



CORPORATE  
EXECUTIVE  
BOARD

TM

WHAT THE BEST COMPANIES DO





WHAT THE BEST COMPANIES DO

FEBRUARY 2010

# Investor Presentation

## SECURITIES LAW DISCLAIMER

The following slides are accompanied by an oral description and elaboration of this information, which constitutes an essential part of this presentation. Persons should not rely on or analyze these slides without reference to the oral part of this presentation. Except as otherwise expressly indicated in this presentation, all the information in the presentation reflects historical results. While this information is believed to be representative of the issues discussed in this presentation, past results and trends may not be indicative of the future, and the Company hereby disclaims any representation, regardless of whether express or implied, to the contrary. This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements using words such as estimates, expects, anticipates, projects, plans, intends, believes, forecasts and variations of such words or similar expressions are intended to identify forward-looking statements. You are hereby cautioned that these statements are based upon our expectations at the time we make them and may be affected by important factors including, among others, the factors set forth below and in our filings with the U.S. Securities and Exchange Commission, and consequently, actual operations and results may differ materially from the results discussed in the forward-looking statements. Our expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them. Factors that could cause actual results to differ materially from those indicated by forward-looking statements include, among others, our dependence on renewals of our membership-based services, the sale of additional programs to existing members and our ability to attract new members, our potential failure to adapt to member needs and demands, our potential inability to attract and retain a significant number of highly skilled employees, risks associated with the results of restructuring plans, fluctuations in operating results, our potential inability to protect our intellectual property rights, our potential exposure to loss of revenue resulting from our unconditional service guarantee, exposure to litigation related to our content, various factors that could affect our estimated income tax rate or our ability to use our existing deferred tax assets, changes in estimates or assumptions used to prepare our financial statements, our potential inability to make, integrate and maintain acquisitions and investments, and the amount and timing of the benefits expected from acquisitions and investments, our potential inability to effectively anticipate, plan for and respond to changing economic and financial markets conditions, especially during the current turmoil in the worldwide economy and possible volatility of our stock price. These and other factors are discussed more fully in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” sections of our filings with the U.S. Securities and Exchange Commission, including, but not limited to, our 2008 Annual Report on Form 10-K/A. The forward-looking statements in this press release are made as of 10 February, 2010, and we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.

# AGENDA FOR DISCUSSION

- Delivering Valued Insights
- Attractive Investment Characteristics
- Driving Growth Through Focus on Four Key Priorities

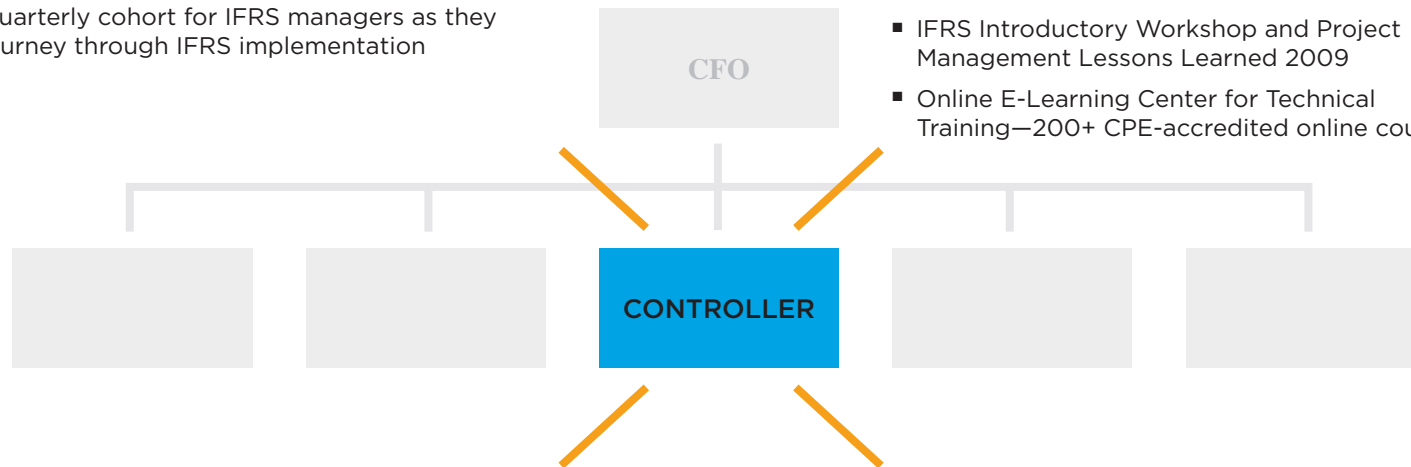
# DELIVERING VALUED INSIGHTS

## Active Executive and Professional Network

- Applying “Lean” Process Improvement Principles to Finance—Blue Chip Cohort session in April 2009 hosted by Nike
- Quarterly Canadian IFRS Cohort Catch-Ups—Quarterly cohort for IFRS managers as they journey through IFRS implementation

