CEB

WHAT THE BEST COMPANIES DO

Fourth Quarter 2012 Financial Results

Investor Conference Call

7 February 2013

"SAFE HARBOR" DISCLAIMER

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. In addition, all statements other than statements of historical fact are statements that could be deemed forward-looking statements, including but not limited to our 2013 annual guidance. 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 ("SEC"), 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 changing member needs and demands, our potential failure to develop and sell, or expand sales markets for our SHL tools and services, our potential inability to attract and retain a significant number of highly skilled employees or successfully manage succession planning issues, fluctuations in operating results, our potential inability to protect our intellectual property rights, our potential inability to adequately maintain and protect our information technology infrastructure and our member and client data, potential confusion about our rebranding, including our integration of the SHL brand, 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, assumptions or revenue recognition policies used to prepare our consolidated financial statements, our potential inability to make, integrate and maintain acquisitions and investments, the amount and timing of the benefits expected from acquisitions and investments including our acquisition of SHL, our potential inability to effectively manage the risks associated with the indebtedness we incurred and the senior secured credit facilities we entered into in connection with our acquisition of SHL or any additional indebtedness we may incur in the future, our potential inability to effectively manage the risks associated with our international operations, including the risk of foreign currency exchange fluctuations, and our potential inability to effectively anticipate, plan for and respond to changing economic and financial markets conditions, especially in light of ongoing uncertainty in the worldwide economy and possible volatility of our stock price. Various important factors that could cause our actual results to differ from our expected or historical results 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 SEC, including, but not limited to, our Quarterly Report on Form 10-Q filed in November 2012 and our 2011 Annual Report on Form 10-K. The forward-looking statements in this presentation are made as of 7 February 2013, and we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.

2012 FINANCIAL HIGHLIGHTS

- Results demonstrate strong customer value proposition

- Growth momentum continues across most of the business

- Attractive profitability and cash flow provide resources to:
  - ✔ Maintain financial strength and strategic flexibility
  - ✔ Invest in further growth opportunities
  - ✔ Return capital to shareholders

FINANCIAL SUMMARY

In $ Millions, Except per Share Figures

	Three Months Ended 31 Dec. 2012	YOY % Change	Twelve Months Ended 31 Dec. 2012	YOY % Change
Revenue	$193.7	46.8%	$622.7	28.5%
Adjusted EBITDA Margin[1]	27.0%	n/m	27.2%	n/m
Earnings per Diluted Share	$0.21	(64.4%)	$1.10	(34.1%)
Non-GAAP Diluted Earnings per Share[1]	$0.69	6.2%	$2.55	36.4%
Cash Flow from Operating Activities			$122.2	21.8%

[1] Non-GAAP measure. See Appendix.

n/m = not meaningful.

OPERATING STATISTICS

Metric[1]	Q4 Outcome	Comment
CEB Segment Contract Value	$561.8 M Up 12.5% YOY	Solid double-digit bookings growth
SHL Segment Adjusted Revenue[2]	$46.8 M	Modest improvement in Q4
CEB Segment Wallet Retention Rate	102%	Within historical range, helped by cross-sell
SHL Segment Wallet Retention Rate	97%	Remains in healthy zone
CEB Segment Member Institutions	6,090 Up 6.1% YOY	Extends solid YTD growth
CEB Segment Contract Value per Member Institution	$92.3 K Up 6.0% YOY	Average for Top 200 institutions now $800 K

1 Excludes PDRI.
2 Non-GAAP measure. See Appendix.

SEGMENT HIGHLIGHTS

In $ Millions

	CEB Total			CEB Segment			SHL Segment
	Q4 2012	Q4 2011	% Change	Q4 2012	Q4 2011	% Change	Q4 2012
Revenue[1]	$193.7	$132.0	46.8%	$155.7	$132.0	18.0%	$38.1
Impact of Deferred Revenue Fair Value Adjustment	8.7	-		-	-		8.7
Adjusted Revenue[2]	$202.5	$132.0	53.4%	$155.7	$132.0	18.0%	$46.8
Adjusted EBITDA[2]	$54.6	$40.6	34.5%	$43.0	$40.6	5.9%	$11.6
Adjusted EBITDA Margin[2]	27.0%	30.8%	n/m	27.6%	30.8%	n/m	24.8%
Deferred Revenue, Current[3]	$365.7	$284.9	28.4%	$329.1	$284.9	15.5%	$36.6

[1] CEB Segment Revenue in Q4 2012 include $7.5 M from PDRI
[2] Non-GAAP measure. See Appendix.
[3] CEB segment deferred revenue includes $5M from PDRI.

n/m = not meaningful.

