

TOTAL COMPANY(1)												
All numbers in thousands except per share data, DSO, ratios and percentages	2018				2018	2017				2017	2016	
	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Full Year	
Results for Continuing Operations												
Revenues Before Reimbursements (RBR)	\$ 174,639	\$ 171,386	\$ 165,224	\$ 161,445	\$ 672,694	\$ 156,635	\$ 164,523	\$ 160,076	\$ 155,708	\$ 636,942	\$ 619,787	
Y/Y Growth rate	11%	4%	3%	4%	6%	N/A	N/A	N/A	N/A	N/A	N/A	
Q/Q Growth rate	2%	4%	2%	3%	N/A	-5%	3%	3%	N/A	N/A	N/A	
Reimbursements	18,576	16,232	19,489	16,623	70,920	20,398	20,989	17,594	18,143	77,124	76,281	
Total Revenues	193,215	187,618	184,713	178,068	743,614	177,033	185,512	177,670	173,851	714,066	696,068	
Geographic Revenues as % of Total Revenues												
U.S. Operations	91%	92%	91%	94%	92%	92%	94%	94%	94%	93%	97%	
Non U.S. Operations	9%	8%	9%	6%	8%	8%	6%	6%	6%	7%	3%	
Cost of Services Before Reimbursable Expenses	127,570	121,945	113,121	116,936	479,572	109,009	111,197	113,333	109,884	443,423	417,058	
% of RBR	73%	71%	68%	72%	71%	70%	68%	71%	71%	70%	67%	
General and Administrative Expenses	34,507	32,073	34,912	37,079	138,571	32,663	35,326	34,663	36,372	139,024	137,693	
% of RBR	20%	19%	21%	23%	21%	21%	21%	22%	23%	22%	22%	
EBITDA (2)	12,511	17,569	14,896	6,446	51,423	14,784	16,987	12,080	8,146	51,996	63,197	
% of RBR	7%	10%	9%	4%	8%	9%	10%	8%	5%	8%	10%	
Adjusted EBITDA from Continuing Operations (2)	12,808	17,457	17,565	9,213	57,043	15,231	18,682	14,589	10,586	59,088	67,805	
% of RBR	7%	10%	11%	6%	9%	10%	11%	9%	7%	9%	11%	
Operating Income (loss)	5,961	10,975	8,288	(302)	24,922	7,721	10,107	4,442	653	22,923	32,822	
% of RBR	3%	6%	5%	0%	4%	5%	6%	3%	0%	4%	5%	
Share-based compensation expense related to client-service FTE	572	844	673	767	2,856	997	1,111	1,835	1,177	5,121	5,435	
Net Income (loss) from Continuing Operations	3,824	6,828	6,128	(1,597)	15,183	22,366	5,841	2,563	587	31,357	18,298	
% of RBR	2%	4%	4%	-1%	2%	14%	4%	2%	0%	5%	9%	
Net Income (loss) from Discontinued Operations	2,413	67,287	22,698	13,450	105,848	20,754	6,098	6,234	10,509	43,595	39,800	
Net income attributable to non-controlling interests	(319)	(70)	-	-	(389)	-	-	-	-	-	-	
Net income attributable to Navigant Consulting, Inc.	5,918	74,045	28,826	11,853	120,642	43,119	11,939	8,797	11,096	74,952	58,098	
Shares used in computing per diluted share data	43,594	45,932	46,549	46,834	45,727	47,223	48,017	48,696	48,969	48,226	48,813	
Net Income Per Diluted Share (EPS)	0.14	1.61	0.62	0.25	2.64	0.91	0.25	0.18	0.23	1.55	1.19	
Net Income (loss) from Continuing Operations attributable to Navigant Consulting, Inc. Per Diluted Share (EPS)	0.08	0.15	0.13	(0.03)	0.32	0.47	0.12	0.05	0.01	0.65	0.37	
Net Income from Discontinued Operations Per Diluted Share (EPS)	0.06	1.46	0.49	0.29	2.31	0.44	0.13	0.13	0.21	0.90	0.82	

