utilization of certain tax attributes, state income tax positions, the ability to realize certain refund claims, and intercompany transactions. It is reasonably possible that the gross unrecognized tax benefits will decrease by approximately $1.6 million within the next 12 months due to the anticipated closure of audits and the expiration of certain statutes of limitation.

In July 2015, the United States Tax Court (the "Court") issued an opinion relating to the treatment of stock-based compensation expense in an inter-company cost-sharing arrangement. In its opinion, the Court held that affiliated companies may exclude stock-based compensation expense from their cost-sharing arrangement. In February 2016, the Internal Revenue Service filed notice of its intent to appeal the decision. Because of uncertainty related to the final resolution of this litigation and the recognition of potential benefits to the Company, the Company has not recorded any financial benefit associated with this decision. The Company

will monitor developments related to this case and the potential impact of those developments on the Company’s current and future financial statements.

Note 9 — Derivatives and Hedging

The Company enters into a limited number of derivative contracts to mitigate the cash flow risk associated with changes in interest rates on variable rate debt and changes in foreign exchange rateson forecasted foreign currency transactions. The Company accounts for its outstanding derivative contracts in accordance with FASB ASC Topic 815, which requires all derivatives, including derivatives designated as accounting hedges, to be recorded on the balance sheet at fair value. The following tables provide information regarding the Company’s outstanding derivatives contracts as of the dates indicated (in thousands, except for number of outstanding contracts):

March 31, 2016

Derivative Contract Type	**Number of Outstanding Contracts**		**Notional Amounts**		**Fair Value Asset (Liability), Net** (3)	**Balance Sheet Line Item**		**Unrealized Loss Recorded in OCI**
Interest rate swaps (1)	3	$	700,000	$	(17,021)	Other liabilities	$	(10,212)
Foreign currency forwards (2)	21		16,500		(126)	Accrued liabilities		—
Total	24	$	716,500	$	(17,147)		$	(10,212)

December 31, 2015

Derivative Contract Type	**Number of Outstanding Contracts**		**Notional Amounts**		**Fair Value Asset (Liability), Net** (3)	**Balance Sheet Line Item**		**Unrealized Loss Recorded in OCI**
Interest rate swaps (1)	3	$	700,000	$	(5,132)	Other liabilities	$	(3,079)
Foreign currency forwards (2)	102		193,610		235	Accrued liabilities		—
Total	105	$	893,610	$	(4,897)		$	(3,079)

(1) The swaps have been designated and are accounted for as cash flow hedges of the forecasted interest payments on borrowings. As a result, changes in fair value of the swaps are deferred and are recorded in AOCL/I, net of tax effect (see Note 6 — Debt for additional information).

(2) The Company has foreign exchange transaction risk since it typically enters into transactions in the normal course of business that are denominated in foreign currencies that differ from the local functional currency. The Company enters into short-term foreign currency forward exchange contracts to mitigate the cash flow risk associated with changes in foreign currency rates on forecasted foreign currency transactions. These contracts are accounted for at fair value with realized and unrealized gains and losses recognized in Other expense, net since the Company does not designate these contracts as hedges for accounting purposes. All of the contracts outstanding at March 31, 2016 matured by the end of April 2016.

(3) See Note 10 — Fair Value Disclosures for the determination of the fair value of these instruments.

At March 31, 2016, all of the Company’s derivative counterparties were investment grade financial institutions. The Company did not have any collateral arrangements with its derivative counterparties, and none of the derivative contracts contained credit-risk related contingent features.

The following table provides information regarding amounts recognized in the Condensed Consolidated Statements of Operations for derivative contracts for the periods indicated (in thousands):

	Three Months Ended March 31,			
Amount recorded in:		**2016**		**2015**
Interest expense, net (1)	$	1,987	$	1,254
Other expense (income), net (2)		335		258
Total expense, net	$	2,322	$	1,512

(1) Consists of interest expense from interest rate swap contracts.

(2) Consists of realized and unrealized gains and losses on foreign currency forward contracts.

Note 10 — Fair Value Disclosures

The Company's financial instruments include cash equivalents, fees receivable from customers, accounts payable, and accruals which are normally short-term in nature. The Company believes the carrying amounts of these financial instruments reasonably approximate their fair value due to their short-term nature. The Company's financial instruments also include its outstanding borrowings. The Company believes the carrying amount of the outstanding borrowings reasonably approximates their fair value since the rate of interest on these variable rate borrowings reflect current market rates of interest for similar instruments with comparable maturities.

The Company enters into a limited number of derivatives transactions but does not enter into repurchase agreements, securities lending transactions, or master netting arrangements. Receivables or payables that result from derivatives transactions are recorded gross in the Company's Consolidated Balance Sheets.

FASB ASC Topic 820 provides a framework for the measurement of fair value and a valuation hierarchy based upon the transparency of inputs used in the valuation of assets and liabilities. Classification within the hierarchy is based upon the lowest level of input that is significant to the resulting fair value measurement. The valuation hierarchy contains three levels. Level 1 measurements consist of quoted prices in active markets for identical assets or liabilities. Level 2 measurements include significant other observable inputs such as quoted prices for similar assets or liabilities in active markets; identical assets or liabilities in inactive markets; observable inputs such as interest rates and yield curves; and other market-corroborated inputs. Level 3 measurements include significant unobservable inputs, such as internally-created valuation models. The Company does not currently utilize Level 3 valuation inputs to remeasure any of its assets or liabilities. However, level 3 inputs may be used by the Company in its required annual impairment review of goodwill. Information regarding the periodic assessment of the Company's goodwill is included in Note 5 — Goodwill and Intangible Assets. The Company does not typically transfer assets or liabilities between different levels of the fair value hierarchy.

The Company's assets and liabilities that are remeasured to fair value are presented in the following table (in thousands):

Description:	Fair Value March 31, 2016	Fair Value December 31, 2015
Assets:		
Values based on Level 1 inputs:		
Deferred compensation plan assets (1)	$ 9,672	$ 8,671
Total Level 1 inputs	$ 9,672	$ 8,671
Values based on Level 2 inputs:		
Deferred compensation plan assets (1)	$ 25,467	$ 25,474
Foreign currency forward contracts (2)	—	610
Total Level 2 inputs	$ 25,467	$ 26,084
Total Assets	$ 35,139	$ 34,755
Liabilities:		
Values based on Level 2 inputs:		
Deferred compensation plan liabilities (1)	$ 39,975	$ 39,071
Foreign currency forward contracts (2)	126	375
Interest rate swap contracts (3)	17,021	5,132
Total Level 2 inputs	$ 57,122	$ 44,578
Total Liabilities	$ 57,122	$ 44,578

(1) The Company has a deferred compensation plan for the benefit of certain highly compensated officers, managers and other key employees. The assets consist of investments in money market and mutual funds, and company-owned life insurance contracts, all of which are valued based on Level 1 or Level 2 valuation inputs. The related deferred compensation plan

liabilities are recorded at fair value, or the estimated amount needed to settle the liability, which the Company considers to be a Level 2 input.

(2) The Company enters into foreign currency forward exchange contracts to hedge the effects of adverse fluctuations in foreign currency exchange rates. Valuation of the foreign currency forward contracts is based on observable foreign currency exchange rates in active markets, which the Company considers a Level 2 input.

(3) The Company has interest rate swap contracts which hedge the risk of variability from interest payments on its borrowings (see Note 6 — Debt). The fair value of the swaps is based on mark-to-market valuations prepared by a third-party broker. The valuations are based on observable interest rates from recently executed market transactions and other observable market data, which the Company considers Level 2 inputs. The Company independently corroborates the reasonableness of the valuations prepared by the third-party broker through the use of an electronic quotation service.

Note 11 — Employee Benefits

Defined-Benefit Pension Plans

The Company has defined-benefit pension plans in several of its international locations. Benefits paid under these plans are based on years of service and level of employee compensation. The Company's defined-benefit pension plans are accounted for in accordance with FASB ASC Topics 715 and 960. Net periodic pension expense was $0.7 million for both the three months ended March 31, 2016 and March 31, 2015.

Note 12 — Commitments and Contingencies

Contingencies

The Company is involved in legal proceedings and litigation arising in the ordinary course of business. We believe that the potential liability, if any, in excess of amounts already accrued from all proceedings, claims and litigation will not have a material effect on our financial position, cash flows, or results of operations when resolved in a future period.

The Company has various agreements that may obligate us to indemnify the other party with respect to certain matters. Generally, these indemnification clauses are included in contracts arising in the normal course of business under which we customarily agree to hold the other party harmless against losses arising from a breach of representations related to such matters as title to assets sold and licensed or certain intellectual property rights. It is not possible to predict the maximum potential amount of future payments under these indemnification agreements due to the conditional nature of the Company's obligations and the unique facts of each particular agreement. Historically, payments made by us under these agreements have not been material. As of March 31, 2016, the Company did not have any material payment obligations under any such indemnification agreements.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The purpose of the following Management’s Discussion and Analysis (“MD&A”) is to help facilitate the understanding of significant factors influencing the quarterly operating results, financial condition and cash flows of Gartner, Inc. Additionally, the MD&A also conveys our expectations of the potential impact of known trends, events or uncertainties that may impact future results. You should read this discussion in conjunction with our condensed consolidated financial statements and related notes included in this report and in our Annual Report on Form 10-K for the year ended December 31, 2015 (the "2015 Form 10-K"). Historical results and percentage relationships are not necessarily indicative of operating results for future periods. References to “Gartner,” the "Company,” “we,” “our,” and “us” in this MD&A are to Gartner, Inc. and its consolidated subsidiaries.

Forward-Looking Statements

In addition to historical information, this Quarterly Report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are any statements other than statements of historical fact, including statements regarding our expectations, beliefs, hopes, intentions or strategies regarding the future. In some cases, forward-looking statements can be identified by the use of words such as “may,” “will,” “expect,” “should,” “could,” “believe,” “plan,” “anticipate,” “estimate,” “predict,” “potential,” “continue,” or other words of similar meaning.

Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in, or implied by, the forward-looking statements. Factors that might cause such a difference include, but are not limited to, those discussed in “Factors That May Affect Future Performance” and elsewhere in this Quarterly Report and in the 2015 Form 10-K. Readers should not place undue reliance on these forward-looking statements, which reflect management’s opinion only as of the date on which they were made. Except as required by law, we disclaim any obligation to review or update these forward-looking statements to reflect events or circumstances as they occur. Readers should review carefully any risk factors described in the 2015 Form 10-K.

BUSINESS OVERVIEW

Gartner, Inc. is the world’s leading information technology research and advisory company. We deliver the technology-related insight necessary for our clients to make the right decisions, every day. From CIOs and senior information technology (IT) leaders in corporations and government agencies, to business leaders in high-tech and telecom enterprises and professional services firms, to supply chain professionals, digital marketing professionals and technology investors, we are the valuable partner to clients in 10,474 distinct enterprises. We work with clients to research, analyze and interpret the business of IT within the context of their individual roles. Founded in 1979, Gartner is headquartered in Stamford, Connecticut, U.S.A., and as of March 31, 2016, had 8,019 associates, including 1,801 research analysts and consultants, and clients in over 90 countries.

The foundation for all Gartner products and services is our independent research on IT, supply chain, and digital marketing issues. The findings from this research are delivered through our three business segments – Research, Consulting and Events:

Research provides objective insight on critical and timely technology and supply chain initiatives for CIOs and other IT professionals, supply chain leaders, digital marketing and other business professionals, as well as technology companies and the institutional investment community, through reports, briefings, proprietary tools, access to our analysts, peer networking services and membership programs that enable our clients to make better decisions about their IT, supply chain and digital marketing initiatives.

