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**CHARLES RIVER ASSOCIATES (CRA) REPORTS  
FOURTH-QUARTER AND FULL-YEAR 2023 FINANCIAL RESULTS**

*Broad-based Contributions Drive Record Revenue in Fiscal 2023*

*Fourth Quarter Revenue Increases 11.5% Year Over Year*

*Board Expands Share Repurchase Authorization by \$35 million*

BOSTON, February 29, 2024 – [Charles River Associates](#) (NASDAQ: CRAI), a worldwide leader in providing [economic, financial and management consulting services](#), today announced financial results for the fourth quarter and fiscal year ended December 30, 2023.

“CRA once again set a new financial high as fiscal 2023 revenue topped a record-setting fiscal 2022,” said [Paul Maleh](#), CRA’s President and Chief Executive Officer. “For the fourth quarter, we continued to see strength across our portfolio of services. Reported revenue increased 11.5% compared with the fourth quarter of fiscal 2022 to \$161.6 million. Leading the way were three practices—Antitrust & Competition Economics, Energy, and Forensic Services—that each generated double-digit revenue growth, while our Labor & Employment and Life Sciences practices enjoyed year-over-year growth. Geographically, our North American operations led the way by expanding 17.4% relative to the fourth quarter of fiscal 2022.”

### Highlights for Fourth Quarter Fiscal 2023

- Revenue grew 11.5% year over year to \$161.6 million.
- Utilization was 73% and quarter-end headcount increased 6.9% year over year.
- Net income increased 32.1% year over year to \$11.5 million, or 7.1% of revenue, compared with \$8.7 million, or 6.0% of revenue, in the fourth quarter of fiscal 2022; non-GAAP net income increased 14.8% year over year to \$11.5 million, or 7.1% of revenue, compared with \$10.1 million, or 6.9% of revenue, in the fourth quarter of fiscal 2022.
- Earnings per diluted share increased 36.1% year over year to \$1.62 from \$1.19 in the fourth quarter of fiscal 2022; non-GAAP earnings per diluted share increased 19.0% year over year to \$1.63 from \$1.37 in the fourth quarter of fiscal 2022.
- Non-GAAP EBITDA increased 16.7% to \$19.0 million, or 11.8% of revenue, compared with \$16.3 million, or 11.2% of revenue, in the fourth quarter of fiscal 2022.
- On a constant currency basis relative to the fourth quarter of fiscal 2022, revenue, GAAP net income, and earnings per diluted share would have been lower by \$1.3 million, \$0.1 million, and \$0.01 per diluted share, respectively. Non-GAAP net income would have remained unchanged. Non-GAAP earnings per diluted share and non-GAAP EBITDA would have been lower by \$0.01 per diluted share and \$0.1 million, respectively.
- CRA returned \$10.8 million of capital to its shareholders, consisting of \$3.0 million of dividend payments and \$7.8 million for share repurchases of approximately 84,000 shares.

### Highlights for Full-Year Fiscal 2023

- Revenue grew 5.6% year over year to \$624.0 million with company-wide utilization of 70%.
- GAAP net income decreased 11.8% year over year to \$38.5 million, or 6.2% of revenue, or \$5.39 per diluted share, compared with \$43.6 million, or 7.4% of revenue, or \$5.91 per diluted share for the full year fiscal 2022. Non-GAAP net income

decreased 7.9% year over year to \$39.0 million, or 6.2% of revenue, or \$5.46 per diluted share, compared with \$42.3 million, or 7.2% of revenue, or \$5.74 per diluted share for the full year fiscal 2022.

- Non-GAAP EBITDA declined 3.9% to \$68.3 million, or 10.9% of revenue, compared with \$71.0 million, or 12.0% of revenue, in fiscal 2022.
- On a constant currency basis relative to fiscal 2022, revenue, GAAP net income, and earnings per diluted share would have been higher by \$0.1 million, \$0.5 million, and \$0.08 per diluted share, respectively. Non-GAAP net income, non-GAAP earnings per diluted share, and non-GAAP EBITDA would have been higher by \$0.5 million, \$0.08 per diluted share, and \$0.6 million, respectively.
- For fiscal 2023, CRA returned \$42.2 million of capital to its shareholders, consisting of \$10.8 million in dividend payments and \$31.4 million in share repurchases of approximately 296,000 shares.

