

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

TOTAL COMPANY										
	2012		2012	2011				2011	2011	2010
All numbers in \$000s except per share data, DSO and percentages	Q2	Q1	YTD June	Q4	Q3	Q2	Q1	YTD June	Full Year	Full Year
Revenues Before Reimbursements (RBR)	\$ 181,529	\$ 186,380	\$ 367,909	\$ 170,996	\$ 181,821	\$ 173,293	\$ 169,604	\$ 342,897	\$ 695,714	\$ 623,461
Reimbursements	23,071	20,241	43,312	26,009	22,651	21,115	19,195	40,310	88,970	80,199
Total Revenues	204,600	206,621	411,221	197,005	204,472	194,408	188,799	383,207	784,684	703,660
Y/Y Growth rate	5%	9%	7%	N/A	N/A	N/A	N/A	N/A	12%	N/A
Q/Q Growth rate	-1%	5%	N/A	-4%	5%	3%	N/A	N/A	N/A	N/A
Geographic Revenues as % of Total										
U.S. Operations	89%	89%	89%	88%	88%	87%	87%	88%	88%	85%
Non U.S. Operations	11%	11%	11%	12%	12%	13%	13%	12%	12%	15%
Cost of Services Before Reimbursable Expenses	122,243	123,960	246,203	112,199	123,209	116,822	114,815	231,637	467,045	418,523
% of RBR	67%	67%	67%	66%	68%	67%	68%	68%	67%	67%
General and Administrative Expenses	35,848	35,557	71,405	34,000	32,863	31,143	32,409	63,552	130,415	121,685
% of RBR	20%	19%	19%	20%	18%	18%	19%	19%	19%	20%
EBITDA (1)	22,818	26,863	49,681	24,797	25,749	25,328	22,380	47,708	98,254	84,153
% of RBR	13%	14%	14%	15%	14%	15%	13%	14%	14%	13%
Adjusted EBITDA (1)	24,422	27,679	52,101	25,644	26,346	25,571	23,616	49,187	101,177	89,072
% of RBR	13%	15%	14%	15%	14%	15%	14%	14%	15%	14%
Operating Income	17,428	21,622	39,050	19,598	20,034	19,959	16,702	36,661	76,293	50,021
% of RBR	10%	12%	11%	11%	11%	12%	10%	11%	11%	8%
Net Income	9,556	11,642	21,198	11,056	10,536	10,760	8,778	19,538	41,130	24,057
% of RBR	5%	6%	6%	6%	6%	6%	5%	6%	6%	4%
Y/Y Growth rate	-11%	33%	8%	N/A	N/A	N/A	N/A	N/A	71%	N/A
Q/Q Growth rate	-18%	5%	N/A	5%	-2%	23%	N/A	N/A	N/A	N/A
Net Income Per Diluted Share (EPS)	0.18	0.22	0.41	0.21	0.20	0.21	0.17	0.38	0.80	0.48
Adjusted Net Income Per Diluted Share (1)	0.21	0.23	0.44	0.22	0.21	0.21	0.19	0.40	0.84	0.61
Shares used in computing income per diluted share	51,685	51,797	51,741	51,692	51,487	51,270	51,034	51,153	51,371	50,447
Balance Sheet										
Cash and cash equivalents	-	74	-	2,969	1,424	384	1,632	384	2,969	1,981
Accounts receivable, net	205,213	196,271	205,213	179,041	198,809	190,730	186,245	190,730	179,041	179,058
Days sales outstanding (DSO)	84	80	84	76	81	82	83	82	76	81
Bank debt	167,656	187,030	167,656	131,790	173,622	205,221	228,618	205,221	131,790	202,951
Free Cash Flow (1)	21,142	13,118	34,260	9,674	16,025	11,263	21,679	32,942	58,641	47,645
Share-based compensation expense related to consulting personnel	1,461	1,398	2,859	1,386	1,477	1,481	870	2,351	5,214	3,885