## Best Practices Research and Insights

- Refocusing Management Reporting on Decision Value, 2008
- The Real Cost of Reporting: Why Process Improvement is the Key to Accounting Value, 2008
- IFRS Introductory Workshop and Project Management Lessons Learned 2009
- Online E-Learning Center for Technical Training—200+ CPE-accredited online courses



## Proprietary Data Assets and Analytic Tools

- U.S. GAAP and IFRS Disclosure Writers—Searchable online tool to analyze MD&A and footnote disclosures
- Controllers’ Accounting Research Library—Online access to accounting regulations and 12,000+ global academic/industry publications
- Controller Training and Development Research Library—Tools and templates, case studies, and customized briefs

## Dynamic Delivery Methods

- Executive and Member Advisors—A team of senior advisors with deep terrain knowledge for clients when they have a problem or need insight from research or the network
- The Daily Insight—Daily news feed
- Insight Alerts—Regular communication on the latest issues

# PROVIDING UNPARALLELED SUPPORT TO EXECUTIVES AND PROFESSIONALS

The Corporate Executive Board enables superior business outcomes by delivering authoritative data and tools, best practices research, and peer insights to the leaders of the world's great enterprises.

## Active Executive and Professional Network

- More than 800 live executive meetings in 2009
- More than 130 executive online discussion groups that uncover new insights and practices
- Almost two million registered Toolbox.com users

## Proprietary Data Assets and Analytic Tools

- More than 400 new benchmarking data sets in 2009
- Over 100 new analytical tools created in a calendar year

## Best Practices Research and Insights

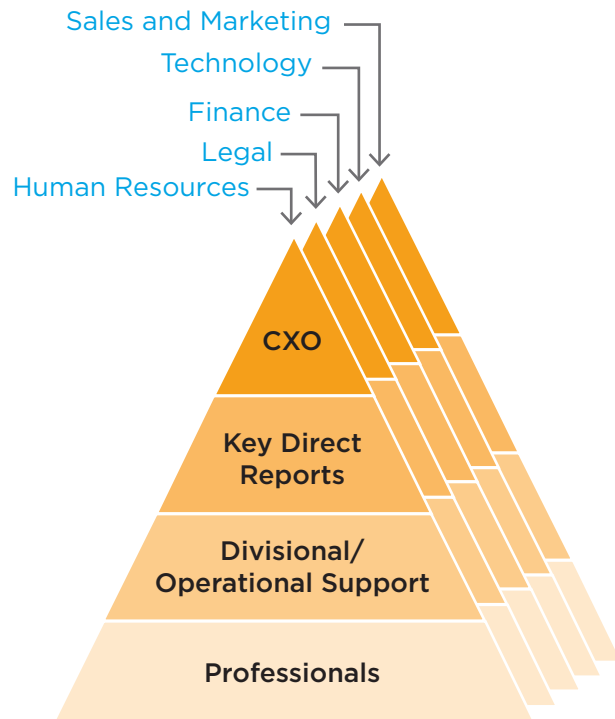
- More than 200 unique studies created each year
- More than 300,000 profiled corporate practices