## **Management Commentary and Financial Guidance**

“CRA reported revenue for fiscal 2023 of \$624.0 million, or \$624.1 million on a constant currency basis after adjusting for \$0.1 million of currency headwinds,” said Maleh. “Full-year, non-GAAP EBITDA was \$68.3 million, or \$68.9 million on a constant currency basis after adjusting for \$0.6 million of currency headwinds. Non-GAAP EBITDA margin was 11.0% on a constant currency basis.

“Our fiscal 2023 financial performance demonstrates our continued strength in the marketplace. For full-year fiscal 2024, on a constant currency basis relative to fiscal 2023, we expect revenue in the range of \$645 million to \$675 million, and non-GAAP EBITDA margin in the range of 10.8% to 11.5%. While we are pleased with CRA’s strong performance in 2023, we remain mindful that uncertain global macroeconomic, business, and political conditions can affect our business.”

CRA does not provide reconciliations of its annual non-GAAP EBITDA margin guidance to GAAP net income margin because the Company is unable to estimate with reasonable certainty unusual gains or charges, foreign currency exchange rates, and the resulting effect of these items, and of equity awards, on CRA’s taxes without unreasonable effort. These items are uncertain, depend on various factors, and may have a material effect on CRA’s results computed in accordance with GAAP. A reconciliation between the historical GAAP and non-GAAP financial measures presented in this release is provided in the financial tables at the end of this release.

## **Share Repurchase Expansion and Quarterly Dividend**

On February 29, 2024, CRA’s Board of Directors authorized a \$35.0 million expansion of the Company’s existing share repurchase program, in addition to the \$11.4 million currently remaining under the program. CRA may repurchase shares of its common stock in the open market or in privately negotiated transactions in accordance with applicable insider trading and other securities laws and regulations. The timing, amount and extent to which CRA repurchases shares will depend upon market conditions and other factors it may consider in its sole discretion.

The Board of Directors also authorized a quarterly cash dividend of \$0.42 per common share, payable on March 22, 2024 to shareholders of record as of March 12, 2024. CRA expects to continue paying quarterly dividends, the declaration, timing and amounts of which remain subject to the discretion of CRA’s Board of Directors.

## **Conference Call Information and Prepared CFO Remarks**

CRA will host a conference call today at 10:00 a.m. ET to discuss its fourth-quarter and fiscal-year 2023 financial results. To listen to the live call, please visit the “[Investor Relations](#)” section of CRA’s website at <https://www.crai.com/>, or dial (877) 709-8155 or (201) 689-8881. An [archived](#) version of the webcast will be available on CRA’s website for one year.

In combination with this press release, CRA has posted prepared remarks by its CFO Dan Mahoney under “Quarterly Earnings” in the “[Investor Relations](#)” section on CRA’s website at <http://www.crai.com>. These remarks are offered to provide the investment community with additional background on CRA’s financial results prior to the start of the conference call.

## About Charles River Associates (CRA)

Charles River Associates® is a leading global consulting firm specializing in [economic, financial, and management consulting services](#). CRA advises clients on economic and financial matters pertaining to litigation and regulatory proceedings, and guides corporations through critical business strategy and performance-related issues. Since 1965, clients have engaged CRA for its unique combination of functional expertise and industry knowledge, and for its objective solutions to complex problems. Headquartered in Boston, CRA has offices throughout the world. Detailed information about Charles River Associates, a registered trade name of CRA International, Inc., is available at [www.crai.com](http://www.crai.com). Follow us on [LinkedIn](#), [Instagram](#), and [Facebook](#).

## NON-GAAP FINANCIAL MEASURES

In this release, CRA has supplemented the presentation of its financial results calculated in accordance with U.S. generally accepted accounting principles or “GAAP” with the following financial measures that are not calculated in accordance with GAAP: non-GAAP net income, non-GAAP earnings per diluted share and non-GAAP EBITDA. CRA believes that the non-GAAP financial measures described in this press release are important to management and investors because these measures supplement the understanding of CRA’s ongoing operating results and financial condition. In addition, these non-GAAP measures are used by CRA in its budgeting process, and the non-GAAP adjustments are made to the performance measures for some of CRA’s performance-based compensation.