SEGMENT INFORMATION (2)

All numbers in \$000s except percentages	2012		2012	2011				2011	2011	2010
	Q2	Q1	YTD June	Q4	Q3	Q2	Q1	YTD June	Full Year	Full Year
Business Segment Revenues										
Disputes, Investigations & Economics	\$ 86,894	\$ 97,089	\$ 183,983	\$ 90,346	\$ 93,559	\$ 95,472	\$ 91,473	\$ 186,945	\$ 370,850	\$ 379,846
% of Total Company Revenues	42%	47%	45%	46%	46%	49%	48%	49%	47%	54%
Financial, Risk & Compliance Advisory	52,847	43,828	96,675	40,651	45,447	37,408	36,157	73,565	159,663	112,830
% of Total Company Revenues	26%	21%	24%	21%	22%	19%	19%	19%	20%	16%
Healthcare	40,839	40,926	81,765	39,915	38,656	36,102	37,168	73,270	151,841	122,807
% of Total Company Revenues	20%	20%	20%	20%	19%	19%	20%	19%	19%	17%
Energy	24,020	24,778	48,798	26,093	26,810	25,426	24,001	49,427	102,330	88,177
% of Total Company Revenues	12%	12%	12%	13%	13%	13%	13%	13%	13%	13%
Total Company	\$ 204,600	\$ 206,621	\$ 411,221	\$ 197,005	\$ 204,472	\$ 194,408	\$ 188,799	\$ 383,207	\$ 784,684	\$ 703,660
Business Segment RBR										
Disputes, Investigations & Economics	\$ 81,350	\$ 91,219	\$ 172,569	\$ 82,305	\$ 85,723	\$ 86,140	\$ 84,797	\$ 170,937	\$ 338,965	\$ 344,549
% of Total Company RBR	45%	49%	47%	48%	47%	50%	50%	50%	49%	55%
Financial, Risk & Compliance Advisory	42,800	37,230	80,030	32,653	39,850	33,134	30,835	63,969	136,472	98,288
% of Total Company RBR	24%	20%	22%	19%	22%	19%	18%	19%	20%	16%
Healthcare	36,022	36,542	72,564	34,991	34,023	32,041	33,556	65,597	134,611	105,933
% of Total Company RBR	20%	20%	20%	20%	19%	18%	20%	19%	19%	17%
Energy	21,357	21,389	42,746	21,047	22,225	21,978	20,416	42,394	85,666	74,692
% of Total Company RBR	12%	11%	12%	12%	12%	13%	12%	12%	12%	12%
Total Company	\$ 181,529	\$ 186,380	\$ 367,909	\$ 170,996	\$ 181,821	\$ 173,293	\$ 169,604	\$ 342,897	\$ 695,714	\$ 623,461
Segment Operating Profit										
Disputes, Investigations & Economics	\$ 27,995	\$ 34,168	\$ 62,163	\$ 30,504	\$ 31,669	\$ 31,191	\$ 29,308	\$ 60,499	\$ 122,672	\$ 118,459
% of Segment RBR	34%	37%	36%	37%	37%	36%	35%	35%	36%	34%
Financial, Risk & Compliance Advisory	15,402	13,755	29,157	11,997	11,531	11,136	10,242	21,378	44,906	31,197
% of Segment RBR	36%	37%	36%	37%	29%	34%	33%	33%	33%	32%
Healthcare	11,463	11,470	22,933	11,756	10,610	9,659	10,714	20,373	42,739	37,348
% of Segment RBR	32%	31%	32%	34%	31%	30%	32%	31%	32%	35%
Energy	7,475	7,254	14,729	8,180	8,644	8,324	7,734	16,058	32,882	28,911
% of Segment RBR	35%	34%	34%	39%	39%	38%	38%	38%	38%	39%
Total Company	\$ 62,335	\$ 66,647	\$ 128,982	\$ 62,437	\$ 62,454	\$ 60,310	\$ 57,998	\$ 118,308	\$ 243,199	\$ 215,915
% of Total Company RBR	34%	36%	35%	37%	34%	35%	34%	35%	35%	35%
SUPPLEMENTAL REVENUE INFORMATION										
International RBR (3)	\$ 17,394	\$ 17,526	\$ 34,920	\$ 16,481	\$ 17,120	\$ 16,318	\$ 15,508	\$ 31,826	\$ 65,427	\$ 56,620
% of Total Company RBR	10%	9%	9%	10%	9%	9%	9%	9%	9%	9%
Technology, Data & Process RBR (4)	\$ 20,122	\$ 19,865	\$ 39,987	\$ 16,689	\$ 14,332	\$ 9,943	\$ 10,720	\$ 20,663	\$ 51,684	\$ 39,580
% of Total Company RBR	11%	11%	11%	10%	8%	6%	6%	6%	7%	6%

