CEB

WHAT THE BEST COMPANIES DO

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AUGUST 2013

Investor Presentation

"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, the U.S. economy (including sequestration under the Budget Control Act of 2011) 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 2012 Annual Report on Form 10-K filed on 1 March 2013. The forward-looking statements in this presentation are made as of 30 July 2013, and we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.

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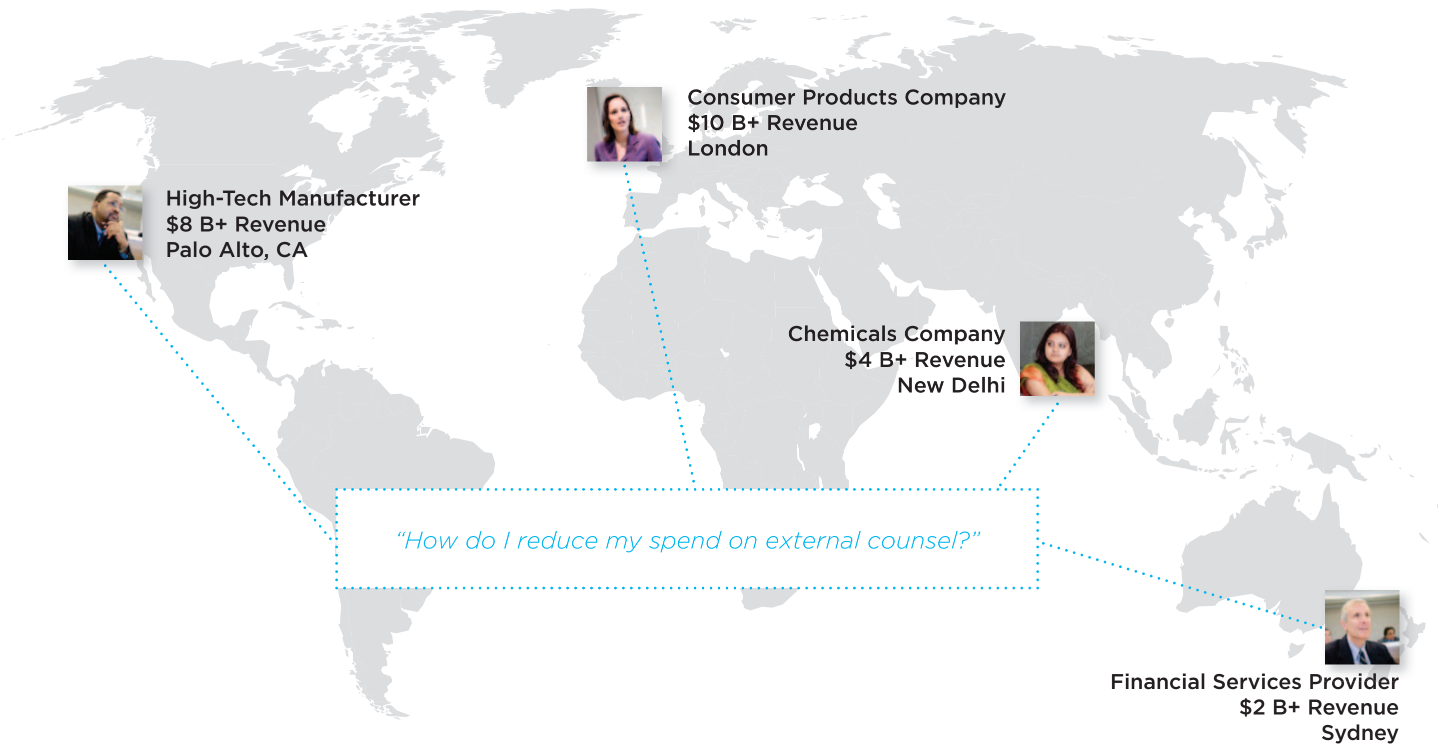
We unlock the potential of organizations and leaders by advancing the science and practice of management

COMPELLING INVESTMENT OPPORTUNITY

- High Value Content Drives Business Value
- Large Addressable Market Targets Areas of Client Need
- Predictable Growth Through Subscription Model and High Wallet Retention
- High Profitability and Low Capital Intensity Produce Strong Cash Flows and Financial Returns
- Strategy Enables Attractive Growth in the Years Ahead

OUR BIG IDEA: MANY DIFFERENT COMPANIES SHARE A RANGE OF COMMON PROBLEMS

Example of a Challenge on the Desks of General Counsel Across the Globe



Focusing on Common Executive Challenges Enables CEB to:

1. Develop **scalable** solutions targeted at common problems rather than one-off issues
2. Build **renewable** business around executive roles and workflows that endure—not topics or projects

We offer a compelling, cost-effective alternative to the expensive choices of full-time staff and other professional services

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TARGETING ADVICE-DEPENDENT FUNCTIONS

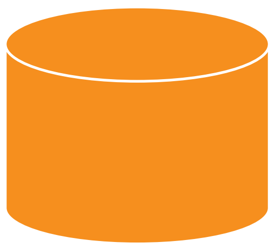
- Human Resources
- Finance, Strategy & Operations
- Legal & Compliance
- Sales & Marketing
- Information Technology

1. Every company has these functions
2. Functional challenges are common across industries
3. Functions employ high volumes of specialized talent
4. Functions are locus of recurring, high-dollar decisions
5. Functional processes and data more common through SaaS systems

CEB leverages several advantages in targeting functions instead of industries like most professional services firms

CONVERTING UNIQUELY VALUABLE RESEARCH INTO ACTIONABLE PRODUCTS

Unparalleled Research, Data, and Expertise



- 300,000 tested and proven best practices
- 200 annual unique research studies
- 30 million annual assessments in 30 languages
- 100 million-strong assessment benchmarking database
- 1,500+ cognitive, personality, skill/knowledge tests
- Experts in over 220 functional disciplines
- Perspective from relationships with more than 15,000 leading executives

