

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

TOTAL COMPANY(1)											
	2017				2017	2016				2016	2015
All numbers in thousands except per share data, DSO, ratios and percentages	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Full Year
<b>Revenues Before Reimbursements (RBR)</b>	\$ 230,685	\$ 237,505	\$ 235,238	\$ 236,211	\$ 939,639	\$ 239,671	\$ 237,115	\$ 238,485	\$ 223,475	\$ 938,746	\$ 833,808
Y/Y Growth rate	-4%	0%	-1%	6%	0%	N/A	N/A	N/A	N/A	13%	N/A
Q/Q Growth rate	-3%	1%	0%	-1%	N/A	1%	-1%	7%	N/A	N/A	N/A
<b>Reimbursements</b>	24,683	24,771	21,608	21,626	92,688	26,430	24,294	23,198	21,812	95,734	85,678
<b>Total Revenues</b>	255,368	262,276	256,846	257,837	1,032,327	266,101	261,409	261,683	245,287	1,034,480	919,486
<b>Geographic Revenues as % of Total Revenues</b>											
U.S. Operations	89%	91%	89%	90%	90%	90%	92%	91%	90%	91%	91%
Non U.S. Operations	11%	9%	11%	10%	10%	10%	8%	9%	10%	9%	9%
<b>Cost of Services Before Reimbursable Expenses</b>	159,216	161,597	168,721	165,052	654,586	163,968	156,061	157,966	153,940	631,935	571,894
% of RBR	69%	68%	72%	70%	70%	68%	66%	66%	69%	67%	69%
<b>General and Administrative Expenses</b>	39,532	44,180	41,726	41,484	166,922	42,490	42,126	44,507	39,831	168,954	147,462
% of RBR	17%	19%	18%	18%	18%	18%	18%	19%	18%	18%	18%
<b>EBITDA (2)</b>	31,758	29,094	24,791	28,369	114,012	32,845	38,448	35,021	29,704	136,018	124,517
% of RBR	14%	12%	11%	12%	12%	14%	16%	15%	13%	14%	15%
<b>Adjusted EBITDA (2)</b>	32,317	32,884	29,176	31,461	125,838	34,770	39,807	37,152	30,561	142,290	120,942
% of RBR	14%	14%	12%	13%	13%	15%	17%	16%	14%	15%	15%
<b>Operating Income</b>	22,625	20,177	14,746	18,577	76,125	22,858	28,535	25,082	20,261	96,736	92,127
% of RBR	10%	9%	6%	8%	8%	10%	12%	11%	9%	10%	11%
<b>Net Income</b>	43,120	11,939	8,797	11,096	74,952	13,504	17,175	14,777	12,642	58,098	60,345
% of RBR	19%	5%	4%	5%	8%	6%	7%	6%	6%	6%	7%
Y/Y Growth rate	219%	-30%	-40%	-12%	29%	N/A	N/A	N/A	N/A	-4%	N/A
Q/Q Growth rate	261%	36%	-21%	-18%	N/A	-21%	16%	17%	N/A	N/A	N/A
<b>Net Income Per Diluted Share (EPS)</b>	0.91	0.25	0.18	0.23	1.55	0.28	0.35	0.30	0.26	1.19	1.23
<b>Adjusted Earnings Per Diluted Share (2)</b>	0.29	0.30	0.24	0.27	1.09	0.30	0.37	0.33	0.27	1.27	1.07
<b>Shares used in computing per diluted share data</b>	47,223	48,017	48,696	48,969	48,226	48,618	48,763	48,841	49,031	48,813	49,224
<b>Balance Sheet</b>											
Cash and cash equivalents	8,449	9,005	6,556	9,132	8,449	8,291	7,044	3,310	3,406	8,291	8,895
Accounts receivable, net	267,841	295,750	267,283	264,874	267,841	261,755	272,254	254,395	230,177	261,755	216,660
Days sales outstanding (DSO)	85	94	86	86	85	81	87	81	78	81	76
Bank debt	132,944	176,723	184,787	178,336	132,944	135,030	161,208	189,757	211,521	135,030	173,743
<b>Free Cash Flow (2)</b>	24,623	14,214	13,511	13,310	65,658	7,893	25,456	24,432	20,996	78,777	49,024
<b>Share-based compensation expense related to client-service FTE</b>	1,712	1,377	2,599	1,617	7,305	2,174	1,513	2,612	1,495	7,794	6,407

