

NAVIGANT CONSULTING, INC. AND SUBSIDIARIES
SUPPLEMENTAL INFORMATION*
(UNAUDITED)

TOTAL COMPANY							
	2013	2012				2012	2011
All numbers in \$000s except per share data, DSO and percentages	Q1	Q4	Q3	Q2	Q1	Full Year	Full Year
Revenues Before Reimbursements (RBR)	\$ 187,257	\$ 194,346	\$ 181,128	\$ 181,529	\$ 186,380	\$ 743,383	\$ 695,714
Y/Y Growth rate	0%	N/A	N/A	N/A	N/A	7%	N/A
Q/Q Growth rate	-4%	7%	0%	-3%	N/A	N/A	N/A
Reimbursements	27,516	31,011	26,935	23,071	20,241	101,258	88,970
Total Revenues	214,773	225,357	208,063	204,600	206,621	844,641	784,684
Geographic Revenues as % of Total							
U.S. Operations	89%	90%	90%	89%	89%	89%	88%
Non U.S. Operations	11%	10%	10%	11%	11%	11%	12%
Cost of Services Before Reimbursable Expenses	126,364	126,377	122,392	122,243	123,960	494,972	467,045
% of RBR	67%	65%	68%	67%	67%	67%	67%
General and Administrative Expenses	32,483	36,664	33,086	35,848	35,557	141,155	130,415
% of RBR	17%	19%	18%	20%	19%	19%	19%
EBITDA (1)	30,125	30,280	25,650	22,818	26,863	105,611	98,254
% of RBR	16.1%	15.6%	14.2%	12.6%	14.4%	14.2%	14.1%
Adjusted EBITDA (1)	29,852	33,777	26,288	24,422	27,679	112,166	101,177
% of RBR	15.9%	17.4%	14.5%	13.5%	14.9%	15.1%	14.5%
Operating Income	24,489	24,280	20,528	17,428	21,622	83,858	76,293
% of RBR	13%	12%	11%	10%	12%	11%	11%
Net Income	13,798	13,527	11,444	9,556	11,642	46,169	41,130
% of RBR	7%	7%	6%	5%	6%	6%	6%
Y/Y Growth rate	19%	N/A	N/A	N/A	N/A	12%	N/A
Q/Q Growth rate	2%	18%	20%	-18%	N/A	N/A	N/A
Net Income Per Diluted Share (EPS)	0.27	0.26	0.22	0.18	0.22	0.90	0.80
Adjusted Net Income Per Diluted Share (1)	0.27	0.31	0.23	0.21	0.23	0.98	0.84
Shares used in computing net income per diluted share	51,360	51,340	51,460	51,685	51,797	51,572	51,371
Balance Sheet							
Cash and cash equivalents	2,939	1,052	1,239	-	74	1,052	2,969
Accounts receivable, net	205,827	198,709	209,594	205,213	196,271	198,709	179,041
Days sales outstanding (DSO)	77	72	85	84	80	72	76
Bank debt	164,656	134,183	155,538	167,656	187,030	134,183	131,790
Free Cash Flow (1)	21,825	5,511	17,508	21,142	13,118	57,279	58,641
Share-based compensation expense related to client service personnel	1,315	1,417	1,421	1,461	1,398	5,697	5,214

