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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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**FORM 8-K**

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): May 6, 2021

**CRA INTERNATIONAL, INC.**

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(Exact name of registrant as specified in its charter)

Massachusetts	000-24049	04-2372210
(State or other jurisdiction of incorporation)	(Commission file number)	(IRS employer identification no.)

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200 Clarendon Street, Boston, Massachusetts	02116
(Address of principal executive offices)	(Zip code)

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Registrant's telephone number, including area code: (617) 425-3000

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(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, no par value	CRAI	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02 Results of Operations and Financial Condition.**

On May 6, 2021, we issued a press release reporting our financial results for our fiscal quarter ended April 3, 2021. A copy of the press release is set forth as Exhibit 99.1 and is incorporated by reference herein. On May 6, 2021, we also posted on our website supplemental financial information, including prepared CFO remarks. A copy of the supplemental financial information is set forth as Exhibit 99.2 and incorporated by reference herein.

The information contained in Item 2.02 of this report and Exhibits 99.1 and 99.2 attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as expressly set forth by specific reference in such a filing.

**Item 7.01 Regulation FD Disclosure.**

On May 6, 2021, we announced that our board of directors declared a quarterly cash dividend on our common stock of \$0.26 per share to be paid on June 11, 2021 to all shareholders of record as of May 25, 2021. A copy of the press release is set forth as Exhibit 99.3 and is incorporated by reference herein.

The information contained in Item 7.01 of this report and Exhibit 99.3 attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<u>Number</u>	<u>Title</u>
<a href="#">99.1</a>	<a href="#">May 6, 2021 earnings press release</a>
<a href="#">99.2</a>	<a href="#">Supplemental financial information (prepared CFO remarks)</a>
<a href="#">99.3</a>	<a href="#">May 6, 2021 dividend press release</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**CRA INTERNATIONAL, INC.**

Dated: May 6, 2021

By: /s/ DANIEL K. MAHONEY  
Daniel K. Mahoney  
Chief Financial Officer, Executive Vice President and Treasurer

*Contacts:*

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**CHARLES RIVER ASSOCIATES (CRA) REPORTS**  
**FINANCIAL RESULTS FOR THE FIRST QUARTER OF 2021**  
*Broad-based Contributions Drive 16.1% Revenue Growth Year Over Year*  
*Company Raises Revenue and EBITDA Guidance for Fiscal 2021*

BOSTON, May 6, 2021 – Charles River Associates (NASDAQ: CRAI), a worldwide leader in providing economic, financial and management consulting services, today announced financial results for the fiscal first quarter ended April 3, 2021.

“Building on a record-setting fiscal 2020, CRA reported the highest quarterly revenue in the company’s history, increasing 16.1% year over year to \$146.5 million,” said Paul Maleh, CRA’s President and Chief Executive Officer. “Driving this revenue growth was a year-over-year headcount increase of 4.8% and improved utilization of 76%. For the first quarter, we recorded double-digit revenue growth by our Antitrust & Competition Economics, Financial Economics, Forensic Services, Intellectual Property, Labor & Employment, and Risk, Investigations & Analytics practices. We also achieved double-digit revenue growth across both our North American and international operations. The quarter’s revenue growth translated into an accelerating expansion of profits, as CRA’s net income, earnings per diluted share and EBITDA all grew year over year at multiples of the revenue growth rate.”

#### Key First-Quarter Fiscal 2021 Highlights

- Revenue grew 16.1% year over year to \$146.5 million.
- Utilization was 76%, and quarter-end headcount increased 4.8% year over year.
- Net income increased 62.4% year over year to \$10.5 million, or 7.2% of revenue, compared with \$6.5 million, or 5.1% of revenue, in the first quarter of fiscal 2020; non-GAAP net income increased 58.9% year over year to \$10.8 million, or 7.4% of revenue, compared with \$6.8 million, or 5.4% of revenue, in the first quarter of fiscal 2020.
- Earnings per diluted share increased 67.5% year over year to \$1.34; non-GAAP earnings per diluted share increased 63.1% year over year to \$1.37.
- Non-GAAP EBITDA increased 37.8% to \$17.8 million, or 12.1% of revenue, compared with \$12.9 million, or 10.2% of revenue, in the first quarter of fiscal 2020.
- On a constant currency basis relative to the first quarter of fiscal 2020, revenue would have been lower by \$1.9 million, while GAAP net income and earnings per diluted share would have been lower by \$0.2 million and \$0.03 per diluted share, respectively. Non-GAAP net income, earnings per diluted share, and EBITDA would have been lower by \$0.2 million, \$0.02 per diluted share, and \$0.3 million respectively.
- CRA returned \$11.7 million of capital to its shareholders, consisting of \$2.1 million of dividend payments and \$9.6 million for share repurchases of approximately 167,000 shares. These amounts do not include the 337,837 shares that were repurchased for an aggregate purchase price of \$25.0 million as announced on April 9, 2021 pursuant to CRA’s modified “Dutch auction” self-tender offer.