Consulting provides customized solutions to unique client needs through on-site, day-to-day support, as well as proprietary tools for measuring and improving IT performance with a focus on cost, performance, efficiency and quality.

Events provides IT, supply chain, digital marketing, and other business professionals the opportunity to attend various symposia, conferences and exhibitions to learn, contribute and network with their peers. From our flagship event Symposium/ITxpo, to summits focused on specific technologies and industries, to experimental workshop-style seminars, our events distill the latest Gartner research into applicable insight and advice.

For more information regarding Gartner and our products and services, visit gartner.com.

BUSINESS MEASUREMENTS

We believe the following business measurements are important performance indicators for our business segments:

BUSINESS 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 Events tickets) for which revenue is recognized when the deliverable is utilized. **Research contract value** represents the value attributable to all of our subscription-related research products that recognize revenue on a ratable basis. Contract value is calculated as the annualized value of all subscription research contracts in effect at a specific point in time, without regard to the duration of the contract. **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.
Consulting	**Consulting backlog** represents future revenue to be derived from in-process consulting, measurement and strategic advisory services engagements. **Utilization rate** 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. **Billing Rate** represents earned billable revenue divided by total billable hours. **Average annualized revenue per billable headcount** 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.
Events	**Number of events** represents the total number of hosted events completed during the period. **Number of attendees** represents the total number of people who attend events.

EXECUTIVE SUMMARY OF OPERATIONS AND FINANCIAL POSITION

We have executed a consistent growth strategy since 2005 to drive double-digit revenue and earnings growth. The fundamentals of our strategy include a focus on creating extraordinary research insight, delivering innovative and highly differentiated product offerings, building a strong sales capability, providing world class client service with a focus on client engagement and retention, and continuously improving our operational effectiveness.

We had total revenues of $557.3 million in the first quarter of 2016, an increase of 18% compared to the first quarter of 2015. Quarterly revenues increased 21% adjusted for the negative impact of foreign exchange. Revenues in our Research business increased 16% on a reported basis and 18% adjusted for the foreign exchange impact. Revenues increased 11% in Consulting on a reported basis, and 12% adjusted for the foreign exchange impact. On a reported basis, revenues increased 141% in Events and 143% adjusted for the foreign exchange impact. For a more complete discussion of our results by segment, see Segment Results below. For the first quarter of 2016, we had net income of $40.2 million and diluted earnings per share of $0.48.

Our operating cash flow was $8.6 million for the three months ended March 31, 2016 compared to $5.7 million for the same period in 2015. We had $403.9 million of cash and cash equivalents at March 31, 2016 and $586.0 million of available borrowing capacity on our revolver facility. During the three months ended March 31, 2016, we borrowed an additional $65.0 million and we used $45.5 million in cash to repurchase our common shares.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements requires the application of appropriate accounting policies and the use of estimates. Our significant accounting policies are described in Note 1 in the Notes to Consolidated Financial Statements of Gartner, Inc. contained in the 2015 Form 10-K. Management considers the policies discussed below to be critical to an understanding of our financial statements because their application requires complex and subjective management judgments and estimates. Specific risks for these critical accounting policies are also described below.

The preparation of our financial statements requires us to make estimates and assumptions about future events. We develop our estimates using both current and historical experience, as well as other factors, including the general economic environment and actions we may take in the future. We adjust such estimates when facts and circumstances dictate. However, our estimates may involve significant uncertainties and judgments and cannot be determined with precision. In addition, these estimates are based on our best judgment at a point in time and as such these estimates may ultimately differ materially from actual results. On-going changes in our estimates could be material and would be reflected in the Company's consolidated financial statements in future periods.

Our critical accounting policies are as follows:

Revenue recognition — Revenue is recognized in accordance with the requirements of U.S. GAAP as well as SEC Staff Accounting Bulletin No. 104, *Revenue Recognition* ("SAB 104"). Revenue is only recognized once all required criteria for revenue recognition have been met. Revenue by significant source is accounted for as follows:

- Research revenues are mainly derived from subscription contracts for research products. The related revenues are deferred and recognized ratably over the applicable contract term. Fees derived from assisting organizations in selecting the right business software for their needs is recognized when the leads are provided to vendors.

- Consulting revenues are principally generated from fixed fee and time and material engagements. Revenues from fixed fee contracts are recognized on a proportional performance basis. Revenues from time and materials engagements are recognized as work is delivered and/or services are provided. Revenues related to contract optimization contracts are contingent in nature and are only recognized upon satisfaction of all conditions related to their payment.

- Events revenues are deferred and then recognized upon the completion of the related symposium, conference or exhibition.

The majority of research contracts are billable upon signing, absent special terms granted on a limited basis from time to time. All research contracts are non-cancelable and non-refundable, except for government contracts that may have cancellation or fiscal funding clauses. It is our policy to record the entire amount of the contract that is billable as a fee receivable at the time the contract is signed with a corresponding amount as deferred revenue, since the contract represents a legally enforceable claim.

Uncollectible fees receivable — We maintain an allowance for losses which is composed of a bad debt allowance and a sales reserve. Provisions are charged against earnings, either as a reduction in revenues or an increase to expense. The determination

of the allowance for losses is based on historical loss experience, an assessment of current economic conditions, the aging of outstanding receivables, the financial health of specific clients, and probable losses. This evaluation is inherently judgmental and requires estimates. These valuation reserves are periodically re-evaluated and adjusted as more information about the ultimate collectability of fees receivable becomes available. Circumstances that could cause our valuation reserves to increase include changes in our clients' liquidity and credit quality, other factors negatively impacting our clients' ability to pay their obligations as they come due, and the effectiveness of our collection efforts.

The following table provides our total fees receivable and the related allowance for losses (in thousands):

	March 31, 2016	December 31, 2015
Total fees receivable	$ 610,077	$ 587,663
Allowance for losses	(7,200)	(6,900)
Fees receivable, net	$ 602,877	$ 580,763

Goodwill and other intangible assets —The Company evaluates recorded goodwill in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic No. 350, which requires goodwill to be assessed for impairment at least annually and whenever events or changes in circumstances indicate that the carrying value may not be recoverable. In addition, an impairment evaluation of our amortizable intangible assets may also be performed if events or circumstances indicate potential impairment. Among the factors that could trigger an impairment review are our current operating results relative to our annual plan or historical performance; changes in our strategic plan or use of our assets; restructuring charges or other changes in our business segments; competitive pressures and changes in the general economy or in the markets in which we operate; and a significant decline in our stock price and our market capitalization relative to our net book value.

ASC Topic No. 350 requires an annual assessment of the recoverability of recorded goodwill, which can be either quantitative or qualitative in nature, or a combination of the two. Both methods require the use of estimates which in turn contain judgments and assumptions regarding future trends and events. As a result, both the precision and reliability of the resulting estimates are subject to uncertainty. If our annual goodwill impairment evaluation determines that the fair value of a reporting unit is less than its related carrying amount, we may recognize an impairment charge against earnings. Among the factors we consider in a qualitative assessment are general economic conditions and the competitive environment; actual and projected reporting unit financial performance; forward-looking business measurements; and external market assessments. A quantitative analysis requires

management to consider all of the factors relevant to a qualitative assessment, as well as the utilization of detailed financial projections, to include the rate of revenue growth, profitability, and cash flows, as well as assumptions regarding discount rates, the Company's weighted-average cost of capital, and other data, in order to determine a fair value for our reporting units.

We conducted a quantitative assessment of the fair value of all of the Company's reporting units during the third quarter of 2015. The results of this test determined that the fair values of the Company's reporting units continue to exceed their respective carrying values.

Accounting for income taxes — The Company uses the asset and liability method of accounting for income taxes. We estimate our income taxes in each of the jurisdictions where we operate. This process involves estimating our current tax expense together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included within our consolidated balance sheets. In assessing the realizability of deferred tax assets, management considers if it is more likely than not that some or all of the deferred tax assets will not be realized. We consider the availability of loss carryforwards, projected reversal of deferred tax liabilities, projected future taxable income, and ongoing prudent and feasible tax planning strategies in making this assessment. The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not the tax position will be sustained based on the technical merits of the position.

Accounting for stock-based compensation — The Company accounts for stock-based compensation in accordance with FASB ASC Topic No. 505 and 718 and SEC Staff Accounting Bulletins No. 107 ("SAB No. 107") and No. 110 ("SAB No. 110"). The Company recognizes stock-based compensation expense, which is based on the fair value of the award on the date of grant, over the related service period, net of estimated forfeitures (see Note 3 — Stock-Based Compensation in the Notes to the Consolidated Financial Statements for additional information). Determining the appropriate fair value model and calculating the fair value of stock compensation awards requires the input of certain complex and subjective assumptions, including the expected life of the stock compensation award and the Company's Common Stock price volatility. In addition, determining the appropriate amount of associated periodic expense requires management to estimate the rate of employee forfeitures and the likelihood of achievement of certain performance targets. The assumptions used in calculating the fair value of stock compensation awards and the associated periodic expense represent management's best estimates, but these estimates involve inherent uncertainties and the application of

judgment. As a result, if factors change and the Company deems it necessary in the future to modify the assumptions it made or to use different assumptions, or if the quantity and nature of the Company's stock-based compensation awards changes, then the amount of expense may need to be adjusted and future stock-based compensation expense could be materially different from what has been recorded in the current period.

Restructuring and other accruals — We may record accruals for severance costs, costs associated with excess facilities that we have leased, contract terminations, asset impairments, and other costs as a result of on-going actions we undertake to streamline our organization, reposition certain businesses and reduce ongoing costs. Estimates of costs to be incurred to complete these actions, such as future lease payments, sublease income, the fair value of assets, and severance and related benefits, are based on assumptions at the time the actions are initiated. These accruals may need to be adjusted to the extent actual costs differ from such estimates. In addition, these actions may be revised due to changes in business conditions that we did not foresee at the time such plans were approved. We also record accruals during the year for our various employee cash incentive programs. Amounts accrued at the end of each reporting period are based on our estimates and may require adjustment as the ultimate amount paid for these incentives are sometimes not known with certainty until the end of our fiscal year.

RESULTS OF OPERATIONS

Overall Results

The following tables present selected line items and period-over-period changes in our interim Condensed Consolidated Statements of Operations for the periods indicated (in thousands):

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015	Income Increase (Decrease) $	Increase (Decrease) %
Total revenues	$ 557,266	$ 471,186	$ 86,080	18 %
Costs and expenses:				
Cost of services and product development	212,041	177,762	(34,279)	(19)
Selling, general and administrative	257,411	229,522	(27,889)	(12)
Depreciation	8,834	7,989	(845)	(11)
Amortization of intangibles	6,183	2,139	(4,044)	>(100)
Acquisition and integration charges	8,368	5,092	(3,276)	(64)
Operating income	64,429	48,682	15,747	32
Interest expense, net	(6,006)	(3,480)	(2,526)	73
Other income (expense), net	1,884	(962)	2,846	>100
Provision for income taxes	(20,140)	(15,889)	(4,251)	(27)
Net income	$ 40,167	$ 28,351	$ 11,816	42 %

Total revenues for the three months ended March 31, 2016 increased $86.1 million, to $557.3 million, an increase of 18% compared to the three months ended March 31, 2015, and 21% adjusted for the negative impact of foreign currency exchange. Revenues increased in all three of our business segments. Please refer to the section of this MD&A below entitled “Segment Results” for a discussion of revenues and results by segment.