SEGMENT INFORMATION (2)							
	2013	2012				2012	2011
All numbers in \$000s except percentages	Q1	Q4	Q3	Q2	Q1	Full Year	Full Year
Business Segment RBR							
Disputes, Investigations & Economics	\$ 76,975	\$ 85,142	\$ 82,325	\$ 81,350	\$ 91,219	\$ 340,036	\$ 338,965
% of Total Company RBR	41%	44%	45%	45%	49%	46%	49%
Financial, Risk & Compliance Advisory	41,764	43,390	39,194	42,800	37,230	162,614	136,472
% of Total Company RBR	22%	22%	22%	24%	20%	22%	20%
Healthcare	43,583	41,800	36,701	36,022	36,542	151,065	134,611
% of Total Company RBR	23%	22%	20%	20%	20%	20%	19%
Energy	24,935	24,014	22,908	21,357	21,389	89,668	85,666
% of Total Company RBR	13%	12%	13%	12%	11%	12%	12%
Total Company	\$ 187,257	\$ 194,346	\$ 181,128	\$ 181,529	\$ 186,380	\$ 743,383	\$ 695,714
Business Segment Revenues							
Disputes, Investigations & Economics	\$ 83,458	\$ 91,459	\$ 88,984	\$ 86,894	\$ 97,089	\$ 364,426	\$ 370,850
% of Total Company Revenues	39%	41%	43%	42%	47%	43%	47%
Financial, Risk & Compliance Advisory	52,603	57,196	50,295	52,847	43,828	204,166	159,663
% of Total Company Revenues	24%	25%	24%	26%	21%	24%	20%
Healthcare	49,191	47,428	40,957	40,839	40,926	170,150	151,841
% of Total Company Revenues	23%	21%	20%	20%	20%	20%	19%
Energy	29,521	29,274	27,827	24,020	24,778	105,899	102,330
% of Total Company Revenues	14%	13%	13%	12%	12%	13%	13%
Total Company	\$ 214,773	\$ 225,357	\$ 208,063	\$ 204,600	\$ 206,621	\$ 844,641	\$ 784,684
Segment Operating Profit							
Disputes, Investigations & Economics	\$ 25,817	\$ 32,125	\$ 29,000	\$ 27,995	\$ 34,168	\$ 123,288	\$ 122,672
% of Segment RBR	34%	38%	35%	34%	37%	36%	36%
Financial, Risk & Compliance Advisory	14,995	16,577	12,830	15,402	13,755	58,564	44,906
% of Segment RBR	36%	38%	33%	36%	37%	36%	33%
Healthcare	15,804	15,711	12,315	11,463	11,470	50,959	42,739
% of Segment RBR	36%	38%	34%	32%	31%	34%	32%
Energy	8,796	9,155	7,837	7,475	7,254	31,721	32,882
% of Segment RBR	35%	38%	34%	35%	34%	35%	38%
Total Company	\$ 65,412	\$ 73,568	\$ 61,982	\$ 62,335	\$ 66,647	\$ 264,532	\$ 243,199
% of Total Company RBR	35%	38%	34%	34%	36%	36%	35%
SUPPLEMENTAL REVENUE INFORMATION							
International RBR (3)	\$ 14,075	\$ 15,975	\$ 15,313	\$ 17,394	\$ 17,525	\$ 66,207	\$ 65,427
% of Total Company RBR	8%	8%	8%	10%	9%	9%	9%
Technology, Data & Process RBR (4)	\$ 20,524	\$ 22,050	\$ 23,166	\$ 20,122	\$ 19,865	\$ 85,203	\$ 51,684
% of Total Company RBR	11%	11%	13%	11%	11%	11%	7%