CAPITAL ALLOCATION PRIORITIES REMAIN THE SAME

- Maintain a strong financial position
  - ✔ Ended 2012 with $72.7 million of cash and $74 million undrawn revolver
  - ✔ Expect ratio of Cash Flows From Operations to Adjusted Net Income to remain in the 1.5x area
  - ✔ Drive ratio of Net Debt[1] to Adjusted EBITDA to 2.0x area or lower
- Increase the dividend in line with earnings and cash flow growth
  - ✔ 30% increase to quarterly rate reflects annual growth augmented by SHL
- Keep share count constant across a multi-year period
  - ✔ $10 million buyback in Q4 2012
  - ✔ New $50 million authorization through 2014

[1] Net Debt = Total Debt less Cash and Cash Equivalents.

SOLID TOP LINE GAINS, ATTRACTIVE MARGINS, AND INVESTMENT IN GROWTH OPPORTUNITIES

	2013 Outlook	Comment
Adjusted Revenue	$825 M–845 M	Pro Forma 2012 Adjusted Revenue was $762 M
Revenue	$812 M–832 M	Deferred Revenue Fair Value Adjustment of approximately $13 M
Adjusted EBITDA Margin	25–26.5%	Scaling Offset by Timing Shift + Business Mix + Investments
Depreciation and Amortization	$62 M–64 M	Reflects SHL acquisition intangibles and higher capital expenditures
Capital Expenditures	$29 M–$31 M	Includes $4 M–5 M of integration costs
Tax Rate	40–41%	Normalized rate excluding any non-recurring permanent book-tax differences
Non-GAAP Diluted Earnings per Share	$2.85–$3.15	

2012 STRENGTHENED THE CORE ELEMENT OF CEB's INVESTMENT THESIS

- Leadership positions in areas of growing corporate demand
- Uniquely valuable insights, data, and tools
- Highly profitable recurring revenue model with strong cash flow
- Strategy to deliver continued healthy growth through focus on three priorities
    - ✔ Delivering surplus business value
    - ✔ Leading the analytic transformation of talent management
    - ✔ Achieving brand recognition that matches our global impact

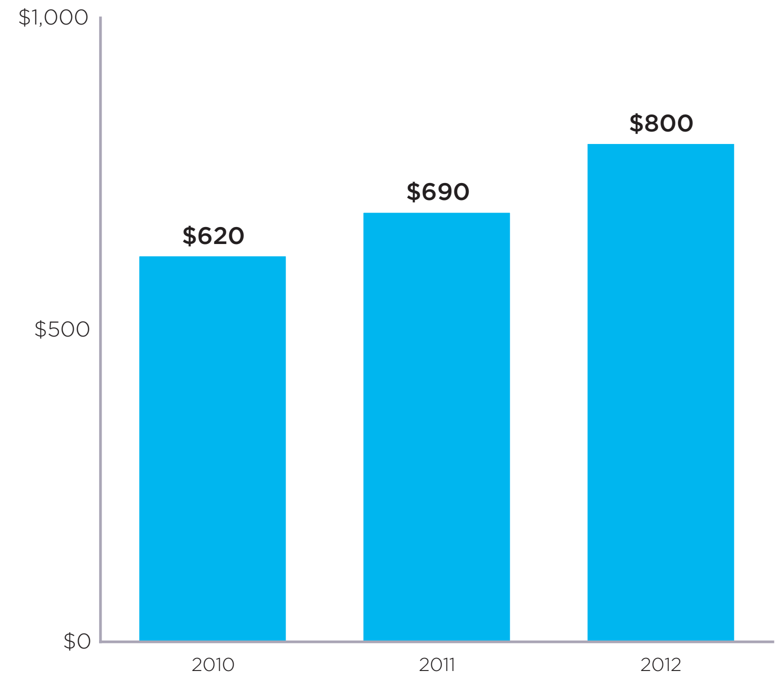
DELIVERING SURPLUS BUSINESS VALUE

Focus for 2013

- Firm-level talent and performance data assets
- Technologies and tools to link to key areas of work
- People and process to deliver inspired sales and service moments

