

# Fourth Quarter 2021 Results

February 8, 2022

# Forward Looking Statement and Explanatory Note

Statements contained in this presentation regarding the growth and prospects of the business, the Company's projected 2022 financial results, long-term objectives and all other statements in this presentation other than recitation of historical facts are forward looking statements within the meaning of Section 27A of the Securities Exchange Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward looking statements involve known and unknown risks, estimates, uncertainties and other factors, which are currently, or in the future could be, amplified by the COVID-19 pandemic. Consequently, actual results may differ materially from those expressed or implied thereby.

Factors that could cause actual results to differ materially include, but are not limited to, uncertainty of the magnitude, duration, geographic reach and impact on the global economy of the COVID-19 pandemic; the current, and uncertain future, impact of the COVID-19 pandemic, including the impact of the Delta, Omicron and other new variants, and governments' responses to it on our business, growth, reputation, projections, prospects, financial condition, operations, cash flows, and liquidity; the adequacy or effectiveness of steps we take to respond to the crisis; our ability to recover potential claims under our event cancellation insurance; the timing of conferences and meetings, in particular our Gartner Symposium/Xpo series that normally occurs during the fourth quarter, as well as the timing of our return to in-person conferences and meetings and willingness of participants to attend; our ability to achieve and effectively manage growth, including our ability to integrate our acquisitions and consummate and integrate future acquisitions; our ability to pay our debt obligations; our ability to maintain and expand our products and services; our ability to expand or retain our customer base; our ability to grow or sustain revenue from individual customers; our ability to attract and retain a professional staff of research analysts and consultants as well as experienced sales personnel upon whom we are dependent, especially in light of recent labor shortages; our ability to achieve continued customer renewals and achieve new contract value, backlog and deferred revenue growth in light of competitive pressures; our ability to carry out our strategic initiatives and manage associated costs; our ability to successfully compete with existing competitors and potential new competitors; our ability to enforce and protect our intellectual property rights; additional risks associated with international operations, including foreign currency fluctuations; the U.K.'s exit from the European Union and its impact on our results; the impact of restructuring and other charges on our businesses and operations; cybersecurity incidents; general economic conditions; changes in macroeconomic and market conditions and market volatility (including developments and volatility arising from the COVID-19 pandemic), including interest rates and the effect on the credit markets and access to capital; risks associated with the creditworthiness, budget cuts, and shutdown of governments and agencies; the impact of changes in tax policy and heightened scrutiny from various taxing authorities globally; uncertainty from the discontinuance of LIBOR and transition to any other interest rate benchmark; changes to laws and regulations; and other risks and uncertainties described under "Risk Factors" in our most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Non-GAAP financial measures such as Adj. EBITDA, Adj. EBITDA Margin, Adj. Net Income, Adj. EPS and Free Cash Flow, as included in this presentation, are supplemental measures that are not calculated in accordance with U.S. GAAP. Definitions of these measures and reconciliations to the most-directly comparable GAAP measures are included in the appendix.

**Unless otherwise indicated, or the content otherwise requires, all percentages indicated in this presentation are year-over-year growth rates.**

The Company's SEC filings can be found on Gartner's website at [investor.gartner.com](http://investor.gartner.com) and on the SEC's website at [www.sec.gov](http://www.sec.gov). Forward looking statements included herein speak only as of February 8, 2022 and the Company disclaims any obligation to revise or update such statements to reflect events or circumstances after this date or to reflect the occurrence of unanticipated events or circumstances, except as required by applicable law or regulation.

Some totals may not add due to rounding.

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# 4Q 2021 Growth and Financial Results

Total Contract Value

**16.0%**    \$4.2B

Consolidated Revenue

**17.4%**    \$1,306M

FX Neutral: 17.9%

69.4% Contribution margin

Research Revenue

**16.8%**    \$1,081M

FX Neutral: 17.2%

74.1% Contribution margin

Free Cash Flow

**\$214M**

Global Technology Sales (GTS)

**14.1%**    \$3.4B

Adj. EBITDA

**25.3%**    \$307M

FX Neutral: 25.9%

23.5% Adj. EBITDA margin

Conferences Revenue

**14.8%**    \$107M

FX Neutral: 15.6%

61.5% Contribution margin

Share Repurchases

**\$217M**

Global Business Sales (GBS)

**23.9%**    \$0.9B

Adj. EPS

**\$2.99**

Growth: 88.1%

Consulting Revenue

**25.5%**    \$118M

FX Neutral: 26.7%

39.0% Contribution margin

% increases above are  
FX Neutral at 2021 rates

Medium Term Guidance (unchanged)