SEGMENT INFORMATION (1) (9)											
	2018				2018	2017				2017	2016
	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Full Year
All numbers in thousands except percentages											
Business Segment RBR											
Healthcare	\$ 105,569	\$ 101,799	\$ 91,594	\$ 90,149	\$ 389,111	\$ 93,754	\$ 100,348	\$ 97,995	\$ 94,010	\$ 386,107	\$ 366,472
% of Total Company RBR	60%	59%	55%	56%	58%	60%	61%	61%	60%	61%	59%
Energy	34,584	34,591	36,644	33,704	139,523	30,654	29,597	31,743	32,498	124,492	115,940
% of Total Company RBR	20%	20%	22%	21%	21%	20%	18%	20%	21%	20%	19%
Financial Services Advisory and Compliance	34,486	34,996	36,986	37,592	144,060	32,227	34,578	30,338	29,200	126,343	137,375
% of Total Company RBR	20%	20%	22%	23%	21%	21%	21%	19%	19%	20%	22%
Total Company	\$ 174,639	\$ 171,386	\$ 165,224	\$ 161,445	\$ 672,694	156,635	164,523	160,076	155,708	636,942	619,787
Business Segment Revenues											
Healthcare	\$ 113,172	\$ 109,218	\$ 100,250	\$ 98,712	\$ 421,352	\$ 102,844	\$ 109,375	\$ 107,281	\$ 103,015	\$ 422,515	\$ 404,346
% of Total Company Revenues	59%	58%	54%	55%	57%	58%	59%	59%	59%	59%	58%
Energy	42,414	40,530	44,183	37,637	164,764	37,015	35,144	36,544	37,722	146,425	133,612
% of Total Company Revenues	22%	22%	24%	21%	22%	21%	19%	21%	22%	21%	19%
Financial Services Advisory and Compliance	37,629	37,870	40,280	41,719	157,498	37,174	40,993	33,845	33,114	145,126	158,110
% of Total Company Revenues	19%	20%	22%	23%	21%	21%	22%	19%	19%	20%	23%
Total Company	\$ 193,215	\$ 187,618	\$ 184,713	\$ 178,068	\$ 743,614	177,033	185,512	177,670	173,851	714,066	696,068
Segment Operating Profit											
Healthcare	\$ 28,476	\$ 28,687	\$ 27,375	\$ 20,390	\$ 104,928	\$ 27,302	\$ 31,665	\$ 28,930	\$ 28,472	\$ 116,369	\$ 118,468
% of Segment RBR	27%	28%	30%	23%	27%	29%	32%	30%	30%	30%	32%
Energy	10,051	10,857	12,685	10,728	44,321	8,311	8,077	8,516	8,879	33,783	32,637
% of Segment RBR	29%	31%	35%	32%	27%	27%	27%	27%	27%	27%	28%
Financial Services Advisory and Compliance	9,753	11,482	13,387	14,836	49,458	12,830	15,034	11,674	10,681	50,219	60,050
% of Segment RBR	28%	33%	36%	39%	34%	40%	43%	38%	37%	40%	44%
Total Company	\$ 48,281	\$ 51,025	\$ 53,447	\$ 45,954	\$ 198,707	\$ 48,443	\$ 54,776	\$ 49,120	\$ 48,032	\$ 200,371	\$ 211,155
% of Total Company RBR	28%	30%	32%	28%	30%	31%	33%	31%	31%	31%	34%
Technology, Data & Process RBR (3)	\$ 49,807	\$ 45,374	\$ 31,896	\$ 31,406	\$ 158,482	\$ 31,544	\$ 33,590	\$ 30,726	\$ 31,242	\$ 127,102	#VALUE!
% of Total Company RBR	29%	26%	19%	19%	24%	20%	20%	19%	20%	20%	#VALUE!
METRIC INFORMATION (1) (9)											
	2018				2018	2017				2017	2016
	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Full Year
Average Client-Service Full-Time Equivalent (FTE) Headcount (3)(4)											
Healthcare											
Consulting	638	624	622	648	633	680	671	657	645	663	616
Technology, Data & Process	3,324	3,127	2,570	2,706	2,932	2,751	2,780	2,656	2,467	2,663	2,466
Total Client-Service FTE	3,962	3,751	3,192	3,354	3,565	3,431	3,451	3,313	3,112	3,326	3,082
Energy											
Consulting	483	462	437	437	455	440	443	457	472	453	377
Technology, Data & Process	59	56	56	57	57	58	57	59	62	59	62
Total Client-Service FTE	542	518	493	494	512	498	500	516	534	512	439
Financial Services Advisory and Compliance											
Consulting	304	302	298	287	298	274	264	265	276	270	267
Technology, Data & Process	209	173	116	111	152	102	93	94	87	94	-
Total Client-Service FTE	513	475	414	398	450	376	357	359	363	364	267
Total Company											
Consulting	1,425	1,388	1,357	1,372	1,386	1,394	1,378	1,379	1,393	1,386	1,260
Technology, Data & Process	3,592	3,356	2,742	2,874	3,141	2,930	2,930	2,809	2,616	2,816	2,528
Total Client-Service FTE	5,017	4,744	4,099	4,246	4,527	4,305	4,308	4,188	4,009	4,202	3,788
Average Bill Rate (3)(5)											
Healthcare	284	272	259	263	271	274	282	282	275	278	274
Energy	204	204	223	215	212	207	199	207	208	206	205
Financial Services Advisory and Compliance	275	284	280	302	289	298	311	284	288	294	300
Total Company	255	253	253	259	259	260	265	260	257	260	260
Average Utilization (based on 1,850 hrs) (3)(6)											
Healthcare	70%	68%	73%	71%	70%	70%	73%	73%	76%	73%	76%
Energy	69%	64%	71%	68%	67%	62%	67%	67%	66%	66%	72%
Financial Services Advisory and Compliance	67%	73%	81%	84%	76%	81%	84%	77%	76%	79%	80%
Total Company	69%	68%	74%	73%	70%	69%	73%	72%	73%	72%	73%
Period End FTE Employees (3)(4)											
Consulting	1,427	1,408	1,355	1,355	1,427	1,394	1,385	1,366	1,385	1,394	1,405
Technology, Data & Process	3,630	3,483	2,757	2,800	3,630	2,870	2,949	2,921	2,709	2,870	2,561
Non-billable	895	880	818	820	895	765	737	722	727	765	526
Total Company	5,952	5,771	4,930	4,975	5,952	5,029	5,071	5,009	4,821	5,029	4,492