Growth of Top 200 Customers

Average Annual Contract Value in Thousands, 2010 to 2012



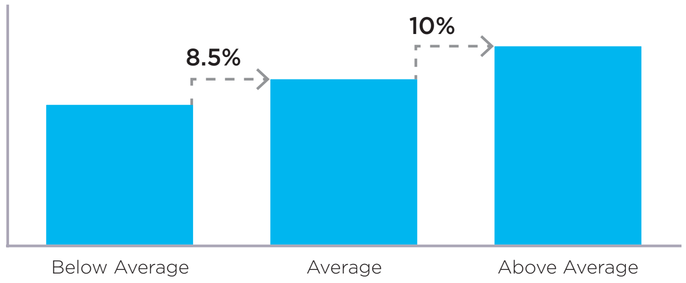
LEADING THE ANALYTIC TRANSFORMATION OF TALENT MANAGEMENT

Focus for 2013

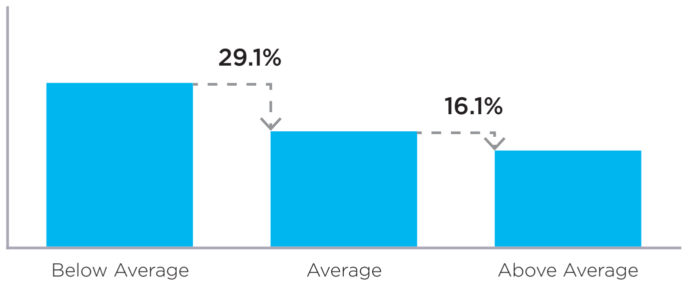
- Restoring core SHL growth rate
- Compelling new propositions for HR and beyond
- One-company operating platform

Performance of Client Sales Reps Hired Using SHL Sales Assessment Products

Sales Rep Revenue Performance by SHL Assessment Score Zone



Sales Rep Attrition Rates by SHL Assessment Score Zone



ACHIEVING BRAND RECOGNITION THAT MATCHES OUR GLOBAL IMPACT

Focus for 2013

- Raising the profile of CEB globally
- Integrating the SHL products into the CEB brand framework
- Maintaining our strong reputation in markets for CEB-caliber talent

CEB Brand Integration and Refinement

Q1 2013: Interim Brand Transition

shl™ The CEB Talent Measurement Solution + CEB WHAT THE BEST COMPANIES DO

Q3 2013: Single Brand Naming Convention

CEB WHAT THE BEST COMPANIES DO + SHL PRODUCT BRAND

ENTERING 2013 WITH CONSIDERABLE MOMENTUM

- Leadership positions in areas of growing corporate demand
- Uniquely valuable insights, data, and tools
- Highly profitable recurring revenue model with strong cash flow
- Strategy to deliver continued healthy growth through focus on three priorities
  - ✔ Delivering surplus business value
  - ✔ Leading the analytic transformation of talent management
  - ✔ Achieving brand recognition that matches our global impact

APPENDIX

This presentation and the accompanying tables, as well as earnings discussions, include a discussion of Adjusted revenue, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income, and Non-GAAP diluted earnings per share, all of 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"). Beginning in the third quarter of 2012, we changed our definition of these non-GAAP measures to provide enhanced insight into the financial performance of our business. Specifically, we are now adjusting for the impact of the deferred revenue fair value adjustment, share-based compensation, and amortization of acquisition related intangibles when calculating these metrics.

The term "Adjusted revenue" refers to revenue before impact of the reduction of SHL revenue recognized in the post-acquisition period to reflect the adjustment of deferred revenue at the SHL acquisition date to fair value (the "deferred revenue fair value adjustment").

The term "Adjusted EBITDA" refers to a financial measure that we define as net income before loss from discontinued operations, net of provision for income taxes; interest expense, net; depreciation and amortization; provision for income taxes; the impact of the deferred revenue fair value adjustment; acquisition related costs; share-based compensation; costs associated with exit activities; restructuring costs; and gain on acquisition.

The term "Adjusted EBITDA margin" refers to Adjusted EBITDA as a percentage of Adjusted revenue.

The term "Adjusted Net Income" refers to net income before loss from discontinued operations, net of provision for income taxes and excludes the after tax effects of the impact of the deferred revenue fair value adjustment, acquisition related costs, share-based compensation, amortization of acquisition related intangibles, costs associated with exit activities, restructuring costs, and gain on acquisition.

