

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

TOTAL COMPANY(1)											
	2016			2016	2015				2015	2015	2014
	Q3	Q2	Q1	YTD September	Q4	Q3	Q2	Q1	YTD September	Full Year	Full Year
All numbers in thousands except per share data, DSO, ratios and percentages											
Revenues Before Reimbursements (RBR)	\$ 237,115	\$ 238,485	\$ 223,475	\$ 699,075	\$ 211,995	\$ 209,634	\$ 211,023	\$ 201,156	\$ 621,813	\$ 833,808	\$ 766,552
Y/Y Growth rate	13%	13%	11%	12%	N/A	N/A	N/A	N/A	N/A	9%	N/A
Q/Q Growth rate	-1%	7%	5%	N/A	1%	-1%	5%	N/A	N/A	N/A	N/A
Reimbursements	24,294	23,198	21,812	69,304	20,623	20,624	22,416	22,015	65,055	85,678	93,065
Total Revenues	261,409	261,683	245,287	768,379	232,618	230,258	233,439	223,171	686,868	919,486	859,617
Geographic Revenues as % of Total Revenues											
U.S. Operations	92%	91%	90%	91%	90%	90%	91%	91%	91%	91%	92%
Non U.S. Operations	8%	9%	10%	9%	10%	10%	9%	9%	9%	9%	8%
Cost of Services Before Reimbursable Expenses	156,061	157,966	153,940	467,967	146,195	141,731	145,367	138,601	425,699	571,894	519,157
% of RBR	66%	66%	69%	67%	69%	68%	69%	69%	68%	69%	68%
General and Administrative Expenses	42,126	44,507	39,831	126,464	36,100	36,629	39,068	35,665	111,362	147,462	136,057
% of RBR	18%	19%	18%	18%	17%	17%	19%	18%	18%	18%	18%
EBITDA (2)	38,448	35,021	29,704	103,173	30,122	30,991	22,517	40,887	94,395	124,517	(7,242)
% of RBR	16%	15%	13%	15%	14%	15%	11%	20%	15%	15%	-1%
Adjusted EBITDA (2)	39,807	37,152	30,561	107,520	30,851	31,557	30,141	28,393	90,091	120,942	116,223
% of RBR	17%	16%	14%	15%	15%	15%	14%	14%	15%	15%	15%
Operating Income (Loss)	28,535	25,082	20,261	73,878	21,554	22,953	14,357	33,263	70,573	92,127	(32,781)
% of RBR	12%	11%	9%	11%	10%	11%	7%	17%	11%	11%	-4%
Net Income (Loss)	17,175	14,777	12,642	44,594	13,199	14,176	7,827	25,143	47,146	60,345	(36,398)
Net Income (Loss) from Continuing Operations (3)											(36,907)
% of RBR	7%	6%	6%	6%	6%	7%	4%	12%	8%	7%	-5%
Y/Y Growth rate	21%	89%	-50%	-5%	N/A	N/A	N/A	N/A	N/A	264%	N/A
Q/Q Growth rate	16%	17%	-4%	N/A	-7%	81%	-69%	N/A	N/A	N/A	N/A
Income from Discontinued Operations, net of tax	-	-	-	-	-	-	-	-	-	-	509
Net Income (Loss) Per Diluted Share (EPS)	0.35	0.30	0.26	0.91	0.27	0.29	0.16	0.51	0.96	1.23	(0.75)
Net Income (Loss) from Continuing Operations Per Diluted Share (EPS) (3)											(0.76)
Income from Discontinued Operations, net of tax Per Diluted Share	-	-	-	-	-	-	-	-	-	-	0.01
Adjusted Earnings Per Diluted Share (2)	0.37	0.33	0.27	0.97	0.28	0.30	0.26	0.23	0.79	1.07	1.02
Shares used in computing per diluted share data (4)	48,763	48,841	49,031	48,878	49,007	49,155	49,310	49,413	49,297	49,224	48,741
Shares used in computing adjusted per diluted share data (5)	48,763	48,841	49,031	48,878	49,007	49,155	49,310	49,413	49,297	49,224	49,976
Balance Sheet											
Cash and cash equivalents	7,044	3,310	3,406	7,044	8,895	4,017	3,854	1,988	4,017	8,895	2,648
Accounts receivable, net	272,254	254,395	230,177	272,254	216,660	221,159	223,717	211,879	221,159	216,660	187,652
Days sales outstanding (DSO)	87	81	78	87	76	81	80	80	81	76	69
Bank debt	161,208	189,757	211,521	161,208	173,743	146,814	171,386	178,734	146,814	173,743	109,790
Free Cash Flow (2)	25,456	24,432	20,996	70,884	7,492	18,201	11,577	11,754	41,532	49,024	72,390
Share-based compensation expense related to client-service FTE	1,513	2,612	1,495	5,620	1,528	1,512	2,232	1,135	4,879	6,407	4,965