Cost of services and product development increased $34.3 million, or 19%, in the first quarter of 2016 compared to the first quarter of 2015. The increase was primarily attributable to higher payroll and related benefits costs resulting from increased headcount and higher conference charges. These increased charges were partially offset by favorable foreign exchange impact and excluding this impact, quarter-over-quarter expense increased 21%. Cost of services and product development as a percentage of revenues was 38% for both first quarter of 2016 and 2015.

Selling, general and administrative (“SG&A”) expense increased $27.9 million, or 12% quarter-over-quarter. The increase was primarily due to higher payroll cost and commissions, which was partially offset by favorable foreign exchange impact and lower stock-based compensation charges. Adjusted for the foreign exchange impact, quarter-over-quarter SG&A expense increased 15%. The higher payroll cost was mostly driven by additional headcount. The headcount increase includes additional quota-bearing sales associates, which increased 16% quarter-over-quarter, to 2,237 at March 31, 2016.

Depreciation expense increased 11% in the three months ended March 31, 2016 compared to the same period in 2015 due to our additional investment in property, equipment, and leasehold improvements.

Amortization of intangibles increased $4.0 million in the three months ended March 31, 2016 compared to the same period in 2015 due to the addition of intangibles from our 2015 acquisitions.

Acquisition and integration charges was $8.4 million in the three months ended March 31, 2016 compared to $5.1 million in the prior year period. These charges are directly-related to our business acquisitions and include amounts accrued for payments contingent on the achievement of certain employment conditions, legal, consulting, and severance costs. The quarter-over-quarter increase was attributable to our 2015 acquisitions.

Operating income increased $15.7 million, or 32%, quarter-over-quarter. Operating income as a percentage of revenues was approximately 12% for the three months ended March 31, 2016 compared to 10% in the prior year period. The increase was primarily due to higher contributions in our business segments.

Interest expense, net increased quarter-over-quarter due to additional borrowings.

Other income (expense), net for the three months ended March 31, 2016 includes the sale of certain state tax credits and the recognition of other tax incentives, as well as the net impact of foreign currency exchange gains and losses related to our hedging activities. The first quarter of 2015 primarily reflects the net impact of foreign currency gains and losses from our hedging activities.

Provision for income taxes was $20.1 million for the three months ended March 31, 2016 compared to $15.9 million in the three months ended March 31, 2015. The effective income tax rate was 33.4% for the three months ended March 31, 2016 and 35.9% for the same period in 2015. The quarter-over-quarter decrease in the effective income tax rate was largely due to an estimated greater percentage of 2016 pretax income being earned in lower tax countries and favorable tax law changes affecting the three months ended March 31, 2016, which was partially offset by an increase in non-deductible expenses relating to acquisitions.

Net income increased 42% quarter-over-quarter, to $40.2 million in the three months ended March 31, 2016, which was due to the higher operating income as well as a lower effective tax rate in the 2016 period. Diluted earnings per share increased 50%, to $0.48 per share in the first quarter of 2016 compared to $0.32 in the first quarter of 2015, due to the higher net income and a lower share count.

SEGMENT RESULTS

We evaluate reportable segment performance and allocate resources based on gross contribution margin. Gross contribution is defined as operating income excluding certain Cost of services and product development charges, SG&A expenses, Depreciation, Acquisition and integration charges, and Amortization of intangibles. Gross contribution margin is defined as gross contribution as a percentage of revenues.

The following sections present the results of our three reportable business segments:

Research

	As Of And For The Three Months Ended March 31, 2016	As Of And For The Three Months Ended March 31, 2015	Increase (Decrease)	Percentage Increase (Decrease)
Financial Measurements:				
Revenues (1)	$ 440,271	$ 381,090	$ 59,181	16%
Gross contribution (1)	$ 308,186	$ 267,065	$ 41,121	15%
Gross contribution margin	70%	70%	—	—
Business Measurements:				
Total contract value (1), (2)	$ 1,721,000	$ 1,576,000	$ 145,000	9%
Research contract value (1), (3)	$ 1,704,000	$ 1,562,000	$ 142,000	9%
Client retention	84%	85%	(1) point	—
Wallet retention	105%	106%	(1) point	—

(1) In thousands.

(2) 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 Events tickets) for which revenue is recognized when the deliverable is utilized.

(3) Research contract value represents the value attributable to all of our subscription-related research products that recognize revenue on a ratable basis. Contract value is calculated as the annualized value of all subscription research contracts in effect at a specific point in time, without regard to the duration of the contract.

Research segment revenues increased 16% in the three months ended March 31, 2016 compared to the same quarter in 2015. Adjusted for the negative impact of foreign currency exchange, revenues increased by 18% in the 2016 period. The segment gross contribution margin was 70% in both the first quarters of 2016 and 2015.

Total contract value at March 31, 2016 increased 9% compared to March 31, 2015 on a reported basis and 14% adjusted for the impact of foreign currency exchange. Total contract value increased by double-digits across all of the Company’s sales regions and client sizes and almost all industry segments. At March 31, 2016, enterprise client retention was 84% and enterprise wallet retention was 105%.

Consulting

	As Of And For The Three Months Ended March 31, 2016		As Of And For The Three Months Ended March 31, 2015		Increase (Decrease)		Percentage Increase (Decrease)
Financial Measurements:							
Revenues (1)	$	84,940	$	76,792	$	8,148	11 %
Gross contribution (1)	$	29,378	$	26,327	$	3,051	12 %
Gross contribution margin		35%		34%		1 point	—
Business Measurements:							
Backlog (1)	$	114,100	$	101,400	$	12,700	13 %
Billable headcount		618		547		71	13 %
Consultant utilization		67%		67%		—	—
Average annualized revenue per billable headcount (1)	$	386	$	395	$	(9)	(2)%

(1) Dollars in thousands.

Consulting revenues increased $8.1 million, or 11%, quarter-over-quarter, but excluding the negative impact of foreign currency exchange, Consulting revenues increased 12%. The revenue increase was primarily in our core consulting practice. Revenue also increased in our contract optimization business, which can fluctuate from period to period. The gross contribution margin was 35% for the three months ended March 31, 2016 and 34% for the three months ended March 31, 2015. Backlog was $114.1 million at March 31, 2016, an increase of 13% compared to March 31, 2015.

Events

	As Of And For The Three Months Ended March 31, 2016		As Of And For The Three Months Ended March 31, 2015		Increase (Decrease)		Percentage Increase (Decrease)
Financial Measurements:							
Revenues (1)	$	32,055	$	13,304	$	18,751	141%
Gross contribution (1)	$	12,983	$	2,442	$	10,541	432%
Gross contribution margin		41%		18%		23 points	—
Business Measurements:							
Number of events		12		9		3	33%
Number of attendees		7,640		4,065		3,575	88%

(1) Dollars in thousands.

Events revenues increased 141% quarter-over-quarter as reported and 143% adjusted for the negative impact of foreign currency, while the gross contribution margin increased by 23 points. We held twelve events in first quarter 2016, which consisted of 9 ongoing events and three events moved into the quarter. The quarter-over-quarter increase in both revenue and gross contribution margin was primarily timing related, as the three events moved into the first quarter of 2016 were large events. Revenue from the nine ongoing events that were held in both first quarter of 2016 and 2015 increased by approximately 16% in the first quarter of 2016.

LIQUIDITY AND CAPITAL RESOURCES

We finance our operations through cash generated from our operating activities and borrowings under our $1.5 billion credit arrangement (the "2014 Credit Agreement'). At March 31, 2016, we had $403.9 million of cash and cash equivalents. Our cash and cash equivalents are held in numerous locations throughout the world, with 93% held outside the United States at March 31, 2016.

Our 2014 Credit Agreement provides for a five-year, $400.0 million term loan and a $1.1 billion revolving credit facility. As of March 31, 2016, the Company had $375.0 million outstanding under the term loan and $510.0 million under the revolver. As of March 31, 2016, the Company had $586.0 million of available borrowing capacity under the revolver. We believe we have adequate liquidity to meet our currently anticipated needs.

The following table summarizes the changes in the Company's cash and cash equivalents for the periods indicated (in thousands):

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015	Cash Increase (Decrease)
Cash provided by operating activities	$ 8,580	$ 5,663	$ 2,917
Cash used in investing activities	(7,360)	(11,632)	4,272
Cash provided (used) in financing activities	26,844	(54,410)	81,254
Net increase (decrease) in cash and cash equivalents	28,064	(60,379)	88,443
Effects of exchange rates	2,903	(23,270)	26,173
Beginning cash and cash equivalents	372,976	365,302	7,674
Ending cash and cash equivalents	$ 403,943	$ 281,653	$ 122,290

Operating

Operating cash flow increased by $2.9 million, or 52%, when comparing the three months ended March 31, 2016 to the same period in 2015. The increase was primarily due to higher net income and lower cash payments for income taxes in the first quarter of 2016, which was partially offset by higher cash payments for bonuses and interest on our borrowings.

Investing

We used $7.4 million of cash in our investing activities in the three months ended March 31, 2016 compared to $11.6 million of cash used in the prior year period. The decrease was due to lower capital expenditures in the 2016 period.

Financing

Cash provided from our financing activities totaled $26.8 million in the three months ended March 31, 2016 compared to $54.4 million of cash used in the three months ended March 31, 2015, due to substantially lower share repurchases in the 2016 period. The Company used $45.5 million in cash for share repurchases in the 2016 period and realized $72.3 million from additional borrowings and share-related activities. In the 2015 period the Company used $324.0 million in cash for share repurchases, while it realized $269.6 million from additional borrowings and share-related activities.

OBLIGATIONS AND COMMITMENTS

2014 Credit Agreement

The Company has a five-year credit arrangement that it entered into in December 2014 that provides for a $400.0 million term loan and a $1.1 billion revolving credit facility (the "2014 Credit Agreement"). Under the revolving credit facility, amounts may be borrowed, repaid, and re-borrowed through the maturity date of the agreement in December 2019. The term and revolving facilities may be increased, at the Company's option, by up to an additional $500.0 million in the aggregate. As of March 31, 2016, the Company had $375.0 million outstanding under the term loan and $510.0 million under the revolver. See Note 6 - Debt in the Notes to the Condensed Consolidated Financial Statements for additional information regarding the 2014 Credit Agreement.

Off-Balance Sheet Arrangements

Through March 31, 2016, we have not entered into any off-balance sheet arrangements or transactions with unconsolidated entities or other persons.

BUSINESS AND TRENDS

Our quarterly and annual revenues, operating income, and cash flows fluctuate as a result of many factors, including: the timing of our Symposium/ITxpo series that normally occurs during the fourth quarter, as well as our other events; the amount of new business generated; the mix of domestic and international business; domestic and international economic conditions; changes in market demand for our products and services; changes in foreign currency rates; the timing of the development, introduction and marketing of new products and services; competition in the industry; the payment of performance compensation; and other factors. The potential fluctuations in our operating income could cause period-to-period comparisons of operating results not to be meaningful and could provide an unreliable indication of future operating results.

FACTORS THAT MAY AFFECT FUTURE PERFORMANCE

We operate in a very competitive and rapidly changing environment that involves numerous risks and uncertainties, some of which are beyond our control. A description of the risk factors associated with our business is included under "Risk Factors" contained in Item 1A. of our 2015 Annual Report on Form 10-K which is incorporated herein by reference.

RECENTLY ISSUED ACCOUNTING STANDARDS

Accounting standards issued by the various U.S. standard setting and governmental authorities that have not yet become effective and may impact our Consolidated Financial Statements in future periods are described below, together with our assessment of the potential impact they may have on our Consolidated Financial Statements and related disclosures in future periods:

Stock-Based Compensation

In March 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-09, *Improvements to Employee Share-Based Payment Accounting* ("ASU No. 2016-09"). ASU 2016-09 modifies several aspects of the accounting for employee share-based payment transactions, to include the accounting for income taxes, forfeitures, and statutory tax withholding requirements, as well as the classification of related amounts within the statement of cash flows. The provisions of the new rule will be effective for Gartner on January 1, 2017, with early adoption permitted. We are currently evaluating the impact of ASU No. 2016-09.