NON-GAAP FINANCIAL MEASURES RECONCILIATIONS PAGE 1 OF 3 (1)(2)

EBITDA AND ADJUSTED EBITDA											
All numbers in thousands except ratios and percentages	2018				2018	2017				2017	2016
	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Full Year
ADJUSTED EBITDA - CONTINUING OPERATIONS											
Net Income (loss) from Continuing Operations	\$ 3,824	\$ 6,828	\$ 6,128	\$ (1,597)	\$ 15,183	\$ 22,366	\$ 5,841	\$ 2,563	\$ 587	\$ 31,357	\$ 18,298
Interest expense	300	669	911	828	2,708	758	833	783	648	3,022	3,181
Interest income	(1,095)	(697)	(77)	(119)	(1,988)	(109)	(100)	(80)	(31)	(320)	(140)
Other income, net	(449)	390	(183)	361	119	410	103	599	(217)	895	(1,754)
Income tax expense	3,381	3,785	1,509	225	8,900	(15,704)	3,430	577	(334)	(12,031)	13,237
Depreciation expense	5,074	5,026	4,943	4,997	20,040	4,806	4,777	5,530	5,285	20,398	19,631
Accelerated depreciation - office consolidation (included in other operating costs - office consolidation, net)	-	-	-	-	-	101	-	-	-	101	33
Amortization expense	1,476	1,568	1,665	1,752	6,461	2,156	2,102	2,108	2,208	8,574	10,711
EBITDA	12,511	17,569	14,896	6,447	51,423	14,784	16,986	12,080	8,146	51,996	63,197
Add:											
Severance expense	246	89	374	1,783	2,492	268	682	2,509	1,134	4,593	2,769
Other operating costs:											
Contingent acquisition liability adjustments, net	(984)	-	-	-	(984)	-	1,014	-	1,199	2,213	1,330
Gain on termination of swaps and other financing costs	30	(448)	-	-	(418)	-	-	-	-	-	-
Other impairment	1,019	-	-	-	1,019	-	-	-	-	-	-
Other costs	(14)	247	2,295	983	3,511	179	-	-	107	286	509
Adjusted EBITDA from continuing operations	12,808	17,457	17,565	9,213	57,043	15,231	18,682	14,589	10,586	59,088	67,805
General and administrative expenses	34,507	32,073	34,912	37,079	138,571	32,663	35,326	34,663	36,372	139,024	137,693
Long term compensation expense related to client-service personnel (including share-based compensation)	1,212	1,584	1,344	1,445	5,585	817	1,450	2,377	2,208	6,852	8,426
Severance expense added above	(246)	(89)	(374)	(1,783)	(2,492)	(268)	(682)	(2,509)	(1,134)	(4,593)	(2,769)
Total Segment Operating Profit	\$ 48,281	\$ 51,025	\$ 53,447	\$ 45,954	\$ 198,707	\$ 48,443	\$ 54,776	\$ 49,120	\$ 48,032	\$ 200,371	\$ 211,155
ADJUSTED FREE CASH FLOW											
Net cash provided by (used in) operating activities	\$ (5,800)	\$ 24,693	\$ 53,543	\$ (34,847)	\$ 37,589	\$ 70,715	\$ 35,175	\$ 19,605	\$ (22,961)	\$ 102,535	\$ 109,384
Changes in assets and liabilities	21,839	(50,908)	(17,893)	63,883	16,921	(36,761)	(5,952)	10,807	50,064	18,158	8,223
Allowance for doubtful accounts receivable	(1,157)	(691)	(3,764)	(3,130)	(8,742)	(1,411)	(5,169)	(1,171)	(4)	(7,755)	(8,815)
Purchases of property and equipment	(4,253)	(3,835)	(1,705)	(5,750)	(15,543)	(7,921)	(9,840)	(7,100)	(13,789)	(38,650)	(28,665)
Payments of contingent acquisition liabilities	(1,000)	-	(1,090)	(80)	(2,170)	-	-	(8,630)	-	(8,630)	(185)
Adjusted Free Cash Flow	\$ 9,629	\$ (30,741)	\$ 29,091	\$ 20,076	\$ 28,055	\$ 24,622	\$ 14,214	\$ 13,511	\$ 13,310	\$ 65,658	\$ 79,942