SEGMENT INFORMATION (1)											
All numbers in thousands except percentages	2016			2016	2015				2015	2015	2014
	Q3	Q2	Q1	YTD September	Q4	Q3	Q2	Q1	YTD September	Full Year	Full Year
Business Segment RBR											
Disputes, Forensics & Legal Technology	\$ 77,368	\$ 79,320	\$ 81,262	\$ 237,950	\$ 76,820	\$ 80,099	\$ 81,116	\$ 76,593	\$ 237,808	\$ 314,628	\$ 309,570
% of Total Company RBR	33%	33%	36%	34%	36%	38%	38%	38%	38%	38%	40%
Financial Services Advisory and Compliance	40,265	39,994	33,650	113,909	31,605	28,302	29,509	34,943	92,754	124,359	135,498
% of Total Company RBR	17%	17%	15%	16%	15%	14%	14%	17%	15%	15%	18%
Healthcare	91,046	89,876	81,667	262,589	76,059	74,500	74,245	63,994	212,739	288,798	223,817
% of Total Company RBR	38%	38%	37%	38%	36%	36%	35%	32%	34%	35%	29%
Energy	28,436	29,295	26,896	84,627	27,511	26,733	26,153	25,626	78,512	106,023	97,667
% of Total Company RBR	12%	12%	12%	12%	13%	13%	12%	13%	13%	13%	13%
Total Company	\$ 237,115	\$ 238,485	\$ 223,475	\$ 699,075	\$ 211,995	\$ 209,634	\$ 211,023	\$ 201,156	\$ 621,813	\$ 833,808	\$ 766,552
Business Segment Revenues											
Disputes, Forensics & Legal Technology	\$ 82,909	\$ 85,082	\$ 86,999	\$ 254,990	\$ 82,600	\$ 86,826	\$ 87,515	\$ 81,211	\$ 255,552	\$ 338,152	\$ 333,273
% of Total Company Revenues	32%	33%	35%	33%	36%	38%	37%	36%	37%	37%	39%
Financial Services Advisory and Compliance	46,391	45,360	36,907	128,658	35,151	31,069	34,439	42,300	107,808	142,959	162,637
% of Total Company Revenues	18%	17%	15%	17%	15%	13%	15%	19%	16%	16%	19%
Healthcare	100,033	98,386	90,102	288,521	83,082	80,821	80,652	69,329	230,802	313,884	248,095
% of Total Company Revenues	38%	38%	37%	38%	36%	35%	35%	31%	34%	34%	29%
Energy	32,076	32,855	31,279	96,210	31,785	31,542	30,833	30,331	92,706	124,491	115,612
% of Total Company Revenues	12%	13%	13%	13%	14%	14%	13%	14%	13%	14%	13%
Total Company	\$ 261,409	\$ 261,683	\$ 245,287	\$ 768,379	\$ 232,618	\$ 230,258	\$ 233,439	\$ 223,171	\$ 686,868	\$ 919,486	\$ 859,617
Segment Operating Profit											
Disputes, Forensics & Legal Technology	\$ 26,099	\$ 28,963	\$ 28,710	\$ 83,772	\$ 24,014	\$ 28,445	\$ 25,721	\$ 24,269	\$ 78,435	\$ 102,449	\$ 104,466
% of Segment RBR	34%	37%	35%	35%	31%	36%	32%	32%	33%	33%	34%
Financial Services Advisory and Compliance	17,682	17,511	13,506	48,699	12,476	10,383	11,201	15,070	36,654	49,130	58,929
% of Segment RBR	44%	44%	40%	43%	39%	37%	38%	43%	40%	40%	43%
Healthcare	31,896	29,362	23,768	85,026	23,796	24,091	24,726	18,256	67,073	90,869	65,104
% of Segment RBR	35%	33%	29%	32%	31%	32%	33%	29%	32%	31%	29%
Energy	8,336	8,402	6,714	23,452	8,247	7,698	7,513	7,922	23,133	31,380	30,507
% of Segment RBR	29%	29%	25%	28%	30%	29%	29%	31%	29%	30%	31%
Total Company	\$ 84,013	\$ 84,238	\$ 72,698	\$ 240,949	\$ 68,533	\$ 70,617	\$ 69,161	\$ 65,517	\$ 205,295	\$ 273,828	\$ 259,006
% of Total Company RBR	35%	35%	33%	34%	32%	34%	33%	33%	33%	33%	34%
OTHER INFORMATION											
Technology, Data & Process RBR (6)	\$ 42,996	\$ 43,019	\$ 45,520	\$ 131,535	\$ 46,699	\$ 47,033	\$ 47,864	\$ 43,943	\$ 138,840	\$ 185,539	\$ 138,220
% of Total Company RBR	18%	18%	20%	19%	22%	22%	23%	22%	22%	22%	18%