Leases

In February 2016, the FASB issued ASU 2016-02, "*Leases*" ("ASU No. 2016-02") which will require significant changes in the accounting and disclosure of lease arrangements. Among the significant changes required by ASU No. 2016-02 is that almost all lease obligations will be recorded on the balance sheet as a liability, along with a corresponding right of use asset. Currently under U.S. GAAP, lease arrangements that meet certain criteria are considered operating leases and are not recorded on the balance sheet. ASU No. 2016-02 also requires certain key information about leasing arrangements be disclosed. ASU No. 2016-02 will be effective for Gartner on January 1, 2019. We are currently evaluating the impact of this new standard on our consolidated financial statements.

Revenue

In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers*" ("ASU No. 2014-09"). ASU No. 2014-09 and related amendments require changes in revenue recognition policies as well as require enhanced disclosures. ASU No. 2014-09 is intended to clarify the principles for recognizing revenue by removing inconsistencies and weaknesses in existing revenue recognition rules; provide a more robust framework for addressing revenue recognition issues; improve comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets; and provide more useful information to users of financial statements through improved revenue disclosures. ASU No. 2014-09 will be effective for Gartner on January 1, 2018. We continue to evaluate the impact of ASU No. 2014-09.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

INTEREST RATE RISK

The Company's 2014 Credit Agreement provides for a five-year, $400.0 million term loan and a $1.1 billion revolving credit facility. At March 31, 2016, we had $375.0 million outstanding under the term loan and $510.0 million under the revolver. We have exposure to changes in interest rates since amounts borrowed under our 2014 Credit Agreement are based on a floating base rate of interest. However, we reduce our exposure to changes in interest rates through our interest rate swap contracts which effectively convert the floating base interest rate on the first $700.0 million of our variable rate borrowings to fixed rates. Thus we are exposed to interest rate risk on borrowings under the 2014 Credit Agreement only in excess of $700.0 million. At March 31, 2016, the amount of unhedged borrowings under the 2014 Credit Agreement was $185.0 million. As an indication of our exposure to interest rate risk, a hypothetical 25 basis point increase or decrease in interest rates could change our 2016 pre-tax annual interest expense on the $185.0 million of unhedged borrowings by approximately $0.5 million.

FOREIGN CURRENCY RISK

A significant portion of our revenues are earned outside of the U.S., and as a result we conduct business in numerous currencies other than the U.S dollar. Among the major foreign currencies in which we conduct business are the Euro, the British Pound, the Japanese Yen, the Australian dollar, and the Canadian dollar. The reporting currency of our consolidated financial statements is the U.S. dollar. As the values of the foreign currencies in which we operate fluctuate over time relative to the U.S dollar, the Company is exposed to both foreign currency translation and transaction risk.

Translation risk arises as our foreign currency assets and liabilities are translated into U.S. dollars since the functional currencies of our foreign operations are generally denominated in the local currency. Adjustments resulting from the translation of these assets and liabilities are deferred and recorded as a component of stockholders' (deficit) equity. A measure of the potential impact of foreign currency translation can be determined through a sensitivity analysis of our cash and cash equivalents. At March 31, 2016, we had $403.9 million of cash and cash equivalents, a substantial portion of which was denominated in foreign currencies. If the exchange rates of the foreign currencies we hold all changed in comparison to the U.S. dollar by 10%, the amount of cash and cash equivalents we would have reported on March 31, 2016 would have increased or decreased by approximately $19.0 million. The translation of our foreign currency revenues and expenses historically has not had a material impact on our consolidated earnings since movements in and among the major currencies in which we operate tend to impact our revenues and expenses fairly equally. However, our earnings could be impacted during periods of significant exchange rate volatility, or when some or all of the major currencies in which we operate move in the same direction against the U.S dollar.

Transaction risk arises when our foreign subsidiaries enter into transactions that are denominated in a currency that may differ from the local functional currency. As these transactions are translated into the local functional currency, a gain or loss may result, which is recorded in current period earnings. We typically enter into foreign currency forward exchange contracts to mitigate the effects of some of this foreign currency transaction risk.

CREDIT RISK

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of short-term, highly liquid investments classified as cash equivalents, accounts receivable, and interest rate swap and foreign exchange contracts. The majority of the Company's cash and cash equivalents, interest rate swap contracts, and its foreign exchange contracts are with large investment grade commercial banks. Accounts receivable balances deemed to be collectible from customers have limited concentration of credit risk due to our diverse customer base and geographic dispersion.

ITEM 4. CONTROLS AND PROCEDURES

We have established disclosure controls and procedures that are designed to ensure that the information we are required to disclose in our reports filed under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported in a timely manner. Specifically, these controls and procedures ensure that the information is accumulated and communicated to our executive management team, including our chief executive officer and our chief financial officer, to allow timely decisions regarding required disclosure.

Management conducted an evaluation, as of March 31, 2016, of the effectiveness of the design and operation of our disclosure controls and procedures, under the supervision and with the participation of our chief executive officer and chief financial officer. Based upon that evaluation, our chief executive officer and chief financial officer have concluded that the Company’s disclosure controls and procedures are effective in alerting them in a timely manner to material Company information required to be disclosed by us in reports filed under the Exchange Act.

In addition, there have been no changes in the Company’s internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are involved in legal and administrative proceedings and litigation arising in the ordinary course of business. We believe that the potential liability, if any, in excess of amounts already accrued from all proceedings, claims and litigation will not have a material effect on our financial position or results of operations when resolved in a future period.

ITEM 1A. RISK FACTORS

A description of the risk factors associated with our business is included under "Risk Factors" contained in Item 1A. of the Company's 2015 Form 10-K and is incorporated herein by reference.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no unregistered sales of equity securities during the period covered by this report.

Issuer Purchases of Equity Securities

We have a $1.2 billion board approved authorization to repurchase the Company's common stock. The Company may repurchase its common stock from time to time in amounts and at prices the Company deems appropriate, subject to the availability of stock, prevailing market conditions, the trading price of the stock, the Company's financial performance and other conditions. Repurchases may be made through open market purchases, private transactions or other transactions and will be funded from cash on hand and borrowings under the Company's credit agreement.

The following table provides detail related to repurchases of our outstanding Common Stock during the three months ended March 31, 2016:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Approximate Dollar Value of Shares that may yet be purchased Under our Share Repurchase Program (in billions) (1)
2016			
January	36,554	$ 82.00	
February	299,211	81.14	
March	131,058	84.02	
Total for quarter	466,823	$ 82.02	$ 1.11

(1) As of March 31, 2016.

ITEM 6. EXHIBITS

EXHIBIT NUMBER	DESCRIPTION OF DOCUMENT
10.1	Amended and Restated Employment Agreement between Eugene A. Hall and Gartner, Inc. dated as of March 19, 2016.
31.1	Certification of chief executive officer under Rule 13a — 14(a)/15d — 14(a).
31.2	Certification of chief financial officer under Rule 13a — 14(a)/15d — 14(a).
32	Certification under 18 U.S.C. 1350.
101	Interactive data files pursuant to Rule 405 of Regulation S-T: (i) the Condensed Consolidated Balance Sheets at March 31, 2016 and December 31, 2015, (ii) the Condensed Consolidated Statements of Operations for the three months ended March 31, 2016 and 2015, (iii) the Condensed Consolidated Statements of Comprehensive Income for the three months ended March 31, 2016 and 2015, (iv) the Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2016 and 2015, and (v) the Notes to Condensed Consolidated Financial Statements.

Items 3, 4, and 5 of Part II are not applicable and have been omitted.

SIGNATURE

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

Gartner, Inc.

Date: May 5, 2016

/s/ Craig W. Safian

Craig W. Safian
Senior Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Amended Employment Agreement (the "Agreement") is entered into effective as of March 19, 2016 (the "Amended Effective Date"), by and between Eugene A. Hall, an individual ("Executive") and Gartner, Inc., a Delaware corporation (the "Company") and amends and restates the employment agreement dated April 13, 2011 (the "Original Effective Date"), between the Company and Executive.

1. Employment. Executive will serve as Chief Executive Officer of the Company for the Employment Term specified in Section 3 below. Executive will report solely to the Board of Directors (the "Board") and will render such services consistent with the foregoing role as the Board may from time to time direct. Executive's office will be located at the executive offices of the Company in Stamford, Connecticut. Executive may (i) serve on corporate, civic or charitable boards or committees and (ii) deliver lectures, fulfill speaking engagements or teach at educational institutions, to the extent that such activities are (x) consistent with the Company's policies (as applicable) or (y) disclosed to the Board and the Board determines in good faith that such activities do not interfere with the performance of Executive's responsibilities hereunder.

2. Board of Directors. The Executive is currently a member of the Board, and during the Employment Term, the Company will, in good faith, include Executive on the Company's slate of nominees to be elected to the Board at appropriate meetings of stockholders of the Company. Upon termination of the Employment Term for any reason, Executive will promptly resign as a director of the Company if the Board so requests.

3. Term. The employment of Executive pursuant to this Agreement will continue through December 31, 2021 (the "Employment Term"), unless extended or earlier terminated as provided in this Agreement. The Employment Term automatically will be extended for additional one-year periods commencing on January 1, 2022 and continuing each year thereafter, unless either Executive or the Company gives the other written notice, in accordance with Section 14(a) and at least sixty (60) days prior to the then scheduled expiration of the Employment Term, of such party's intention not to extend the Employment Term. Upon termination of the Employment Term for any reason, Executive will promptly resign from all positions he holds with the Company if the Board so requests.

4. Salary. As compensation for the services rendered by Executive under this Agreement, the Company will pay to Executive an annual base salary ("Base Salary") equal to $908,197, payable to Executive on a semi-monthly basis in accordance with the Company's payroll practices as in effect from time to time during the Employment Term. The Base Salary will be subject to adjustment by the Board or the Compensation Committee of the Board (the "Committee"), in the sole discretion of the Board or such Committee, on an annual basis; provided, however, that Executive's Base Salary may not be decreased other than pursuant to a reduction consistent with a general reduction of pay across the executive staff as a group, as an economic or strategic measure due to poor financial performance by the Company.

5. Bonus. In addition to Base Salary, Executive will be entitled to participate in the Company's executive bonus program. Executive's annual target bonus (the "Target Bonus") will be 105% of Base Salary, and will be payable based on achievement of specified Company and

individual objectives. The actual bonus paid may be higher or lower than the Target Bonus for over-or under-achievement of Company and individual objectives, as determined by the Committee; provided, however, that the maximum actual bonus will not exceed 210% of Base Salary. Bonus amounts will be subject to annual adjustment by the Board or the Committee, in the sole discretion of the Board or the Committee; provided, however, that Executive's Target Bonus may not be decreased without Executive's consent other than pursuant to a reduction consistent with a general reduction of pay across the executive staff as a group, as an economic or strategic measure due to poor financial performance of the Company. To receive a bonus, Executive must be an employee at the time bonuses are paid to executives.