High-Impact, Renewable Revenue Streams

Best Practices and Decision Support

- Annual subscription programs
- Bundles of research, management tools, and on-demand advice

Assessment and Development Solutions

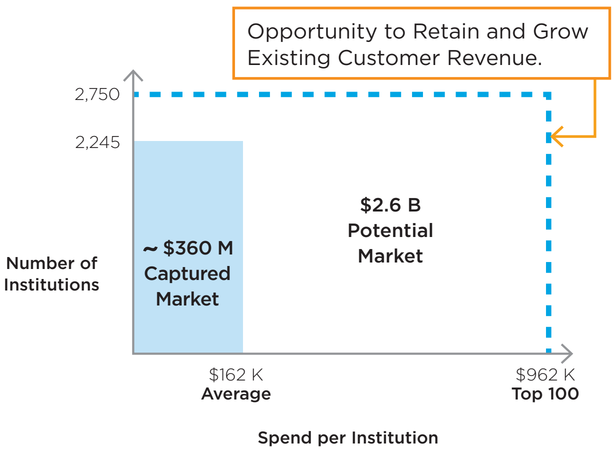
- SaaS-based predictive assessments
- Technology-based diagnostics

Management Tools and Solutions

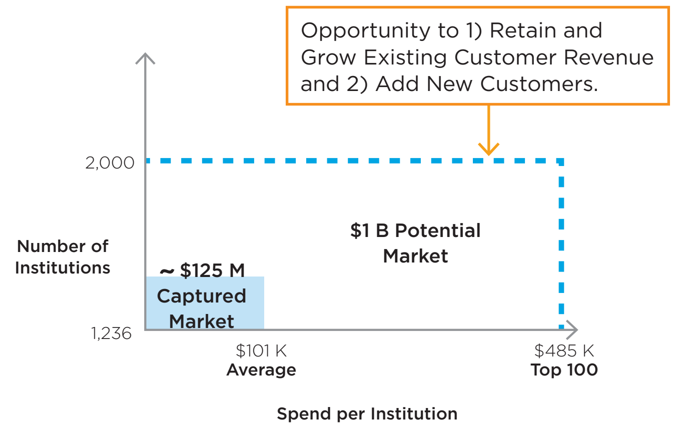
- Functional surveys and assessments
- Employee analytics and management tools
- Advisory engagements and support

CEB SEGMENT HAS A LARGE ADDRESSABLE MARKET THAT TARGETS AREAS OF CLIENT NEED

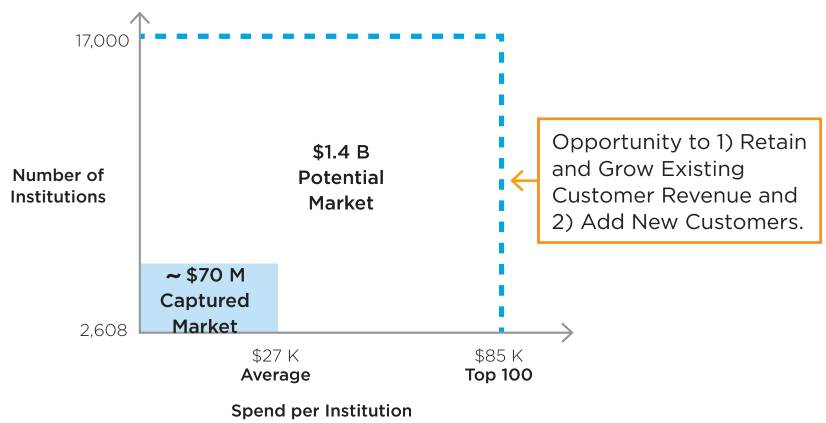
Large Corporate Market—North America[1]



Large Corporate Market—Rest of World[1]



Middle Market[2]

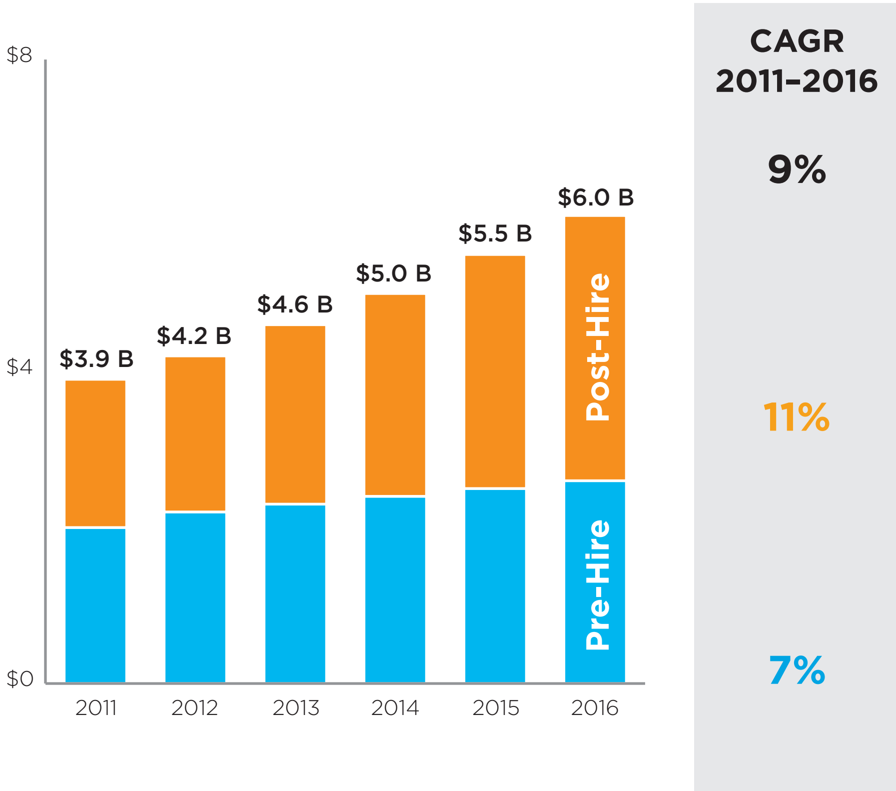


- There is a significant amount of untapped potential for CEB's products and services in the Large Corporate market.
- Our increasing momentum in the Middle Market adds more than $1 billion in additional growth potential.