METRIC INFORMATION (1)											
	2016			2016	2015				2015	2015	2014
	Q3	Q2	Q1	YTD September	Q4	Q3	Q2	Q1	YTD September	Full Year	Full Year
Average Client-Service Full-Time Equivalent (FTE) Headcount (6)(7)											
Disputes, Forensics & Legal Technology											
Consulting	486	481	489	485	485	481	483	500	488	487	519
Technology, Data & Process	189	191	193	191	206	210	213	210	211	210	199
Total Client-Service FTE	675	672	682	676	691	691	696	710	699	697	718
Financial Services Advisory and Compliance											
Consulting	314	305	291	303	286	290	295	302	296	293	273
Total Client-Service FTE	314	305	291	303	286	290	295	302	296	293	273
Healthcare											
Consulting	601	570	556	576	453	443	437	439	440	443	443
Technology, Data & Process	2,367	2,495	2,581	2,481	2,629	2,536	2,420	1,562	2,173	2,287	688
Total Client-Service FTE	2,968	3,065	3,137	3,057	3,082	2,979	2,857	2,001	2,613	2,730	1,131
Energy											
Consulting	344	356	370	357	367	349	333	329	337	344	330
Technology, Data & Process	63	62	62	62	66	64	65	66	65	65	52
Total Client-Service FTE	407	418	432	419	433	413	398	395	402	409	382
Total Company											
Consulting	1,746	1,712	1,706	1,721	1,591	1,562	1,548	1,571	1,561	1,568	1,565
Technology, Data & Process	2,620	2,747	2,837	2,735	2,901	2,809	2,698	1,838	2,449	2,562	939
Total Client-Service FTE	4,366	4,459	4,543	4,456	4,492	4,371	4,246	3,409	4,010	4,130	2,504
Average Bill Rate (6)(8)											
Disputes, Forensics & Legal Technology	367	375	380	375	374	373	379	367	373	373	368
Financial Services Advisory and Compliance	313	316	288	306	280	284	273	274	278	275	275
Healthcare	270	292	264	270	277	269	286	262	274	274	258
Energy	207	210	203	207	200	200	203	197	200	199	191
Total Company	293	303	291	294	290	289	294	284	289	288	282
Average Utilization (based on 1,850 hrs) (6)(9)											
Disputes, Forensics & Legal Technology	72%	75%	78%	75%	74%	76%	75%	74%	75%	75%	71%
Financial Services Advisory and Compliance	76%	80%	81%	79%	77%	69%	75%	84%	76%	76%	80%
Healthcare	75%	77%	77%	76%	76%	77%	76%	74%	76%	76%	75%
Energy	72%	74%	72%	73%	71%	73%	75%	76%	75%	74%	74%
Total Company	74%	76%	77%	76%	75%	74%	75%	76%	75%	75%	75%
Period End FTE Employees (6)(7)											
Consulting	1,791	1,716	1,711	1,791	1,677	1,588	1,541	1,568	1,588	1,677	1,573
Technology, Data & Process	2,620	2,642	2,812	2,620	2,897	2,843	2,701	2,700	2,843	2,897	1,201
Non-billable	848	842	822	848	755	735	709	693	735	755	608
Total Company	5,259	5,200	5,345	5,259	5,329	5,166	4,951	4,961	5,166	5,329	3,382