## Dynamic Delivery Methods

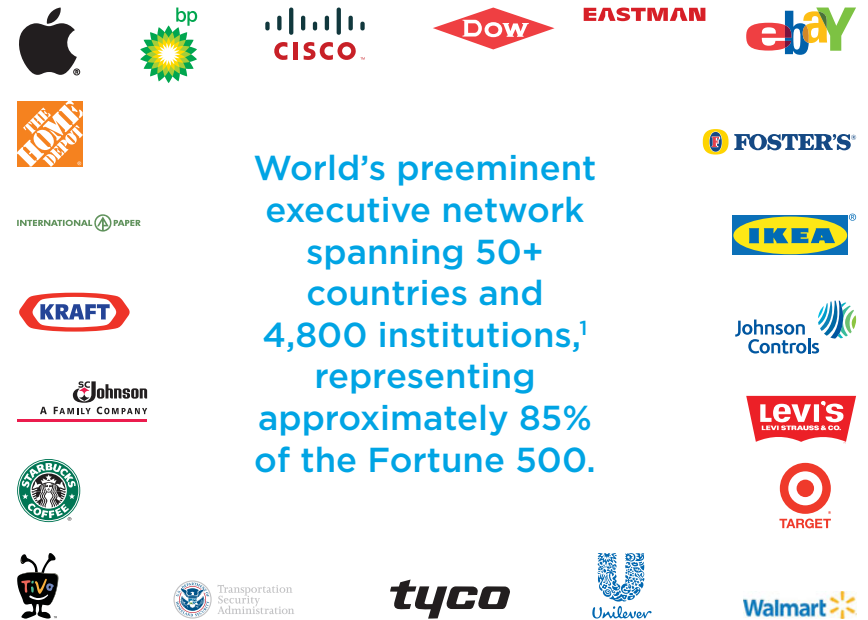
- Over 170,000 subscribers to daily news feeds
- Over 1,000 virtual meetings conducted in 2009, with over 67,000 attendees
- Approximately three million downloads in 2009

# SERVING CORE FUNCTIONS AT THE WORLD'S BEST COMPANIES

## Five Core Functions



## Preeminent Executive Network



World's preeminent executive network spanning 50+ countries and 4,800 institutions,<sup>1</sup> representing approximately 85% of the Fortune 500.

- U.S.-based revenue is approximately 70% of total revenues
- Over 90% of contract value is from the large corporate segment

<sup>1</sup> Information provided as of December 31, 2009.

# SIZING EXBD'S MARKET POTENTIAL

Markets	Characteristics	Examples	EXBD Market Potential Across Five Key Decision Centers
<p><b>Global Enterprises</b> ~750 Institutions \$10 B+ revenue</p>	<ul style="list-style-type: none"> <li>Globally distributed institutions with multiple business units</li> <li>Strategic focus</li> <li>Large teams with executive-level sub-functions defined</li> </ul>	<p>Pfizer PepsiCo Samsung General Electric</p>	<p>\$1.5 B-\$2.5 B</p>
<p><b>Large Enterprises</b> ~4,000 Institutions \$1 B-\$10 B revenue</p>	<ul style="list-style-type: none"> <li>Single location or small subsidiaries structure</li> <li>Established functions with emerging sub-functions</li> <li>Smaller teams with shared responsibilities</li> </ul>	<p>Heinz Avon Limited Brands Novo Nordisk</p>	<p>\$1.0 B-\$2.0 B</p>
<p><b>Mid-Sized Enterprises</b> ~17,000 Institutions \$100 M-\$1 B revenue</p>	<ul style="list-style-type: none"> <li>Single location</li> <li>Emerging functions and sub-functions</li> <li>Very small teams</li> </ul>	<p>ChoicePoint Scholastic Polycom</p>	<p>\$1.0 B-\$2.0 B</p>
<p><b>Small Enterprises</b> ~210,000 Institutions \$10 M-\$100 M revenue</p>	<ul style="list-style-type: none"> <li>Individual responsibilities shared across functional areas</li> <li>Small but frequent "one off" projects</li> <li>Heavy need for tactical tools and templates</li> </ul>		<p>\$100 M-\$300 M</p>



# ATTRACTIVE INVESTMENT CHARACTERISTICS

## Renewable Revenue Stream

- Majority of revenues from annual fee-based services
- Recurring nature promotes visibility and facilitates planning and resource allocation

## Scalable Cost Structure

- Fixed overhead
- Beyond fixed research product costs, able to adjust staffing and activity levels as demand changes
- 2009 Adjusted EBITDA margin 25.8%\*

## Low Capital Intensity

- Information and professional services business
- 2009 Capex/Revenue = 1.6%\*\*

## › Solid Platform for Growth

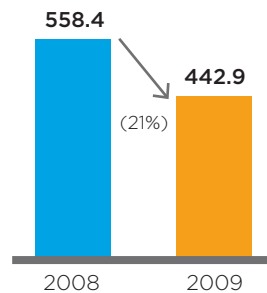
- Fast Cash Conversion Cycle
- Strong Balance Sheet

\* For year ended December 31, 2009, excluding costs associated with exit activities, restructuring costs, and gain on acquisition. Refer to Appendix.