As used herein, CRA defines non-GAAP EBITDA as net income before interest expense (net), provision for income taxes, and depreciation and amortization further adjusted for the impact of certain items that we do not consider indicative of our core operating performance, such as non-cash amounts relating to valuation changes in contingent consideration, acquisition-related costs, foreign currency (gains) losses, net and related tax effects. Non-GAAP net income and non-GAAP earnings per diluted share also exclude non-cash amounts relating to valuation changes in contingent consideration, acquisition-related costs, foreign currency (gains) losses, net and related tax effects. This release also presents certain current fiscal period financial measures on a “constant currency” basis in order to isolate the effect that foreign currency exchange rate fluctuations can have on CRA’s financial results. These constant currency measures are determined by recalculating the current fiscal period local currency financial measure using the specified corresponding prior fiscal period’s foreign exchange rates.

All of the non-GAAP financial measures referred to above should be considered in conjunction with, and not as a substitute for, the GAAP financial information presented in this release. EBITDA and the financial measures identified in this release as “non-GAAP” are reconciled to their GAAP comparable measures in the financial tables appended to the end of this press release. In evaluating these non-GAAP financial measures, note that the non-GAAP financial measures used by CRA may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies.

## SAFE HARBOR STATEMENT

*Statements in this press release concerning our future business, operating results and financial condition, including those concerning guidance on future revenue and non-GAAP EBITDA margin, the impact of exchange rate fluctuations on our financial results, our expectations regarding continued growth, our expectations regarding the payment of any future quarterly dividends and the level and extent of any purchases under our expanded share repurchase program, and statements using the terms “outlook,” “expect,” or similar expressions, are “forward-looking” statements as defined in Section 21 of the Exchange Act. These statements are based upon our current expectations and various underlying assumptions. Although we believe there is a reasonable basis for these statements and assumptions, and these statements are expressed in good faith, these statements are subject to a number of additional factors and uncertainties. Our actual revenue and non-GAAP EBITDA margin in fiscal 2024 on a constant currency basis relative to fiscal 2023 could differ materially from the guidance presented herein, and our actual performance and results may differ materially from the performance and results contained in or implied by the forward-looking statements made herein, due to many important factors. These factors include, but are not limited to, the possibility that the demand for our services may decline as a result of changes in general and industry-specific economic conditions; the timing of engagements for our services; the effects of competitive services and pricing; our ability to attract and retain key employee or non-employee experts; the inability to integrate and utilize existing consultants and personnel; the decline or reduction in project work or activity; global economic conditions including less stable political and economic environments; foreign currency exchange rate fluctuations; unanticipated expenses and liabilities; risks inherent in international operations; changes in tax law or accounting standards, rules, and regulations; our ability to collect on forgivable loans should any become due; and professional and other legal liability or settlements. Additional risks and uncertainties are discussed in our periodic filings with the Securities and Exchange Commission under the heading “Risk Factors.” The inclusion of such forward-looking information should not be regarded as our representation that the future events, plans, or expectations contemplated will be achieved. Except as may be required by law, we undertake no obligation to update any forward-looking statements after the date of this press release, and we do not intend to do so.*

**CRA INTERNATIONAL, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE FISCAL QUARTERS AND FISCAL YEAR-TO-DATE PERIODS ENDED**  
**DECEMBER 30, 2023 COMPARED TO DECEMBER 31, 2022**  
**(IN THOUSANDS, EXCEPT PER SHARE DATA)**