NON-GAAP FINANCIAL MEASURES RECONCILIATIONS PAGE 1 OF 2

EBITDA AND ADJUSTED EBITDA (1)(2)

	2016			2016	2015				2015	2015	2014
	Q3	Q2	Q1	YTD September	Q4	Q3	Q2	Q1	YTD September	Full Year	Full Year
All numbers in thousands except ratios and percentages											
Net income (loss)	\$ 17,175	\$ 14,777	\$ 12,642	\$ 44,594	\$ 13,199	\$ 14,176	\$ 7,827	\$ 25,143	\$ 47,146	\$ 60,345	\$ (36,398)
Income from discontinued operations	-	-	-	-	-	-	-	-	-	-	(509)
Interest expense	1,310	1,429	1,260	3,999	928	1,018	1,238	1,732	3,988	4,916	5,918
Interest income	(35)	(36)	(39)	(110)	(72)	(77)	(46)	(55)	(178)	(250)	(274)
Other (income) expense, net	(350)	(444)	(340)	(1,134)	(212)	(328)	176	(328)	(480)	(692)	(167)
Income tax expense (benefit)	10,435	9,356	6,738	26,529	7,711	8,164	5,162	6,771	20,097	27,808	(1,351)
Depreciation expense	7,008	7,015	6,522	20,545	6,579	5,954	5,724	5,355	17,033	23,612	19,580
Accelerated depreciation - office consolidation (included in other operating costs - office consolidation, net)	-	33	-	33	26	-	139	-	139	165	-
Amortization expense	2,905	2,891	2,921	8,717	1,963	2,084	2,297	2,269	6,650	8,613	5,959
EBITDA	38,448	35,021	29,704	103,173	30,122	30,991	22,517	40,887	94,395	124,517	(7,242)
Add:											
Severance expense	879	1,140	857	2,876	1,151	283	3,553	1,503	5,339	6,490	4,885
Other operating costs (benefit):											
Contingent acquisition liability adjustments, net	480	850	-	1,330	(422)	-	2,308	(14,933)	(12,625)	(13,047)	(4,992)
Office consolidation, net (excluding accelerated depreciation - office consolidation, above)	-	141	-	141	-	-	1,665	936	2,601	2,601	725
Loss (gain) on disposition of assets	-	-	-	-	-	283	-	-	283	283	(541)
Goodwill impairment	-	-	-	-	-	-	-	-	-	-	122,045
Other impairment	-	-	-	-	-	-	98	-	98	98	1,343
Adjusted EBITDA	39,807	37,152	30,561	107,520	30,851	31,557	30,141	28,393	90,091	120,942	116,223
General and administrative expenses	42,126	44,507	39,831	126,464	36,100	36,629	39,068	35,665	111,362	147,462	136,057
Long term compensation expense related to client-service personnel (including share-based compensation)	2,959	3,719	3,163	9,841	2,733	2,714	3,505	2,962	9,181	11,914	11,611
Severance expense added above	(879)	(1,140)	(857)	(2,876)	(1,151)	(283)	(3,553)	(1,503)	(5,339)	(6,490)	(4,885)
Total Segment Operating Profit	\$ 84,013	\$ 84,238	\$ 72,698	\$ 240,949	\$ 68,533	\$ 70,617	\$ 69,161	\$ 65,517	\$ 205,295	\$ 273,828	\$ 259,006