Research

12 - 16%

Conferences

5 - 10%

Consulting

3 - 8%

Revenue

≥ 10%

EBITDA

≥ Revenue  
Growth

EPS

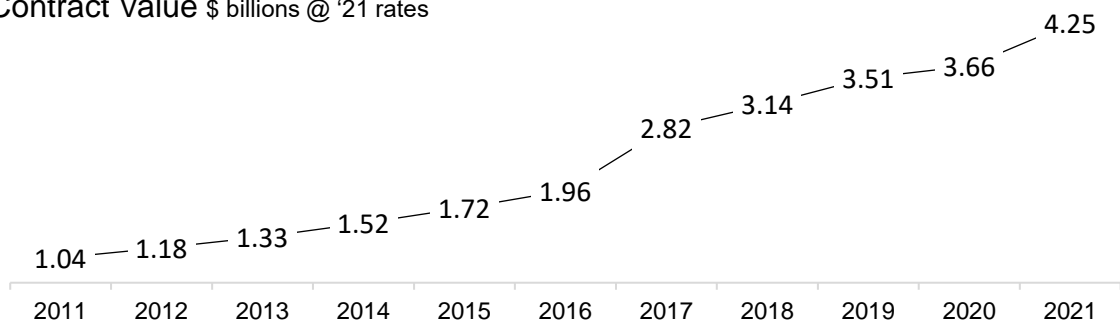
≥ EBITDA  
Growth

Free Cash Flow

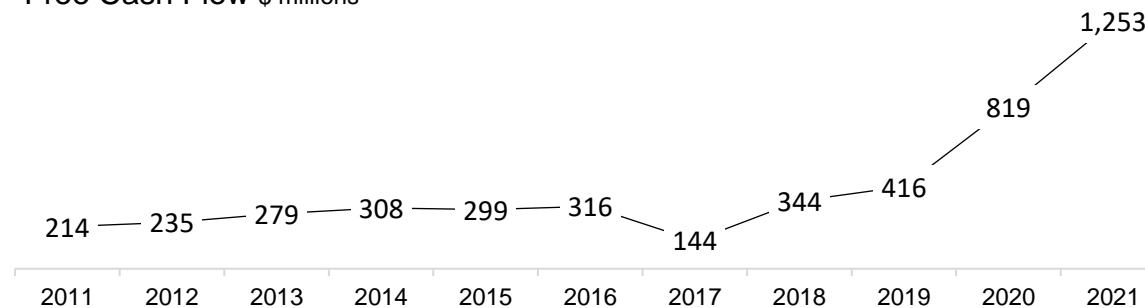
≥ EBITDA  
Growth

# Consolidated Financial Summary

Contract Value \$ billions @ '21 rates



Free Cash Flow \$ millions



\$ and shares in millions  
except per share amounts

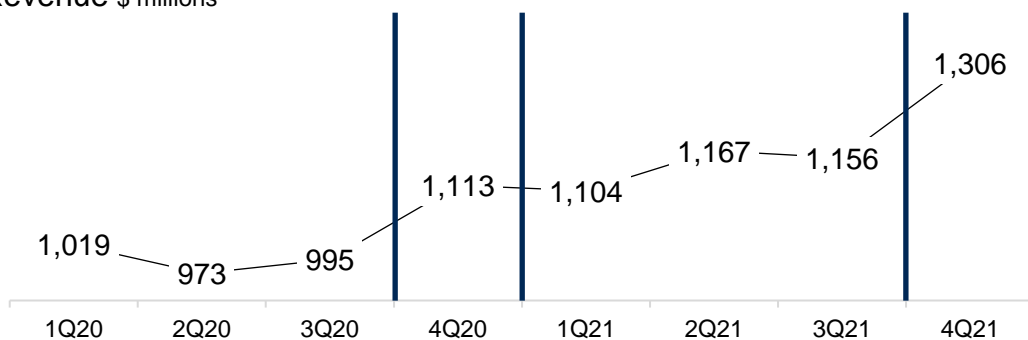
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	2020	2021
Revenue	1,019	973	995	1,113	1,104	1,167	1,156	1,306	4,099	4,734
YY Growth	5.0%	-9.1%	-0.6%	-7.5%	8.4%	20.0%	16.3%	17.4%	-3.4%	15.5%
Contribution	678	651	665	761	770	817	797	907	2,754	3,290
Contribution Margin	66.5%	66.9%	66.8%	68.4%	69.7%	69.9%	68.9%	69.4%	67.2%	69.5%
Adj. EBITDA	214	192	168	245	320	355	305	307	818	1,288
YY Growth	50.8%	4.0%	20.0%	12.5%	50.0%	84.9%	82.3%	25.3%	19.7%	57.4%
Adj. EBITDA Margin	21.0%	19.7%	16.8%	22.0%	29.0%	30.4%	26.4%	23.5%	20.0%	27.2%
Adj. EPS	1.20	1.20	0.91	1.59	2.00	2.24	2.03	2.99	4.89	9.22
YY Growth	106.9%	-17.5%	30.3%	34.4%	66.7%	86.7%	123.1%	88.1%	25.2%	88.5%
Free Cash Flow	31	322	229	237	145	563	331	214	819	1,253
LTM Free Cash Flow	432	566	612	819	933	1,174	1,276	1,253	819	1,253
YY Growth	15.3%	37.6%	65.3%	96.8%	115.9%	107.5%	108.7%	52.9%	96.8%	52.9%
Avg. Diluted Shares	90.1	89.8	90.0	90.1	89.1	86.6	84.8	83.8	90.0	86.2

Note: Consolidated contribution includes segment contribution and \$6 million of cost of services and product development – unallocated in 4Q21. The unallocated amounts consist of certain bonus and fringe costs recorded in consolidated Cost of services and product development that are not allocated to segment expense.

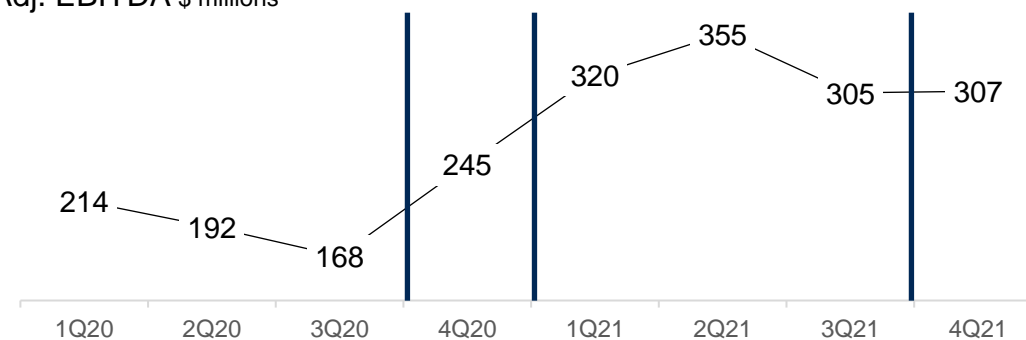
Free Cash Flow includes \$150 million in 2Q21 and \$17 million in 4Q21 of proceeds related to 2020 event cancellation insurance claims.

# Normalized P&L (Non-GAAP)

Revenue \$ millions



Adj. EBITDA \$ millions

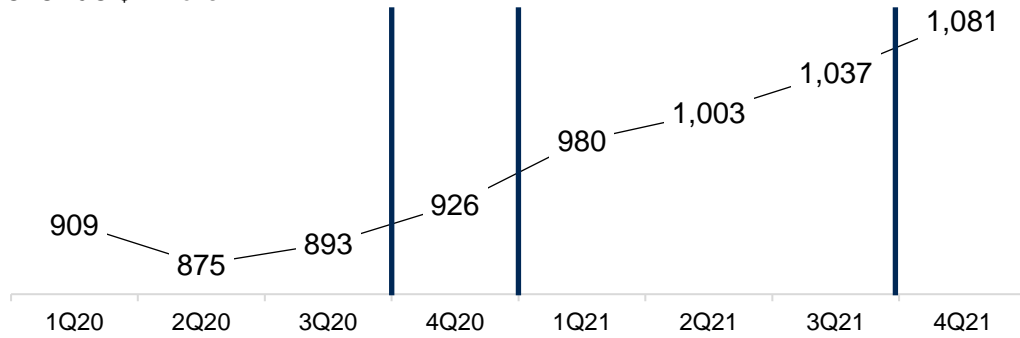


\$ in millions except per share amounts	2020				2021				2020	2021
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21		
Revenue	1,019	973	995	1,113	1,104	1,167	1,156	1,306	4,099	4,734
Less Cost of Services	<u>341</u>	<u>323</u>	<u>330</u>	<u>351</u>	<u>334</u>	<u>351</u>	<u>359</u>	<u>400</u>	<u>1,345</u>	<u>1,444</u>
Contribution	678	651	665	761	770	817	797	907	2,754	3,290
Less SG&A	497	495	522	526	487	488	513	667	2,039	2,156
Plus Equity Comp	25	16	16	6	36	26	19	17	63	99
Plus Other Adjustments*	<u>7</u>	<u>21</u>	<u>8</u>	<u>3</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>50</u>	<u>39</u>	<u>54</u>
Adj. EBITDA	214	192	168	245	320	355	305	307	818	1,288
Less Equity Comp	25	16	16	6	36	26	19	17	63	99
Less Depreciation	23	23	23	26	26	26	25	26	94	103
Less Non-GAAP Interest, net	25	27	29	25	25	26	30	30	105	112
Less Other Expense (Income)	<u>2</u>	<u>0</u>	<u>-2</u>	<u>-4</u>	<u>0</u>	<u>0</u>	<u>-1</u>	<u>0</u>	<u>-6</u>	<u>-2</u>
Adjusted Pre-tax Income	140	127	102	191	233	277	230	232	559	971
Less Adjusted Tax	<u>31</u>	<u>19</u>	<u>20</u>	<u>48</u>	<u>55</u>	<u>83</u>	<u>58</u>	<u>-19</u>	<u>120</u>	<u>176</u>
Adjusted Net Income	108	107	82	143	178	194	172	251	440	795
Adj. EPS	1.20	1.20	0.91	1.59	2.00	2.24	2.03	2.99	4.89	9.22

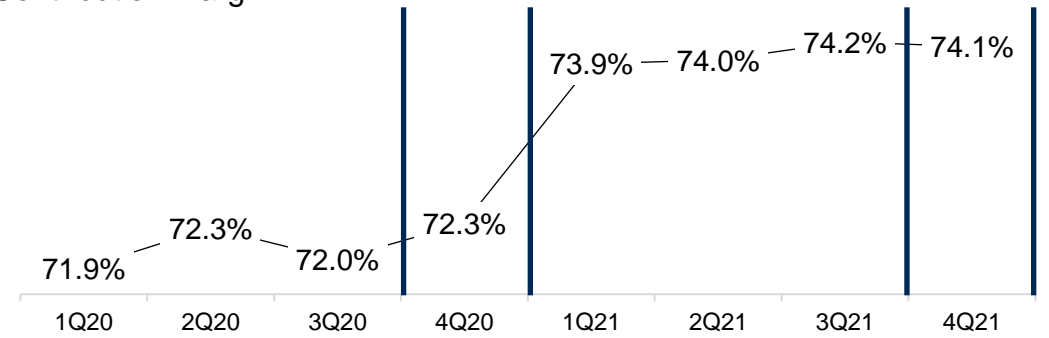
\* Consists of incremental and directly-related charges related to acquisitions, impairment loss for lease related assets, facility-related exit costs, workforce reductions and other non-recurring items.