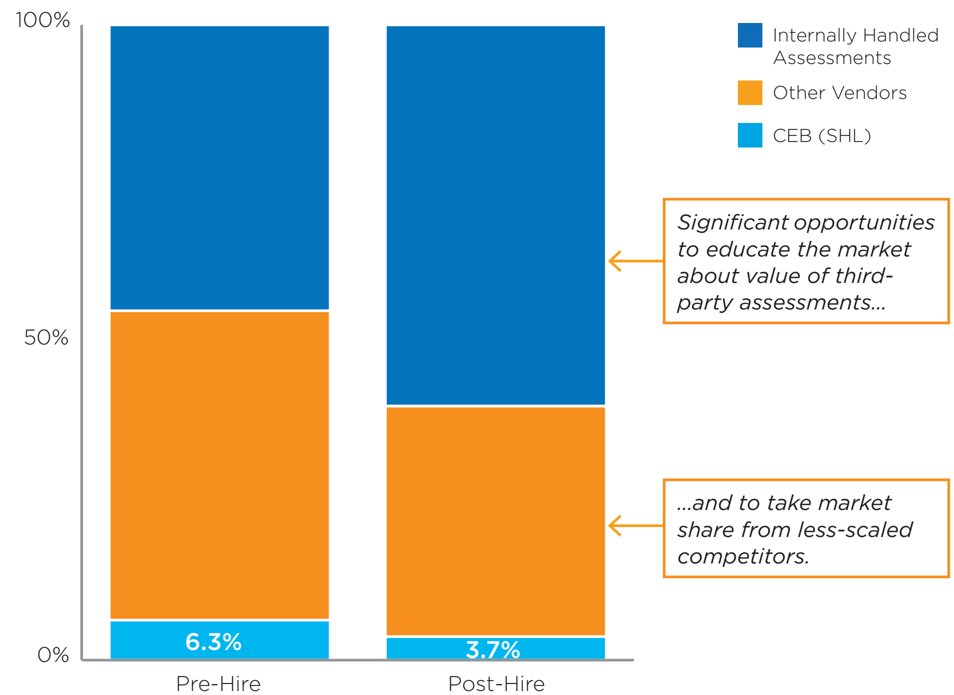
[1] Defined as companies with more than $1 billion in annual revenue.
[2] Defined as companies between $100 million and $1 billion in annual revenue.

ATTRACTIVE SELECTION & ASSESSMENT MARKET OPPORTUNITY FOR SHL SEGMENT

Estimated Global Assessment Market Size, 2011–2016(E)



Current Share of Selection & Assessment Market

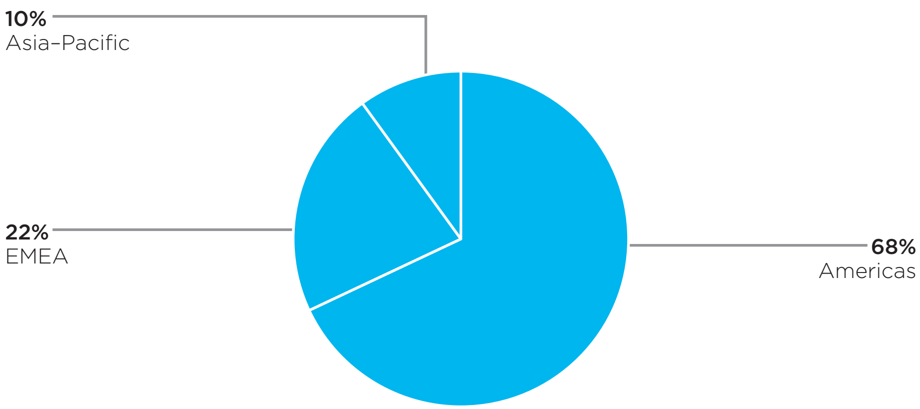


Acquisition of SHL allows CEB to tap into a $4 billion Selection & Assessment market that is growing rapidly.

Source: Bain & Co.; Parthenon Group; CEB estimates.

GLOBAL REACH AND INSIGHT

Pro Forma Adjusted 2012 Revenue of $762 Million[1]



Foothold in Every Major Market

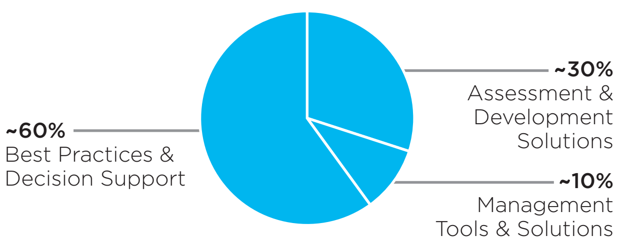
- Strong presence in US and Northern Europe
- Attractive position in key Asian markets
- < 2% exposure to Southern Europe
- Serve clients based in 111 countries in over 30 languages
- Disciplined investment in sales and service capacity in the most compelling markets

[1] Pro Forma Adjusted Revenue = Pro Forma Revenue excluding impact of Deferred Revenue Fair Value Adjustment.