FREE CASH FLOW (1)(2)

Net cash provided by (used in) operating activities	\$ 47,976	\$ 34,212	\$ (26,557)	\$ 55,631	\$ 48,976	\$ 38,908	\$ 29,149	\$ (33,954)	\$ 34,103	\$ 83,079	\$ 90,097
Changes in other assets and liabilities	(15,190)	(1,291)	54,197	37,716	(17,314)	(11,386)	(4,356)	58,811	43,069	25,755	16,232
Allowance for doubtful accounts receivable	(2,459)	(2,911)	(1,636)	(7,006)	(886)	(100)	(1,402)	(190)	(1,692)	(2,578)	(5,009)
Purchases of property and equipment	(3,425)	(5,080)	(4,959)	(13,464)	(7,934)	(7,963)	(10,284)	(12,913)	(31,160)	(39,094)	(23,506)
Payments of acquisition liabilities	(667)	(498)	-	(1,165)	(11,350)	(666)	(1,530)	-	(2,196)	(13,546)	(4,960)
Payments of contingent acquisition liabilities	(779)	-	(49)	(828)	(4,000)	(592)	-	-	(592)	(4,592)	(464)
Free Cash Flow	\$ 25,456	\$ 24,432	\$ 20,996	\$ 70,884	\$ 7,492	\$ 18,201	\$ 11,577	\$ 11,754	\$ 41,532	\$ 49,024	\$ 72,390

LEVERAGE RATIO (1)(2)

Adjusted EBITDA for prior twelve-month period	\$ 138,371	\$ 130,121	\$ 123,110	\$ 138,371	\$ 120,942	\$ 120,253	\$ 124,979	\$ 122,285	\$ 120,253	\$ 120,942	\$ 116,223
Bank debt	161,208	189,757	211,521	161,208	173,743	146,814	171,386	178,734	146,814	173,743	109,790
Leverage ratio	1.17	1.46	1.72	1.17	1.44	1.22	1.37	1.46	1.22	1.44	0.94

ORGANIC GROWTH (1)(2)

Revenues Before Reimbursements	\$ 237,115	\$ 238,485	\$ 223,475	\$ 699,075		\$ 209,634	\$ 211,023	\$ 201,156	\$ 621,813		
Pro forma acquisition adjustment	473	-	-	1,893		7,077	6,350	7,626	23,074		
Currency impact	1,794	714	1,026	3,688		-	-	-	-		
Pro forma RBR	\$ 239,382	\$ 239,199	\$ 224,501	\$ 704,656		\$ 216,711	\$ 217,373	\$ 208,782	\$ 644,887		
Y/Y Organic growth rate	10.5%	10.0%	7.5%	9.3%		N/A	N/A	N/A	N/A		

NON-GAAP FINANCIAL MEASURES RECONCILIATIONS PAGE 2 OF 2

ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE (1)(2)