6. Executive Benefits.

(a) Equity Grants. No later than ten (10) days following the first market trading day of the first open trading window for Company executives under the Company's insider trading policy on or after January 1 of each year during the Employment Term (commencing in 2016), Executive will be granted equity-based incentive awards settled in Common Stock of the Company (collectively, the "Incentive Awards"), provided that Executive must be an employee at the time Incentive Awards are scheduled to be granted. The Incentive Awards granted in 2016 and later years will have an aggregate value on the date of grant (assuming the applicable performance goals will be satisfied at target levels and using the methods described in the following sentence) that is no less than the result of $9,874,375 minus the sum of the Base Salary and Target Bonus for the year of grant. The value of the Incentive Awards on the date of grant will be determined by using the Black-Scholes-Merton valuation method for stock appreciation rights and the fair market value of the Company's Common Stock for restricted stock units, or such other valuation method as the Committee may use to value equity-based incentive awards. All Incentive Awards will be 100% unvested on the date of grant. Executive's entitlement to be granted the Incentive Awards for any given year under this Agreement shall accrue as of January 1 of such year. Vesting of such Incentive Awards shall be subject to Section 6(a)(iii). The terms and conditions of the Incentive Awards (including, but not limited to, the number of restricted stock units or stock appreciation rights to be granted and the applicable performance goals) shall be determined by the Committee, subject to and consistent with the terms of this Agreement and the Company's 2014 Long Term Incentive Plan (the "Plan"). Each year's Incentive Awards will be divided among:

(i) Restricted Stock Units. Each year during the Employment Term, all or a portion of the aggregate value of the Incentive Awards may, as determined by the Committee, be in the form of restricted stock units, with a par value purchase price. During each year of the Employment Term, the number of restricted stock units initially granted to Executive will be based upon an assumption that specified Company objectives will be achieved during such year. The restricted stock units granted to Executive each year may be adjusted so as to be higher or lower than the number of restricted stock units initially granted in such year by reason of over-or under-achievement during such year of such specified Company objectives, as determined by the Committee. Upon the vesting of a restricted stock unit, and in the sole discretion of the Committee, the Company may pay earned restricted stock units in cash, shares of Common Stock of the Company, or in a combination thereof. Except as otherwise set forth in this Agreement, if Executive's employment with the Company terminates for any reason, any portion of the restricted stock units still subject to restrictions will be forfeited to the Company.

(ii) Stock Appreciation Rights. Each year during the Employment Term, all or a portion of the value of the Incentive Awards may, as determined by the Committee, be in the form of stock appreciation rights, which upon exercise will be settled in shares of Common Stock of the Company. Executive will have the right to exercise such stock appreciation right upon its vesting, and will receive the excess, if any, of the value of a share of Common Stock of the Company on the date of exercise over the value of such share on the date of grant.

(iii) Vesting of Incentive Awards. Incentive Awards granted pursuant to this Agreement will be scheduled to vest in not more than four equal annual installments on January 1 of each year following the date of grant, subject in each case to Executive's continued employment with the Company through the applicable date and subject to achievement of any performance goals applicable to such Incentive Awards as determined by the Committee. Notwithstanding the preceding sentence, the Incentive Awards may vest earlier in the event of a Change in Control or Change in Control Termination as provided in Section 7 below.

(b) Other Employee and Executive Benefits. Executive will be entitled to receive all benefits provided to senior executives, executives and employees of the Company generally from time to time, including medical, dental, life insurance and long-term disability, and the executive split-dollar life insurance, executive disability plan, and all other benefits under the Company's Executive Benefits program, in each case so long as and to the extent the same exist; provided, that with respect to each such plan Executive is otherwise eligible and insurable in accordance with the terms of such plans. Notwithstanding the preceding sentence, Executive's right to receive severance payments and benefits will be only as provided in Section 7 hereof. Furthermore, the Company will provide Executive with an automobile and driver for Executive's ground transportation needs during the Employment Term.

(c) Vacation, Sick Leave, Holidays and Sabbatical. Executive will be entitled to paid time off ("PTO"), sick leave, holidays and sabbatical in accordance with the policies of the Company as they exist from time to time. Executive understands that under the current policy he is entitled to thirty-five (35) PTO days per calendar year. PTO not used during any calendar year will roll over to the following year only to the extent provided under the Company's PTO policies as they exist from time to time.

7. Severance Benefits.

(a) At Will Employment. Executive's employment will be "at will." Either the Company or Executive may terminate this agreement and Executive's employment at any time, with or without Business Reasons, in its or his sole discretion, upon sixty (60) days' prior written notice of termination.

(b) Involuntary Termination. If at any time during the term of this Agreement (other than within twenty-four (24) months following the occurrence of a Change in Control) the Company terminates the employment of Executive involuntarily and without Business Reasons or a Constructive Termination occurs, or if the Company elects not to renew this Agreement upon the expiration of the Employment Term and Executive within ninety (90) days following the expiration of the Employment Term terminates his employment, then, subject to Executive signing and not revoking a general release of claims against the Company and its successors substantially

in the form attached hereto as Exhibit A within the period required by the release and in no event later than sixty (60) days following the Termination Date, inclusive of any revocation period set forth in the release, Executive will be entitled to receive the following:

(i) Base Salary and PTO accrued through the Termination Date plus continued Base Salary for a period of thirty-six (36) months following the Termination Date. In accordance with Section 7(i) below, such payments will commence on the first regular Company pay day at least six (6) months after the Termination Date or, if later, at least six (6) months after the date of Executive's Separation from Service. This first payment will be a lump sum representing the continuation of Executive's Base Salary for the period commencing on the Termination Date and concluding on such payment date. Thereafter, the remaining payments of Base Salary will be payable in accordance with the Company's regular payroll schedule as in effect from time to time.

(ii) If the Termination Date occurs during a year in which any Incentive Awards are due to be granted but remain un-granted, a lump sum cash payment with respect to the un-granted Incentive Awards pursuant to Section 6(a) above determined by multiplying the percentage of such un-granted Incentive Awards that would have vested pursuant to Section 7(b)(iv) below by no less than the result of $9,874,375 minus the sum of the Base Salary and Target Bonus for the year in which the Termination Date occurs. For purposes of illustration, if the un-granted Incentive Awards would have vested over a four (4) year vesting schedule, the percentage described in the preceding sentence will be seventy-five percent (75%). In accordance with Section 7(i) below, this payment will be made on the first regular Company pay day at least six (6) months after the Termination Date or, if later, at least six (6) months after the date of Executive's Separation from Service.

(iii) 300% of the average of Executive's earned annual bonuses for the three (3) fiscal years immediately preceding the year in which the Termination Date occurs, which, in accordance with Section 7(i) below, will be payable in a lump sum as soon as practicable following but in no event later than thirty (30) days later than the six (6) month period commencing on the Termination Date, or, if later, following the six (6) month period commencing on the date of Executive's Separation from Service, plus any earned but unpaid bonus from the prior fiscal year, which will be paid at the same time as bonuses for such fiscal year are paid to the other Company executives.

(iv) Thirty-six (36) months' continued vesting under all Incentive Awards and any other outstanding stock options and other equity arrangements subject to vesting and held by Executive (and in this regard, all such stock appreciation rights and other exercisable rights held by Executive will remain exercisable for thirty (30) days following the last day of the thirty-six (36) month continued vesting period, subject to the maximum term of the award). Notwithstanding the foregoing, with respect to each performance-based restricted stock unit award or other equity compensation award subject to achievement of performance-based criteria (each a "Performance-Based Equity Award"), Executive will be entitled to thirty-six (36) months' continued vesting only if and to the extent that the performance-based criteria applicable to the Performance-Based Equity Award is achieved during the award's performance period, as determined by the Compensation Committee in accordance with the terms and conditions of the 2014 Long-Term Incentive Plan (or such other Company stock plan under which the award was

granted) and the award agreement entered into by and between the Company and Executive. For purposes of clarity, the thirty-six (36) months' continued vesting to which Executive is entitled will be measured from the Termination Date and not from the date that achievement of the applicable performance-based criteria is determined. Notwithstanding anything to the contrary herein or in any award agreement evidencing the Incentive Awards and any other outstanding stock options or other equity arrangements, to the extent such awards are considered "deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the final regulations and any guidance promulgated thereunder ("Section 409A") and in accordance with Section 7(i) below, the awards otherwise payable during the period beginning on the Termination Date and ending on the date that is six (6) months following the Termination Date or, if later, six (6) months following the date of Executive's Separation from Service, instead will be paid on the date six (6) months and one (1) day following the later of the Termination Date or the date of Executive's Separation from Service. Thereafter, each such award shall be paid in accordance with the vesting schedule applicable to such award.

(v) a taxable monthly payment in an amount equal to the monthly COBRA premium that Executive would be required to pay to continue the group health coverage in effect on the date of his termination of employment for Executive, his spouse and any children (which amount will be based on the premium for the first month of COBRA coverage), which payments will be made regardless of whether Executive elects COBRA continuation coverage and will commence six (6) months after the Termination Date or, if later, at least six (6) months after the date of Executive's Separation from Service and will end on the earlier of (x) the date upon which Executive becomes covered under similar plans or (y) the last day of the thirty-sixth (36th) calendar month following the month in which Executive's employment terminated. The first payment under the preceding sentence will equal the sum of all monthly payments for the period commencing on the Termination Date and concluding on such payment date.

(vi) no other compensation, severance or other benefits. Notwithstanding the foregoing, if Executive violates in a material respect the provisions set forth in Section 12, Executive no longer will be entitled to receive any severance payments and benefits and Executive's outstanding Incentive Awards and other stock options and equity arrangements will expire immediately.

(c) Change in Control.

(i) Benefits. If during the term of this Agreement a Change in Control Termination occurs, then Executive will be entitled to receive the following:

(A) Base Salary and PTO accrued though the date of the Change in Control Termination and, immediately upon the Change in Control Termination, any earned but unpaid bonus from the fiscal year preceding the Change in Control Termination,

(B) an amount equal to three (3) years of Executive's Base Salary as then in effect,

(C) an amount equal to three (3) times Executive's Target Bonus for the fiscal year in which the Change in Control Termination occurs (or if higher, for the immediately preceding fiscal year),

(D) a taxable monthly payment in an amount equal to the monthly COBRA premium that Executive would be required to pay to continue the group health coverage in effect on the date of his termination of employment for Executive, his spouse and any children (which amount will be based on the premium for the first month of COBRA coverage), which payments will be made regardless of whether Executive elects COBRA continuation coverage and will commence six (6) months after the date of Change in Control Termination or, if later, at least six (6) months after the date of Executive's Separation from Service and will end on the earlier of (x) the date upon which Executive becomes covered under similar plans or (y) the last day of the thirty-sixth (36th) calendar month following the month in which Executive's employment terminated. The first payment under the preceding sentence will equal the sum of all monthly payments for the period commencing on the date of Change in Control Termination and concluding on such payment date,

(E) except as provided in this Section 7(c), no other compensation, severance or other benefits.

The payments set forth in clauses (B) and (C) above shall be payable in a lump sum on the date that is six (6) months following the Termination Date or, if later, six months after the date of Executive's Separation from Service. Additionally, any Incentive Awards due to be granted pursuant to Section 6(a) that remain ungranted will be granted to Executive prior to consummation of the Change in Control and upon a Change in Control Termination, as applicable.

(ii) Vesting. In the event that a Change in Control occurs prior to the termination of Executive's employment and prior to the expiration of an Incentive Award or other equity-based arrangement subject to vesting and held by Executive (collectively with the Incentive Awards, "Equity Awards"), then, subject to Section 7(c)(iii) below, upon such Change in Control, such Equity Award will vest in full, all performance goals or other vesting criteria will be deemed achieved at target levels and, with respect to a stock option or stock appreciation right, be exercisable as to all of the covered shares, including shares as to which the stock option or stock appreciation right would not otherwise be exercisable.

Upon the occurrence of a Change of Control Termination, but subject to Section 7(c)(iii) below, each outstanding Equity Award will vest in full, all performance goals or other vesting criteria will be deemed achieved at target levels and, with respect to a stock option and stock appreciation right, be exercisable as to all of the covered shares, including shares as to which the stock option or stock appreciation right would not otherwise be exercisable.