METRIC INFORMATION (2)							
	2013	2012				2012	2011
	Q1	Q4	Q3	Q2	Q1	Full Year	Full Year
Average Client Service Full-Time Equivalent (FTE) Headcount (4)(5)							
Disputes, Investigations & Economics							
Consulting	570	594	600	617	635	611	668
Technology, Data & Process	192	195	190	177	160	181	126
Total Client Service FTE	762	789	790	794	795	792	794
Financial, Risk & Compliance Advisory							
Consulting	265	266	269	276	272	271	248
Total Client Service FTE	265	266	269	276	272	271	248
Healthcare							
Consulting	420	420	362	355	366	376	361
Technology, Data & Process	168	157	153	155	155	155	121
Total Client Service FTE	588	577	515	510	521	531	482
Energy							
Consulting	322	319	309	302	299	307	294
Technology, Data & Process	46	43	36	10	10	25	-
Total Client Service FTE	368	362	345	312	309	332	294
Total Company							
Consulting	1,577	1,599	1,540	1,550	1,572	1,565	1,571
Technology, Data & Process	406	395	379	342	325	361	247
Total Client Service FTE	1,983	1,994	1,919	1,892	1,897	1,926	1,818
Average Bill Rate (4)(6)							
Disputes, Investigations & Economics	345	346	341	340	340	343	326
Financial, Risk & Compliance Advisory	278	284	292	299	310	295	329
Healthcare	250	241	249	250	266	247	243
Energy	191	188	188	192	195	190	189
Total Company	275	276	279	281	291	281	282
Average Utilization (based on 1,850 hrs) (4)(7)							
Disputes, Investigations & Economics	75%	77%	72%	69%	77%	74%	75%
Financial, Risk & Compliance Advisory	75%	66%	65%	70%	75%	69%	76%
Healthcare	81%	78%	79%	79%	78%	79%	77%
Energy	78%	77%	77%	76%	76%	77%	80%
Total Company	77%	75%	73%	73%	77%	75%	77%
Period End FTE Employees (4)(6)							
Consulting	1,543	1,613	1,557	1,522	1,561	1,613	1,578
Technology, Data, & Process	399	400	387	351	340	400	304
Non-billable	533	546	548	542	517	546	527
Total Company	2,475	2,559	2,492	2,415	2,418	2,559	2,409

NON-GAAP RECONCILIATIONS PAGE 1 OF 2

EBITDA AND ADJUSTED EBITDA (9)

	2013	2012				2012	2011
	Q1	Q4	Q3	Q2	Q1	Full Year	Full Year
All numbers in \$000s except percentages							
Operating Income	\$ 24,489	\$ 24,280	\$ 20,528	\$ 17,428	\$ 21,622	\$ 83,858	\$ 76,293
Depreciation expense	3,730	4,112	3,618	3,740	3,516	14,986	13,303
Accelerated depreciation - office consolidation	208	-	-	-	-	-	-
Amortization expense	1,698	1,888	1,504	1,650	1,725	6,767	8,658
EBITDA	30,125	30,280	25,650	22,818	26,863	105,611	98,254
Add:							
Severance expense	1,442	2,472	638	984	816	4,910	2,923
Other operating costs (benefit):							
Contingent acquisition liability adjustment	-	445	-	620	-	1,065	-
Office consolidation	-	580	-	-	-	580	-
Gain on disposition of assets	(1,715)	-	-	-	-	-	-
Adjusted EBITDA	29,852	33,777	26,288	24,422	27,679	112,166	101,177
General and administrative expenses	32,483	36,664	33,086	35,848	35,557	141,155	130,415
Long term compensation expense related to client service personnel (including share-based compensation)	4,519	5,599	3,246	3,049	4,227	16,121	14,530
Severance expense added above	(1,442)	(2,472)	(638)	(984)	(816)	(4,910)	(2,923)
Total Segment Operating Profit	\$ 65,412	\$ 73,568	\$ 61,982	\$ 62,335	\$ 66,647	\$ 264,532	\$ 243,199

FREE CASH FLOW (9)

Net cash provided by (used in) operating activities	\$ (31,920)	\$ 67,521	\$ 25,106	\$ 26,425	\$ (43,090)	\$ 75,962	\$ 111,367
Changes in other assets and liabilities	59,680	(44,721)	(3,009)	485	68,379	21,134	(20,474)
Allowance for doubtful accounts	(255)	(2,219)	(1,057)	(1,893)	(1,160)	(6,329)	(6,910)
Purchases of property and equipment	(3,680)	(5,541)	(3,532)	(3,153)	(7,826)	(20,052)	(10,375)
Payments of acquisition liabilities	-	(3,750)	-	(356)	(750)	(4,856)	(14,967)
Payments of contingent acquisition liabilities	(2,000)	(5,779)	-	(366)	(2,435)	(8,580)	-
Intangible assets impairment	-	-	-	-	-	-	-
Free Cash Flow	\$ 21,825	\$ 5,511	\$ 17,508	\$ 21,142	\$ 13,118	\$ 57,279	\$ 58,641