#### Outlook and Financial Guidance

“Reflecting the strong start to the year and the broad-based demand across our service portfolio, we are raising both our revenue and EBITDA guidance,” continued Maleh. “For the full-year fiscal 2021, on a constant currency basis relative to fiscal 2020, we now expect revenue in the range of \$550 million to \$570 million, and non-GAAP EBITDA margin in the range of 10.0% to 10.5%. While we are pleased with CRA’s strong performance in the first quarter, we remain mindful that uncertainties around global economic, business, health, 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.

### **Quarterly Dividend**

On May 6, 2021, CRA's Board of Directors announced a quarterly cash dividend of \$0.26 per common share, payable on June 11, 2021 to shareholders of record as of May 25, 2021. 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 first-quarter 2021 financial results. To listen to the live call, please visit the "[Investor Relations](#)" section of CRA's website at <http://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 "[Conference Call Materials](#)" 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](#), [Twitter](#), 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 net income per 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.

CRA defines non-GAAP EBITDA as net income before interest expense (net), 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 and related tax effects. Non-GAAP net income and non-GAAP net income per share also exclude non-cash amounts relating to valuation changes in contingent consideration 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 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 2021 on a constant currency basis relative to fiscal 2020 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; the impact of the COVID-19 pandemic; 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 ENDED**  
**APRIL 3, 2021 COMPARED TO MARCH 28, 2020**  
**(IN THOUSANDS, EXCEPT PER SHARE DATA)**

	Fiscal Quarter Ended			
	April 3, 2021	As a % of Revenue	March 28, 2020	As a % of Revenue
Revenues	\$ 146,518	100.0 %	\$ 126,158	100.0 %
Cost of services (exclusive of depreciation and amortization)	105,374	71.9 %	90,997	72.1 %
Selling, general and administrative expenses	23,206	15.8 %	24,123	19.1 %
Depreciation and amortization	3,301	2.3 %	2,943	2.3 %
Income from operations	14,637	10.0 %	8,095	6.4 %
Interest expense, net	(199)	-0.1 %	(362)	-0.3 %
Foreign currency gains (losses), net	(551)	-0.4 %	1,422	1.1 %
Income before provision for income taxes	13,887	9.5 %	9,155	7.3 %
Provision for income taxes	3,386	2.3 %	2,687	2.1 %
Net income	\$ 10,501	7.2 %	\$ 6,468	5.1 %
Net income per share:				
Basic	\$ 1.37		\$ 0.83	
Diluted	\$ 1.34		\$ 0.80	
Weighted average number of shares outstanding:				
Basic	7,626		7,805	
Diluted	7,831		8,037	

**CRA INTERNATIONAL, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**FOR THE FISCAL QUARTERS ENDED**  
**APRIL 3, 2021 COMPARED TO MARCH 28, 2020**  
**(IN THOUSANDS, EXCEPT PER SHARE DATA)**

	Fiscal Quarter Ended			
	April 3, 2021	As a % of Revenue	March 28, 2020	As a % of Revenue
Revenues	\$ 146,518	100.0 %	\$ 126,158	100.0 %
Net income	\$ 10,501	7.2 %	\$ 6,468	5.1 %
Adjustments needed to reconcile GAAP net income to non-GAAP net income:				
Non-cash valuation change in contingent consideration	380	0.3 %	430	0.3 %
Tax effect on adjustments	(103)	-0.1 %	(117)	-0.1 %
Non-GAAP net income	\$ 10,778	7.4 %	\$ 6,781	5.4 %
Non-GAAP net income per share:				
Basic	\$ 1.41		\$ 0.87	
Diluted	\$ 1.37		\$ 0.84	
Weighted average number of shares outstanding:				
Basic	7,626		7,805	
Diluted	7,831		8,037	



**CRA INTERNATIONAL, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**FOR THE FISCAL QUARTERS ENDED**  
**APRIL 3, 2021 COMPARED TO MARCH 28, 2020**  
**(IN THOUSANDS)**

	Fiscal Quarter Ended			
	April 3, 2021	As a % of Revenue	March 28, 2020	As a % of Revenue
Revenues	\$ 146,518	100.0 %	\$ 126,158	100.0 %
Net income	\$ 10,501	7.2 %	\$ 6,468	5.1 %
Adjustments needed to reconcile GAAP net income to non-GAAP net income:				
Non-cash valuation change in contingent consideration	380	0.3 %	430	0.3 %
Tax effect on adjustments	(103)	-0.1 %	(117)	-0.1 %
Non-GAAP net income	\$ 10,778	7.4 %	\$ 6,781	5.4 %
Adjustments needed to reconcile non-GAAP net income to non-GAAP EBITDA:				
Interest expense, net	199	0.1 %	362	0.3 %
Provision for income taxes	3,489	2.4 %	2,804	2.2 %
Depreciation and amortization	3,301	2.3 %	2,943	2.3 %
Non-GAAP EBITDA	\$ 17,767	12.1 %	\$ 12,890	10.2 %