	2016			2016	2015				2015	2015	2014
	Q3	Q2	Q1	YTD September	Q4	Q3	Q2	Q1	YTD September	Full Year	Full Year
All numbers in thousands except per share data											
Shares used in computing adjusted per diluted share data (5)	48,763	48,841	49,031	48,878	49,007	49,155	49,310	49,413	49,297	49,224	49,976
Severance expense	\$ 879	\$ 1,140	\$ 857	\$ 2,876	\$ 1,151	\$ 283	\$ 3,553	\$ 1,503	\$ 5,339	\$ 6,490	\$ 4,885
Income tax benefit (10)	(288)	(430)	(310)	(1,028)	(378)	(117)	(1,232)	(520)	(1,869)	(2,247)	(1,821)
Tax-effected impact of severance expense	\$ 591	\$ 710	\$ 547	\$ 1,848	\$ 773	\$ 166	\$ 2,321	\$ 983	\$ 3,470	\$ 4,243	\$ 3,064
Diluted earnings per share impact of severance expense	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.04	\$ 0.02	\$ -	\$ 0.05	\$ 0.02	\$ 0.07	\$ 0.09	\$ 0.06
Other operating (benefit) costs - contingent acquisition liability adjustment, net	\$ 480	\$ 850	\$ -	\$ 1,330	\$ (422)	\$ -	\$ 2,308	\$ (14,933)	\$ (12,625)	\$ (13,047)	\$ (4,992)
Income tax expense (benefit)(10)(11)(12)	(193)	(341)	-	(534)	166	-	(907)	(183)	(1,090)	(924)	2,014
Tax-effected impact of other operating (benefit) costs - contingent acquisition liability adjustment, net	\$ 287	\$ 509	\$ -	\$ 796	\$ (256)	\$ -	\$ 1,401	\$ (15,116)	\$ (13,715)	\$ (13,971)	\$ (2,978)
Diluted earnings per share impact of other operating (benefit) costs - contingent acquisition liability adjustment, net	\$ 0.01	\$ 0.01	\$ -	\$ 0.02	\$ (0.01)	\$ -	\$ 0.03	\$ (0.31)	\$ (0.28)	\$ (0.28)	\$ (0.06)
Other operating costs - office consolidation, net	\$ -	\$ 174	\$ -	\$ 174	\$ 26	\$ -	\$ 1,804	\$ 936	\$ 2,740	\$ 2,766	\$ 725
Income tax benefit(10)	-	(70)	-	(70)	(11)	-	(729)	(379)	(1,108)	(1,119)	(292)
Tax-effected impact of other operating costs - office consolidation, net	\$ -	\$ 104	\$ -	\$ 104	\$ 15	\$ -	\$ 1,075	\$ 557	\$ 1,632	\$ 1,647	\$ 433
Diluted earnings per share impact of other operating costs - office consolidation, net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.02	\$ 0.01	\$ 0.03	\$ 0.03	\$ 0.01
Other operating costs (benefit) - loss (gain) on disposition of assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283	\$ -	\$ -	\$ 283	\$ 283	\$ (541)
Income tax expense(10)(13)	-	-	-	-	-	-	-	-	-	-	218
Tax-effected impact of other operating costs (benefit) - loss (gain) on disposition of assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283	\$ -	\$ -	\$ 283	\$ 283	\$ (323)
Diluted earnings per share impact of other operating costs (benefit) - loss (gain) on disposition of assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01	\$ -	\$ -	\$ 0.01	\$ 0.01	\$ (0.01)
Other operating costs - goodwill impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,045
Income tax benefit(10)	-	-	-	-	-	-	-	-	-	-	(35,111)
Tax-effected impact of other operating costs - goodwill impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86,934
Diluted earnings per share impact of other operating costs - goodwill impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.74
Other operating costs - other impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98	\$ -	\$ 98	\$ 98	\$ 1,343
Income tax benefit(10)	-	-	-	-	-	-	(40)	-	(40)	(40)	(541)
Tax-effected impact of other operating costs - other impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58	\$ -	\$ 58	\$ 58	\$ 802
Diluted earnings per share impact of other operating costs - other impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.02
Net Income (Loss) from continuing operations	\$ 17,175	\$ 14,777	\$ 12,642	\$ 44,594	\$ 13,199	\$ 14,176	\$ 7,827	\$ 25,143	\$ 47,146	\$ 60,345	\$ (36,907)
Tax-effected impact of severance expense	591	710	547	1,848	773	166	2,321	983	3,470	4,243	3,064
Tax-effected impact of other operating (benefit) costs - contingent acquisition liability adjustment, net	287	509	-	796	(256)	-	1,401	(15,116)	(13,715)	(13,971)	(2,978)
Tax-effected impact of other operating costs - office consolidation, net	-	104	-	104	15	-	1,075	557	1,632	1,647	433
Tax-effected impact of other operating costs (benefit) - loss (gain) on disposition of assets	-	-	-	-	-	283	-	-	283	283	(323)
Tax-effected impact of other operating costs - goodwill impairment	-	-	-	-	-	-	-	-	-	-	86,934
Tax-effected impact of other operating costs - other impairment	-	-	-	-	-	-	58	-	58	58	802
Adjusted net income	\$ 18,053	\$ 16,100	\$ 13,189	\$ 47,342	\$ 13,731	\$ 14,625	\$ 12,682	\$ 11,567	\$ 38,874	\$ 52,605	\$ 51,025
Adjusted earnings per share	\$ 0.37	\$ 0.33	\$ 0.27	\$ 0.97	\$ 0.28	\$ 0.30	\$ 0.26	\$ 0.23	\$ 0.79	\$ 1.07	\$ 1.02