\*\* For year ended December 31, 2009.

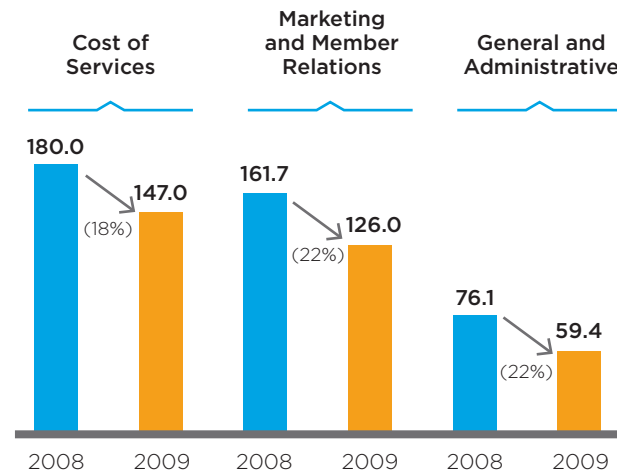
# TOOK SWIFT ACTION TO REACH APPROPRIATE COST STRUCTURE AND PRESERVE CAPACITY TO GROW

## Year-on-Year Revenue Decline (\$M)



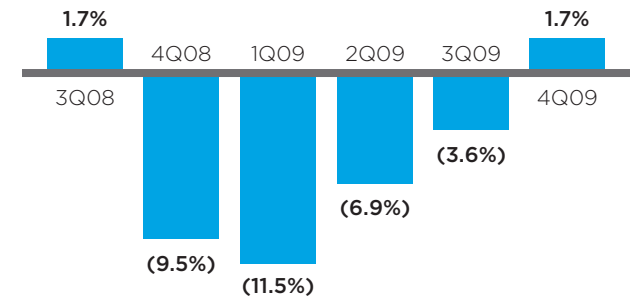
- Difficult economic environment has increased pressure on top line

## Tackling Costs (\$M)



- Costs substantially reduced through multiple initiatives
  - Eliminated lower-performing programs
  - Staff reductions
  - Sublease of excess headquarters space