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

	April 3, 2021	January 2, 2021
<b>Assets</b>		
Cash and cash equivalents	\$ 31,629	\$ 45,677
Accounts receivable and unbilled services, net	155,675	152,476
Other current assets	23,226	21,817
<b>Total current assets</b>	<b>210,530</b>	<b>219,970</b>
Property and equipment, net	60,304	62,878
Goodwill and intangible assets, net	94,117	94,295
Right-of-use assets	120,110	122,144
Other assets	57,459	59,223
<b>Total assets</b>	<b>\$ 542,520</b>	<b>\$ 558,510</b>
<b>Liabilities and Shareholders' Equity</b>		
Accounts payable	\$ 18,995	\$ 19,430
Accrued expenses	100,758	136,376
Current portion of lease liabilities	13,889	13,557
Revolving line of credit	40,000	—
Other current liabilities	9,489	30,768
<b>Total current liabilities</b>	<b>183,131</b>	<b>200,131</b>
Non-current portion of lease liabilities	136,561	139,447
Other non-current liabilities	11,500	9,913
<b>Total liabilities</b>	<b>331,192</b>	<b>349,491</b>
Total shareholders' equity	211,328	209,019
<b>Total liabilities and shareholders' equity</b>	<b>\$ 542,520</b>	<b>\$ 558,510</b>

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

	<b>Fiscal Quarter Ended</b>	
	<b>April 3, 2021</b>	<b>March 28, 2020</b>
<b>Operating activities:</b>		
Net income	\$ 10,501	\$ 6,468
Adjustments to reconcile net income to net cash used in operating activities:		
Non-cash items, net	6,361	6,314
Accounts receivable and unbilled services	(3,225)	(6,829)
Working capital items, net	(53,485)	(71,328)
Net cash used in operating activities	(39,848)	(65,375)
<b>Investing activities:</b>		
Purchases of property and equipment	(692)	(7,949)
Net cash used in investing activities	(692)	(7,949)
<b>Financing activities:</b>		
Issuance of common stock, principally stock options exercises	1,113	151
Borrowings under revolving line of credit	42,000	70,000
Repayments under revolving line of credit	(2,000)	—
Tax withholding payments reimbursed by shares	(588)	(390)
Cash paid for contingent consideration	(2,357)	—
Cash paid on dividend equivalents	(79)	(40)
Cash dividends paid to shareholders	(1,982)	(1,796)
Repurchase of common stock	(9,642)	(3,810)
Net cash provided by financing activities	26,465	64,115
Effect of foreign exchange rates on cash and cash equivalents	27	(612)
Net decrease in cash and cash equivalents	(14,048)	(9,821)
Cash and cash equivalents at beginning of period	45,677	25,639
Cash and cash equivalents at end of period	\$ 31,629	\$ 15,818
<b>Noncash investing and financing activities:</b>		
Purchases of property and equipment not yet paid for	\$ 294	\$ 370
Asset retirement obligations	\$ —	\$ 155
Right-of-use assets obtained in exchange for lease obligations	\$ 1,070	\$ —
Restricted common stock issued for contingent consideration	\$ 2,250	\$ —
<b>Supplemental cash flow information:</b>		
Cash paid for taxes	\$ 844	\$ 695
Cash paid for interest	\$ 24	\$ 245
Cash paid for amounts included in operating lease liabilities	\$ 5,157	\$ 5,039



**CHARLES RIVER ASSOCIATES (CRA)  
FIRST QUARTER FISCAL YEAR 2021  
EARNINGS ANNOUNCEMENT  
PREPARED CFO REMARKS**

CRA is providing these prepared remarks by CFO Dan Mahoney in combination with its press release. These remarks are offered to provide the investment community with additional information on CRA's financial results prior to the start of the conference call.

As previously announced, the conference call will be held May 6, 2021 at 10:00 a.m. ET. These prepared remarks will not be read on the call.

**Q1 Fiscal 2021 Summary (Quarter ended April 3, 2021)**

- Revenue: \$146.5 million
- Net income: \$10.5 million, or 7.2% of revenue; non-GAAP net income: \$10.8 million, or 7.4% of revenue
- Net income per diluted share: \$1.34; non-GAAP net income per diluted share: \$1.37
- Operating margin: 10.0%; non-GAAP operating margin: 10.2%
- Non-GAAP EBITDA: \$17.8 million, or 12.1% of revenue
- Effective tax rate: 24.4%; non-GAAP effective tax rate: 24.5%
- Utilization: 76%
- Consultant headcount at the end of Q1 of fiscal 2021: 837, which consists of 145 officers, 497 other senior staff and 195 junior staff
- Cash and cash equivalents: \$31.6 million at April 3, 2021

**Revenue**

For Q1 of fiscal 2021, revenue was \$146.5 million, compared with revenue of \$126.2 million for Q1 of fiscal 2020.