FOOTNOTES

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

(1) This supplemental information is reported on a continuing operations basis unless otherwise noted.

(2) Non-GAAP Financial Information

This supplemental information includes certain non-GAAP financial measures as defined by the Securities and Exchange Commission. All non-GAAP financial measures are presented on a continuing operations basis. 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. 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 financial 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 non-GAAP financial measures may not be comparable to similarly-titled measures of other companies.

EBITDA, adjusted EBITDA, adjusted Net Income and adjusted Earnings Per Share

EBITDA is earnings from continuing operations 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 (loss) and per share net income (loss) impact of discontinued operations, 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 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 ratio 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.

Organic Growth

Organic growth represents revenues before reimbursements adjusted to include the impact of our acquisitions as if we owned them from the beginning of each comparable period and adjusted to exclude the impact of foreign currency exchange rate fluctuations. Management believes that organic growth reflects the growth of our existing business and is, therefore, useful in analyzing the Company's financial condition and results of operations.

(3) The year ended December 31, 2014 is the only period presented that was impacted by discontinued operations.

(4) For the year ended December 31, 2014, the Company reported a net loss. For that period, the basic weighted average common shares outstanding equals the diluted weighted average common shares outstanding for purposes of calculating U.S. GAAP earnings per share because potentially dilutive securities would be antidilutive.

(5) For non-GAAP purposes, the per share and share amounts presented here reflect the inclusion of potentially dilutive shares based on the impact of the add backs included in Adjusted Net Income.

(6) Technology, Data & Process businesses are comprised of technology enabled professional services, including business process management services and data analytics, legal technology solutions and data services and insurance claims processing, market research and benchmarking businesses.

(7) 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 - combination of Consulting FTE and Technology, Data & Process FTE defined as follows:

i) Consulting FTE - individuals assigned to client services who record time to client engagements; and

ii) Technology, Data & Process FTE - individuals in businesses primarily dedicated to maintaining and delivering the services described above in note (6) and are not included in average bill rate and average utilization metrics (see note (8) and (9) below); and

b) Non-billable FTE - individuals assigned to administrative and support functions, including office services, corporate functions and certain practice support functions.

(8) 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.

(9) 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). Hours related to Technology, Data & Process FTE are excluded from average utilization rate.

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

(11) A portion of the deferred contingent acquisition liability adjustment for the year ended December 31, 2015 was non-taxable in nature.

(12) On May 15, 2015, we executed an Amendment to Merger Agreement with the Cymetrix Sellers, establishing a definitive amount for the obligation and eliminating the contingent aspect of the Cymetrix acquisition liability. As a result of this agreement, the company will no longer record an interest expense for imputed interest resulting from the contingent aspect of the acquisition liability. Based on this change, the company re-evaluated the need for a deferred tax liability associated with expected non-deductible imputed interest and recorded an \$826 thousand benefit to reverse the remaining tax impact in the quarter ended June 30, 2015.

(13) The loss on dispositions recorded during the quarter ended September 30, 2015 is subject to capital loss treatment in Canada. The tax benefit associated with this capital loss is subject to a full valuation allowance.