LEVERAGE RATIO (9)

Adjusted EBITDA for prior twelve-month period	\$ 114,339	\$ 112,166	\$ 104,033	\$ 104,091	\$ 105,240	\$ 112,166	\$ 101,177
Bank debt	164,656	134,183	155,538	167,656	187,030	134,183	131,790
Leverage ratio	1.44	1.20	1.50	1.61	1.78	1.20	1.30

NON-GAAP RECONCILIATIONS PAGE 2 OF 2

ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE (9)

	2013	2012				2012	2011
	Q1	Q4	Q3	Q2	Q1	Full Year	Full Year
All numbers in \$000s except percentages and per share data							
Severance expense	\$ 1,442	\$ 2,472	\$ 638	\$ 984	\$ 816	\$ 4,910	\$ 2,923
Income tax (benefit)(8)	(427)	(930)	(238)	(310)	(298)	(1,776)	(1,037)
Net income impact of severance expense	\$ 1,015	\$ 1,542	\$ 400	\$ 674	\$ 518	\$ 3,134	\$ 1,886
Shares used in computing net income per diluted share	51,360	51,340	51,460	51,685	51,797	51,572	51,371
Diluted income per share impact of severance expense	\$ 0.02	\$ 0.03	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.06	\$ 0.04
Other operating costs - contingent acquisition liability adjustment	\$ -	\$ 445	\$ -	\$ 620	\$ -	\$ 1,065	\$ -
Income tax (benefit)(8)	-	(180)	-	(250)	-	(430)	-
Net income impact of other operating costs - contingent acquisition liability adjustment	\$ -	\$ 265	\$ -	\$ 370	\$ -	\$ 635	\$ -
Shares used in computing net income per diluted share	51,360	51,340	51,460	51,685	51,797	51,572	51,371
Diluted income per share impact of other operating costs - contingent acquisition liability adjustment	\$ -	\$ 0.01	\$ -	\$ 0.01	\$ -	\$ 0.01	\$ -
Other operating costs - office consolidation	\$ 208	\$ 580	\$ -	\$ -	\$ -	\$ 580	\$ -
Income tax (benefit)(8)	(84)	(234)	-	-	-	(234)	-
Net income impact of other operating costs - office consolidation	\$ 124	\$ 346	\$ -	\$ -	\$ -	\$ 346	\$ -
Shares used in computing income per diluted share	51,360	51,340	51,460	51,685	51,797	51,572	51,371
Diluted income per share impact of other operating costs - office consolidation	\$ -	\$ 0.01	\$ -	\$ -	\$ -	\$ 0.01	\$ -
Other operating costs - gain on disposition of assets	\$ (1,715)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income tax expense(8)	692	-	-	-	-	-	-
Net income impact of other operating benefit - gain on disposition of assets	\$ (1,023)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Shares used in computing net income per diluted share	51,360	51,340	51,460	51,685	51,797	51,572	51,371
Diluted income per share impact of other operating costs - intangible assets impairment	\$ (0.02)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net income	\$ 13,798	\$ 13,527	\$ 11,444	\$ 9,556	\$ 11,642	\$ 46,169	\$ 41,130
Net income impact of severance expense	1,015	1,542	400	674	518	3,134	1,886
Net income impact of other operating costs - contingent acquisition liability adjustment	-	265	-	370	-	635	-
Net income impact of other operating costs - office consolidation	124	346	-	-	-	346	-
Net income impact of other operating benefit - gain on disposition of assets	(1,023)	-	-	-	-	-	-
Adjusted net income	\$ 13,914	\$ 15,680	\$ 11,844	\$ 10,600	\$ 12,160	\$ 50,284	\$ 43,016
Shares used in computing net income per diluted share	51,360	51,340	51,460	51,685	51,797	51,572	51,371
Adjusted earnings per share	\$ 0.27	\$ 0.31	\$ 0.23	\$ 0.21	\$ 0.23	\$ 0.98	\$ 0.84