# Research Segment

Revenue \$ millions



Contribution Margin

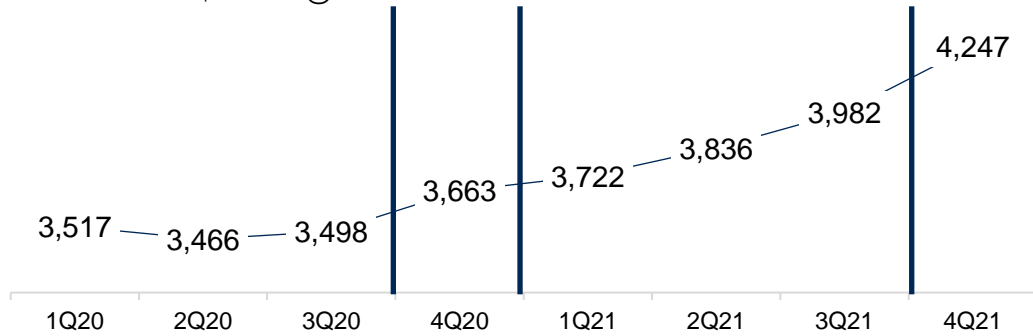


\$ millions	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	2020	2021
Revenue	909	875	893	926	980	1,003	1,037	1,081	3,603	4,101
YY Growth	10.2%	6.0%	6.2%	4.9%	7.7%	14.6%	16.2%	16.8%	6.8%	13.8%
Contribution	653	633	642	669	724	742	769	801	2,598	3,037
Contribution Margin	71.9%	72.3%	72.0%	72.3%	73.9%	74.0%	74.2%	74.1%	72.1%	74.0%
Subscription Revenue	829	811	824	850	894	917	944	986	3,313	3,741
YY Growth	10.2%	7.5%	7.0%	5.3%	7.8%	13.1%	14.6%	16.0%	7.4%	12.9%
Non-subscription Revenue	80	65	69	76	86	86	93	96	290	361
YY Growth	10.3%	-9.8%	-3.1%	1.2%	7.0%	33.5%	34.5%	26.1%	-0.3%	24.5%

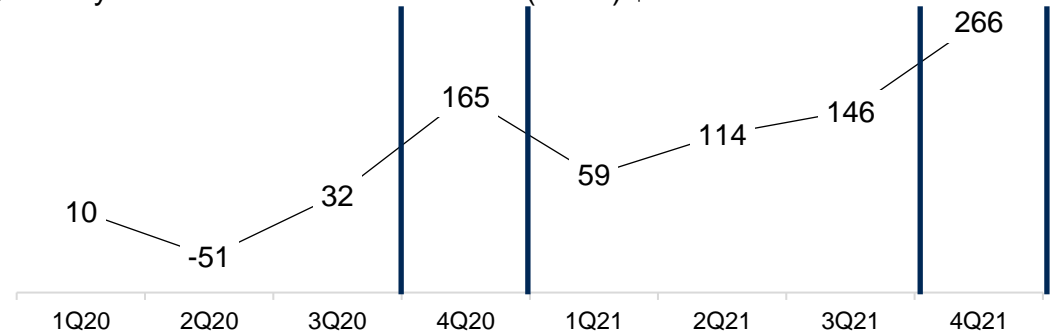
# Research: Total Sales

See pp 14 – 15 for GTS and GBS metrics

Contract Value \$ millions @ '21 rates



Quarterly Net Contract Value Increase (NCVI) \$ millions



\$ millions	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	2020	2021
Contract Value	3,517	3,466	3,498	3,663	3,722	3,836	3,982	4,247	3,663	4,247
Contract Value FX Neutral Growth	10.5%	7.0%	5.2%	4.4%	5.8%	10.7%	13.8%	16.0%	4.4%	16.0%
Net Contract Value Increase (NCVI)	333	226	173	156	205	370	484	584	156	584
Quota Bearing Head Count	4,058	3,923	3,935	3,935	3,859	3,864	3,897	4,006	3,935	4,006
YY Growth	3.6%	-4.9%	-7.7%	-4.9%	-4.9%	-1.5%	-1.0%	1.8%	-4.9%	1.8%
Productivity (\$ thousands)	85	55	41	38	51	94	123	149	38	149
YY Growth	-9.0%	-39.5%	-54.8%	-59.9%	-40.6%	72.1%	203.3%	294.8%	-59.9%	294.8%
Quarterly Productivity (\$ thousands)	2	-13	8	42	15	29	38	68	38	149
Client Enterprises	15,111	14,493	14,244	14,888	15,091	15,242	15,506	15,982	14,888	15,982
Contract Value / Enterprise (\$ thousands)	233	239	246	246	247	252	257	266	246	266

Note: All numbers are shown at 2021 FX rates where applicable.

NCVI and Productivity are on a rolling twelve month basis. Productivity is NCVI divided by opening period quota-bearing headcount.

Quarterly NCVI and Quarterly Productivity are on a sequential basis. Quarterly Productivity is Quarterly NCVI divided by prior quarter quota-bearing head count. Quarterly NCVI for the full year is the sum of the four quarters, Quarterly Productivity for the full year is calculated as full year NCVI divided by opening period quota-bearing headcount.

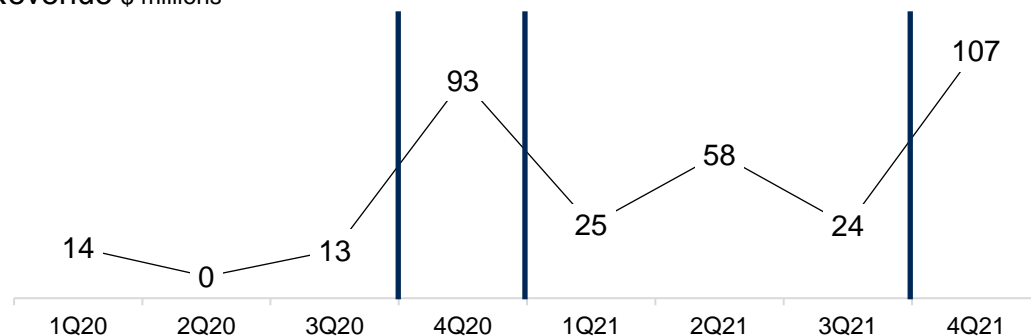
Please see pages 14 and 15 for GTS and GBS metrics. Please see page 16 for appendix with updated numbers at 2022 FX rates.