**Headcount**

The following table outlines CRA's consultant headcount at the end of the stated quarters:

	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Officers	145	137	140	136	135
Other Senior Staff	497	471	473	450	442
Junior Staff	195	223	213	216	222
<b>Total</b>	<b>837</b>	<b>831</b>	<b>826</b>	<b>802</b>	<b>799</b>

**Utilization**

For Q1 of fiscal 2021, companywide utilization was 76%, compared with 71% for Q1 fiscal 2020.

**Client Reimbursables**

For Q1 of fiscal 2021, client reimbursables were \$16.5 million, or 11.2% of revenue, compared with \$16.4 million, or 13.0% of revenue, for Q1 of fiscal 2020.

**Contingent Liability**

For Q1 of fiscal 2021, the estimated value of the contingent consideration obligation increased from Q4 of fiscal 2020 by \$0.4 million to \$15.0 million and was subsequently paid in February 2021. For Q1 of fiscal 2020, the estimated value of the contingent consideration obligation increased from Q4 of fiscal 2019 by \$0.4 million to \$12.0 million at March 28, 2020.

The change in the value of the contingent liability is recorded as an increase (decrease) to cost of services (exclusive of depreciation and amortization) in the period reported.

### Selling, General and Administrative (SG&A) Expenses

For Q1 of fiscal 2021, SG&A expenses were \$23.2 million, or 15.8% of revenue, compared with \$24.1 million, or 19.1% of revenue, for Q1 of fiscal 2020. Commissions to non-employee experts are included in SG&A expenses. These commissions represented approximately 2.6% of revenue for Q1 of fiscal 2021, compared with 2.2% in Q1 of fiscal 2020. Excluding these commissions, SG&A expenses were 13.2% of revenue for Q1 of fiscal 2021, compared with 16.9% in Q1 of fiscal 2020.

### Depreciation & Amortization

For Q1 of fiscal 2021, depreciation and amortization expenses amounted to \$3.3 million, or 2.3% of revenue, compared with \$2.9 million, or 2.3% of revenue, for Q1 of fiscal 2020.

### Forgivable Loan Amortization

For Q1 of fiscal 2021, forgivable loan amortization was \$8.0 million, or 5.5% of revenue, compared with \$7.1 million, or 5.6% of revenue, for Q1 of fiscal 2020.

### Share-Based Compensation Expense

For Q1 of fiscal 2021, share-based compensation expense was approximately \$0.8 million, or 0.6% of revenue, compared with \$0.7 million, or 0.5% of revenue, for Q1 of fiscal 2020.

### Operating Income

For Q1 of fiscal 2021, operating income was \$14.6 million, or 10.0% of revenue, compared with operating income of \$8.1 million, or 6.4% of revenue, for Q1 of fiscal 2020. Non-GAAP operating income was \$15.0 million, or 10.2% of revenue, for Q1 of fiscal 2021, compared with \$8.5 million, or 6.8% of revenue, for Q1 of fiscal 2020.

\$ in 000's	Fiscal Quarter Ended			
	April 3, 2021	As a % of Revenue	March 28, 2020	As a % of Revenue
Income from operations	\$ 14,637	10.0 %	\$ 8,095	6.4 %
Adjustments needed to reconcile GAAP income from operations to non-GAAP income from operations:				
Non-cash valuation change in contingent consideration	380	0.3 %	430	0.3 %
Non-GAAP income from operations	\$ 15,017	10.2 %	\$ 8,525	6.8 %

### Interest Income (Expense), net

For Q1 of fiscal 2021, net interest expense was \$0.2 million, or 0.1% of revenue, compared with net interest expense of \$0.4 million, or 0.3% of revenue, for Q1 of fiscal 2020.

### Foreign Currency Gains (Losses), net

For Q1 of fiscal 2021, net foreign currency losses were \$0.6 million, or 0.4% of revenue, compared with net foreign currency gains of \$1.4 million, or 1.1% of revenue, for Q1 of fiscal 2020.

Foreign currency gains (losses), net, is comprised of net gains and losses on foreign denominated transactions and the revaluation of working capital balances.

### Income Taxes

The following table outlines CRA's income tax provision recorded and the resulting effective tax rates:

\$ in 000's	GAAP		NON-GAAP	
	Fiscal Quarter Ended		Fiscal Quarter Ended	
	April 3, 2021	March 28, 2020	April 3, 2021	March 28, 2020
Tax Provision	\$ 3,386	\$ 2,687	\$ 3,489	\$ 2,804
Effective Tax Rate	24.4 %	29.4 %	24.5 %	29.3 %

\$ in 000's	Fiscal Quarter Ended			
	April 3, 2021	As a % of Revenue	March 28, 2020	As a % of Revenue
Income before provision for income taxes	\$ 13,887	9.5 %	\$ 9,155	7.3 %
Adjustments needed to reconcile GAAP income before provision for income taxes to non-GAAP income before provision for income taxes				
Non-cash valuation change in contingent consideration	380	0.3 %	430	0.3 %
Non-GAAP income before provision for income taxes	\$ 14,267	9.7 %	\$ 9,585	7.6 %
GAAP provision for income taxes	\$ 3,386		\$ 2,687	
Tax effect on non-GAAP adjustments	103		117	
Non-GAAP provision for income taxes	\$ 3,489		\$ 2,804	