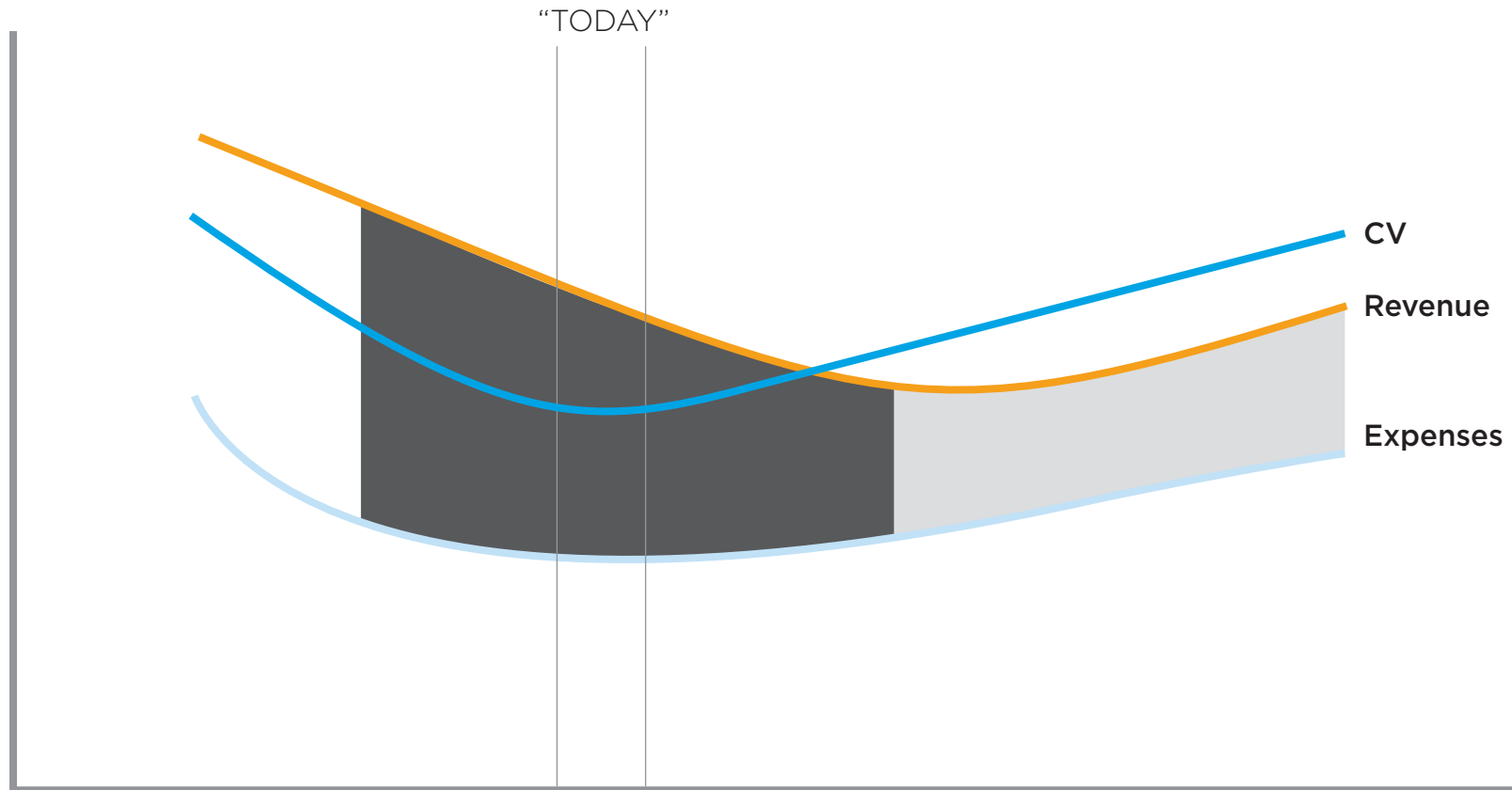
## Improving Contract Value Trends



- Focusing on best near-term prospects
  - Renewals and cross sell
  - Recapturing lost customers
- Better performance in all markets

# NEAR-TERM MARGIN PRESSURE DUE TO REVENUE LAG AND SELECTIVE INVESTMENTS

Illustrative



Focusing on a return to top-line growth

# 2010 OUTLOOK

## Headwinds

- Ongoing economic uncertainty
- Companies remain cautious
- European commercial model transition
- Revenue lag effect

## Tailwinds

- Customers looking forward again
- Continuity of account coverage
- More teams lifting performance
- Working capital leverage returns

## Guidance

Revenues	\$385 M to \$405 M
Adjusted EBITDA Margin	18% to 20%
Non-GAAP Diluted Earnings Per Share	\$0.85 to \$1.10
Depreciation and Amortization	\$19 M to \$21 M
Capital Expenditures	Approximately \$8 M

## Dividend Increase

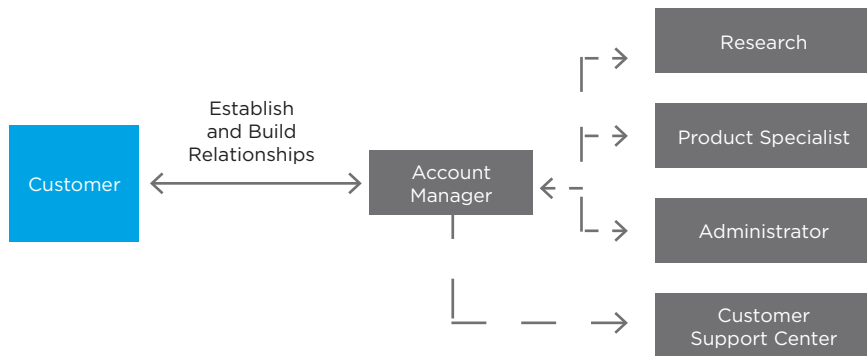
- Raising quarterly dividend rate by 10%

# CONTINUED FOCUS IN 2010 ON FOUR KEY PRIORITIES

- Drive large customer loyalty through high value personal engagement
- Invest globally in EXBD's strongest brands
- Improve member experience through enhanced technology and analytics platforms
- Elevate member performance through product innovation