NON-GAAP FINANCIAL MEASURES RECONCILIATIONS PAGE 2 OF 3											
	2018				2018	2017				2017	2016
	Q4	Q3	Q2	Q1		Q4	Q3	Q2	Q1		
All numbers in thousands except per share data											
LEVERAGE RATIO											
Adjusted EBITDA for prior twelve-month period	\$ 114,027	\$ 130,036	\$ 134,847	\$ 124,286	\$ 114,027	\$ 125,838	\$ 128,291	\$ 135,214	\$ 143,190	\$ 125,838	\$ 142,290
Bank debt	-	-	147,005	184,327	-	132,944	176,723	184,787	178,336	132,944	135,030
Leverage ratio	-	-	1.09	1.48	-	1.06	1.38	1.37	1.25	1.06	0.95
ORGANIC GROWTH											
Revenues Before Reimbursements	\$ 174,639	\$ 171,386	\$ 165,224	\$ 161,445	\$ 672,694	\$ 156,635	\$ 164,523	\$ 160,076	\$ 155,708	\$ 636,942	
Pro forma acquisition adjustment	-	-	-	-	-	473	1,427	1,421	1,420	4,741	
Currency impact	436	38	(916)	(1,465)	(1,907)	-	-	-	-	-	
Pro forma RBR	\$ 175,075	\$ 171,424	\$ 164,308	\$ 159,980	\$ 670,787	\$ 157,108	\$ 165,950	\$ 161,497	\$ 157,128	\$ 641,683	
Y/Y Organic growth rate	11.4%	3.3%	1.7%	1.8%	4.5%	N/A	N/A	N/A	N/A	N/A	
ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE											
Shares used in computing adjusted per diluted share data	43,594	45,932	46,549	46,834	45,727	47,223	48,017	48,696	48,969	48,226	48,813
Severance expense	\$ 246	\$ 89	\$ 374	\$ 1,783	\$ 2,492	\$ 268	\$ 682	\$ 2,509	\$ 1,134	\$ 4,593	\$ 2,769
Income tax benefit (7)	(49)	(36)	(99)	(475)	(659)	(98)	(265)	(989)	(420)	(1,772)	(1,622)
Tax-effected impact of severance expense	\$ 197	\$ 53	\$ 275	\$ 1,308	\$ 1,833	\$ 170	\$ 417	\$ 1,520	\$ 714	\$ 2,821	\$ 2,811
Diluted earnings per share impact of severance expense	\$ -	\$ -	\$ 0.01	\$ 0.03	\$ 0.04	\$ -	\$ 0.01	\$ 0.03	\$ 0.01	\$ 0.06	\$ 0.06
Other operating costs - contingent acquisition liability adjustment, net	\$ (984)	\$ -	\$ -	\$ -	\$ (984)	\$ -	\$ 1,014	\$ -	\$ 1,199	\$ 2,213	\$ 1,330
Income tax benefit (7)	205	-	-	-	205	-	(407)	-	(481)	(888)	(534)
Tax-effected impact of other operating costs - contingent acquisition liability adjustment, net	\$ (779)	\$ -	\$ -	\$ -	\$ (779)	\$ -	\$ 607	\$ -	\$ 718	\$ 1,325	\$ 796
Diluted earnings per share impact of other operating costs - contingent acquisition liability adjustment, net	\$ (0.02)	\$ -	\$ -	\$ -	\$ (0.02)	\$ -	\$ 0.01	\$ -	\$ 0.01	\$ 0.03	\$ 0.02
Other operating benefit - gain on termination of swaps and other financing costs	\$ 30	\$ (448)	\$ -	\$ -	\$ (418)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income tax expense (7)	(8)	122	-	-	114	-	-	-	-	-	-
financing costs	\$ 22	\$ (326)	\$ -	\$ -	\$ (304)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Diluted earnings per share impact of other operating costs - gain on termination of swaps and other financing costs	\$ -	\$ (0.01)	\$ -	\$ -	\$ (0.01)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other operating costs - other costs (2018 costs include legal costs relating to shareholder proxy contest and costs relating to the SaleCo transaction)	\$ (14)	\$ 247	\$ 2,295	\$ 983	\$ 3,511	\$ 280	\$ -	\$ -	\$ 107	\$ 387	\$ 509