### Net Income

For Q1 of fiscal 2021, net income was \$10.5 million, or 7.2% of revenue, or \$1.34 per diluted share, compared with net income of \$6.5 million, or 5.1% of revenue, or \$0.80 per diluted share, for Q1 of fiscal 2020. Non-GAAP net income for Q1 of fiscal 2021 was \$10.8 million, or 7.4% of revenue, or \$1.37 per diluted share, compared with \$6.8 million, or 5.4% of revenue, or \$0.84 per diluted share, for Q1 of fiscal 2020.

### Non-GAAP EBITDA

For Q1 of fiscal 2021, non-GAAP EBITDA was \$17.8 million, or 12.1% of revenue, compared with \$12.9 million, or 10.2% of revenue, for Q1 of fiscal 2020.

### Constant Currency Basis

For Q1 of fiscal 2021, revenue was \$146.5 million, and net income was \$10.5 million, or 7.2% of revenue, or \$1.34 per diluted share. On a constant currency basis relative to Q1 of fiscal 2020, Q1 of fiscal 2021 revenue would have been lower by \$1.9 million to \$144.6 million, GAAP net income would have decreased by \$0.2 million to \$10.3 million, or 7.1% of revenue, and earnings per diluted share would have decreased by \$0.03 to \$1.31 per diluted share.

For Q1 of fiscal 2021, revenue was \$146.5 million, and non-GAAP net income was \$10.8 million, or 7.4% of revenue, or \$1.37 per diluted share. On a constant currency basis relative to Q1 of fiscal 2020, Q1 of fiscal 2021 revenue would have been lower by \$1.9 million to \$144.6 million, non-GAAP net income would have decreased by \$0.2 million to \$10.6 million, or 7.3% of revenue, non-GAAP earnings per diluted share would have decreased by \$0.02 to \$1.35 per diluted share, and non-GAAP EBITDA would have decreased by \$0.3 million to \$17.5 million, or 12.1% of revenue.

A description of the process for calculating the measures presented on a constant currency basis is contained under the heading "Non-GAAP Financial Measures" below.

### Key Balance Sheet Metrics

Billed and unbilled receivables at April 3, 2021 were \$155.7 million, compared with \$149.3 million at March 28, 2020. Current liabilities at April 3, 2021 were \$183.1 million, compared with \$191.3 million at March 28, 2020.

Total Days Sales Outstanding, or DSO, for Q1 of fiscal 2021 was 92 days, consisting of 52 days of billed and 40 days of unbilled. This compares with 103 days reported for Q1 of fiscal 2020, consisting of 71 days of billed and 32 days of unbilled.

### Cash and Cash Flow

Cash and cash equivalents were \$31.6 million at April 3, 2021, compared with \$15.8 million at March 28, 2020.

Net cash used in operating activities for Q1 of fiscal 2021 was \$39.8 million, compared with net cash used in operating activities of \$65.4 million for Q1 of fiscal 2020.

As of April 3, 2021, outstanding borrowings under CRA's revolving credit facility amounted to \$40.0 million. At March 28, 2020, outstanding borrowings under CRA's revolving credit facility amounted to \$70.0 million.

Capital expenditures totaled \$0.7 million for Q1 of fiscal 2021, compared with \$7.9 million for Q1 of fiscal 2020.

CRA repurchased approximately 167,000 shares of its common stock during Q1 of fiscal 2021 for \$9.6 million, compared with Q1 of fiscal 2020, when approximately 83,000 shares of common stock were repurchased for approximately \$3.8 million.

A quarterly cash dividend of \$0.26 per common share, for total dividends and dividend equivalents of \$2.1 million was paid in Q1 of fiscal 2021, compared with a quarterly cash dividend of \$0.23 per common share, for total dividends and dividend equivalents of \$1.8 million paid in Q1 of fiscal 2020.

### GAAP Condensed Consolidated Statement of Cash Flows

CRA has derived the condensed consolidated statement of cash flow data for the years ended January 2, 2021 and December 28, 2019 from its audited financial statements appearing on Form 10-K for the fiscal year ended January 2, 2021, filed with the Securities and Exchange Commission on March 4, 2021. The condensed consolidated statement of cash flow data for the second and third quarters of fiscal year 2019, first, second and third quarters of fiscal year 2020, and the first quarter of fiscal year 2021 have been derived from CRA's unaudited financial statements appearing on Form 10-Q for each of the respective fiscal quarters as well as the consolidated statements of cash flows appearing on Form 10-K for the fiscal years ended January 2, 2021 and December 28, 2019 and have been prepared on the same basis as CRA's audited financial statements.