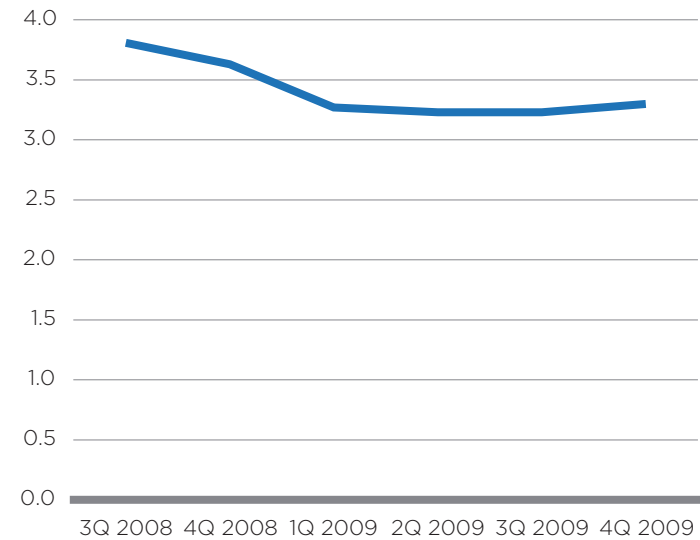
# DRIVE LARGE CUSTOMER LOYALTY THROUGH HIGH VALUE PERSONAL ENGAGEMENT

## Institutional Coverage Model



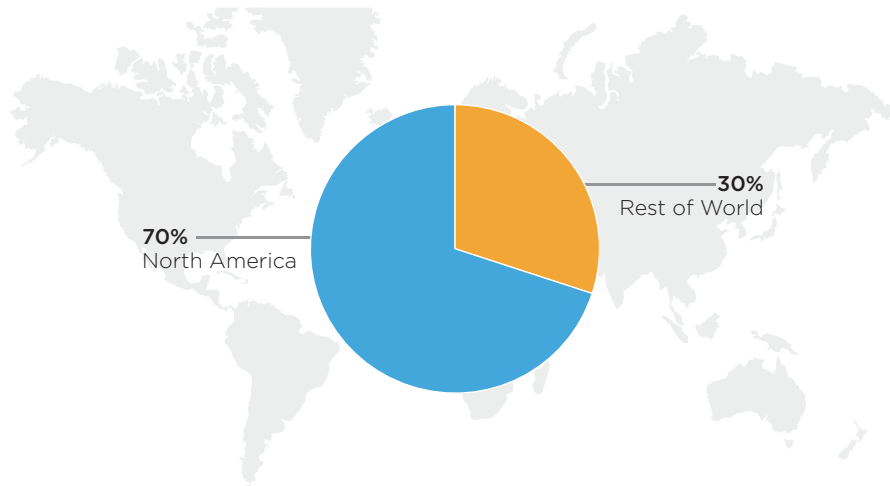
Focus placed on building long-term customer relationships from day one leveraging a single point of contact

## Large Corporate Cross-Sell Ratio



# INVEST GLOBALLY IN EXBD'S STRONGEST BRANDS

## Distribution of EXBD Customer Set<sup>1</sup>





Markets	Penetration <sup>1</sup>
Fortune 100	90%
Fortune 500	85%
Fortune 1000	70%
FTSE 100	70%
DAX 30	70%
CAC 40	60%
Dow Jones Asian Titans 50	50%
BSE <sup>2</sup> 30	20%
Global Middle Market	<20%
Global Government Markets	<20%

<sup>1</sup> All figures are approximate.

<sup>2</sup> BSE = Bombay Stock Exchange.

## Penetrating Key New Markets

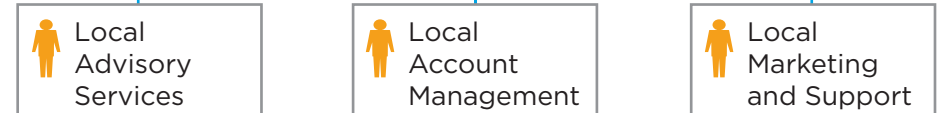
### Leveraging Global Resources

-  Product Teams
-  Content Assets

### EXBD's Approach:

- Sequence investments in individual global markets that build upon EXBD's strongest brands
- Focus on key growth organizations and economies
- Leverage global operations and establish essential, local teams