METRIC INFORMATION (2)

	2012		2012	2011				2011	2011	2010
	Q2	Q1	YTD June	Q4	Q3	Q2	Q1	YTD June	Full Year	Full Year
Average Billable Full-Time Equivalent Headcount (FTE) (4)(5)										
Disputes, Investigations & Economics										
Consulting	617	635	625	655	667	664	688	677	668	785
Technology, Data & Process	177	160	169	144	139	109	112	110	126	134
Total	794	795	794	799	806	773	800	787	794	919
Financial, Risk & Compliance Advisory										
Consulting	276	272	274	258	252	242	240	241	248	203
Total	276	272	274	258	252	242	240	241	248	203
Healthcare										
Consulting	355	366	360	380	362	346	356	351	361	291
Technology, Data & Process	155	155	155	149	116	113	104	108	121	18
Total	510	521	515	529	478	459	460	459	482	309
Energy										
Consulting	302	299	301	303	302	290	282	286	294	256
Technology, Data & Process	10	10	10	-	-	-	-	-	-	-
Total	312	309	311	303	302	290	282	286	294	256
Total Company										
Consulting	1,550	1,572	1,560	1,596	1,583	1,542	1,566	1,555	1,571	1,535
Technology, Data & Process	342	325	334	293	255	222	216	218	247	152
Total	1,892	1,897	1,894	1,889	1,838	1,764	1,782	1,773	1,818	1,687
Average Bill Rate (4)(6)										
Disputes, Investigations & Economics	340	340	340	333	329	326	323	325	326	304
Financial, Risk & Compliance Advisory	299	310	303	314	332	340	317	329	329	320
Healthcare	250	266	251	251	241	241	249	242	243	239
Energy	192	195	193	188	189	189	191	190	189	198
Total Company	281	291	285	283	282	283	281	282	282	275
Average Utilization (based on 1,850 hrs) (4)(7)										
Disputes, Investigations & Economics	69%	77%	73%	73%	74%	79%	76%	77%	75%	71%
Financial, Risk & Compliance Advisory	70%	75%	72%	73%	74%	79%	80%	79%	76%	72%
Healthcare	79%	78%	79%	73%	78%	79%	76%	78%	77%	79%
Energy	76%	76%	76%	77%	80%	83%	81%	82%	80%	78%
Total Company	73%	77%	75%	74%	76%	80%	78%	79%	77%	74%
Period End FTE Employees (4)(6)										
Consulting	1,522	1,561	1,522	1,578	1,586	1,546	1,556	1,546	1,578	1,759
Technology, Data, & Process	351	340	351	304	268	222	220	222	304	20
Non-billable	542	517	542	527	527	526	529	526	527	528
Total Company	2,415	2,418	2,415	2,409	2,381	2,294	2,305	2,294	2,409	2,307

EBITDA AND ADJUSTED EBITDA (9)