#### GAAP Condensed Consolidated Statement of Cash Flows (\$ in 000's)

	LTM	Q1	Q4	Q3	Q2
	Q1 2021	2021	2020	2020	2020
Net cash provided by (used in) operating activities	\$ 80,190	\$ (39,848)	\$ 65,315	\$ 33,648	\$ 21,075
Net cash used in investing activities	(9,837)	(692)	(1,352)	(2,225)	(5,568)
Net cash provided by (used in) financing activities	(57,150)	26,465	(44,558)	(26,687)	(12,370)
Effect of foreign exchange rates on cash and cash equivalents	2,608	27	2,164	565	(148)
Net increase (decrease) in cash and cash equivalents	\$ 15,811	\$ (14,048)	\$ 21,569	\$ 5,301	\$ 2,989
Cash and cash equivalents at beginning of period	15,818	45,677	24,108	18,807	15,818
Cash and cash equivalents at end of period	\$ 31,629	\$ 31,629	\$ 45,677	\$ 24,108	\$ 18,807

#### GAAP Condensed Consolidated Statement of Cash Flows (\$ in 000's)

	LTM	Q1	Q4	Q3	Q2
	Q1 2020	2020	2019	2019	2019
Net cash provided by (used in) operating activities	\$ 19,024	\$ (65,375)	\$ 47,739	\$ 26,202	\$ 10,458
Net cash used in investing activities	(23,868)	(7,949)	(4,145)	(8,644)	(3,130)
Net cash provided by (used in) financing activities	6,159	64,115	(38,591)	(12,624)	(6,741)
Effect of foreign exchange rates on cash and cash equivalents	(455)	(612)	803	(689)	43
Net increase (decrease) in cash and cash equivalents	\$ 860	\$ (9,821)	\$ 5,806	\$ 4,245	\$ 630
Cash and cash equivalents at beginning of period	14,958	25,639	19,833	15,588	14,958
Cash and cash equivalents at end of period	\$ 15,818	\$ 15,818	\$ 25,639	\$ 19,833	\$ 15,588

### Adjusted Net Cash Flows from Operations

Below are the quarterly and last twelve-month reconciliations of GAAP net cash provided by (used in) operating activities for each of the periods presented to non-GAAP adjusted net cash flows from operations. The reconciling items are forgivable loan advances and repayments for each period, which are reported as a component of GAAP net cash provided by (used in) operating activities, along with other non-recurring cash items.

<b>Adjusted Net Cash Flows from Operations</b> <b>(\$ in 000's)</b>	<b>LTM</b> <b>Q1 2021</b>	<b>Q1</b> <b>2021</b>	<b>Q4</b> <b>2020</b>	<b>Q3</b> <b>2020</b>	<b>Q2</b> <b>2020</b>
GAAP net cash provided by (used in) operating activities	\$ 80,190	\$ (39,848)	\$ 65,315	\$ 33,648	\$ 21,075
Forgivable loan advances	11,129	2,153	3,940	104	4,932
Forgivable loan repayments	—	—	—	—	—
Other non-recurring cash items (1)	10,393	10,393	—	—	—
<b>Adjusted net cash flows from operations</b>	<b>\$ 101,712</b>	<b>\$ (27,302)</b>	<b>\$ 69,255</b>	<b>\$ 33,752</b>	<b>\$ 26,007</b>
<b>Net revenue</b>	<b>\$ 528,733</b>	<b>\$ 146,518</b>	<b>\$ 137,422</b>	<b>\$ 121,762</b>	<b>\$ 123,031</b>
GAAP net cash provided by (used in) operating activities as a percentage of net revenue	15.2 %	(27.2)%	47.5 %	27.6 %	17.1 %
Adjusted net cash flows from operations as a percentage of net revenue	19.2 %	(18.6)%	50.4 %	27.7 %	21.1 %

  

<b>Adjusted Net Cash Flows from Operations</b> <b>(\$ in 000's)</b>	<b>LTM</b> <b>Q1 2020</b>	<b>Q1</b> <b>2020</b>	<b>Q4</b> <b>2019</b>	<b>Q3</b> <b>2019</b>	<b>Q2</b> <b>2019</b>
GAAP net cash provided by (used in) operating activities	\$ 19,024	\$ (65,375)	\$ 47,739	\$ 26,202	\$ 10,458
Forgivable loan advances	46,678	33,442	1,762	9,521	1,953
Forgivable loan repayments	(773)	—	(67)	(406)	(300)
Other non-recurring cash items	—	—	—	—	—
<b>Adjusted net cash flows from operations</b>	<b>\$ 64,929</b>	<b>\$ (31,933)</b>	<b>\$ 49,434</b>	<b>\$ 35,317</b>	<b>\$ 12,111</b>
<b>Net revenue</b>	<b>\$ 471,679</b>	<b>\$ 126,158</b>	<b>\$ 119,262</b>	<b>\$ 115,686</b>	<b>\$ 110,573</b>
GAAP net cash provided by (used in) operating activities as a percentage of net revenue	4.0 %	(51.8)%	40.0 %	22.6 %	9.5 %
Adjusted net cash flows from operations as a percentage of net revenue	13.8 %	(25.3)%	41.4 %	30.5 %	11.0 %

(1) Other non-recurring cash items in Q1 fiscal 2021 includes a portion of the cash paid to settle a contingent consideration obligation.