Payment of Incentive Awards whose payment or settlement is accelerated due to a Change in Control Termination shall be subject to the six-month delay set forth in Section 7(i) below (to the extent applicable).

(iii) Limitation on Payments.

(A) In the event that the severance payments and other benefits provided for in this Agreement or otherwise payable to Executive (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 7(c)(iii), would be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then Executive's severance and other benefits under Section 7 (and with respect to acceleration of vesting, any other equity-based arrangements) will be either:

(1) delivered in full, or

(2) limited to such minimum extent as will ensure that no portion of such severance and other benefits will be subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax imposed by Section 4999, results in the receipt by Executive on an after-tax basis, of the greatest amount of severance and other benefits, notwithstanding that all or some portion of such severance and other benefits may be taxable under Section 4999 of the Code. If a reduction in severance payments or other benefits constituting "parachute payments" is necessary so that payments or benefits are delivered to a lesser extent, reduction will occur in the following order: (1) reduction of the cash severance payments; (2) cancellation of accelerated vesting of equity-based awards; and (3) reduction of continued employee benefits. In the event of a reduction of cash severance payments or a reduction of continued employee benefits, such reduction shall occur in reverse chronological order such that the payment or benefit owed on the latest date following the occurrence of the event triggering the excise tax will be the first payment to be reduced (with reductions made pro-rata in the event payments are payable at the same time). In the event that accelerated vesting of equity based awards is to be cancelled, such vesting acceleration will be cancelled in the following order: (1) Performance-Based Equity Awards granted in the year of acceleration of vesting, (2) other Performance-Based Equity Awards and other equity-based awards, in reverse chronological order of the dates of grant thereof (with reductions made pro-rata in the event that grants were made at the same time.

(B) Subject to the provisions of clause F below, all determinations required to be made under this Section 7(c)(iii), including whether an Excise Tax is payable by Executive and the amount of such Excise Tax and whether a reduction in payments or benefits is required, will be made in good faith and using reasonable actuarial and other assumptions by the Company's independent accountants (the "Accounting Firm"). The Company will direct the Accounting Firm to submit its determination and detailed supporting calculations to both the Company and Executive within fifteen (15) calendar days after the date of a Change in Control, within fifteen (15) calendar days after the date of a Change in Control Termination and any other such time or times as may be requested by the Company or Executive. If the Accounting Firm determines that no Excise Tax is payable by Executive without reduction of payments or benefits, it will, at the same time as it makes such determination, furnish Executive with an opinion that he has substantial authority not to report any Excise Tax on his federal, state, local income or other tax return. If the Accounting Firm determines that a reduction

of payments or benefits is required pursuant to Section 7(c)(iii)(A) above, it will, at the same time as it makes such determination, furnish Executive with an opinion that, taking into account such reduction, he has substantial authority not to report any Excise Tax on his federal, state, local income or other tax return. Any determination by the Accounting Firm as to the amount of any Excise Tax or reduction in payments and benefits will be binding upon the Company and Executive.

(C) The Company and Executive will each provide the Accounting Firm access to and copies of any books, records and documents in the possession of the Company or Executive, as the case may be, reasonably requested by the Accounting Firm, and otherwise cooperate with the Accounting Firm in connection with the preparation and issuance of the determination contemplated by clause B above.

(D) In the event that payments and benefits are delivered in full pursuant to Section 7(c)(iii)(A) above, the federal, state and local income or other tax returns filed by Executive and the Company will be prepared and filed on a consistent basis with the determination of the Accounting Firm with respect to the Excise Tax payable by Executive, if any.

(E) The fees and expenses of the Accounting Firm for its services in connection with the determinations and calculations contemplated by clauses A and B above will be borne by the Company. If such fees and expenses are initially advanced by Executive, the Company will reimburse Executive the full amount of such fees and expenses within twenty (20) days after receipt from Executive of a statement therefore and reasonable evidence of his payment thereof.

(F) If, for any reason, the Accounting Firm, as defined above, fails to act in the manner contemplated by this Section 7(c) within a reasonable period of time, the Executive may appoint another nationally recognized independent accounting firm with the consent of the Company (unless such consent is unreasonably withheld or delayed), to perform all of such duties of the Accounting Firm that are contemplated by this Section 7(c), in which event such independent accountants will thereafter be deemed to be the "Accounting Firm" for purposes of this Section 7(c).

(d) Termination for Disability. If at any time during the Employment Term Executive becomes unable to perform his duties as an employee as a result of incapacity, which gives rise to termination of employment for Disability, then (i) Executive will be entitled to receive payments and benefits in accordance with the Company's then applicable plans, policies, and arrangements; provided, however, that to the extent such payments or benefits are "separation pay" within the meaning of Section 409A, such payments and benefits will be paid or provided at the same time and in the same form as similar payments and benefits are provided under Section 7(b) in connection with Executive's Constructive Termination or involuntary termination without Business Reasons; (ii) Executive's outstanding Incentive Awards and other stock options and equity arrangements will expire in accordance with the terms of the applicable award agreement(s) and the Company stock plans under which they were granted; and (iii) with respect to any accrued but un-granted Incentive Awards pursuant to Section 6(a), Executive will be entitled to receive a lump sum cash payment equal to the value of the vesting acceleration that Executive would have

received, in accordance with the disability provisions set forth in the Company's equity award policy then in effect had Executive's employment not been terminated for Disability prior to the date those awards would have been granted. The amount payable pursuant to Section 7(d)(iii) will be determined by multiplying the percentage of vesting acceleration to which Executive would have been entitled in accordance with the disability provisions set forth in the Company's equity award policy then in effect by the result of $9,874,375 minus the sum of the Base Salary and Target Bonus for the year in which the Termination Date occurs. This payment will be made on the first regular Company pay day at least six (6) months after the Termination Date or, if later, at least six (6) months after the date of Executive's Separation from Service.

(e) Voluntary Termination, Involuntary Termination for Business Reasons. If (i) Executive voluntarily terminates his employment (other than in the case of a Constructive Termination) or (ii) Executive is terminated involuntarily for Business Reasons, then in any such event (A) all further vesting of Executive's Incentive Awards and other equity arrangements will cease immediately and such awards will expire in accordance with the terms of the applicable award agreement(s), (B) all payments of compensation by the Company to Executive hereunder will terminate immediately (except as to amounts already earned), and (C) Executive will not be entitled to any severance but Executive will be paid all accrued but unpaid PTO, expense reimbursements and other benefits due to Executive through his termination date under any Company-provided or paid plans, policies, and arrangements.

(f) Termination Upon Death. If Executive's employment is terminated because of death, then (i) Executive's representatives will be entitled to receive payments and benefits in accordance with the Company's then applicable plans, policies, and arrangements; provided, however, that to the extent such payments or benefits are "separation pay" within the meaning of Section 409A, such payments and benefits will be paid or provided at the same time and in the same form as similar payments and benefits are provided under Section 7(b) in connection with Executive's Constructive Termination or involuntary termination without Business Reasons; and (ii) Executive's outstanding Incentive Awards and other equity arrangements will expire in accordance with the terms of the applicable award agreement(s) and the Company stock plans under which they were granted.

(g) Exclusivity. The provisions of this Section 7 are intended to be and are exclusive and in lieu of any other rights or remedies to which Executive or the Company may otherwise be entitled, either at law, tort or contract, in equity, or under this Agreement, in the event of any termination of Executive's employment. Executive will be entitled to no benefits, compensation or other payments or rights upon termination of employment other than those benefits expressly set forth in paragraph (b), (c), (d), (e) or (f) of this Section 7, whichever will be applicable and those benefits required to be provided by law.

(h) Mitigation. Amounts provided under this Section 7 will not be reduced by any future earnings Executive may receive following the termination of his employment with the Company.

(i) Code Section 409A.

(i) Six-Month Delay. Notwithstanding anything to the contrary in this Agreement, no Deferred Compensation Separation Benefits (as defined below) or other severance benefits that otherwise are exempt from Section 409A (as defined below) pursuant to Treasury Regulation Section 1.409A-1(b)(9) will be considered due or payable until Executive has a Separation from Service. In addition, as Executive currently is a "specified employee" within the meaning of Section 409A and the Company anticipates that Executive will continue to be a specified employee until Executive's Separation from Service, the severance benefits payable to Executive under this Agreement that are considered deferred compensation under Section 409A, if any, and any other severance payments or separation benefits that are considered deferred compensation under Section 409A (together, the "Deferred Compensation Separation Benefits") will, except in the case of death, be delayed for the period beginning on the Termination Date and ending on the date that is six (6) months following the Termination Date or, if later, six (6) months following the date of Executive's Separation from Service. All subsequent payments, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit. Each payment and benefit payable under this Agreement is intended to constitute a separate payment under Treasury Regulation Section 1.409A-2(b)(2). Notwithstanding anything herein to the contrary, if Executive dies following his Separation from Service but prior to the six (6) month anniversary of his date of separation, then any payments delayed in accordance with this Section 7(i) or otherwise will be payable in a lump sum (less applicable withholding taxes) to Executive's estate as soon as administratively practicable after the date of his death and all other Deferred Compensation Separation Benefits will be payable in accordance with the payment schedule applicable to each payment or benefit.

(ii) Amendments to this Agreement to Comply with Section 409A. It is the intent of this Agreement to comply with the requirements of Section 409A so that none of the payments and benefits to be provided hereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities herein will be interpreted to so comply. Executive and the Company agree to work together in good faith to consider amendments to this Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition under Section 409A prior to actual payment to Executive.

8. Definition of Terms. The following terms referred to in this Agreement will have the following meanings:

(a) Business Reasons. "Business Reasons" means (i) gross negligence, willful misconduct or other willful malfeasance by Executive in the performance of his duties, (ii) Executive's conviction of a felony, or other criminal offense involving moral turpitude, or (iii) Executive's material breach of this Agreement, including without limitation any repeated breach of Sections 9 through 12 hereof, provided that, in the case of clauses (i) or (iii) above, the Board provides written notice of such "Business Reason" to the Executive, specifically identifying the circumstance(s) which the Board believes constitute such "Business Reason", and Executive will have the opportunity to cure such circumstances to the reasonable satisfaction of the Board within thirty (30) days following the delivery of such notice; provided, further, that at the conclusion of such thirty (30) day cure period, the final determination of the occurrence of "Business Reasons" and/or the effectiveness of any such cure, will be made at a meeting of the Board at which Executive (and, at Executive's option, his counsel) will have had a right to participate. For purpose of this paragraph, no act or failure to act by Executive will be considered "willful" unless done or

omitted to be done by Executive in bad faith or without reasonable belief that Executive's action or omission was in the best interests of the Company or its affiliates. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based upon the advice of counsel for the Company will be conclusively presumed to be done, or omitted to be done, by Executive in good faith and in the best interests of the Company. The Board must notify Executive of any event constituting Business Reasons within ninety (90) days following any Board member's (excluding Executive) actual knowledge of its existence (which period will be extended during the period of any reasonable investigation conducted in good faith by or on behalf of the Board) or such event will not constitute Business Reasons under this Agreement.

(b) Disability. "Disability" will mean that Executive has been unable to perform his duties as an employee as the result of his incapacity due to physical or mental illness, and such inability, at least twenty-six (26) weeks after its commencement, is determined to be total and permanent by a physician selected by the Company with the consent of the Executive or his representative (unless such consent is unreasonably withheld or delayed). Termination resulting from Disability may only be effected after at least sixty (60) days written notice by the Company of its intention to terminate Executive's employment. In the event that Executive resumes the performance of substantially all of his duties hereunder before the termination of his employment becomes effective, the notice of intent to terminate automatically will be deemed to have been revoked.