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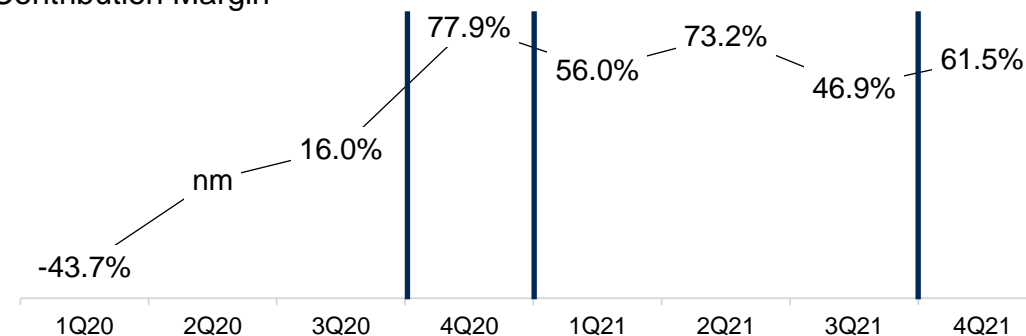


# Conferences Segment

Revenue \$ millions



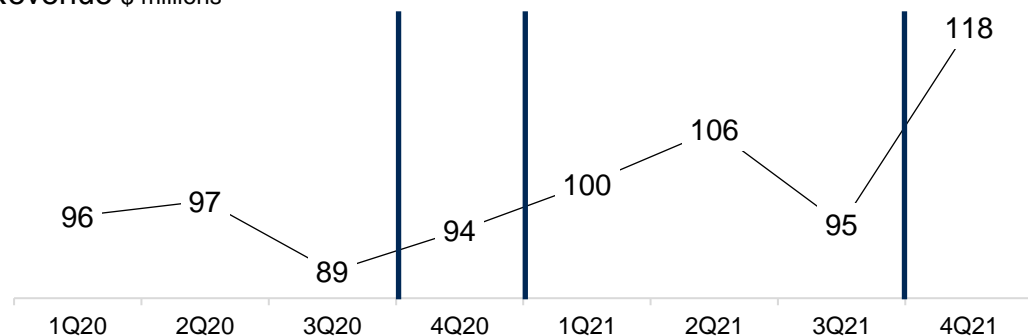
Contribution Margin



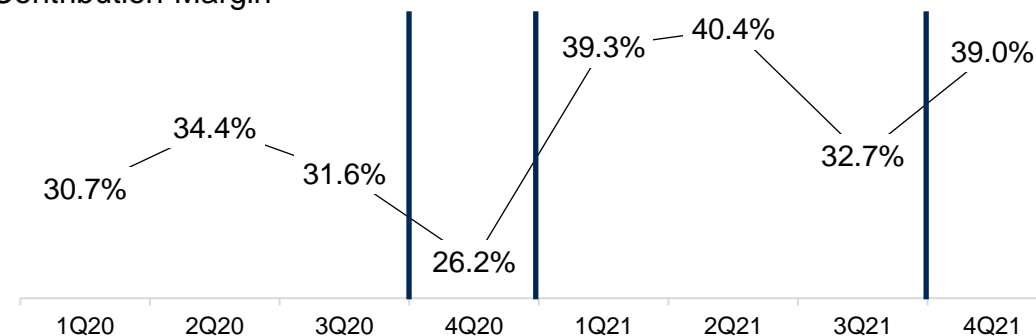
\$ millions	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	2020	2021
Revenue	14	0	13	93	25	58	24	107	120	214
Y/Y Growth	-73.3%	-99.8%	-80.8%	-57.1%	78.8%	nm	91.7%	14.8%	-74.8%	78.5%
Contribution	-6	-11	2	73	14	43	11	66	57	134
Contribution Margin	-43.7%	nm	16.0%	77.9%	56.0%	73.2%	46.9%	61.5%	47.8%	62.4%
Destination Conferences (#)	5	0	2	13	5	13	8	13	20	39
Destination Conference Attendees (#)	3,364	0	2,584	36,325	5,382	15,269	6,472	30,022	42,273	57,145

# Consulting Segment

Revenue \$ millions



Contribution Margin



\$millions	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	2020	2021
Revenue	96	97	89	94	100	106	95	118	376	418
YY Growth	2.8%	-5.9%	-4.4%	-9.5%	3.9%	8.6%	6.3%	25.5%	-4.5%	11.1%
Contribution	29	34	28	25	39	43	31	46	116	159
Contribution Margin	30.7%	34.4%	31.6%	26.2%	39.3%	40.4%	32.7%	39.0%	30.8%	38.0%
Labor Revenue	81	69	74	73	84	86	78	87	297	334
YY Growth	3.2%	-13.2%	-4.6%	-9.7%	3.6%	25.3%	4.8%	19.3%	-6.1%	12.7%
Contract Optimization Revenue	14	29	15	21	15	20	17	31	80	83
YY Growth	1.0%	17.6%	-3.0%	-8.6%	5.9%	-31.0%	13.4%	43.9%	2.5%	4.2%
Backlog	113	102	99	103	116	108	126	117	103	117
YY Growth	2.6%	-10.2%	-11.3%	-13.1%	3.0%	6.7%	26.5%	13.0%	-13.1%	13.0%
Billable Head Count	808	796	737	730	744	740	749	762	768	749
YY Growth	9.3%	3.0%	-9.0%	-10.4%	-7.9%	-7.0%	1.7%	4.3%	-2.1%	-2.5%
Utilization Rate	62.2%	59.3%	60.5%	63.3%	67.7%	70.5%	61.8%	73.3%	61.3%	68.3%
YY Change (bps)	-687	-399	343	301	553	1,115	133	998	-96	702

Note: Backlog is at 2021 FX rates where applicable.

# Capital Structure and Allocation

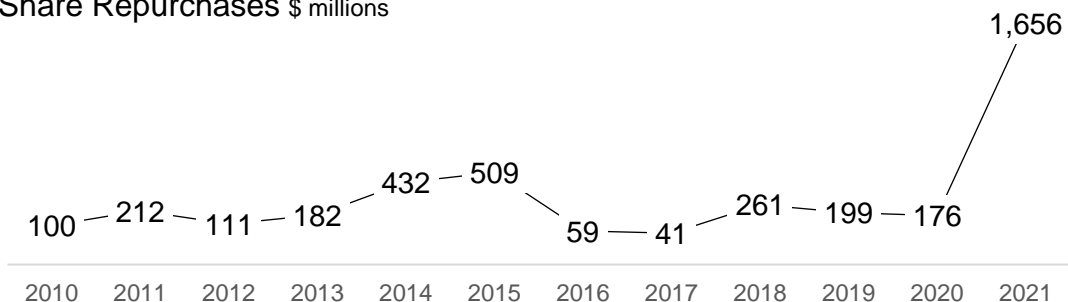
## Capital Structure

- Optimizes financial leverage benefits and financial flexibility
- Target 2-2.5x leverage<sup>1</sup>
- ~\$150M cash is needed to run the business

## Free Cash Flow deployment

- Expect to offset equity dilution
- Opportunistic, price sensitive stock repurchases
- Strategic value-enhancing tuck-in acquisitions
- No current plans for material debt repayments

Share Repurchases \$ millions



~\$1B repurchase authorization remaining as of February 2022

<sup>1</sup> Gross debt/Adjusted trailing twelve month EBITDA.

<sup>2</sup> Floating and total rates reflect LIBOR and spread as of date shown.

<sup>3</sup> As defined in the Company's 2020 Credit Agreement.