SEGMENT INFORMATION (1)											
All numbers in thousands except percentages	2017				2017	2016				2016	2015
	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Full Year
<b>Business Segment RBR</b>											
<b>Healthcare</b>	\$ 89,726	\$ 95,860	\$ 94,134	\$ 90,546	\$ 370,266	\$ 91,679	\$ 91,046	\$ 89,876	\$ 81,667	\$ 354,268	\$ 288,798
% of Total Company RBR	39%	40%	40%	38%	39%	38%	38%	38%	37%	38%	35%
<b>Energy</b>	30,654	29,597	31,743	32,498	124,492	31,313	28,436	29,295	26,896	115,940	106,023
% of Total Company RBR	13%	12%	13%	14%	13%	13%	12%	12%	12%	12%	13%
<b>Financial Services Advisory and Compliance</b>	35,730	38,016	33,683	32,907	140,336	38,257	40,265	39,994	33,650	152,166	124,359
% of Total Company RBR	15%	16%	14%	14%	15%	16%	17%	17%	15%	16%	15%
<b>Disputes, Forensics and Legal Technology</b>	74,575	74,032	75,678	80,260	304,545	78,422	77,368	79,320	81,262	316,372	314,628
% of Total Company RBR	32%	31%	32%	34%	32%	33%	33%	33%	36%	34%	38%
<b>Total Company</b>	\$ 230,685	\$ 237,505	\$ 235,238	\$ 236,211	\$ 939,639	\$ 239,671	\$ 237,115	\$ 238,485	\$ 223,475	\$ 938,746	\$ 833,808
<b>Business Segment Revenues</b>											
<b>Healthcare</b>	\$ 98,230	\$ 104,397	\$ 102,804	\$ 98,689	\$ 404,120	\$ 100,712	\$ 100,033	\$ 98,386	\$ 90,102	\$ 389,233	\$ 313,884
% of Total Company Revenues	38%	40%	40%	38%	39%	38%	38%	38%	37%	38%	34%
<b>Energy</b>	37,015	35,144	36,544	37,722	146,425	37,402	32,076	32,855	31,279	133,612	124,491
% of Total Company Revenues	14%	13%	14%	15%	14%	14%	12%	13%	13%	13%	14%
<b>Financial Services Advisory and Compliance</b>	40,727	44,584	37,244	36,855	159,410	44,733	46,391	45,360	36,907	173,391	142,959
% of Total Company Revenues	16%	17%	15%	14%	15%	17%	18%	17%	15%	17%	16%
<b>Disputes, Forensics and Legal Technology</b>	79,396	78,151	80,254	84,571	322,372	83,254	82,909	85,082	86,999	338,244	338,152
% of Total Company Revenues	31%	30%	31%	33%	31%	31%	32%	33%	35%	33%	37%
<b>Total Company</b>	\$ 255,368	\$ 262,276	\$ 256,846	\$ 257,837	\$ 1,032,327	\$ 266,101	\$ 261,409	\$ 261,683	\$ 245,287	\$ 1,034,480	\$ 919,486
<b>Segment Operating Profit</b>											
<b>Healthcare</b>	\$ 25,766	\$ 29,693	\$ 28,116	\$ 27,613	\$ 111,188	\$ 30,137	\$ 31,896	\$ 29,362	\$ 23,768	\$ 115,163	\$ 90,869
% of Segment RBR	29%	31%	30%	30%	30%	33%	35%	33%	29%	33%	31%
<b>Energy</b>	8,311	8,077	8,516	8,879	33,783	9,185	8,336	8,402	6,714	32,637	31,380
% of Segment RBR	27%	27%	27%	27%	27%	29%	29%	29%	25%	28%	30%
<b>Financial Services Advisory and Compliance</b>	13,914	15,937	12,307	11,614	53,772	14,765	17,682	17,511	13,506	63,464	49,130
% of Segment RBR	39%	42%	37%	35%	38%	39%	44%	44%	40%	42%	40%
<b>Disputes, Forensics and Legal Technology</b>	25,297	24,499	21,429	26,339	97,564	24,913	26,099	28,963	28,710	108,685	102,449
% of Segment RBR	34%	33%	28%	33%	32%	32%	34%	37%	35%	34%	33%
<b>Total Company</b>	\$ 73,288	\$ 78,206	\$ 70,368	\$ 74,445	\$ 296,307	\$ 79,000	\$ 84,013	\$ 84,238	\$ 72,698	\$ 319,949	\$ 273,828
% of Total Company RBR	32%	33%	30%	32%	32%	33%	35%	35%	33%	34%	33%
<b>OTHER INFORMATION</b>											
<b>Technology, Data &amp; Process RBR (3)</b>	\$ 43,823	\$ 43,898	\$ 43,164	\$ 46,656	\$ 177,542	\$ 47,148	\$ 42,996	\$ 43,019	\$ 45,520	\$ 178,683	\$ 185,539
% of Total Company RBR	19%	18%	18%	20%	19%	20%	18%	18%	20%	19%	22%