Income tax benefit (7)	1	(68)	(625)	(268)	(960)	(113)	-	-	(43)	(155)	(217)
Tax-effected impact of other operating costs - other costs	\$ (13)	\$ 179	\$ 1,670	\$ 715	\$ 2,551	\$ 167	\$ -	\$ -	\$ 64	\$ 232	\$ 292
Diluted earnings per share impact of other operating costs - other costs	\$ -	\$ -	\$ 0.04	\$ 0.02	\$ 0.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01
Other operating costs - goodwill impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income tax benefit(7)	-	-	-	-	-	-	-	-	-	-	-
Tax-effected impact of other operating costs - goodwill impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Diluted earnings per share impact of other operating costs - goodwill impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other operating costs - other impairment	\$ 1,019	\$ -	\$ -	\$ -	\$ 1,019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income tax benefit(7)	(278)	-	-	-	(278)	-	-	-	-	-	-
Tax-effected impact of other operating costs - other impairment	\$ 741	\$ -	\$ -	\$ -	\$ 741	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Diluted earnings per share impact of other operating costs - other impairment	\$ 0.02	\$ -	\$ -	\$ -	\$ 0.02	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Impact of certain income tax related items (8)	\$ 235	\$ 800	\$ 100	\$ 1,100	\$ 2,235	\$ (18,493)	\$ -	\$ -	\$ -	\$ (18,493)	\$ -
Diluted earnings per share impact of certain income tax related items (8)	\$ 0.01	\$ 0.02	\$ -	\$ 0.02	\$ 0.05	\$ (0.39)	\$ -	\$ -	\$ -	\$ (0.38)	\$ -
Net Income from Continuing Operations	\$ 3,824	\$ 6,828	\$ 6,128	\$ (1,597)	\$ 15,183	\$ 22,366	\$ 5,841	\$ 2,563	\$ 587	\$ 31,357	\$ 18,298
Tax-effected impact of severance expense	197	53	275	1,308	1,833	170	417	1,520	714	2,821	2,811
Tax-effected impact of other operating costs - contingent acquisition liability adjustment, net	(779)	-	-	-	(779)	-	607	-	718	1,325	796
Tax-effected impact of other operating benefit- gain on termination of swaps and other	22	(326)	-	-	(304)	-	-	-	-	-	-
Tax-effected impact of other operating costs - other impairment	741	-	-	-	741	-	-	-	-	-	-
Tax-effected impact of other operating costs - other costs	(13)	179	1,670	715	2,551	167	-	-	64	232	292
Impact of certain income tax related items (8)	235	800	100	1,100	2,235	(18,493)	-	-	-	(18,493)	-
Adjusted net income - continuing operations	4,227	7,534	8,173	1,526	21,460	4,210	6,865	4,083	2,083	17,242	22,197
Adjusted earnings per share - continuing operations	\$ 0.10	\$ 0.16	\$ 0.18	\$ 0.03	\$ 0.47	\$ 0.09	\$ 0.14	\$ 0.08	\$ 0.04	\$ 0.36	\$ 0.45