\$ billions	12/31/2021	Rate <sup>(2)</sup>	Maturity
Cash	0.8	nm	nm
Revolver	0.0	L + 137.5	2025
TLA	0.3	L + 137.5	2025
2028 Bonds	0.8	4.50%	2028
2029 Bonds	0.6	3.63%	2029
2030 Bonds	0.8	3.75%	2030
<b>Total Debt</b>	<b>2.5</b>	<b>4.84%</b>	
Revolver Unused Capacity	1.0	23 bps	
Interest Rate Swaps	1.4	2.59%	
% Debt With Fixed Rates	100%		

Leverage Ratios	4Q 2021	Bank Covenant
Gross Debt/Adjusted EBITDA	1.9x	na
Net Debt/Adjusted EBITDA	1.3x	na
Consolidated Leverage Ratio <sup>3</sup>	1.4x	≤ 5.0x

Debt Ratings	Corporate Rating	Unsecured Notes
Moody's	Ba2	Ba3
S&P	BB+	BB+

# 2022 Guidance

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

\$ at Reported Rates	Guidance as of February 8, 2022 At Least:
Research Revenue	4,550
Conferences Revenue	200
Consulting Revenue	425
Total Revenue	5,175
Adj. EBITDA	1,035
Adj. EPS	\$6.74
Free Cash Flow	850

Depreciation &  
Amortization

~ 98  
~ 101

Interest  
Expense, net

~ 119 GAAP &  
~ 115 Adj.

Stock-based  
Compensation

~ 99

Effective Tax Rate

~ 22% GAAP  
~ 22% Adj.

Shares

~ 83

Capital  
Expenditures

~ 105

## Guidance Inputs:

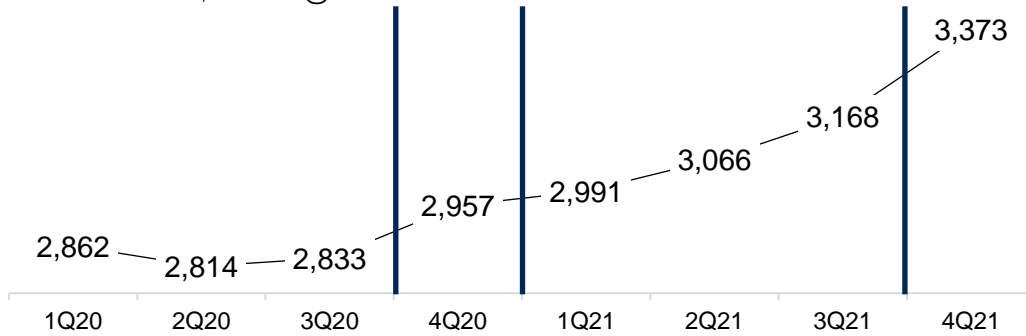
- Conferences guidance is based on being 100% virtual for destination conferences for the full year.
- Growth rates include about 150 bps of FX headwind (early Feb rates).

Adj. Interest Expense, net excludes certain deferred financing fees.

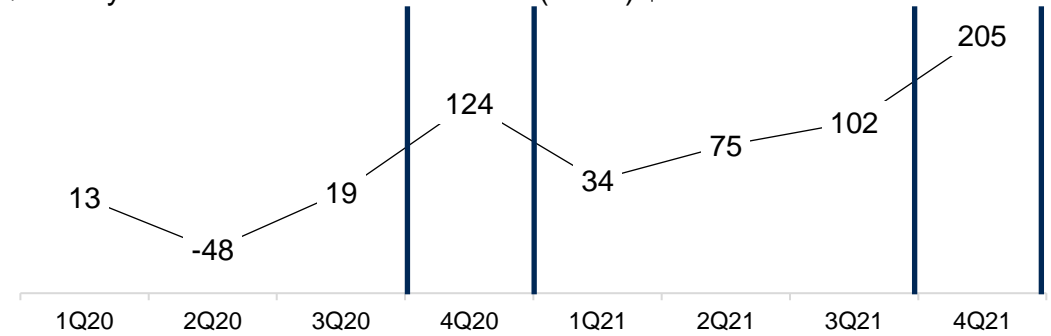
# Appendix

# Research: Global Technology Sales

Contract Value \$ millions @ '21 rates



Quarterly Net Contract Value Increase (NCVI) \$ millions



\$ millions	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	2020	2021
Contract Value	2,862	2,814	2,833	2,957	2,991	3,066	3,168	3,373	2,957	3,373
Contract Value FX Neutral Growth	10.9%	7.1%	5.1%	3.8%	4.5%	9.0%	11.8%	14.1%	3.8%	14.1%
Net Contract Value Increase (NCVI)	282	185	138	108	129	252	335	416	108	416
Quota Bearing Head Count	3,196	3,089	3,092	3,089	2,992	2,979	2,988	3,072	3,089	3,072
YY Growth	4.8%	-3.7%	-7.8%	-5.4%	-6.4%	-3.6%	-3.4%	-0.6%	-5.4%	-0.6%
Productivity (\$ thousands)	93	58	41	33	40	82	108	135	33	135
YY Growth	-21.5%	-48.4%	-61.3%	-66.9%	-56.4%	41.1%	164.1%	307.0%	-66.9%	307.0%
Client Enterprises	12,826	12,381	12,296	13,029	13,256	13,450	13,689	14,149	13,029	14,149
Contract Value / Enterprise (\$ thousands)	223	227	230	227	226	228	231	238	227	238
Wallet Retention	103.5%	100.2%	98.7%	98.0%	97.9%	101.3%	103.6%	105.8%	98.0%	105.8%
Client Retention	81.7%	79.6%	80.1%	82.7%	83.0%	84.6%	85.3%	85.8%	82.7%	85.8%

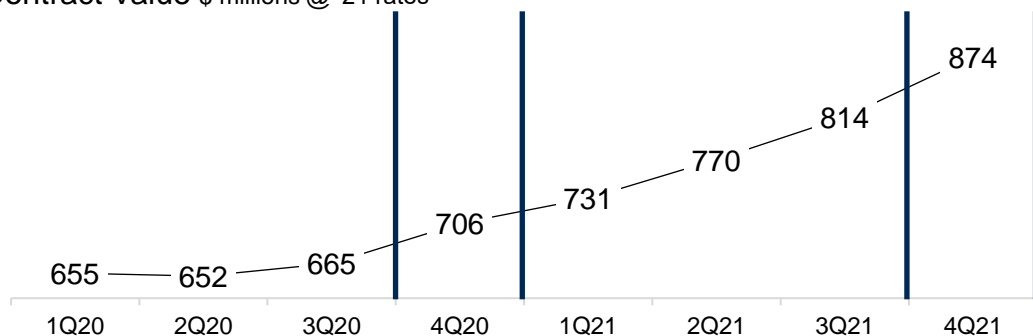
Note: All numbers are shown at 2021 FX rates where applicable. Enterprises that are clients of both GTS and GBS appear in both counts.

NCVI and Productivity are on a rolling twelve month basis. Productivity is NCVI divided by opening period quota-bearing headcount. Quarterly NCVI is on a sequential basis. Quarterly NCVI for the full year is the sum of the four quarters.

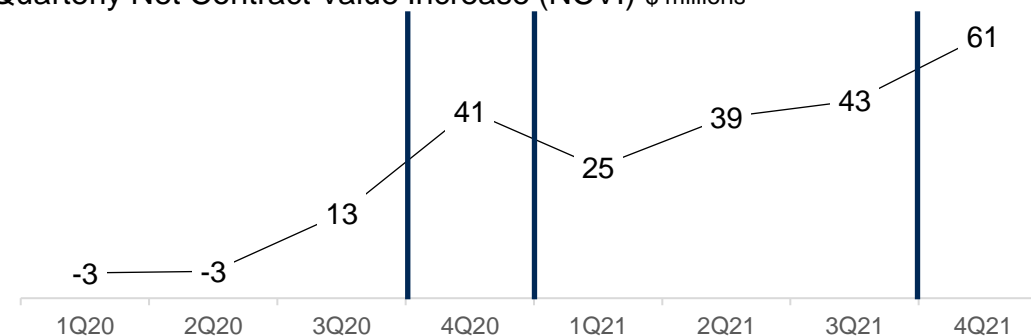
Please see page 16 for appendix with updated numbers at 2022 FX rates.