METRIC INFORMATION (1)												
	2017				2017	2016				2016	2015	
	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Full Year	
<b>Average Client-Service Full-Time Equivalent (FTE) Headcount (3)(4)</b>												
<b>Healthcare</b>												
Consulting	642	634	618	610	626	621	601	570	556	587	443	
Technology, Data & Process	2,751	2,780	2,656	2,467	2,663	2,423	2,367	2,495	2,581	2,466	2,287	
<b>Total Client-Service FTE</b>	<b>3,393</b>	<b>3,414</b>	<b>3,274</b>	<b>3,077</b>	<b>3,289</b>	<b>3,044</b>	<b>2,968</b>	<b>3,065</b>	<b>3,137</b>	<b>3,053</b>	<b>2,730</b>	
<b>Energy</b>												
Consulting	440	443	457	472	453	438	344	356	370	377	344	
Technology, Data & Process	58	57	59	62	59	62	63	62	62	62	65	
<b>Total Client-Service FTE</b>	<b>498</b>	<b>500</b>	<b>516</b>	<b>534</b>	<b>512</b>	<b>500</b>	<b>407</b>	<b>418</b>	<b>432</b>	<b>439</b>	<b>409</b>	
<b>Financial Services Advisory and Compliance</b>												
Consulting	313	303	304	318	309	321	314	305	291	308	293	
Technology, Data & Process	102	93	94	87	94	-	-	-	-	-	-	
<b>Total Client-Service FTE</b>	<b>415</b>	<b>396</b>	<b>398</b>	<b>405</b>	<b>403</b>	<b>321</b>	<b>314</b>	<b>305</b>	<b>291</b>	<b>308</b>	<b>293</b>	
<b>Disputes, Forensics and Legal Technology</b>												
Consulting	508	499	507	508	505	494	486	481	489	488	487	
Technology, Data & Process	174	177	188	189	182	196	189	191	193	192	210	
<b>Total Client-Service FTE</b>	<b>682</b>	<b>676</b>	<b>695</b>	<b>697</b>	<b>687</b>	<b>690</b>	<b>675</b>	<b>672</b>	<b>682</b>	<b>680</b>	<b>697</b>	
<b>Total Company</b>												
Consulting	1,903	1,878	1,886	1,907	1,894	1,874	1,746	1,712	1,706	1,760	1,568	
Technology, Data & Process	3,085	3,108	2,997	2,805	2,999	2,681	2,620	2,747	2,837	2,721	2,562	
<b>Total Client-Service FTE</b>	<b>4,988</b>	<b>4,986</b>	<b>4,883</b>	<b>4,712</b>	<b>4,893</b>	<b>4,555</b>	<b>4,366</b>	<b>4,459</b>	<b>4,543</b>	<b>4,481</b>	<b>4,130</b>	
<b>Average Bill Rate (3)(5)</b>												
Healthcare	270	279	279	269	274	272	270	292	264	271	274	
Energy	206	200	206	207	206	197	207	210	203	205	199	
Financial Services Advisory and Compliance	301	314	284	293	296	295	313	316	288	301	275	
Disputes, Forensics and Legal Technology	359	362	364	366	363	360	367	375	380	371	373	
<b>Total Company</b>	<b>285</b>	<b>291</b>	<b>287</b>	<b>285</b>	<b>287</b>	<b>281</b>	<b>293</b>	<b>303</b>	<b>291</b>	<b>291</b>	<b>288</b>	
<b>Average Utilization (based on 1,850 hrs) (3)(6)</b>												
Healthcare	71%	73%	74%	77%	74%	78%	75%	77%	77%	77%	76%	
Energy	62%	67%	67%	67%	66%	70%	72%	74%	72%	72%	74%	
Financial Services Advisory and Compliance	79%	82%	75%	75%	78%	74%	76%	80%	81%	78%	76%	
Disputes, Forensics and Legal Technology	71%	74%	74%	72%	73%	68%	72%	75%	78%	73%	75%	
<b>Total Company</b>	<b>70%</b>	<b>73%</b>	<b>73%</b>	<b>73%</b>	<b>72%</b>	<b>73%</b>	<b>74%</b>	<b>76%</b>	<b>77%</b>	<b>75%</b>	<b>75%</b>	
<b>Period End FTE Employees (3)(4)</b>												
Consulting	1,905	1,891	1,874	1,896	1,905	1,908	1,791	1,716	1,711	1,908	1,677	
Technology, Data & Process	3,037	3,125	3,106	2,903	3,037	2,753	2,620	2,642	2,812	2,753	2,897	
Non-billable	955	929	916	922	955	895	848	842	822	895	755	
<b>Total Company</b>	<b>5,897</b>	<b>5,945</b>	<b>5,896</b>	<b>5,721</b>	<b>5,897</b>	<b>5,556</b>	<b>5,259</b>	<b>5,200</b>	<b>5,345</b>	<b>5,556</b>	<b>5,329</b>	