	Fiscal Quarter Ended				Fiscal Year-to-Date Period Ended			
	December 30, 2023	As a % of Revenue	December 31, 2022	As a % of Revenue	December 30, 2023	As a % of Revenue	December 31, 2022	As a % of Revenue
Revenues	\$ 161,613	100.0 %	\$ 144,976	100.0 %	\$ 623,976	100.0 %	\$ 590,901	100.0 %
Cost of services (exclusive of depreciation and amortization)	112,688	69.7 %	100,678	69.4 %	439,751	70.5 %	410,081	69.4 %
Selling, general and administrative expenses	28,979	17.9 %	28,060	19.4 %	115,116	18.4 %	110,087	18.6 %
Depreciation and amortization	2,801	1.7 %	2,936	2.0 %	11,564	1.9 %	11,996	2.0 %
Income from operations	17,145	10.6 %	13,302	9.2 %	57,545	9.2 %	58,737	9.9 %
Interest expense, net	(600)	-0.4 %	(484)	-0.3 %	(3,812)	-0.6 %	(1,826)	-0.3 %
Foreign currency gains (losses), net	(987)	-0.6 %	(1,677)	-1.2 %	(1,445)	-0.2 %	1,889	0.3 %
Income before provision for income taxes	15,558	9.6 %	11,141	7.7 %	52,288	8.4 %	58,800	10.0 %
Provision for income taxes	4,099	2.5 %	2,468	1.7 %	13,807	2.2 %	15,181	2.6 %
Net income	<u>\$ 11,459</u>	<u>7.1 %</u>	<u>\$ 8,673</u>	<u>6.0 %</u>	<u>\$ 38,481</u>	<u>6.2 %</u>	<u>\$ 43,619</u>	<u>7.4 %</u>
Net income per share:								
Basic	<u>\$ 1.65</u>		<u>\$ 1.21</u>		<u>\$ 5.48</u>		<u>\$ 6.02</u>	
Diluted	<u>\$ 1.62</u>		<u>\$ 1.19</u>		<u>\$ 5.39</u>		<u>\$ 5.91</u>	
Weighted average number of shares outstanding:								
Basic	<u>6,954</u>		<u>7,129</u>		<u>7,008</u>		<u>7,218</u>	
Diluted	<u>7,057</u>		<u>7,293</u>		<u>7,118</u>		<u>7,355</u>	

**CRA INTERNATIONAL, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**FOR THE FISCAL QUARTERS AND FISCAL YEAR-TO-DATE PERIODS ENDED**  
**DECEMBER 30, 2023 COMPARED TO DECEMBER 31, 2022**  
**(IN THOUSANDS, EXCEPT PER SHARE DATA)**

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Net income	\$ 11,459	7.1 %	\$ 8,673	6.0 %	\$ 38,481	6.2 %	\$ 43,619	7.4 %
Adjustments needed to reconcile GAAP net income to non-GAAP net income:								
Non-cash valuation change in contingent consideration	(918)	-0.6 %	—	— %	(866)	-0.1 %	—	— %
Acquisition-related costs	—	— %	69	— %	22	— %	302	0.1 %
Foreign currency (gains) losses, net	987	0.6 %	1,677	1.2 %	1,445	0.2 %	(1,889)	-0.3 %
Tax effect on adjustments	13	— %	(369)	-0.3 %	(125)	— %	279	— %
Non-GAAP net income	\$ 11,541	7.1 %	\$ 10,050	6.9 %	\$ 38,957	6.2 %	\$ 42,311	7.2 %
Non-GAAP net income per share:								
Basic	\$ 1.66		\$ 1.41		\$ 5.54		\$ 5.84	
Diluted	\$ 1.63		\$ 1.37		\$ 5.46		\$ 5.74	
Weighted average number of shares outstanding:								
Basic	6,954		7,129		7,008		7,218	
Diluted	7,057		7,293		7,118		7,355	

**CRA INTERNATIONAL, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**FOR THE FISCAL QUARTERS AND FISCAL YEAR-TO-DATE PERIODS ENDED**  
**DECEMBER 30, 2023 COMPARED TO DECEMBER 31, 2022**  
**(IN THOUSANDS)**