# Research: Global Business Sales

Contract Value \$ millions @ '21 rates



Quarterly Net Contract Value Increase (NCVI) \$ millions



\$ millions	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	2020	2021
Contract Value	655	652	665	706	731	770	814	874	706	874
Contract Value FX Neutral Growth	8.5%	6.6%	5.6%	7.2%	11.6%	18.1%	22.3%	23.9%	7.2%	23.9%
Net Contract Value Increase (NCVI)	51	41	35	48	76	118	148	169	48	169
Quota Bearing Head Count	862	834	843	846	867	885	909	934	846	934
YY Growth	-0.7%	-9.2%	-7.4%	-2.6%	0.6%	6.1%	7.8%	10.4%	-2.6%	10.4%
Productivity (\$ thousands)	59	44	39	55	88	141	176	199	55	199
YY Growth	na	334.5%	44.5%	-21.9%	50.0%	219.7%	356.3%	264.5%	-21.9%	264.5%
Client Enterprises	5,025	4,789	4,669	4,692	4,728	4,749	4,830	4,908	4,692	4,908
Contract Value / Enterprise (\$ thousands)	130	136	142	150	155	162	168	178	150	178
Wallet Retention	101.1%	100.0%	98.9%	100.9%	104.5%	109.6%	112.9%	114.5%	100.9%	114.5%
Client Retention	83.0%	82.5%	82.3%	82.9%	83.8%	85.1%	86.0%	86.8%	82.9%	86.8%

Note: All numbers are shown at 2021 FX rates where applicable. Enterprises that are clients of both GTS and GBS appear in both counts.

NCVI and Productivity are on a rolling twelve month basis. Productivity is NCVI divided by opening period quota-bearing headcount. Quarterly NCVI is on a sequential basis. Quarterly NCVI for the full year is the sum of the four quarters.

Please see page 16 for appendix with updated numbers at 2022 FX rates.

# Contract Value at 2022 FX Rates

\$ millions

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
Total Contract Value	3,447	3,397	3,429	3,591	3,649	3,761	3,905	4,165
Contract Value FX Neutral Growth	10.3%	6.9%	5.2%	4.5%	5.9%	10.7%	13.9%	16.0%
Net Contract Value Increase (NCVI)	323	219	169	153	202	365	476	575
Productivity (\$ thousands)	83	53	40	37	50	93	121	146
Y/Y Growth	na	na	na	na	-39.6%	74.8%	205.6%	294.5%
Contract Value / Enterprise (\$ thousands)	228	234	241	241	242	247	252	261
<b>GTS Contract Value</b>	<b>2,800</b>	<b>2,753</b>	<b>2,772</b>	<b>2,893</b>	<b>2,927</b>	<b>3,000</b>	<b>3,101</b>	<b>3,301</b>
Contract Value FX Neutral Growth	10.8%	7.0%	5.1%	3.8%	4.5%	9.0%	11.9%	14.1%
Net Contract Value Increase (NCVI)	274	180	134	106	126	248	329	408
Productivity (\$ thousands)	90	56	40	32	40	80	106	132
Y/Y Growth	na	na	na	na	-55.9%	43.3%	166.1%	308.5%
Contract Value / Enterprise (\$ thousands)	218	222	225	222	221	223	227	233
<b>GBS Contract Value</b>	<b>647</b>	<b>644</b>	<b>657</b>	<b>698</b>	<b>723</b>	<b>761</b>	<b>804</b>	<b>865</b>
Contract Value FX Neutral Growth	8.3%	6.6%	5.6%	7.3%	11.7%	18.1%	22.4%	24.0%
Net Contract Value Increase (NCVI)	50	40	35	48	76	117	147	167
Productivity (\$ thousands)	57	43	38	55	88	140	175	198
Y/Y Growth	na	na	na	na	53.7%	223.2%	357.2%	260.5%
Contract Value / Enterprise (\$ thousands)	129	135	141	149	153	160	167	176



# Definitions

**Adjusted EBITDA and Adjusted EBITDA Margin:** Represents GAAP net income (loss) adjusted for: (i) interest expense, net; (ii) tax provision (benefit); (iii) loss on extinguishment of debt, as applicable; (iv) gain on event cancellation insurance claims, as applicable; (v) other (income) expense, net; (vi) stock-based compensation expense; (vii) depreciation, amortization, and accretion; (viii) loss on impairment of lease related assets, net, as applicable; and (ix) acquisition and integration charges and certain other non-recurring items. Adjusted EBITDA Margin represents Adjusted EBITDA divided by GAAP Revenue. We believe Adjusted EBITDA and Adjusted EBITDA Margin are important measures of our recurring operations as they exclude items not representative of our core operating results.

**Adjusted Net Income:** Represents GAAP net income (loss) adjusted for the impact of certain items directly related to acquisitions and other non-recurring items. These adjustments include: (i) the amortization of acquired intangibles; (ii) acquisition and integration charges and other non-recurring items; (iii) loss on extinguishment of debt, as applicable; (iv) gain on event cancellation insurance claims, as applicable; (v) loss on impairment of lease related assets, net, as applicable; (vi) the non-cash (gain) loss on de-designated interest rate swaps, as applicable; and (vii) the related tax effect. We believe Adjusted Net Income is an important measure of our recurring operations as it excludes items that may not be indicative of our core operating results.

**Adjusted EPS:** Represents GAAP diluted EPS adjusted for the impact of certain items directly related to acquisitions and other non-recurring items. These adjustments include on a per share basis: (i) the amortization of acquired intangibles; (ii) acquisition and integration charges and other non-recurring items; (iii) loss on extinguishment of debt, as applicable; (iv) gain on event cancellation insurance claims, as applicable; (v) loss on impairment of lease related assets, net, as applicable; (vi) the non-cash (gain) loss on de-designated interest rate swaps, as applicable; and (vii) the related tax effect. We believe Adjusted EPS is an important measure of our recurring operations as it excludes items that may not be indicative of our core operating results.

**Free Cash Flow:** Represents cash provided by operating activities determined in accordance with GAAP less payments for capital expenditures. We believe Free Cash Flow is an important measure of the recurring cash generated by the Company's core operations that may be available to be used to repay debt obligations, repurchase our stock, invest in future growth through new business development activities, or make acquisitions.

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

**Non-GAAP Interest:** Interest expense, net excluding amortization of certain deferred financing fees.

# Definitions of Key Metrics/Calculations

## Segment Research

### Business Measurements

**Total contract value** represents the value attributable to all of our subscription-related contracts. It is calculated as the annualized value of all contracts in effect at a specific point in time, without regard to the duration of the contract. Total contract value primarily includes Research deliverables for which revenue is recognized on a ratable basis, as well as other deliverables (primarily Conferences tickets) for which revenue is recognized when the deliverable is utilized. Comparing contract value year-over-year not only measures the short-term growth of our business, but also signals the long-term health of our Research subscription business since it measures revenue that is highly likely to recur over a multi-year period. Our total contract value consists of Global Technology Sales contract value, which includes sales to users and providers of technology, and Global Business Sales contract value, which includes sales to all other functional leaders.

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

**Wallet retention rate** represents a measure of the amount of contract value we have retained with clients over a twelve-month period. Wallet retention is calculated on a percentage basis by dividing the contract value of our current clients, who were also clients a 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.