"Non-GAAP Diluted Earnings per Share" refers to diluted earnings per share before the per share effect of loss from discontinued operations, net of provision for income taxes and excludes the after tax per share effects of the impact of the deferred revenue fair value adjustment, acquisition related costs, share-based compensation, amortization of acquisition related intangibles, costs associated with exit activities, restructuring costs, and gain on acquisition.

We believe that these non-GAAP financial measures are relevant and useful supplemental information for evaluating our results of operations as compared from period to period and as compared to our competitors. We use these non-GAAP financial measures for internal budgeting and other managerial purposes, when publicly providing the Company's business outlook, and as a measurement for potential acquisitions. These non-GAAP financial measures are not defined in the same manner by all companies and therefore may not be comparable to other similar titled measures used by other companies.

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.

With respect to the Company's 2013 annual guidance, reconciliations net income to Adjusted EBITDA, net income to Adjusted net income, and GAAP diluted earnings per share to Non-GAAP diluted earnings per share as projected for 2013 are not provided because the Company cannot, without unreasonable effort, determine the components of net income and GAAP diluted earnings per share to provide reconciliations for 2013 with certainty at this time.

A reconciliation of these non-GAAP measures to the most directly comparable GAAP measure is included in the accompanying tables.

APPENDIX—CURRENT PERIOD VERSUS PRIOR PERIOD

In Thousands Except per Share Data

	Three Months Ended				Twelve Months Ended			
	31 Dec. 2012 CEB	31 Dec. 2012 SHL	31 Dec. 2012 Consolidated	31 Dec. 2011 Consolidated	31 Dec. 2012 CEB	31 Dec. 2012 SHL	31 Dec. 2012 Consolidated	31 Dec. 2011 Consolidated
ADJUSTED REVENUE								
Revenue	$155,660	$38,060	$193,720	$131,951	$564,062	$58,592	$622,654	$484,663
Impact of the Deferred Revenue Fair Value Adjustment	-	8,748	8,748	-	-	17,134	17,134	-
Adjusted Revenue	**$155,660**	**$46,808**	**$202,468**	**$131,951**	**$564,062**	**$75,726**	**$639,788**	**$484,663**
ADJUSTED EBITDA								
Net Income (Loss)	$13,519	$(6,338)	$7,181	$16,950	$46,440	$(9,389)	$37,051	$52,655
Loss from Discontinued Operations, Net of Provision for Income Taxes	-	-	-	2,923	-	-	-	4,792
Income (Loss) from Continuing Operations	13,519	(6,338)	7,181	19,873	46,440	(9,389)	37,051	57,447
Interest Expense (Income), Net	6,546	-	6,546	13	10,834	-	10,834	(596)
Depreciation and Amortization	7,351	8,246	15,597	4,702	24,371	13,487	37,858	16,928
Provision for Income Taxes	11,577	(754)	10,823	14,055	41,463	(3,894)	37,569	38,860
Share-Based Compensation	2,371	126	2,497	1,976	9,062	152	9,214	8,118
Impact of the Deferred Revenue Fair Value Adjustment	-	8,748	8,748	-	-	17,134	17,134	-
Acquisition Related Costs	1,673	1,570	3,243	-	22,430	2,099	24,529	-
Adjusted EBITDA	**$43,037**	**$11,598**	**$54,635**	**$40,619**	**$154,600**	**$19,589**	**$174,189**	**$120,757**
ADJUSTED EBITDA MARGIN	**27.6%**	**24.8%**	**27.0%**	**30.8%**	**27.4%**	**25.9%**	**27.2%**	**24.9%**
ADJUSTED NET INCOME								
Net Income			$7,181	$16,950			$37,051	$52,655
Loss from Discontinued Operations, Net of Provision for Income Taxes			-	2,923			-	4,792
Income from Continuing Operations			7,181	19,873			37,051	57,447
Share-Based Compensation			1,523	1,186			5,587	4,839
Amortization of Acquisition Related Intangibles			6,288	647			12,614	2,031
Impact of the Deferred Revenue Fair Value Adjustment			6,369	-			12,474	-
Acquisition Related Costs			2,200	-			18,427	-
Adjusted Net Income			**$23,561**	**$21,706**			**$86,153**	**$64,317**
NON-GAAP EARNINGS PER DILUTED SHARE								
Earnings per Diluted Share			$0.21	$0.50			$1.10	$1.53
Loss from Discontinued Operations, Net of Provision for Income Taxes			-	0.09			-	0.14
Earnings per Diluted Share from Continuing Operations			0.21	0.59			1.10	1.67
Share-Based Compensation			0.04	0.04			0.16	0.14
Amortization of Acquisition Related Intangibles			0.19	0.02			0.38	0.06
Impact of the Deferred Revenue Fair Value Adjustment			0.19	-			0.37	-
Acquisition Related Costs			0.06	-			0.54	-
Non-GAAP Earnings per Diluted Share			**$0.69**	**$0.65**			**$2.55**	**$1.87**