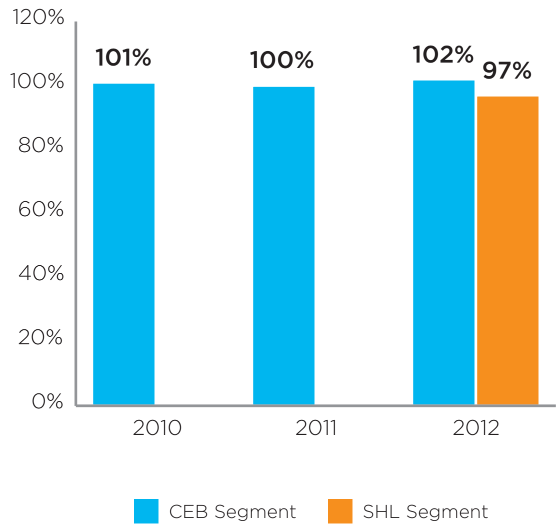
HIGHLY VISIBLE, PREDICTABLE GROWTH

Recurring Revenue Streams

- ~90% CEB Segment Are from Membership Subscriptions
- ~70% SHL Segment Are Repeatable SaaS and Related Services, Including ~30% from Subscriptions



Solid Wallet Retention



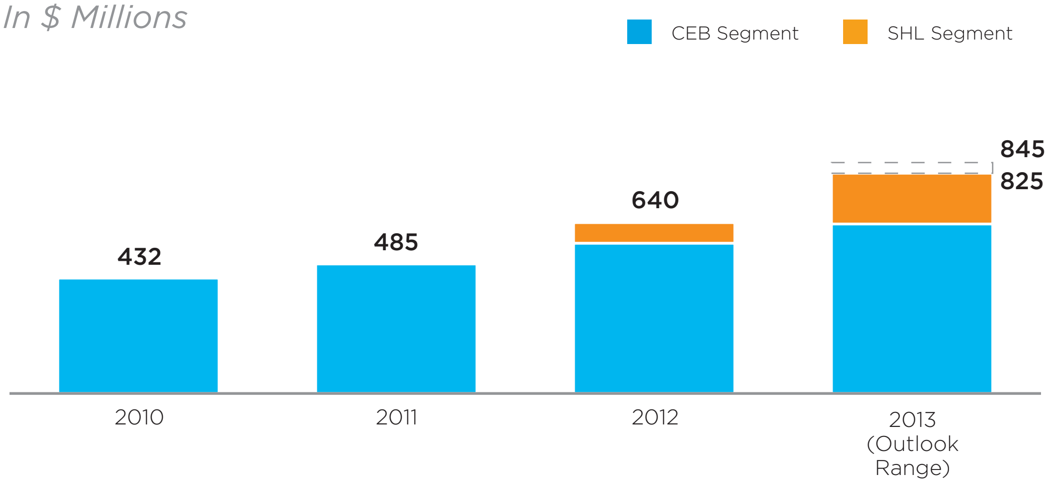
Blue Chip Customer Base

- 10,000+ Participating Organizations
- 225,000+ Business Professionals
- 94% Fortune 100
- 88% Fortune 500
- 80% FTSE 100
- 62% Dow Jones Asian Titans
- Top 50 clients account for less than 10% of combined revenue

2010–2012 organic revenue growth in low double-digits

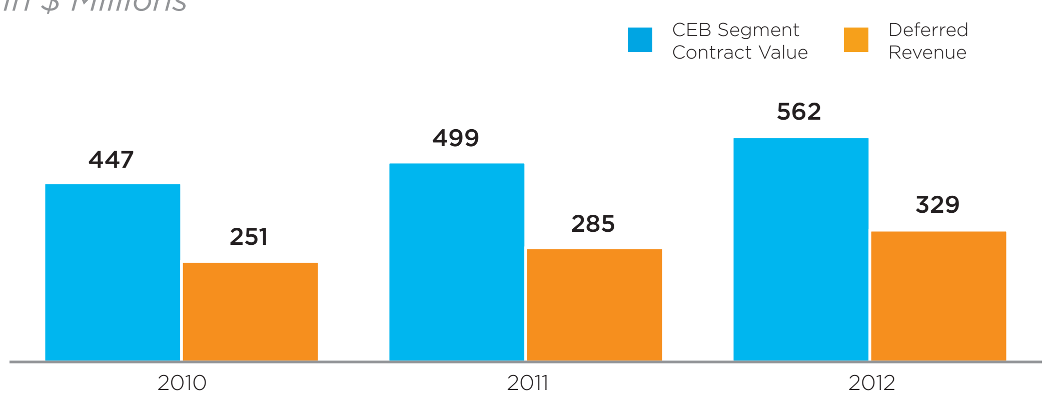
CONSISTENT DOUBLE-DIGIT REVENUE GROWTH BUILT ON ORGANIC FOUNDATION, ENHANCED BY SHL ACQUISITION

Adjusted Revenue
In $ Millions



- 2010–2013 Total CAGR of (approx.) 25%
- 2010–2012 Organic CAGR of 11.4%
- 2013 Growth of 8–11% versus 2012 ProForma Adjusted Revenue of $762 M