(c) Termination Date. "Termination Date" will mean (i) if this Agreement is terminated on account of death, the date of death; (ii) if this Agreement is terminated for Disability, the date specified in Section 8(b); (iii) if this Agreement is terminated by the Company, the date on which indicated in a notice of termination that is given to Executive by the Company in accordance with Sections 7(a) and 14(a); (iv) if the Agreement is terminated by Executive, the date indicated in a notice of termination given to the Company by Executive in accordance with Sections 7(a) and 14(a); or (v) if this Agreement expires by its terms, then the last day of the term of this Agreement.

(d) Constructive Termination. A "Constructive Termination" will be deemed to occur if Executive elects to voluntarily terminate employment within the ninety (90) day period immediately following any of the following events: (i) Executive's position changes as a result of an action by the Company such that (A) Executive will no longer be Chief Executive Officer of the Company, (B) Executive will have authorities, duties and responsibilities less, in any material respect, than those typically associated with a chief executive officer of a company of comparable size, or (C) Executive is required to report to a person or persons other than the entire Board, or a committee of the Board, or otherwise than substantially in accordance with past practice; provided that if the Board determines by unanimous vote of all directors (excluding Executive) that it is required either by law or by rule of any exchange or listing entity whose rules must be complied with in order for the Company to maintain such listing that Executive not be Chief Executive Officer, then the involuntary removal of Executive from the position of Chief Executive Officer will not, in and of itself, constitute a Constructive Termination, (ii) Executive is required to relocate his place of employment, other than a relocation within fifty (50) miles of the Company's current Stamford headquarters, (iii) there is a reduction in Executive's Base Salary or Target Bonus other than any such reduction consistent with a general reduction of pay across the executive staff as a group, as an economic or strategic measure due to poor financial performance by the Company,

(iv) the Company becomes a subsidiary of another entity other than pursuant to implementation of a holding company structure in which the Company is the principal subsidiary of the holding company, or (v) there occurs any other material breach of this Agreement by the Company (including, without limitation, any breach of Section 14(c), but excluding the termination of Executive's service as a director due to applicable legal or listing requirements or stockholders failing to reelect Executive to the Board) after a written demand for substantial performance is delivered to the Board by Executive which specifically identifies the manner in which Executive believes that the Company has materially breached this Agreement, and the Company has failed to cure such breach to the reasonable satisfaction of Executive within thirty (30) days following the delivery of such notice, during which thirty (30) day notice period, the ninety (90) day period described above will be tolled.

(e) Change in Control. "Change in Control" will mean the happening of any of the events described in Section 2(e)(ii) of the Plan (without regard to when Awards were granted under the Plan, as such term is defined in the Plan).

(f) Change in Control Termination. "Change in Control Termination" shall mean the occurrence of any of the following events within the period of twenty-four (24) months following the occurrence of a Change in Control: (1) a Constructive Termination, (2) a termination of the Executive's employment by the Company without Business Reasons, or (3) election by the Company not to extend the Employment Term upon the expiration of the Employment Term and Executive within ninety (90) days following the expiration of the Employment Term terminates his employment.

(g) Separation from Service. "Separation from Service" will mean Executive's "separation from service" within the meaning of Section 409A.

9. Confidential Information.

(a) Executive acknowledges that the Confidential Information relating to the business of the Company and its subsidiaries which Executive has obtained or will obtain during the course of his association with the Company and subsidiaries and his performance under this Agreement are the property of the Company and its subsidiaries. Executive agrees that he will not disclose or use at any time, either during or after the Employment Term, any Confidential Information without the written consent of the Board, other than proper disclosure or use in the performance of his duties hereunder. Executive agrees to deliver to the Company at the end of the Employment Term, or at any other time that the Company may request, all memoranda, notes, plans, records, documentation and other materials (and copies thereof) containing Confidential Information relating to the business of the Company and its subsidiaries, no matter where such material is located and no matter what form the material may be in, which Executive may then possess or have under his control. If requested by the Company, Executive will provide to the Company written confirmation that all such materials have been delivered to the Company or have been destroyed. Executive will take all appropriate steps to safeguard Confidential Information and to protect it against disclosure, misuse, espionage, loss and theft.

(b) "Confidential Information" will mean information which is not generally known to the public and which is used, developed, or obtained by the Company or its subsidiaries

relating to the businesses of any of the Company and its subsidiaries or the business of any customer thereof including, but not limited to: products or services; fees, costs and pricing structure; designs; analyses; formulae; drawings; photographs; reports; computer software, including operating systems, applications, program listings, flow charts, manuals and documentation; databases; accounting and business methods; inventions and new developments and methods, whether patentable or unpatentable and whether or not reduced to practice; all copyrightable works; the customers of any of the Company and its subsidiaries and the Confidential Information of any customer thereof; and all similar and related information in whatever form. Confidential Information will not include any information which (i) was rightfully known by Executive prior to the Employment Term, (ii) is publicly disclosed by law or in response to an order of a court or governmental agency, (iii) becomes publicly available through no fault of Executive or (iv) has been published in a form generally available to the public prior to the date upon which Executive proposes to disclose such information. Information will not be deemed to have been published merely because individual portions of the information have been separately published, but only if all the material features comprising such information have been published in combination.

10. Inventions and Patents. In the event that Executive, as a part of Executive's activities on behalf of the Company, generates, authors or contributes to any invention, new development or method, whether or not patentable and whether or not reduced to practice, any copyrightable work, any trade secret, any other Confidential Information, or any information that gives any of the Company and its subsidiaries an advantage over any competitor, or similar or related developments or information related to the present or future business of any of the Company and its subsidiaries (collectively "Developments and Information"), Executive acknowledges that all Developments and Information are the exclusive property of the Company. Executive hereby assigns to the Company, its nominees, successors or assigns, all rights, title and interest to Developments and Information. Executive will cooperate with the Board to protect the interests of the Company and its subsidiaries in Developments and Information. Executive will execute and file any document related to any Developments and Information requested by the Board including applications, powers of attorney, assignments or other instruments which the Board deems necessary to apply for any patent, copyright or other proprietary right in any and all countries or to convey any right, title or interest therein to any of the Company's nominees, successors or assigns.

11. No Conflicts.

(a) Executive agrees that during the Employment Term, in his individual capacity he will not enter into any agreement, arrangement or understanding, whether written or oral, with any supplier, contractor, distributor, wholesaler, sales representative, representative group or customer, relating to the business of the Company or any of its subsidiaries, without the express written consent of the Board.

(b) As long as Executive is employed by the Company or any of its subsidiaries, Executive agrees that he will not, except as set forth in Section 1, or with the express written consent of the Board, become engaged in, render services for, or permit his name to be used in connection with, any for-profit business other than the business of the Company, any of its

subsidiaries or any corporation or partnership in which the Company or any of its subsidiaries have an equity interest.

12. Non-Competition Agreement.

(a) Executive acknowledges that his services are of a special, unique and extraordinary value to the Company and that he has access to the Company's trade secrets, Confidential Information and strategic plans of the most valuable nature. Accordingly, Executive agrees that for the period of thirty-six (36) months following the Termination Date, Executive will not directly or indirectly own, manage, control, participate in, consult with, render services for, or in any manner engage in any business competing with the businesses of the Company or any of its subsidiaries as such businesses exist or are in process of development on the Termination Date (as evidenced by written proposals, market research or similar materials), including without limitation the publication of periodic research and analysis of the information technology industries. Nothing herein will prohibit Executive from being a passive owner of not more than 1% of the outstanding stock of any class of a corporation that is publicly traded, so long as Executive has no active participation in the business of such corporation.

(b) In addition, for a period of thirty-six (36) months commencing on the Termination Date, Executive will not (i) directly or indirectly induce or attempt to induce any employee of the Company or any subsidiary (other than his own assistant) to leave the employ of the Company or such subsidiary, or in any way interfere with the relationship between the Company or any subsidiary and any employee thereof, (ii) hire directly or through another entity any person who was an employee of the Company or any subsidiary at any time during the then preceding twelve (12) months, provided that Executive may hire any such person who responds to a general advertisement offering employment so long as such person did not have regular contact with Executive in the course of his or her employment with the Company, (iii) directly or indirectly induce or attempt to induce any customer, supplier, licensee or other business relation of the Company or any subsidiary to cease doing business with the Company or such subsidiary, or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and the Company or any subsidiary, or (iv) disparage the Company, its executive officers, or its directors.

(c) Executive agrees that these restrictions on competition and solicitation will be deemed to be a series of separate covenants not-to-compete and a series of separate non-solicitation covenants for each month within the specified periods, separate covenants not-to-compete and non-solicitation covenants for each state within the United States and each country in the world, and separate covenants not-to-compete for each area of competition. If any court of competent jurisdiction will determine any of the foregoing covenants to be unenforceable with respect to the term thereof or the scope of the subject matter or geography covered thereby, such remaining covenants will nonetheless be enforceable by such court against such other party or parties or upon such shorter term or within such lesser scope as may be determined by the court to be enforceable.

(d) Because Executive's services are unique and because Executive has access to Confidential Information and strategic plans of the Company of the most valuable nature, the parties agree that the covenants contained in this Section 12 are necessary to protect the value of

the business of the Company and that a breach of any such covenant would result in irreparable and continuing damage for which there would be no adequate remedy at law. The parties agree therefore that in the event of a breach or threatened breach of this Agreement, the Company or its successors or assigns may, in addition to other rights and remedies existing in their favor, apply to any court of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, the provisions hereof.

13. SEC Compliance. The Company covenants that:

(a) at all times during the Employment Term and the term of any Incentive Awards, if later, the Company will use commercially reasonable efforts to maintain in effect a valid and effective registration statement on Form S-8 filed with the Securities Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Securities Act") covering any outstanding equity awards made to Executive; provided, however, that nothing contained herein shall be deemed to limit the right of the Company, in good faith, to suspend or withdraw such registration so long as the Company thereafter uses commercially reasonable efforts to comply with this provision; and

(b) for so long as Executive holds either Incentive Awards or shares of Common Stock of the Company obtained through the vesting or exercise of an Incentive Award, and until Executive is free to sell all of the shares underlying, relating to or obtained through the vesting or exercise of, Incentive Awards pursuant to Rule 144 promulgated under the Securities Act, in a ninety (90) day period, the Company will include in such Registration Statement on Form S-8 described in clause (i) above a customary reoffer prospectus covering Executive's offer and sale of stock obtained through the vesting or exercise of Incentive Awards in any manner requested by the Executive from time to time.

14. Miscellaneous Provisions.

(a) Notice. Notices and all other communications contemplated by this Agreement will be in writing, will be effective when given, and in any event will be deemed to have been duly given (i) when delivered, if personally delivered, (ii) three (3) business days after deposit in the U.S. mail, if mailed by U.S. registered or certified mail, return receipt requested, or (iii) one (1) business day after the business day of deposit with Federal Express or similar overnight courier, if so delivered, freight prepaid. In the case of Executive, notices will be addressed to him at the home address which he most recently communicated to the Company in writing, provided that a copy of such notice is delivered to the Executive's last known attorneys. In the case of the Company, notices will be addressed to its corporate headquarters, and all notices will be directed to the attention of its Corporate Secretary.

(b) Notice of Termination. Any termination by the Company or Executive will be communicated by a notice of termination to the other party hereto given in accordance with paragraph (a) hereof. Such notice will indicate the specific termination provision in this Agreement relied upon.

(c) Successors.