APPENDIX—HISTORICAL FINANCIAL INFORMATION

In Thousands Except per Share Data

	2012	2011	2010	2009	2008
ADJUSTED REVENUE					
Revenue	$622,654	$484,663	$432,431	$436,562	$550,164
Impact of the Deferred Revenue Fair Value Adjustment	17,134	-	-	-	-
Adjusted Revenue	**$639,788**	**$484,663**	**$432,431**	**$436,562**	**$550,164**
ADJUSTED EBITDA					
Net Income	$37,051	$52,655	$40,363	$45,629	$44,797
Loss from Discontinued Operations, Net of Provision for Income Taxes	-	4,792	11,736	4,205	22,107
Income from Continuing Operations	37,051	57,447	52,099	49,834	66,904
Interest Expense (Income), Net	10,834	(596)	(1,526)	(1,787)	(4,268)
Depreciation and Amortization	37,858	16,928	18,039	19,533	17,077
Provision for Income Taxes	37,569	38,860	34,015	30,197	45,420
Share-Based Compensation	9,214	8,118	7,431	10,667	12,469
Impact of the Deferred Revenue Fair Value Adjustment	17,134	-	-	-	-
Acquisition Related Costs	24,529	-	-	-	-
Costs Associated with Exit Activities	-	-	-	11,518	-
Restructuring Costs	-	-	-	8,568	8,006
Gain on Acquisition	-	-	-	(680)	-
Adjusted EBITDA	**$174,189**	**$120,757**	**$110,058**	**$127,850**	**$145,608**
ADJUSTED EBITDA MARGIN	**27.2%**	**24.9%**	**25.5%**	**29.3%**	**26.5%**
ADJUSTED NET INCOME					
Net Income	$37,051	$52,655	$40,363	$45,629	$44,797
Loss from Discontinued Operations, Net of Provision for Income Taxes	-	4,792	11,736	4,205	22,107
Income from Continuing Operations	37,051	57,447	52,099	49,834	66,904
Share-Based Compensation	5,587	4,839	4,496	6,646	7,419
Amortization of Acquisition Related Intangibles	12,614	2,031	2,177	1,587	1,076
Impact of the Deferred Revenue Fair Value Adjustment	12,474	-	-	-	-
Acquisition Related Costs	18,427	-	-	-	-
Costs Associated with Exit Activities	-	-	-	7,141	-
Restructuring Costs	-	-	-	5,312	4,804
Gain on Acquisition	-	-	-	(422)	-
Adjusted Net Income	**$86,153**	**$64,317**	**$58,772**	**$70,098**	**$80,203**
NON-GAAP EARNINGS PER DILUTED SHARE					
Earnings per Diluted Share	$1.10	$1.53	$1.17	$1.33	$1.30
Loss from Discontinued Operations, Net of Provision for Income Taxes	-	0.14	0.34	0.12	0.65
Earnings Per Diluted Share from Continuing Operations	1.10	1.67	1.51	1.45	1.95
Share-Based Compensation	0.16	0.14	0.13	0.19	0.22
Amortization of Acquisition Related Intangibles	0.38	0.06	0.06	0.05	0.03
Impact of the Deferred Revenue Fair Value Adjustment	0.37	-	-	-	-
Acquisition Related Costs	0.54	-	-	-	-
Costs Associated with Exit Activities	-	-	-	0.20	-
Restructuring Costs	-	-	-	0.16	0.14
Gain on Acquisition	-	-	-	(0.01)	-
Non-GAAP Earnings per Diluted Share	**$2.55**	**$1.87**	**$1.70**	**$2.04**	**$2.34**