## NON-GAAP FINANCIAL MEASURES

In these remarks, 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 were not calculated in accordance with GAAP: non-GAAP net income, non-GAAP net income per share, non-GAAP EBITDA, non-GAAP income from operations, non-GAAP provision for income taxes and adjusted net cash flows from operations. CRA believes that these non-GAAP financial measures are important to management and investors because these measures supplement the understanding of CRA’s ongoing operating results, financial condition and cash flows. Non-GAAP adjusted net cash flows from operations is used by management to assess CRA’s ability to fund items such as the acquisition of talent, office expansions, debt repayment and distributions to shareholders. In addition, non-GAAP net income and non-GAAP EBITDA are used by CRA in its budgeting process, and the non-GAAP adjustments described below are made to the performance measures for some of CRA’s performance-based compensation.

CRA defines non-GAAP EBITDA as net income before interest expense (net), income taxes, and depreciation and amortization further adjusted for the impact of certain items that it does not consider indicative of its core operating performance, such as non-cash amounts relating to valuation changes in contingent consideration and related tax effects. Non-GAAP net income, non-GAAP EBITDA, non-GAAP income from operations and non-GAAP provision for income taxes also exclude non-cash amounts relating to valuation changes in contingent consideration and related tax effects. The adjustments made to non-GAAP adjusted net cash flows from operations add back forgivable loan issuances, net of repayments, along with other non-recurring cash items. These remarks also present 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 these remarks. EBITDA and the financial measures identified in these remarks as “non-GAAP” are reconciled to their GAAP comparable measures either in these remarks or in the attached financial tables. 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.



**CRA INTERNATIONAL, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE FISCAL QUARTERS ENDED**  
**APRIL 3, 2021 COMPARED TO MARCH 28, 2020**  
**(IN THOUSANDS, EXCEPT PER SHARE DATA)**

	Fiscal Quarter Ended			
	April 3, 2021	As a % of Revenue	March 28, 2020	As a % of Revenue
Revenues	\$ 146,518	100.0 %	\$ 126,158	100.0 %
Cost of services (exclusive of depreciation and amortization)	105,374	71.9 %	90,997	72.1 %
Selling, general and administrative expenses	23,206	15.8 %	24,123	19.1 %
Depreciation and amortization	3,301	2.3 %	2,943	2.3 %
Income from operations	14,637	10.0 %	8,095	6.4 %
Interest expense, net	(199)	-0.1 %	(362)	-0.3 %
Foreign currency gains (losses), net	(551)	-0.4 %	1,422	1.1 %
Income before provision for income taxes	13,887	9.5 %	9,155	7.3 %
Provision for income taxes	3,386	2.3 %	2,687	2.1 %
Net income	<u>\$ 10,501</u>	<u>7.2 %</u>	<u>\$ 6,468</u>	<u>5.1 %</u>
Net income per share:				
Basic	<u>\$ 1.37</u>		<u>\$ 0.83</u>	
Diluted	<u>\$ 1.34</u>		<u>\$ 0.80</u>	
Weighted average number of shares outstanding:				
Basic	<u>7,626</u>		<u>7,805</u>	
Diluted	<u>7,831</u>		<u>8,037</u>	

**CRA INTERNATIONAL, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**FOR THE FISCAL QUARTERS ENDED**  
**APRIL 3, 2021 COMPARED TO MARCH 28, 2020**  
**(IN THOUSANDS, EXCEPT PER SHARE DATA)**

	Fiscal Quarter Ended			
	April 3, 2021	As a % of Revenue	March 28, 2020	As a % of Revenue
Revenues	\$ 146,518	100.0 %	\$ 126,158	100.0 %
Net income	\$ 10,501	7.2 %	\$ 6,468	5.1 %
Adjustments needed to reconcile GAAP net income to non-GAAP net income:				
Non-cash valuation change in contingent consideration	380	0.3 %	430	0.3 %
Tax effect on adjustments	(103)	-0.1 %	(117)	-0.1 %
Non-GAAP net income	\$ 10,778	7.4 %	\$ 6,781	5.4 %
Non-GAAP net income per share:				
Basic	\$ 1.41		\$ 0.87	
Diluted	\$ 1.37		\$ 0.84	
Weighted average number of shares outstanding:				
Basic	7,626		7,805	
Diluted	7,831		8,037	

**CRA INTERNATIONAL, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**FOR THE FISCAL QUARTERS ENDED**  
**APRIL 3, 2021 COMPARED TO MARCH 28, 2020**  
**(IN THOUSANDS)**