FOOTNOTES

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

(1) This supplemental information is reported on a continuing operations basis unless otherwise noted. On June 23, 2018, we entered into an agreement to sell all of the operations of the former Disputes, Forensics and Legal Technology (DFLT) segment and the Transaction Advisory Services (TAS) practice within the Financial Services Advisory and Compliance segment to Ankura Consulting Group, LLC (SaleCo). The transaction is expected to close during the third quarter 2018. These businesses have been classified as discontinued operations in our results for all periods presented.

(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

Adjusted EBITDA is EBITDA – earnings before interest, taxes, depreciation, and amortization – excluding the impact of severance expense and other operating costs (benefit), as applicable. Adjusted Net Income and Adjusted Earnings per Share exclude the net income and per share net income impact of severance expense, other operating costs (benefit) and certain tax adjustments including the benefit recognized in the fourth quarter 2017 related to the 2017 Tax Cuts and Jobs Act and the impact of prior period tax adjustments related to the settlement of our 2014 income tax audit with the IRS (impacting 2018 periods only), as applicable. While other operating costs (benefit) are generally non-recurring in nature, severance expense and certain other operating costs 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 Navigant's results of operations across periods. See non-GAAP reconciliations for more details.

Adjusted Free Cash Flow

Adjusted Free Cash Flow is calculated as net cash provided from operations excluding the change in assets and liabilities and allowance for doubtful accounts receivable less cash payments for property and equipment and deferred acquisition related payments. Adjusted 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 flows 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 (including discontinued operations prior to the divestiture) 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) Technology, Data & Process businesses are comprised of technology enabled professional services, including managed services and market research and benchmarking businesses.

(4) 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 (3) and are not included in average bill rate and average utilization metrics (see note (5) and (6) below); and
- b) Non-billable FTE - individuals assigned to administrative and support functions, including office services, corporate functions and certain practice support functions.

(5) 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.

(6) 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.

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

(8) In Q4 2017, we recorded adjustments to our deferred income tax liabilities related to the impact of 2017 Tax Reform that resulted in an income tax benefit. In Q4 2018, the Company settled its 2014 income tax audit with the IRS. The settlement resulted in an incremental tax expense related to the timing of tax deductions on certain executive compensation awards that required employment beyond the year of deduction. Although tax expense also includes adjustments for the 2014-2017 tax years, the adjustment is primarily driven by the deductions taken on our 2014 income tax return. After reaching this settlement in Q4 2018, the Company restated the Q1-Q3 2018 Adjusted EPS figures to reflect amounts accrued in those periods for this settlement.

(9) During the quarter ended March 31, 2018, we moved our life sciences regulatory and compliance related business from the Disputes, Forensics and Legal Technology reporting segment into our Healthcare segment. All prior period information has been restated to conform to current period presentation.

(10) Due to held-for-sale presentation triggered by the SaleCo transaction, the Company recognized a \$7.9 million tax benefit related to the recognition of goodwill tax basis on a portion of the assets that were moved to assets held for sale.