(i) Company's Successors. Any successor to the Company (whether direct or indirect and whether by purchase, lease, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets will be entitled to assume the rights and will be obligated to assume the obligations of the Company under this Agreement and will agree to perform, in good faith, the Company's obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "Company" will include any successor to the Company's business and/or assets which becomes bound by the terms of this Agreement by operation of law or this Agreement.

(ii) Executive's Successors. The terms of this Agreement and all rights of Executive hereunder will inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

(iii) No Other Assignment of Benefits. Except as provided in this Section 14(c), the rights of any person to payments or benefits under this Agreement will not be made subject to option or assignment, either by voluntary or involuntary assignment or by operation of law, including (without limitation) bankruptcy, garnishment, attachment or other creditor's process, and any action in violation of this Subsection (iii) will be void.

(d) Waiver; Amendment. No provision of this Agreement will be amended, modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized officer of the Company (other than Executive). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party will be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(e) Entire Agreement. This Agreement will supersede any and all prior agreements, representations or understandings (whether oral or written and whether express or implied) between the parties with respect to the subject matter hereof, except for any equity-based incentive award arrangements.

(f) Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision hereof, which will remain in full force and effect.

(g) Arbitration. Any dispute or controversy arising under or in connection with this Agreement will be settled exclusively by arbitration in New York, New York, in accordance with the Employment Arbitration Rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction. No party will be entitled to seek or be awarded punitive damages. All attorneys fees and costs will be allocated or apportioned as agreed by the parties or, in the absence of an agreement, in such manner as the arbitrator or court will determine to be appropriate to reflect the final decision of the deciding body as compared to the initial positions in arbitration of each party. This Agreement will be construed

in accordance with and governed by the laws of the State of New York as they apply to contracts entered into and wholly to be performed within such State by residents thereof.

(h) Withholding of Taxes. All payments made pursuant to this Agreement will be subject to withholding of applicable taxes.

(i) Indemnification. Executive will be covered under the Company's insurance policies and, subject to applicable law, will be provided indemnification to the maximum extent permitted by the Company's bylaws and Certificate of Incorporation, with such insurance coverage and indemnification to be in accordance with the Company's standard practices for senior executive officers but on terms no less favorable than provided to any other Company senior executive officer or director.

(j) Compliance with Company Policies. During the Employment Term, Executive will comply with all Company policies generally applicable to the Company's executive officers.

(k) Legal Fees. The Company will pay directly the reasonable fees and expenses of counsel retained by Executive in connection with the preparation, negotiation and execution of this amended Agreement.

(l) Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[Remainder Of The Page Intentionally Left Blank]

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year first above written.

GARTNER, INC.

By: /s/ James C. Smith
James C. Smith,
Chairman of the Board of Directors

/s/ Eugene A. Hall
EUGENE A. HALL

(Signature Page to Eugene A. Hall Amended and Restated Employment Agreement)

Exhibit A

RELEASE AGREEMENT

This Release Agreement (the "Agreement") is made by and between Eugene A. Hall ("Executive") and Gartner, Inc. ("Company") (jointly referred to as the "Parties").

NOW THEREFORE, in consideration of the promises made herein, the Parties hereby agree as follows:

1. Consideration. The Company agrees to provide Executive with the consideration set forth in the Employment Agreement between Executive and the Company dated effective March __, 2016 (the "Employment Agreement"). No consideration shall be due or payable to Executive by the Company until the Effective Date of this Agreement, as that term is defined below.

2. Payment of Salary. Executive acknowledges and represents that the Company has paid all salary, wages, bonuses, accrued vacation, interest, severance, stock, stock options, vesting, fees, business expenses, and any and all benefits and compensation due to Executive, with the exception of the consideration provided for in this Agreement.

3. Release of Claims. Executive agrees that the foregoing consideration represents settlement in full of all outstanding obligations owed to Executive by the Company and its current and former: officers, directors, employees, agents, investors, attorneys, shareholders, administrators, affiliates, divisions, subsidiaries, predecessor and successor corporations and assigns (the "Releasees"). Executive, on his own behalf, and on behalf of his respective heirs, family members, executors, agents, and assigns, hereby fully and forever releases the Company and the other Releasees from, and agrees not to sue concerning, any claim, duty, obligation or cause of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Executive may possess arising from any omissions, acts or facts that have occurred up until and including the Effective Date of this Agreement including, without limitation:

(a) any and all claims relating to or arising from Executive's employment with the Company or the termination of that employment;

(b) any and all claims relating to, or arising from, Executive's right to purchase, or actual purchase of, shares of Company stock, including, but not limited to, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law;

(c) any and all claims under the law of any jurisdiction, including, but not limited to, wrongful discharge of employment; constructive discharge from employment; termination in violation of public policy; discrimination; breach of contract, both express and implied; breach of a covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic

advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; and conversion;

(d) any and all claims for violation of any federal, state or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Americans with Disabilities Act of 1990; the Fair Labor Standards Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; the Fair Credit Reporting Act; the Sarbanes Oxley Act; the Connecticut Fair Employment Practices Act; the Connecticut Human Rights and Opportunities Law; and the Connecticut General Statute Title 31;

(e) any and all claims for violation of the federal, or any state, constitution;

(f) any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

(g) any claim for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Executive as a result of this Agreement; and

(h) any and all claims for attorney fees and costs.

The Company and Executive agree that the release set forth in this section shall be and remain in effect in all respects as a complete general release as to the matters released. This release does not extend to (a) any obligations incurred under this Agreement, including, without limitation, the obligation to provide the consideration referenced in Section 1, (b) payment of accrued benefits under an employee benefit plan, to the extent and in the manner prescribed by the plan documents; (c) the election of continued healthcare coverage under an employee health plan pursuant to COBRA; (d) the application for and/or receipt of unemployment benefits to the extent eligible; (e) the receipt of indemnification under the Company's charter, bylaws or other organizational documents of the Company, or (f) any claims for benefits under the Director & Officer insurance of the Company.

4. Acknowledgement of Waiver of Claims Under ADEA. Executive acknowledges that he is waiving and releasing any rights he may have under the Age Discrimination in Employment Act of 1967 ("ADEA") and that this waiver and release is knowing and voluntary. Executive and the Company agree that this waiver and release does not apply to any rights or claims that may arise under the ADEA after the Effective Date of this Agreement. Executive acknowledges that the consideration given for this waiver and release Agreement is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that he has been advised by this writing that:

(a) he should consult with an attorney prior to executing this Agreement;

(b) he has twenty-one (21) calendar days within which to consider this Agreement;

(c) he has seven (7) calendar days following his execution of this Agreement to revoke this Agreement;

(d) this ADEA waiver shall not be effective until the revocation period has expired; and,

(e) nothing in this Agreement prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties or costs for doing so, unless specifically authorized by federal law.

ANY REVOCATION SHOULD BE IN WRITING AND DELIVERED TO LEWIS G. SCHWARTZ, AT 56 TOP GALLANT ROAD, STAMFORD, CT 06904 ON OR BEFORE 11:59 P.M. ON THE SEVENTH DAY AFTER EXECUTIVE'S EXECUTION OF THIS AGREEMENT.

5. No Pending or Future Lawsuits. Executive represents that he has no lawsuits, claims, or actions pending in his name, or on behalf of any other person or entity, against the Company or any of the other Releasees. Executive also represents that he does not intend to bring any claims on his own behalf or on behalf of any other person or entity against any of the Releasees.

6. No Assistance. Executive agrees that he will not knowingly counsel or assist any attorneys or their clients in the presentation or prosecution of any disputes, differences, grievances, claims, charges, or complaints by any third party against any of the Releasees, unless under a subpoena or other court order to do so. Executive agrees both to immediately notify the Company upon receipt of any such subpoena or court order, and to furnish, within three (3) business days of its receipt, a copy of such subpoena or court order to the Company. If approached by anyone for counsel or assistance in the presentation or prosecution of any disputes, differences, grievances, claims, charges, or complaints against any of the Releasees, Executive shall state no more than that he cannot provide counsel or assistance.

7. Breach. Executive acknowledges and agrees that any breach of any provision of this Agreement by Executive shall constitute a material breach of this Agreement and shall entitle the Company immediately to recover the consideration provided to Executive under this Agreement.

8. Non-Disparagement. The Parties agree to refrain from (i) any defamation, libel or slander, or (ii) tortious interference with the contracts and relationships, in either case, of the other Party (and, in the case of Executive, the Releasees as well).

9. No Admission of Liability. The Parties understand and acknowledge that this Agreement constitutes a compromise and settlement of potential claims. No action taken by the Parties, previously or in connection with this Agreement, shall be construed to be: (a) an admission of the truth or falsity of any claims made, or (b) an admission by either party of any fault or liability whatsoever to the other party or to any third party.

10. No Representations. Each party represents that it has had the opportunity to consult with an attorney, and has carefully read and understands the scope and effect of the provisions of

this Agreement. Neither party has relied upon any representations or statements made by the other party hereto which are not specifically set forth in this Agreement.

11. Severability. In the event that any provision in this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Agreement shall continue in full force and effect without said provision so long as the remaining provisions remain intelligible and continue to reflect the original intent of the Parties.

12. Entire Agreement. This Agreement represents the entire agreement and understanding between the Company and Executive concerning the subject matter of this Agreement, and supersedes and replaces any and all prior agreements and understandings between the Parties concerning the subject matter of this Agreement.

13. No Oral Modification. Any modification or amendment of this Agreement, or additional obligation assumed by either party in connection with this Agreement, shall be effective only if placed in writing and signed by both Parties or their authorized representatives.

14. Attorneys' Fees. In the event that either Party brings an action to enforce or effect its rights under this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including the costs of mediation, arbitration, litigation, court fees, plus reasonable attorneys' fees incurred in connection with such an action.

15. Governing Law. This Agreement shall be governed by the laws of the State of New York, without regard for choice of law provisions.

16. Effective Date. This Agreement will become effective on the eighth day after it has been signed by both Parties (the "Effective Date"), provided that Employee has not revoked the Agreement before that date. This Agreement shall become effective or enforceable, and the consideration provided herein shall not be payable, until the Effective Date.

17. Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as an original and shall constitute an effective, binding agreement on the part of each of the undersigned.

18. Voluntary Execution of Agreement. This Agreement is executed voluntarily and with the full intent of releasing all claims, and without any duress or undue influence by any of the Parties. The Parties acknowledge that:

(a) They have read this Agreement;

(b) They have been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of their own choice or that they have voluntarily declined to seek such counsel;

(c) They understand the terms and consequences of this Agreement and of the releases it contains; and

(d) They are fully aware of the legal and binding effect of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates set forth below.

Dated:	3/19/16	By:	/s/ James C. Smith For Gartner, Inc.
Dated:	3/19/16	By:	/s/ Eugene A. Hall Eugene A. Hall

Exhibit 31.1

CERTIFICATION

I, Eugene A. Hall, certify that:

(1) I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, of Gartner, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d -15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 5, 2016

/s/ Eugene A. Hall

Eugene A. Hall
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Craig W. Safian, certify that:

(1) I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, of Gartner, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d -15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 5, 2016

/s/ Craig W. Safian

Craig W. Safian
Chief Financial Officer

Exhibit 32

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Gartner, Inc. (the “Company”) on Form 10-Q for the quarter ended March 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), as Chief Executive Officer of the Company and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Eugene A. Hall

Name: Eugene A. Hall
Title: Chief Executive Officer
Date: May 5, 2016

/s/ Craig W. Safian

Name: Craig W. Safian
Title: Chief Financial Officer
Date: May 5, 2016

A signed original of this written statement required by Section 906 has been provided to Gartner, Inc. and will be retained by Gartner, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.