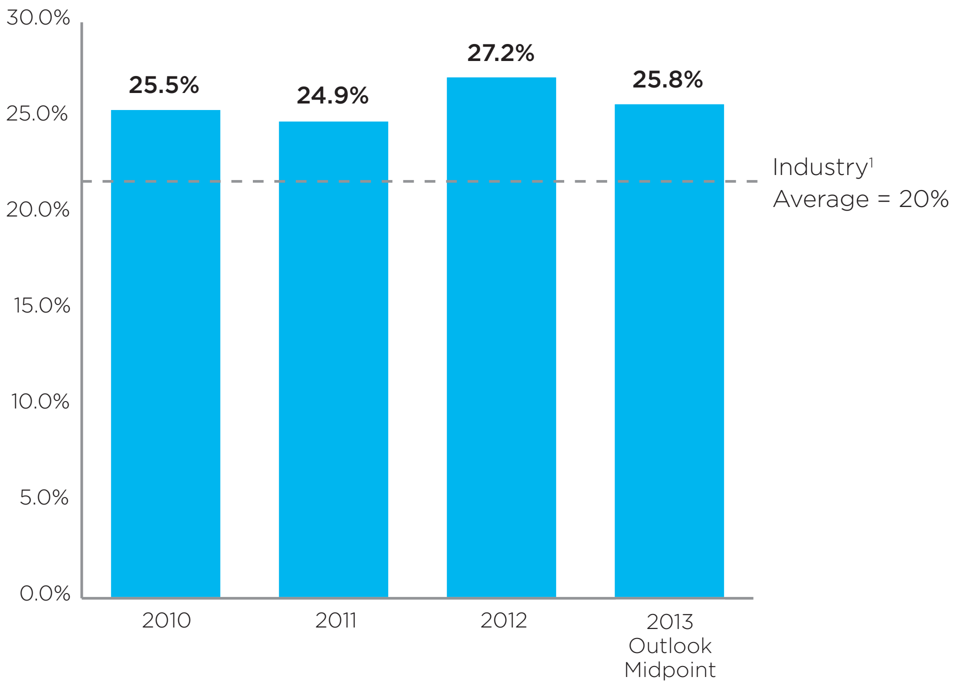
CEB Segment Contract Value and Deferred Revenue
In $ Millions



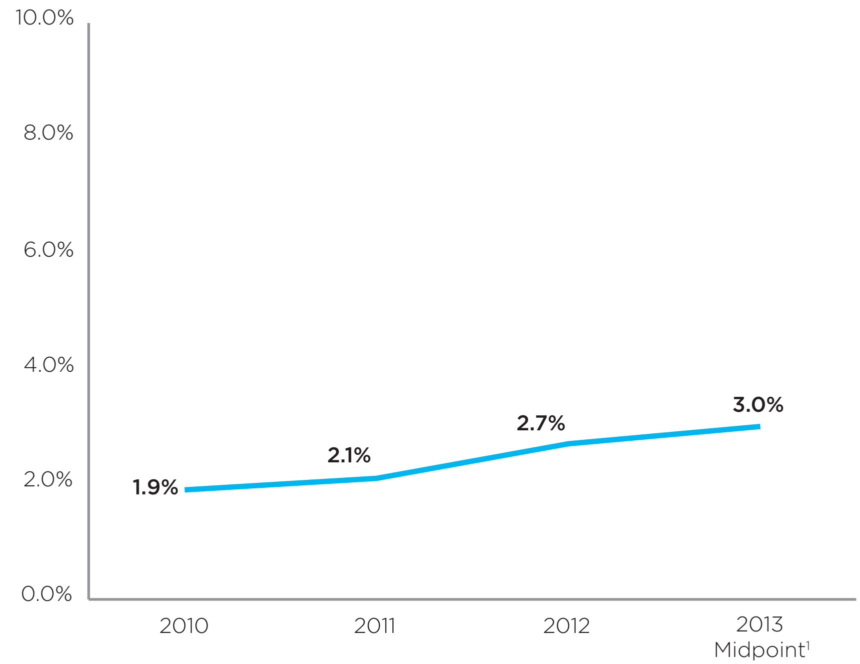
- Contract Value CAGR = 12.1%
- Deferred Revenue CAGR = 14.5%

ATTRACTIVE PROFITABILITY AND LOW CAPITAL INTENSITY

Adjusted EBITDA Margin



CapEx as Percent of Adjusted Revenue



Scalable business model provides resources to invest in continued growth

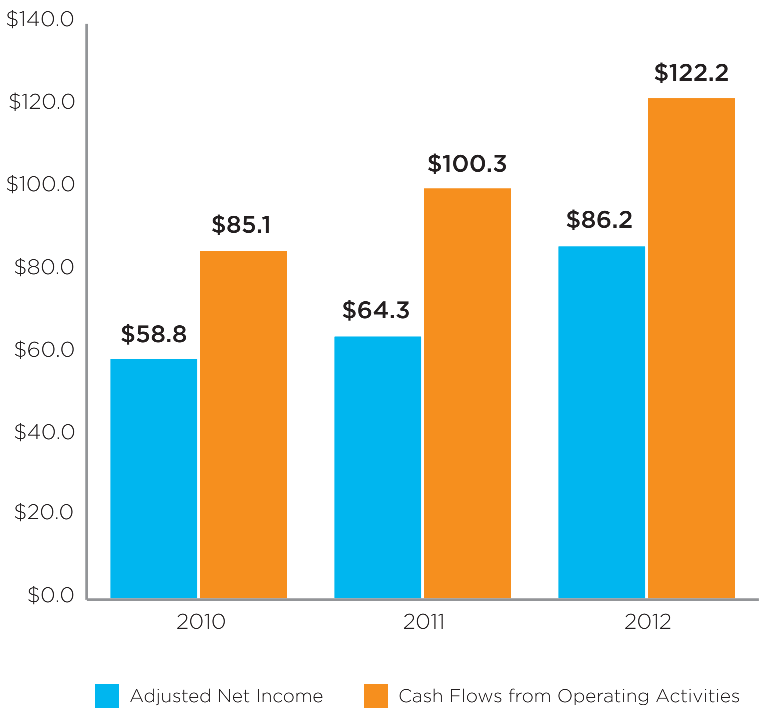
Requirements remain modest after SHL acquisition

[1] Three year average for ABCO, FORR, FCN, IT, HCKT, HURN, IHS, TW, JW-A.