## Conferences

**Number of destination conferences** represents the total number of hosted virtual or in-person conferences completed during the period. Single day, local meetings are excluded.

**Number of destination attendees** represents the total number of people who attend virtual or in-person conferences. Single day, local meetings are excluded.

## Consulting

**Consulting backlog** represents future revenue to be derived from in-process consulting and measurement 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.

**4Q 2021  
GAAP  
Financial  
Statements**

# Condensed Consolidated Balance Sheets

	December 31, 2021	December 31, 2020
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 756.5	\$ 712.6
Fees receivable, net	1,365.2	1,241.5
Deferred commissions	380.6	259.8
Prepaid expenses and other current assets	117.8	109.2
<b>Total current assets</b>	<b>2,620.1</b>	<b>2,323.1</b>
Property, equipment and leasehold improvements, net	273.6	336.8
Operating lease right-of-use assets	548.3	647.3
Goodwill	2,951.3	2,945.5
Intangible assets, net	714.4	807.0
Other assets	308.6	256.3
<b>Total Assets</b>	<b>\$ 7,416.3</b>	<b>\$ 7,316.0</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,134.8	\$ 952.4
Deferred revenues	2,238.1	1,974.5
Current portion of long-term debt	5.9	20.5
<b>Total current liabilities</b>	<b>3,378.8</b>	<b>2,947.4</b>
Long-term debt, net of deferred financing fees	2,456.8	1,958.3
Operating lease liabilities	697.8	780.2
Other liabilities	511.9	539.6
<b>Total Liabilities</b>	<b>7,045.3</b>	<b>6,225.5</b>
<b>Total Stockholders' Equity</b>	<b>371.0</b>	<b>1,090.4</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 7,416.3</b>	<b>\$ 7,316.0</b>

(Unaudited; in millions)

# Condensed Consolidated Statements of Operations

	Three Months Ended December 31,	
	2021	2020
Revenues:		
Research	\$ 1,081.3	\$ 925.6
Conferences	107.0	93.2
Consulting	118.0	94.0
Total revenues	1,306.3	1,112.8
Costs and expenses:		
Cost of services and product development	399.6	351.5
Selling, general and administrative	667.4	526.1
Depreciation	25.8	25.9
Amortization of intangibles	25.8	30.4
Acquisition and integration charges	2.3	0.8
Total costs and expenses	1,120.9	934.7
Operating income	185.4	178.1
Interest expense, net	(31.5)	(26.4)
Gain on event cancellation insurance claims	16.8	-
Other income, net	6.4	4.4
Income before income taxes	177.1	156.1
Benefit (provision) for income taxes	(32.3)	36.5
Net income	209.4	119.6
Net income per share:		
Basic	\$ 2.54	\$ 1.34
Diluted	\$ 2.50	\$ 1.33
Weighted average shares outstanding:		
Basic	82.5	89.3
Diluted	83.8	90.1

(Unaudited; in millions, except per share amounts)

# Condensed Consolidated Statements of Cash Flows

	Three Months Ended December 31,	
	2021	2020
<b>Operating activities:</b>		
Net income	\$ 209.4	\$ 119.6
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	51.7	56.4
Stock-based compensation expense	16.9	6.2
Deferred taxes	(42.0)	(46.6)
Loss on impairment of lease related assets, net	49.5	-
Reduction in the carrying amount of operating lease right-of-use assets	19.0	19.0
Amortization and write-off of deferred financing fees	1.1	0.9
Gain on de-designated swaps	(8.1)	(2.6)
Changes in assets and liabilities:		
Fees receivable, net	(402.9)	(269.7)
Deferred commissions	(131.7)	(47.4)
Prepaid expenses and other current assets	2.5	47.0
Other assets	5.7	(5.4)
Deferred revenues	220.5	226.2
Accounts payable and accrued and other liabilities	243.2	157.0
<b>Cash provided by operating activities</b>	<b>234.8</b>	<b>260.4</b>
<b>Investing activities:</b>		
Additions to property, equipment and leasehold improvements	(21.2)	(23.0)
Other	2.4	-
<b>Cash used in investing activities</b>	<b>(18.8)</b>	<b>(23.0)</b>
<b>Financing activities:</b>		
Proceeds from employee stock purchase plan	4.6	4.3
Payments for deferred financing fees	-	(2.2)
Proceeds from revolving credit facility	-	5.0
Payments on borrowings, net	(1.3)	(5.1)
Purchases of treasury stock	(216.7)	(100.2)
<b>Cash used in financing activities</b>	<b>(213.4)</b>	<b>(98.2)</b>
<b>Net increase in cash and cash equivalents and restricted cash</b>	<b>2.6</b>	<b>139.2</b>
<b>Effects of exchange rates on cash and cash equivalents</b>	<b>(11.7)</b>	<b>19.7</b>
<b>Cash and cash equivalents and restricted cash, beginning of period</b>	<b>769.7</b>	<b>553.7</b>
<b>Cash and cash equivalents and restricted cash, end of period</b>	<b>\$ 760.6</b>	<b>\$ 712.6</b>

(Unaudited; in millions)

# **Non-GAAP Reconciliations**

# Non-GAAP Reconciliations

\$ millions

Reconciliation - Net Income to Adjusted EBITDA:	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
<b>Net income</b>	75.1	55.1	17.0	119.6	164.1	271.2	148.8	209.4
Interest expense, net	26.3	30.3	30.6	26.4	26.1	27.4	31.6	31.5
Gain on event cancellation insurance claims <sup>(a)</sup>	-	-	-	-	-	(135.5)	-	(16.8)
Loss on extinguishment of debt <sup>(b)</sup>	-	-	44.8	-	-	-	-	-
Other (income) expense, net	1.5	10.4	(1.9)	(4.4)	(15.5)	3.6	(0.2)	(6.4)
Tax provision (benefit)	21.8	3.9	(2.8)	36.5	50.7	108.0	50.0	(32.3)
Operating income	124.7	99.7	87.7	178.1	225.4	274.7	230.2	185.4
Adjustments:								
Stock-based compensation expense <sup>(c)</sup>	25.1	15.7	15.5	6.2	36.1	26.2	19.4	16.9
Depreciation, accretion, and amortization <sup>(d)</sup>	54.9	54.1	54.3	56.6	56.5	52.2	52.7	51.9
Loss on impairment of lease related assets, net <sup>(e)</sup>	-	-	-	-	-	-	-	49.5
Acquisition and integration charges and other nonrecurring items <sup>(f)</sup>	8.9	22.6	10.1	3.8	2.4	2.1	3.0	2.8
<b>Adjusted EBITDA</b>	213.6	192.1	167.6	244.7	320.4	355.2	305.3	306.5

- (a) Consists of the gain on event cancellation insurance claims for events cancelled in 2020.
- (b) Includes \$30.8 million early redemption premium payment and \$14.0 million write-off of unamortized deferred financing fees related to the early repayment of the 2025 senior notes and the 2016 Credit Agreement.
- (c) Consists of charges for stock-based compensation awards.
- (d) Includes depreciation expense, amortization of intangibles, and accretion on asset retirement obligations.
- (e) Includes impairment loss for lease related assets, net of a reduction in lease liabilities.
- (f) Consists of incremental and directly-related charges related to acquisitions, facility-related exit costs, workforce reductions and other non-recurring items.