FOOTNOTES

***TOTALS MAY NOT SUM DUE TO ROUNDING DIFFERENCES**

- (1) Non-GAAP financial measure. See accompanying non-GAAP reconciliations to the most directly comparable GAAP financial measure.
- (2) During the quarter ended June 30, 2012, the Company made changes to its reporting segments and prior period segment information has been recast to reflect these changes. See our press release dated July 24, 2012 for further information.
- (3) International RBR is composed primarily of practices with operations outside of North America. During the quarter ended March 31, 2013 one business was reclassified from out of International to our North American operations.
- (4) Technology, Data & Process businesses are comprised of our technology enabled professional services, including e-discovery services and data analytics, technology solutions and data services, invoice and insurance claims processing, market research and benchmarking businesses.
- (5) Average FTE is our average headcount during the period adjusted for part-time status. Average FTE is further split between the following categories
- a) Client Service FTE - individuals who directly or indirectly serve our clients.
 - i) Consulting FTE - individuals assigned to client service who record time to client engagements;
 - ii) Technology, Data & Process FTE - individuals in businesses primarily dedicated to maintaining and delivering the services described in note (4) above and are not included in average bill rate and average utilization metrics (see note (6) and (7) below); and
 - b) Non-billable FTE - individuals assigned to administrative and support functions, including office services, corporate functions, and certain practice support functions.

As defined in note (4) above, changes in our definition of our Technology, Data, and Process businesses resulted in changes to previously reported average FTE categories.

(6) Average bill rate is calculated by dividing fee revenues before certain adjustments such as discounts and markups, by the number of hours associated with the fee revenues. Fee revenues and hours billed on performance based services and related to Technology, Data & Process FTE are excluded from average bill rate. As discussed in note (4) above, changes in our definition of our Technology, Data, and Process businesses resulted in changes to previously reported average bill rate.

(7) Average utilization rate is calculated by dividing the number of hours of our Consulting FTE who recorded time to client engagements during a period, by the total available working hours for these consultants during the same period (1,850 hours annually). As discussed in note (4) above, changes in our definition of our Technology, Data, and Process businesses resulted in changes to previously reported average utilization.

(8) Effective income tax (benefit) has been determined based on specific tax jurisdiction.

(9) Non-GAAP Financial Information

This supplemental information includes certain non-GAAP financial measures as defined by the Securities and Exchange Commission. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measure calculated and presented in accordance with generally accepted accounting principles (GAAP) have been provided. While management believes that these non-GAAP financial measures are useful in evaluating the Company's operations, this information should be considered as supplemental in nature and not as a substitute for, or superior to, any measure of performance prepared in accordance with GAAP. Management uses these non-GAAP financial measures in addition to GAAP measures to assess the Company's operations and financial results and believes they are useful indicators of operating performance and the Company's ability to generate cash flows from operations that are available for interest, debt service, taxes and capital expenditures. Investors should recognize that these measures may not be comparable to similarly-titled measure of other companies.

EBITDA, adjusted EBITDA, adjusted net income and adjusted earnings per share

EBITDA is earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA excludes the impact of severance expense and other operating costs (benefit). Adjusted net income and adjusted earnings per share exclude the net income and per share net income impact of severance expense and other operating costs (benefit). Severance expense and other operating costs (benefit) are not considered to be non-recurring, infrequent or unusual to our business. Management believes that these non-GAAP financial measures provide investors with enhanced comparability of the Company's results of operations across periods.

Free Cash Flow

Free cash flow is calculated as net cash provided from operations excluding the change in assets and liabilities and allowance for doubtful accounts less cash payments for property, plant and equipment and deferred acquisition liabilities. Free cash flow does not represent discretionary cash available for spending as it excludes certain contractual obligations such as debt repayment. However, management believes that it provides investors with an indicator of cash available for on-going business operations and long term value creation.

Leverage Ratio

Leverage is calculated as bank debt at the end of the period divided by adjusted EBITDA for the prior twelve-month period. Management believes that leverage provides investors with an indicator of the cash flows available to repay the Company's debt obligations.