[2] Excludes integration CapEx.

POSITIVE CASH FLOWS AND STRONG FINANCIAL RETURNS

In Millions



Three Year Averages

- Operating Cash Flow to Adjusted Net Income = 1.47x
- Operating Cash Flow Growth = 20%
- Return on Equity = 54%
- Adjusted Return on Equity[1] = 85%
- Dividend Payout Ratio = 45%

Solid Cash Conversion

Consistent Financial Outcomes

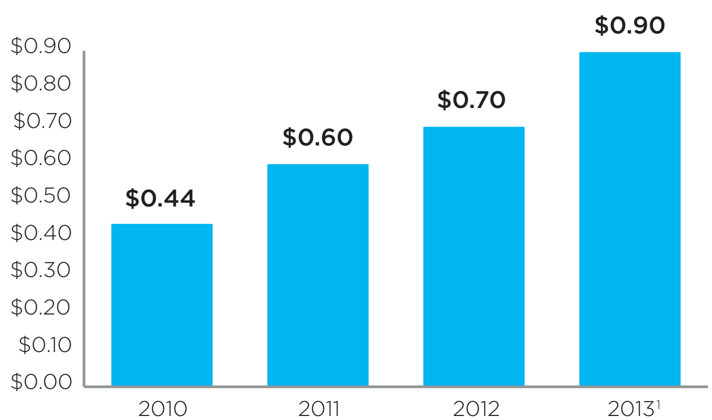
[1] Adjusted return on Equity = Adjusted net income divided by stockholder's equity.

CAPITAL ALLOCATION PRIORITIES

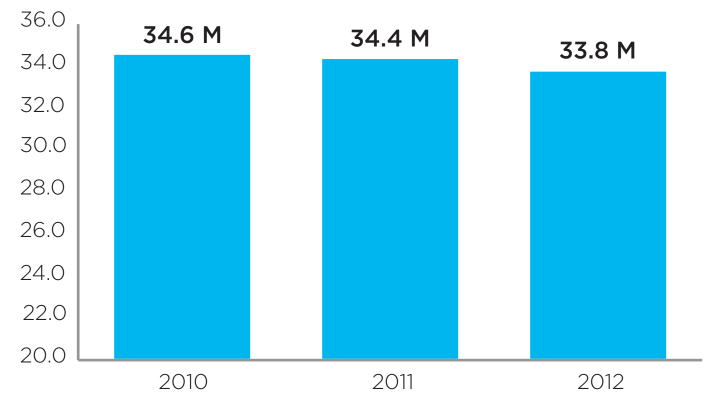
1 Financial Strength and Strategic Flexibility

- $72.7 M of cash at 31 December 2012
- $93 M undrawn revolver at 31 January 2013
- Net debt to Adjusted EBITDA at 2.0x or lower by YE 2013

2 Regular Dividend Increases



3 Constant Share Count



- $50 M of stock repurchases during 2011–2012
- New $50 M share repurchase authorization approved through 2014

Balanced and consistent approach to capital allocation

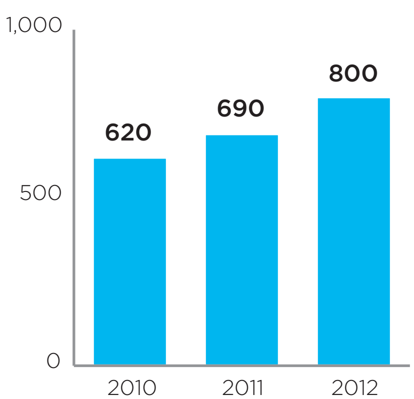
[1] Assumes dividends consistent with that approved by Board for Q1 2013.

STRATEGY FOR FUTURE GROWTH

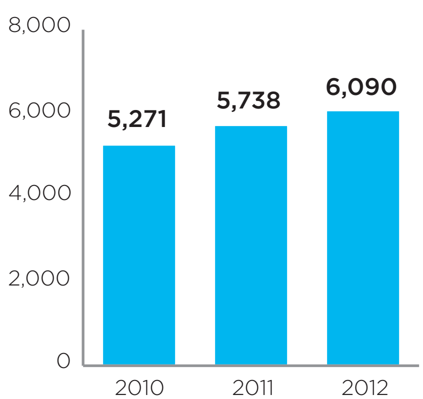
Retain and Grow Existing Customer Revenue + Acquire New Customer Logos + Introduce Exciting New Products = Long-Term Average Growth of 8–13%

Growth of Top 200 Customers

Average Annual Contract Value in Thousands, 2010 to 2012



CEB Segment Institutions



Examples

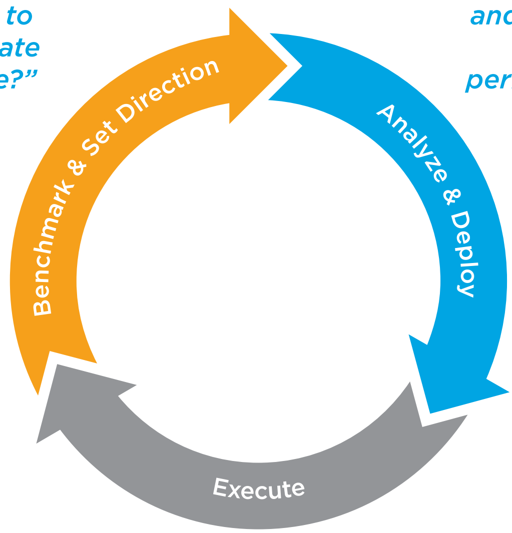
- Leadership Academies
- IT Roadmap Builder
- Challenger Selection & Assessment

AN END-TO-END TALENT OFFER

Best Practices & Decision Support

- Best-practice research and data
- New frameworks and approaches
- Benchmarks versus peers
- Advisory support and networking

"What capabilities and outcomes do we need to drive corporate performance?"