## Reconciliation - Cash Provided by Operating Activities to Free Cash Flow:

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Cash provided by operating activities</b>	205.5	255.6	279.8	315.7	346.8	345.6	365.6	254.5	471.2	565.4
Less: cash paid for capital expenditures	(21.7)	(42.0)	(44.3)	(36.5)	(38.5)	(46.1)	(49.9)	(110.8)	(126.9)	(149.0)
Free Cash Flow	183.8	213.6	235.5	279.2	308.3	299.4	315.8	143.8	344.3	416.4

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
<b>Cash provided by operating activities</b>	55.7	343.2	243.9	260.4	157.3	575.3	345.0	234.8
Less: cash paid for capital expenditures	(24.5)	(21.3)	(15.0)	(23.0)	(12.5)	(11.9)	(14.2)	(21.2)
Free Cash Flow	31.2	321.9	228.9	237.3	144.8	563.4	330.8	213.6



# Non-GAAP Reconciliations

In millions except per share amounts

<b>Reconciliation - GAAP Net Income to Adjusted Net Income:</b>	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
<b>GAAP net income</b>	75.1	55.1	17.0	119.6	164.1	271.2	148.8	209.4
Acquisition and other adjustments:								
Amortization of acquired intangibles <sup>(a)</sup>	32.2	31.2	31.2	30.4	30.5	26.2	27.1	25.8
Acquisition and integration charges and other nonrecurring items <sup>(b)</sup>	10.5	26.4	11.9	4.7	3.4	3.1	4.2	4.0
Gain on event cancellation insurance claims <sup>(c)</sup>	-	-	-	-	-	(135.5)	-	(16.8)
Loss on impairment of lease related assets, net <sup>(d)</sup>	-	-	-	-	-	-	-	49.5
Loss on extinguishment of debt <sup>(e)</sup>	-	-	44.8	-	-	-	-	-
Amortization of deferred swap losses from de-designation <sup>(f)</sup>	-	10.3	-	-	-	-	-	-
Loss (gain) on de-designated interest rate swaps <sup>(g)</sup>	-	-	0.5	(2.6)	(15.8)	4.0	(0.4)	(8.1)
Tax impact of adjustments	(9.6)	(15.5)	(23.3)	(9.2)	(4.0)	25.1	(7.8)	(13.2)
Adjusted net income	108.2	107.5	82.0	142.9	178.2	194.0	171.8	250.7
Diluted shares	90.1	89.8	90.0	90.1	89.1	86.6	84.8	83.8
<b>Adjusted EPS</b>	1.20	1.20	0.91	1.59	2.00	2.24	2.03	2.99

## Reconciliation - GAAP Net Income per share to Adjusted Net Income per share:

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
<b>GAAP net income per share</b>	0.83	0.61	0.19	1.33	1.84	3.13	1.76	2.50
Acquisition and other adjustments:								
Amortization of acquired intangibles <sup>(a)</sup>	0.36	0.35	0.35	0.34	0.34	0.30	0.32	0.31
Acquisition and integration charges and other nonrecurring items <sup>(b)</sup>	0.12	0.29	0.13	0.05	0.04	0.04	0.05	0.05
Gain on event cancellation insurance claims <sup>(c)</sup>	-	-	-	-	-	(1.57)	-	(0.20)
Loss on impairment of lease related assets, net <sup>(d)</sup>	-	-	-	-	-	-	-	0.59
Loss on extinguishment of debt <sup>(e)</sup>	-	-	0.50	-	-	-	-	-
Amortization of deferred swap losses from de-designation <sup>(f)</sup>	-	0.11	-	-	-	-	-	-
Loss (gain) on de-designated interest rate swaps <sup>(g)</sup>	-	-	0.01	(0.03)	(0.18)	0.05	-	(0.10)
Tax impact of adjustments	(0.11)	(0.17)	(0.26)	(0.10)	(0.05)	0.29	(0.09)	(0.16)
<b>Adjusted net income per share</b>	1.20	1.20	0.91	1.59	2.00	2.24	2.03	2.99

- (a) Consists of non-cash amortization charges from acquired intangibles.
- (b) Consists of incremental and directly-related charges related to acquisitions, facility-related exit costs, workforce reductions and other nonrecurring items. Includes the amortization and write-off of deferred financing fees, which are recorded in Interest expense, net in the Consolidated Statements of Operations and in the Adj. EBITDA on the prior page.
- (c) Consists of the gain on event cancellation insurance claims for events cancelled in 2020.
- (d) Includes impairment loss for lease related assets, net of a reduction in lease liabilities.
- (e) Includes \$30.8 million early redemption premium payment and \$14.0 million write-off of unamortized deferred financing fees related to the early repayment of the 2025 senior notes and the 2016 Credit Agreement.
- (f) Consists of the non-cash loss on de-designated interest rate swaps in June 2020.
- (g) Represents the fair value adjustment for interest rate swaps after de-designation.

# Non-GAAP Reconciliations

\$ millions

## Reconciliation - Interest, net to Non-GAAP

<b>Interest, net:</b>	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
Interest, net	26.3	30.3	30.6	26.4	26.1	27.4	31.6	31.5
Less amortization of deferred financing fees	(1.6)	(3.8)	(1.8)	(0.9)	(0.9)	(1.0)	(1.1)	(1.1)
Non-GAAP Interest, net	24.7	26.5	28.8	25.4	25.2	26.4	30.5	30.4

## Effective GAAP Tax Rate to Non-GAAP Tax

<b>Rate:</b>	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
GAAP Rate	22.5%	6.6%	-19.7%	23.4%	23.6%	28.5%	25.1%	-18.2%
Acquisition and Other Adjustments	22.5%	22.8%	26.4%	28.4%	22.4%	24.6%	25.4%	24.1%
Non-GAAP Tax Rate	22.5%	15.3%	20.0%	25.3%	23.5%	29.9%	25.2%	-8.3%

# Non-GAAP Reconciliations – 2022 Guidance

## Financial Outlook Reconciliation: GAAP Net Income to Adjusted EBITDA

(Unaudited; \$ in millions)	2022 Guidance
GAAP net income	≥ \$466
Interest expense, net <sup>(a)</sup>	~ 119
Other expense, net	~ 4
Tax provision	~ 131
Operating income	≥ 721
<i>Adjustments</i>	
Stock-based compensation expense	~ 99
Depreciation, accretion, and amortization	~ 198
Acquisition and integration changes and other non-recurring items <sup>(b)</sup>	~ 17
Adjusted EBITDA	≥ \$1,035

<sup>(a)</sup> Assumes approximately \$4M of amortization of deferred financing fees, which is reported in interest expense, net in the Company's Consolidated Statement of Operations.

<sup>(b)</sup> Consists of incremental and directly-related charges related to acquisitions, facility-related exit costs, gain or loss on de-designated swaps and other non-recurring items.

## Financial Outlook Reconciliation: GAAP Cash Provided by Operating Activities to Free Cash Flow

(Unaudited; \$ in millions)	2022 Guidance
GAAP cash provided by operating activities	≥ \$955
Capital expenditures	~ (105)
Free Cash Flow	≥ \$850

## Financial Outlook Reconciliation: GAAP Diluted EPS to Adjusted EPS

(Unaudited)	2022 Guidance
GAAP Diluted EPS <sup>(a)</sup>	≥ \$5.59
<i>Adjustments (after-tax):</i>	
Amortization of acquired intangibles	~ 0.95
Acquisition and integration charges and other non-recurring items <sup>(b)</sup>	~ 0.20
Adjusted EPS <sup>(a)</sup>	≥ \$6.74

<sup>(a)</sup> GAAP Diluted EPS and Adjusted EPS are calculated based on approximately 83M of diluted shares for 2022.

<sup>(b)</sup> Consists of incremental and directly-related charges related to acquisitions, facility-related exit costs, gain or loss on de-designated swaps and other non-recurring items.