	2012		2012	2011				2011	2011	2010
	Q2	Q1	YTD June	Q4	Q3	Q2	Q1	YTD June	Full Year	Full Year
Operating Income	\$ 17,428	\$ 21,622	\$ 39,050	\$ 19,598	\$ 20,034	\$ 19,959	\$ 16,702	\$ 36,661	\$ 76,293	\$ 50,021
Depreciation	3,740	3,516	7,256	3,239	3,481	3,206	3,377	6,583	13,303	14,457
Amortization	1,650	1,725	3,375	1,960	2,234	2,163	2,301	4,464	8,658	12,368
Intangible assets impairment	-	-	-	-	-	-	-	-	-	7,307
EBITDA	22,818	26,863	49,681	24,797	25,749	25,328	22,380	47,708	98,254	84,153
Add:										
Other operating costs (benefit):										
Contingent acquisition liability adjustment	620	-	620	-	-	-	-	-	-	-
Office consolidation (excluding depreciation above)	-	-	-	-	-	-	-	-	-	(900)
Severance expense	984	816	1,800	847	597	243	1,236	1,479	2,923	5,819
Adjusted EBITDA	24,422	27,679	52,101	25,644	26,346	25,571	23,616	49,187	101,177	89,072
General and administrative expenses	35,848	35,557	71,405	34,000	32,863	31,143	32,409	63,552	130,415	121,685
Long term compensation expense related to consultants (including share-based compensation)	3,049	4,227	7,276	3,640	3,842	3,839	3,209	7,048	14,530	10,977
Severance expense added above	(984)	(816)	(1,800)	(847)	(597)	(243)	(1,236)	(1,479)	(2,923)	(5,819)
Total Segment Operating Profit	\$ 62,335	\$ 66,647	\$ 128,982	\$ 62,437	\$ 62,454	\$ 60,310	\$ 57,998	\$ 118,308	\$ 243,199	\$ 215,915

FREE CASH FLOW (9)

Net cash used in (provided by) operating activities	\$ 26,425	\$ (43,090)	\$ (16,665)	\$ 57,090	\$ 40,318	\$ 37,379	\$ (23,420)	\$ 13,959	\$ 111,367	\$ 41,768
Changes in other assets and liabilities	485	68,379	68,864	(36,129)	(19,974)	(13,436)	49,065	35,629	(20,474)	36,104
Allowance for doubtful accounts	(1,893)	(1,160)	(3,053)	(1,634)	(2,248)	(1,003)	(2,025)	(3,028)	(6,910)	(8,211)
Purchases of property and equipment	(3,153)	(7,826)	(10,979)	(4,903)	(2,071)	(1,677)	(1,724)	(3,401)	(10,375)	(11,959)
Payments of acquisition liabilities	(356)	(750)	(1,106)	(4,750)	-	(10,000)	(217)	(10,217)	(14,967)	(2,750)
Payments of contingent acquisition liabilities	(366)	(2,435)	(2,801)	-	-	-	-	-	-	-
Intangible assets impairment	-	-	-	-	-	-	-	-	-	(7,307)
Free Cash Flow	\$ 21,142	\$ 13,118	\$ 34,260	\$ 9,674	\$ 16,025	\$ 11,263	\$ 21,679	\$ 32,942	\$ 58,641	\$ 47,645

(In thousands, except per share data)
(UNAUDITED)

NON-GAAP RECONCILIATIONS PAGE 2 OF 2

ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE (9)