"Do we have the right people and processes for high performance?"

Integrated Talent Management Solutions

- SHL Talent Measurement
  - Selection & Assessment
  - Talent Analytics
- Workforce Surveys and Analytics
- Learning & Development Platforms

"How do we hardwire best practice?"

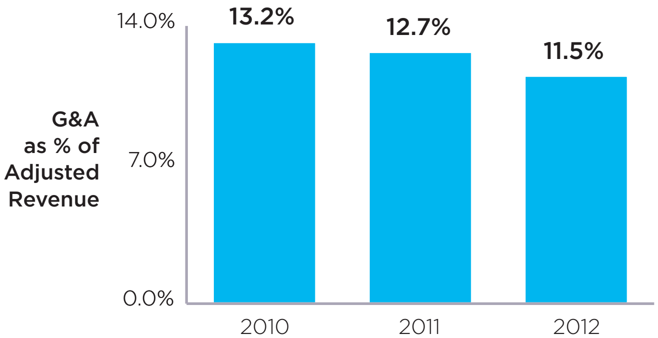
Tools and Solutions

- Talent Acquisition Solutions
- Development and Succession
- Training and Coaching
- Leadership Transition Support
- Functional Effectiveness Diagnostics

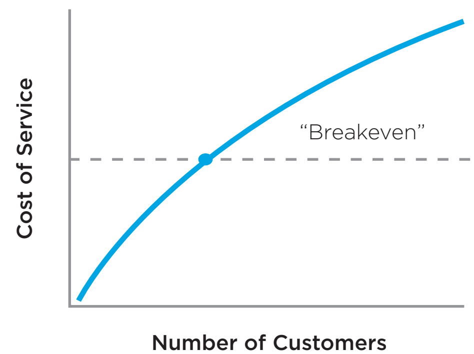
FIVE LEVERS TO EARNINGS GROWTH

- Visible opportunities to expand Adjusted EBITDA Margin

1 G&A Leverage



2 Existing Product Scaling



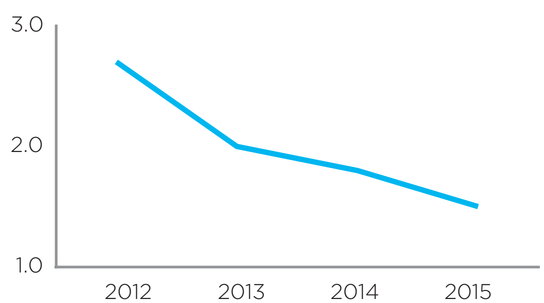
3 SHL Segment Normalization

- Grow into 2013 investment profile
- Leverage SaaS platform
- Drive greater volume of leads entering pipeline

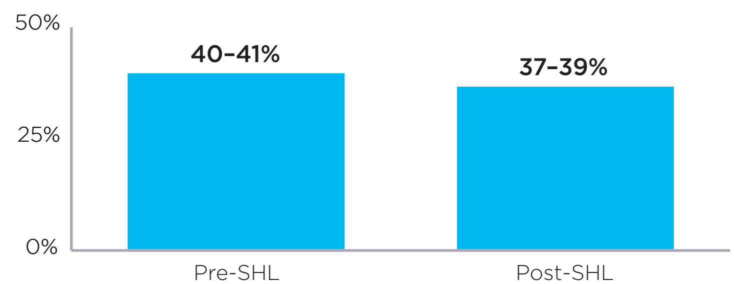
- Pathways to lower interest and taxes

4 Organic Deleveraging

Net Debt to Adjusted EBITDA



5 Tax Planning Opportunities



SUMMARY

- High Value Content Drives Business Value
- Large Addressable Market Targets Areas of Client Need
- Predictable Growth Through Subscription Model and High Wallet Retention
- High Profitability and Low Capital Intensity Produce Strong Cash Flows and Financial Returns
- Strategy Enables Attractive Growth in the Years Ahead

APPENDIX: NON-GAAP FINANCIAL MEASURES

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").

The term "Adjusted revenue" refers to revenue before the 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 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, including comparison against our competitors, when publicly providing our 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 similarly titled measures used by other companies.

Our non-GAAP financial measures reflect adjustments based on the following items, as well as the related income tax effects:

- Certain business combination accounting entries and expenses related to acquisitions: We have adjusted for the impact of the deferred revenue fair value adjustment, amortization of acquisition related intangibles, and acquisition related costs. We incurred significant expenses primarily in connection with our SHL acquisition and also incurred certain other operating expenses, which we generally would not have otherwise incurred in the periods presented as a part of our continuing operations. We believe that excluding these acquisition related items from our non-GAAP financial measures provides useful supplemental information to our investors and is important in illustrating what our core operating results would have been had we not incurred these acquisition related items since the nature, size, and number of acquisitions can vary from period to period.
- Share-based compensation: Although share-based compensation is a key incentive offered to our employees, we evaluate our operating results excluding such expense. Accordingly, we exclude share-based compensation from our non-GAAP financial measures because we believe it provides valuable supplemental information that helps investors have a more complete understanding of our operating results. In addition, we believe the exclusion of this expense facilitates the ability of our investors to compare our operating results with those of other peer companies, many of which also exclude such expense in determining their non-GAAP measures, given varying valuation methodologies, subjective assumptions, and the variety and amount of award types that may be utilized.

With respect to the Company's 2013 annual guidance, reconciliations of 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.

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 the most directly comparable GAAP measure is included in the accompanying tables.