	Fiscal Quarter Ended			
	April 3, 2021	As a % of Revenue	March 28, 2020	As a % of Revenue
Revenues	\$ 146,518	100.0 %	\$ 126,158	100.0 %
Net income	\$ 10,501	7.2 %	\$ 6,468	5.1 %
Adjustments needed to reconcile GAAP net income to non-GAAP net income:				
Non-cash valuation change in contingent consideration	380	0.3 %	430	0.3 %
Tax effect on adjustments	(103)	-0.1 %	(117)	-0.1 %
Non-GAAP net income	\$ 10,778	7.4 %	\$ 6,781	5.4 %
Adjustments needed to reconcile non-GAAP net income to non-GAAP EBITDA:				
Interest expense, net	199	0.1 %	362	0.3 %
Provision for income taxes	3,489	2.4 %	2,804	2.2 %
Depreciation and amortization	3,301	2.3 %	2,943	2.3 %
Non-GAAP EBITDA	\$ 17,767	12.1 %	\$ 12,890	10.2 %

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

	April 3, 2021	January 2, 2021
<b>Assets</b>		
Cash and cash equivalents	\$ 31,629	\$ 45,677
Accounts receivable and unbilled services, net	155,675	152,476
Other current assets	23,226	21,817
<b>Total current assets</b>	<b>210,530</b>	<b>219,970</b>
Property and equipment, net	60,304	62,878
Goodwill and intangible assets, net	94,117	94,295
Right-of-use assets	120,110	122,144
Other assets	57,459	59,223
<b>Total assets</b>	<b>\$ 542,520</b>	<b>\$ 558,510</b>
<b>Liabilities and Shareholders' Equity</b>		
Accounts payable	\$ 18,995	\$ 19,430
Accrued expenses	100,758	136,376
Current portion of lease liabilities	13,889	13,557
Revolving line of credit	40,000	—
Other current liabilities	9,489	30,768
<b>Total current liabilities</b>	<b>183,131</b>	<b>200,131</b>
Non-current portion of lease liabilities	136,561	139,447
Other non-current liabilities	11,500	9,913
<b>Total liabilities</b>	<b>331,192</b>	<b>349,491</b>
<b>Total shareholders' equity</b>	<b>211,328</b>	<b>209,019</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 542,520</b>	<b>\$ 558,510</b>

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

	Fiscal Quarter Ended	
	April 3, 2021	March 28, 2020
<b>Operating activities:</b>		
Net income	\$ 10,501	\$ 6,468
Adjustments to reconcile net income to net cash used in operating activities:		
Non-cash items, net	6,361	6,314
Accounts receivable and unbilled services	(3,225)	(6,829)
Working capital items, net	(53,485)	(71,328)
Net cash used in operating activities	(39,848)	(65,375)
<b>Investing activities:</b>		
Purchases of property and equipment	(692)	(7,949)
Net cash used in investing activities	(692)	(7,949)
<b>Financing activities:</b>		
Issuance of common stock, principally stock options exercises	1,113	151
Borrowings under revolving line of credit	42,000	70,000
Repayments under revolving line of credit	(2,000)	—
Tax withholding payments reimbursed by shares	(588)	(390)
Cash paid for contingent consideration	(2,357)	—
Cash paid on dividend equivalents	(79)	(40)
Cash dividends paid to shareholders	(1,982)	(1,796)
Repurchase of common stock	(9,642)	(3,810)
Net cash provided by financing activities	26,465	64,115
Effect of foreign exchange rates on cash and cash equivalents	27	(612)
Net decrease in cash and cash equivalents	(14,048)	(9,821)
Cash and cash equivalents at beginning of period	45,677	25,639
Cash and cash equivalents at end of period	\$ 31,629	\$ 15,818
<b>Noncash investing and financing activities:</b>		
Purchases of property and equipment not yet paid for	\$ 294	\$ 370
Asset retirement obligations	\$ —	\$ 155
Right-of-use assets obtained in exchange for lease obligations	\$ 1,070	\$ —
Restricted common stock issued for contingent consideration	\$ 2,250	\$ —
<b>Supplemental cash flow information:</b>		
Cash paid for taxes	\$ 844	\$ 695
Cash paid for interest	\$ 24	\$ 245
Cash paid for amounts included in operating lease liabilities	\$ 5,157	\$ 5,039

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**CHARLES RIVER ASSOCIATES (CRA) DECLARES QUARTERLY CASH DIVIDEND OF \$0.26 PER COMMON SHARE**

BOSTON, May 6, 2021 – Charles River Associates (NASDAQ: CRAI), a worldwide leader in providing economic, financial and management consulting services, today announced that its Board of Directors has declared a quarterly cash dividend of \$0.26 per common share to be paid on June 11, 2021 to shareholders of record of CRA's common stock as of the close of business on May 25, 2021. The Company expects to continue paying quarterly dividends, the declaration, timing and amounts of which remain subject to the discretion of CRA's Board of Directors.

**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](#), [Twitter](#), and [Facebook](#).

**SAFE HARBOR STATEMENT**

*Statements in this press release concerning our expectations regarding the payment of future quarterly dividends 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. 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; the potential impact of the COVID-19 pandemic on our operations and results; 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.*