	2012		2012	2011				2011	2011	2010
	Q2	Q1	YTD June	Q4	Q3	Q2	Q1	YTD June	Full Year	Full Year
Other operating costs (benefit) - office consolidation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (900)
Income tax (benefit)(8)	-	-	-	-	-	-	-	-	-	363
Net income impact of other operating costs (benefit) - office consolidation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (537)
Shares used in computing income per diluted share	51,685	51,797	51,741	51,692	51,487	51,270	51,034	51,153	51,371	50,447
Diluted income per share impact of other operating costs (benefit) - office consolidation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0.01)
Other operating costs - intangible assets impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,307
Income tax (benefit)(8)	-	-	-	-	-	-	-	-	-	(1,991)
Net income impact of other operating costs - intangible assets impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,316
Shares used in computing income per diluted share	51,685	51,797	51,741	51,692	51,487	51,270	51,034	51,153	51,371	50,447
Diluted income per share impact of other operating costs - intangible assets impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.11
Severance expense	\$ 984	\$ 816	\$ 1,800	\$ 847	\$ 597	\$ 243	\$ 1,236	\$ 1,479	\$ 2,923	\$ 5,819
Income tax (benefit)(8)	(310)	(298)	(608)	(302)	(199)	(96)	(440)	(536)	(1,037)	(2,128)
Net income impact of severance expense	\$ 674	\$ 518	\$ 1,192	\$ 545	\$ 398	\$ 147	\$ 796	\$ 943	\$ 1,886	\$ 3,691
Shares used in computing income per diluted share	51,685	51,797	51,741	51,692	51,487	51,270	51,034	51,153	51,371	50,447
Diluted income per share impact of severance expense	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.01	\$ 0.01	\$ -	\$ 0.02	\$ 0.02	\$ 0.04	\$ 0.07
Other operating costs - contingent acquisition liability adjustment	\$ 620	\$ -	\$ 620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income tax (benefit)(8)	(250)	-	(250)	-	-	-	-	-	-	-
Net income impact of other operating costs - contingent acquisition liability adjustment	\$ 370	\$ -	\$ 370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Shares used in computing income per diluted share	51,685	51,797	51,741	51,692	51,487	51,270	51,034	51,153	51,371	50,447
Diluted income per share impact of other operating costs - contingent acquisition liability adjustment	\$ 0.01	\$ -	\$ 0.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net income	\$ 9,556	\$ 11,642	\$ 21,198	\$ 11,056	\$ 10,536	\$ 10,760	\$ 8,778	\$ 19,538	\$ 41,130	\$ 24,057
Net income impact of other operating costs (benefit) - office consolidation	-	-	-	-	-	-	-	-	-	(537)
Net income impact of other operating costs - intangible assets impairment	-	-	-	-	-	-	-	-	-	5,316
Net income impact of severance expense	674	518	1,192	545	398	147	796	943	1,886	3,691
Net income impact of other operating costs - contingent acquisition liability adjustment	370	-	370	-	-	-	-	-	-	-
Non recurring foreign tax elections	-	-	-	-	-	-	-	-	-	(1,751)
Adjusted net income	\$ 10,600	\$ 12,160	\$ 22,760	\$ 11,601	\$ 10,934	\$ 10,907	\$ 9,574	\$ 20,481	\$ 43,016	\$ 30,776
Shares used in computing income per diluted share	51,685	51,797	51,741	51,692	51,487	51,270	51,034	51,153	51,371	50,447
Adjusted earnings per share	\$ 0.21	\$ 0.23	\$ 0.44	\$ 0.22	\$ 0.21	\$ 0.21	\$ 0.19	\$ 0.40	\$ 0.84	\$ 0.61

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 of the prior reported International Consulting Services segment.

(4) Technology, Data & Process is composed of technology solutions, invoice and insurance claims processing, market research and benchmarking businesses. In connection with our segment realignment, we have revised the definition of our technology 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) Consulting FTE - individuals assigned to client service who record time to client engagements;

b) Technology, Data & Process FTE - individuals in businesses primarily dedicated to maintaining and delivering the services described in note (4) above, who do not generally record time to client specific projects and therefore, are not included in average bill rate and average utilization metrics (see note (6) and (7) below); and

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

As discussed 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. 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. Severance expense and other operating costs are not considered to be non-recurring, infrequent or unusual to our business. Management believes that these 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 related payments. 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.