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Net income	\$ 11,459	7.1 %	\$ 8,673	6.0 %	\$ 38,481	6.2 %	\$ 43,619	7.4 %
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Tax effect on adjustments	13	— %	(369)	-0.3 %	(125)	— %	279	— %
Non-GAAP net income	\$ 11,541	7.1 %	\$ 10,050	6.9 %	\$ 38,957	6.2 %	\$ 42,311	7.2 %
Adjustments needed to reconcile non-GAAP net income to non-GAAP EBITDA:								
Interest expense, net	600	0.4 %	484	0.3 %	3,812	0.6 %	1,826	0.3 %
Provision for income taxes	4,086	2.5 %	2,837	2.0 %	13,932	2.2 %	14,902	2.5 %
Depreciation and amortization	2,801	1.7 %	2,936	2.0 %	11,564	1.9 %	11,996	2.0 %
Non-GAAP EBITDA	\$ 19,028	11.8 %	\$ 16,307	11.2 %	\$ 68,265	10.9 %	\$ 71,035	12.0 %

**CRA INTERNATIONAL, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(IN THOUSANDS)**

	<b>December 30, 2023</b>	<b>December 31, 2022</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 45,586	\$ 31,447
Accounts receivable and unbilled services, net	199,556	194,987
Other current assets	20,334	22,426
<b>Total current assets</b>	<b>265,476</b>	<b>248,860</b>
Property and equipment, net	38,176	45,582
Goodwill and intangible assets, net	101,185	101,510
Right-of-use assets	86,887	96,725
Other assets	61,487	58,240
<b>Total assets</b>	<b>\$ 553,211</b>	<b>\$ 550,917</b>
<b>Liabilities and Shareholders' Equity</b>		
Accounts payable	\$ 28,701	\$ 27,584
Accrued expenses	171,040	155,864
Current portion of lease liabilities	16,475	15,972
Other current liabilities	19,871	17,705
<b>Total current liabilities</b>	<b>236,087</b>	<b>217,125</b>
Non-current portion of lease liabilities	92,280	106,008
Other non-current liabilities	12,743	16,630
<b>Total liabilities</b>	<b>341,110</b>	<b>339,763</b>
<b>Total shareholders' equity</b>	<b>212,101</b>	<b>211,154</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 553,211</b>	<b>\$ 550,917</b>

**CRA INTERNATIONAL, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(IN THOUSANDS)**

	<b>Year Ended</b>	
	<b>December 30, 2023</b>	<b>December 31, 2022</b>
<b>Operating activities:</b>		
Net income	\$ 38,481	\$ 43,619
Adjustments to reconcile net income to net cash provided by operating activities, net of effect of acquired businesses:		
Non-cash items, net	26,197	30,490
Accounts receivable and unbilled services	(2,860)	(30,311)
Working capital items, net	(1,746)	(18,677)
Net cash provided by operating activities	60,072	25,121
<b>Investing activities:</b>		
Purchases of property and equipment	(2,366)	(3,813)
Consideration paid for acquisitions, net	(577)	(14,352)
Net cash used in investing activities	(2,943)	(18,165)
<b>Financing activities:</b>		
Issuance of common stock, principally stock options exercises	805	1,411
Borrowings under revolving line of credit	105,000	126,000
Repayments under revolving line of credit	(105,000)	(126,000)
Payments for debt issuance costs	—	(1,008)
Tax withholding payments reimbursed by shares	(3,063)	(2,145)
Cash dividends paid	(10,807)	(9,580)
Repurchase of common stock	(31,417)	(27,630)
Net cash used in financing activities	(44,482)	(38,952)
Effect of foreign exchange rates on cash and cash equivalents	1,492	(2,687)
Net increase (decrease) in cash and cash equivalents	14,139	(34,683)
Cash and cash equivalents at beginning of period	31,447	66,130
Cash and cash equivalents at end of period	\$ 45,586	\$ 31,447
<b>Noncash investing and financing activities:</b>		
Increase (decrease) in accounts payable and accrued expenses for property and equipment	\$ (91)	\$ (268)
Excise tax on share repurchases	\$ (247)	\$ —
Right-of-use assets obtained in exchange for lease obligations	\$ 3,198	\$ 2,436
<b>Supplemental cash flow information:</b>		
Cash paid for taxes	\$ 14,011	\$ 15,646
Cash paid for interest	\$ 3,539	\$ 1,579
Cash paid for amounts included in operating lease liabilities	\$ 22,272	\$ 21,306