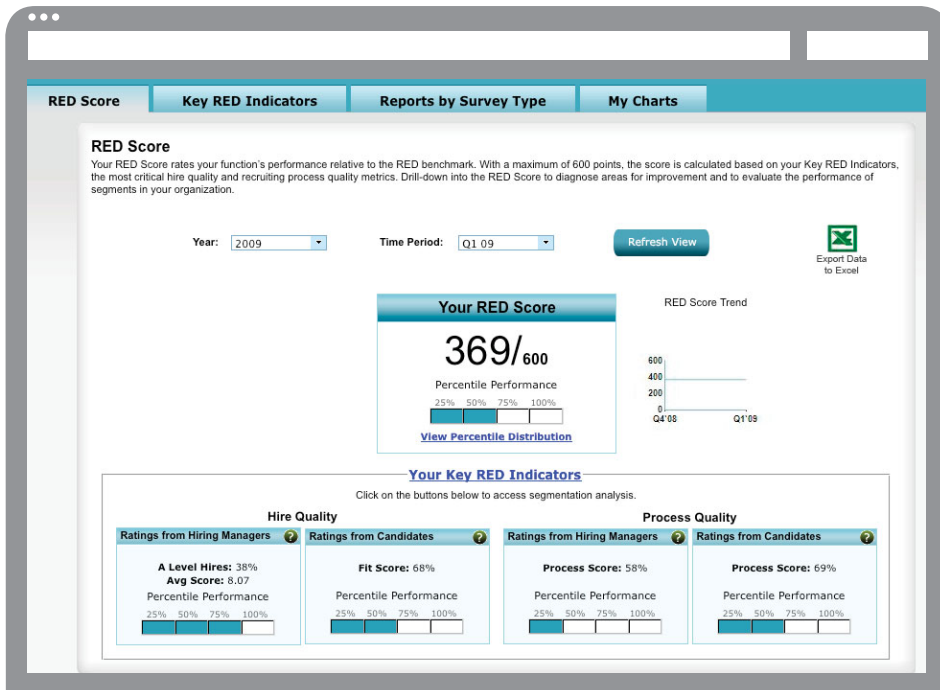
### Localization Engines



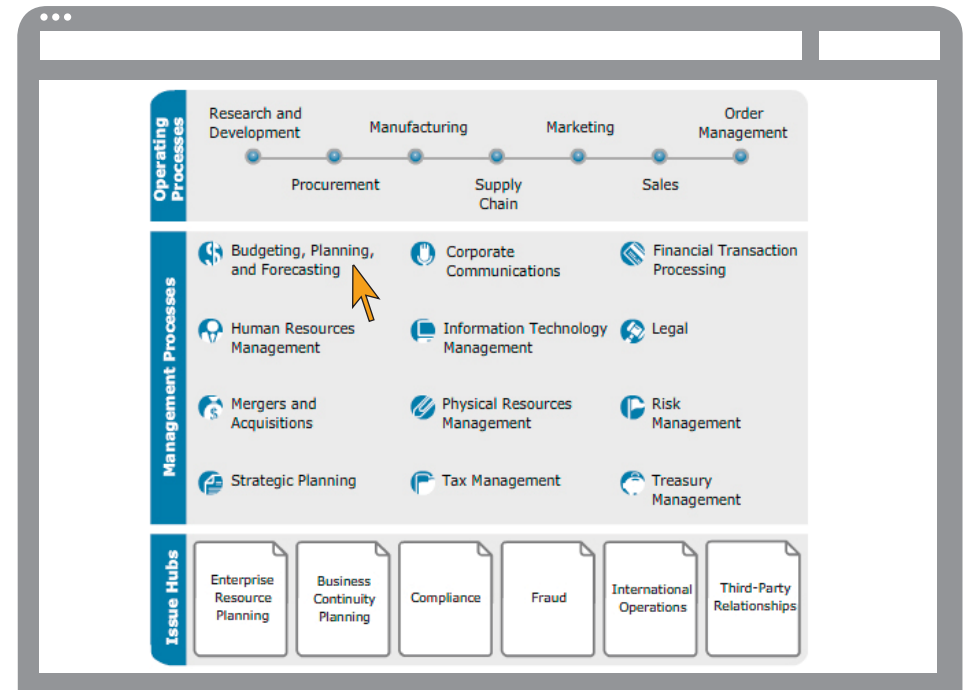
# IMPROVE MEMBER EXPERIENCE THROUGH ENHANCED TECHNOLOGY AND ANALYTICS PLATFORMS

Active Web usage drives 15% higher program renewals

The **Recruiting Effectiveness Dashboard (RED)** allows members to self-assess their recruiting function's performance against key indicators of health, pinpointing opportunities for improvement and action planning