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APPENDIX—REAFFIRMING FULL YEAR GUIDANCE

	2013 Outlook	Comment
Adjusted Revenue[1]	\$825 to \$845 M	Watching headwinds from currency and US government business
Revenue[1]	\$812 to \$832 M	Deferred revenue fair value adjustment of approximately \$13 M
Adjusted EBITDA Margin[1]	25% to 26.5%	Maintaining investment plan
Depreciation & Amortization	\$61 M to \$63 M	
Capital Expenditures	\$29 to \$31 M	
Tax Rate	YTD rate of approximately 38%	▪ Normalized rate in range of 37–39% excluding permanent book-tax differences and other items ▪ One-time benefit coming in Q3 2013
Non GAAP Diluted Earnings per Share	\$2.85 to \$3.15	Balanced risks and opportunities

[1] Non-GAAP measure. See Appendix.

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APPENDIX: CURRENT PERIOD VERSUS PRIOR PERIOD

In Thousands, Except per Share Data

	Three Months Ended 30 June 2013			Three Months Ended 30 June 2012			Six Months Ended 30 June 2013			Six Months Ended 30 June 2012		
	CEB	SHL	Total	CEB	SHL	Total	CEB	SHL	Total	CEB	SHL	Total
ADJUSTED REVENUE												
Revenue	$156,818	$47,792	$204,610	$135,718	$-	$135,718	304,957	$89,925	$394,882	$264,185	$-	$264,185
Impact of the Deferred Revenue Fair Value Adjustment	-	2,950	2,950	-	-	-	-	7,459	7,459	-	-	-
Adjusted Revenue	**$156,818**	**$50,742**	**$207,560**	**$135,718**	**$-**	**$135,718**	**$304,957**	**$97,384**	**$402,341**	**$264,185**	**$-**	**$264,185**
ADJUSTED EBITDA												
Net Income (Loss)	$14,467	$(899)	$13,568	$14,765	$-	$14,765	$29,237	$(4,461)	$24,776	$30,326	$-	$30,326
Interest Expense (Income), Net	6,174	-	6,174	(58)	-	(58)	12,523	-	12,523	(135)	-	(135)
Depreciation and Amortization	7,085	7,698	14,783	5,935	-	5,935	14,292	15,197	29,489	10,964	-	10,964
Provision for Income Taxes	9,384	(933)	8,451	9,993	-	9,993	16,438	(1,341)	15,097	20,987	-	20,987
Impact of the Deferred Revenue Fair Value Adjustment	-	2,950	2,950	-	-	-	-	7,459	7,459	-	-	-
Acquisition Related Costs	1,189	835	2,024	2,253	-	2,253	2,019	1,003	3,022	2,729	-	2,729
Share-Based Compensation	2,745	346	3,091	2,268	-	2,268	5,356	501	5,857	4,236	-	4,236
Adjusted EBITDA	**$41,044**	**$9,997**	**$51,041**	**$35,156**	**$-**	**$35,156**	**$79,865**	**$18,358**	**$98,223**	**$69,107**	**$-**	**$69,107**
Adjusted EBITDA Margin	**26.2%**	**19.7%**	**24.6%**	**25.9%**	**-%**	**25.9%**	**26.2%**	**18.9%**	**24.4%**	**26.2%**	**-%**	**26.2%**

	Three Months Ended 30 June		Six Months Ended 30 June	
	2013	2012	2013	2012
ADJUSTED NET INCOME				
Net Income	$13,568	$14,765	$24,776	$30,326
Impact of the Deferred Revenue Fair Value Adjustment[1]	2,100	-	5,310	-
Acquisition Related Costs[1]	1,334	1,344	1,958	1,623
Share-Based Compensation[1]	1,915	1,361	3,605	2,543
Amortization of Acquisition Related Intangibles[1]	5,844	913	11,799	1,738
Adjusted Net Income	**$24,761**	**$18,383**	**$47,448**	**$36,230**
NON-GAAP DILUTED EARNINGS PER SHARE				
Diluted Earnings per Share	$0.40	$0.44	$0.73	$0.90
Impact of the Deferred Revenue Fair Value Adjustment[1]	0.06	-	0.16	-
Acquisition Related Costs[1]	0.04	0.04	0.05	0.05
Share-Based Compensation[1]	0.06	0.04	0.11	0.08
Amortization of Acquisition Related Intangibles[1]	0.17	0.03	0.35	0.05
Non-GAAP Diluted Earnings per Share	**$0.73**	**$0.55**	**$1.40**	**$1.08**

[1] Adjustments are net of the estimated income tax effect using statutory rates based on the relative amounts allocated to each jurisdiction in the applicable period. The following income rates were used: 29% for the deferred revenue fair value adjustment; 37% for acquisition related costs; 39% for share-based compensation; and 32% for amortization of acquisition related intangibles.

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APPENDIX: HISTORICAL FINANCIAL INFORMATION

In Thousands, Except per Share Data

	Year Ended 31 December				
	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
Impact of the Deferred Revenue Fair Value Adjustment	17,134	-	-	-	-
Acquisition Related Costs	24,529	-	-	-	-
Share-Based Compensation	9,214	8,118	7,431	10,667	12,469
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
Impact of the Deferred Revenue Fair Value Adjustment	12,474	-	-	-	-
Acquisition Related Costs	18,427	-	-	-	-
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
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 DILUTED EARNINGS PER SHARE					
Diluted Earnings per 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
Diluted Earnings per Share from Continuing Operations	1.10	1.67	1.51	1.45	1.95
Impact of the Deferred Revenue Fair Value Adjustment	0.37	-	-	-	-
Acquisition Related Costs	0.54	-	-	-	-
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
Costs Associated with Exit Activities	-	-	-	0.20	-
Restructuring Costs	-	-	-	0.16	0.14
Gain on Acquisition	-	-	-	(0.01)	-
Non-GAAP Diluted Earnings per Share	**$2.55**	**$1.87**	**$1.70**	**$2.04**	**$2.34**