The **Audit Reference Center (ARC)** is an online database of risk information, best practice research, and proprietary tools leveraged by members to improve audit and risk management capabilities





# ELEVATE MEMBER PERFORMANCE THROUGH PRODUCT INNOVATION

## › Increase new product launch activity, targeting products that share core EXBD attributes

- Leverage existing relationships, expertise, assets
- Extend current—and create additional—best-in-class data and analytics
- Target high dollar problems and recurring roles or work
- Enjoy attractive economic characteristics (scalable, high margins)

# SUMMARY

- Delivering Valued Insights
- Attractive Investment Characteristics
- Driving Growth Through Focus on Four Key Priorities



WHAT THE BEST COMPANIES DO

# Appendix

# APPENDIX

This Appendix and the accompanying tables include a discussion of EBITDA, Adjusted EBITDA, Adjusted net income, and Non-GAAP diluted earnings per share, which are non-GAAP financial measures provided as a complement to the results provided in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The term “EBITDA” refers to a financial measure that we define as earnings before interest income, net, depreciation and amortization, and income taxes. The term “Adjusted EBITDA” refers to a financial measure that we define as earnings before interest income, net, depreciation and amortization, income taxes, impairment loss, costs associated with exit activities, restructuring costs, and gain on acquisition. The term “Adjusted net income” refers to net income excluding the after tax effects of impairment loss, costs associated with exit activities, restructuring costs, and gain on acquisition. “Non-GAAP diluted earnings per share” refers to net income excluding the after tax per share effects of impairment loss, costs associated with exit activities, restructuring costs, and gain on acquisition.

These non-GAAP measures may be considered in addition to results prepared in accordance with GAAP, but they should not be considered a substitute for, or superior to, GAAP results. We intend to continue to provide these non-GAAP financial measures as part of our future earnings discussions and, therefore, the inclusion of these non-GAAP financial measures will provide consistency in our financial reporting. A reconciliation of these non-GAAP measures to GAAP results is provided below.

# APPENDIX

(In thousands, except per share amounts)

	2005	2006	2007	2008	2009
<b>Revenues</b>	\$362,226	\$460,623	\$532,716	\$558,352	\$442,906
<b>EBITDA AND ADJUSTED EBITDA</b>					
<b>Net Income</b>	\$75,060	\$79,171	\$80,587	\$44,797	\$45,629
Interest Income, Net	(13,588)	(23,566)	(14,937)	(4,268)	(1,787)
Depreciation and Amortization	7,308	10,381	15,573	21,631	22,991
Provision for Income Taxes	38,550	49,561	47,501	33,291	27,989
<b>EBITDA</b>	107,330	115,547	128,724	95,451	94,822
Impairment Loss	-	-	-	27,449	-
Costs Associated with Exit Activities	-	-	-	-	11,518
Restructuring Costs	-	-	-	8,006	8,568
Share-Based Compensation <sup>1</sup>	(26,370)	-	-	-	-
Gain on Acquisition	-	-	-	-	(680)
<b>Adjusted EBITDA</b>	\$80,960	\$115,547	\$128,724	\$130,906	\$114,228
<b>Adjusted EBITDA Margin</b>	22.4%	25.1%	24.2%	23.4%	25.8%
<b>ADJUSTED NET INCOME</b>					
<b>Net Income</b>				\$44,797	\$45,629
<b>Adjustments, Net of Tax</b>					
Impairment Loss				17,073	-
Costs Associated with Exit Activities				-	7,141
Restructuring Costs				4,804	5,312
Gain on Acquisition				-	(422)
<b>Adjusted Net Income</b>				\$66,674	\$57,660
<b>NON-GAAP EARNINGS PER DILUTED SHARE</b>					
<b>GAAP Earnings per Diluted Share</b>				\$1.30	\$1.33
<b>Adjustments, Net of Tax</b>					
Impairment Loss				0.50	-
Costs Associated with Exit Activities				-	0.20
Restructuring Costs				0.14	0.16
Gain on Acquisition				-	(0.01)
<b>Non-GAAP Earnings per Diluted Share</b>				\$1.94	\$1.68

<sup>1</sup> We began recording share-based compensation expense beginning January 1, 2006, under the appropriate accounting guidance. Accordingly, the effect of share-based compensation has been reported above for comparative purposes.



WHAT THE BEST COMPANIES DO