**NON-GAAP FINANCIAL MEASURES RECONCILIATIONS PAGE 1 OF 2**

**EBITDA AND ADJUSTED EBITDA (1)(2)**

	2017					2016					2015	
	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Full Year	
<b>All numbers in thousands except ratios and percentages</b>												
<b>Net income</b>	\$ 43,120	\$ 11,939	\$ 8,797	\$ 11,096	\$ 74,952	\$ 13,504	\$ 17,175	\$ 14,777	\$ 12,642	\$ 58,098	\$ 60,345	
Interest expense	1,254	1,367	1,280	1,069	4,970	1,236	1,310	1,429	1,260	5,235	4,916	
Interest income	(109)	(124)	(81)	(31)	(345)	(31)	(35)	(36)	(39)	(141)	(250)	
Other income, net	430	104	602	(217)	919	(635)	(350)	(444)	(340)	(1,769)	(692)	
Income tax expense	(22,070)	6,891	4,148	6,660	(4,371)	8,784	10,435	9,356	6,738	35,313	27,808	
Depreciation expense	6,785	6,742	7,826	7,473	28,826	7,197	7,008	7,015	6,522	27,742	23,612	
Accelerated depreciation - office consolidation (included in other operating costs - office consolidation, net)	101	-	-	-	101	-	-	33	-	33	165	
Amortization expense	2,247	2,175	2,219	2,319	8,960	2,790	2,905	2,891	2,921	11,507	8,613	
<b>EBITDA</b>	<b>31,758</b>	<b>29,094</b>	<b>24,791</b>	<b>28,369</b>	<b>114,012</b>	<b>32,845</b>	<b>38,448</b>	<b>35,021</b>	<b>29,704</b>	<b>136,018</b>	<b>124,517</b>	
<b>Add:</b>												
<b>Severance expense</b>	380	1,156	4,385	1,786	7,707	1,557	879	1,140	857	4,433	6,490	
<b>Other operating costs (benefit):</b>												
Contingent acquisition liability adjustments, net	-	1,014	-	1,199	2,213	-	480	850	-	1,330	(13,047)	
Office consolidation, net (excluding accelerated depreciation - office consolidation, above)	179	-	-	(38)	141	368	-	141	-	509	2,601	
Loss on disposition of assets	-	-	-	-	-	-	-	-	-	-	283	
Deferred debt issuance costs write off	-	-	-	145	145	-	-	-	-	-	-	
Goodwill impairment	-	-	-	-	-	-	-	-	-	-	-	
Other impairment	-	-	-	-	-	-	-	-	-	-	98	
Other costs	-	1,620	-	-	1,620	-	-	-	-	-	-	
<b>Adjusted EBITDA</b>	<b>32,317</b>	<b>32,884</b>	<b>29,176</b>	<b>31,461</b>	<b>125,838</b>	<b>34,770</b>	<b>39,807</b>	<b>37,152</b>	<b>30,561</b>	<b>142,290</b>	<b>120,942</b>	
<b>General and administrative expenses</b>	39,532	44,180	41,726	41,484	166,922	42,490	42,126	44,507	39,831	168,954	147,462	
<b>Long term compensation expense related to client-service personnel (including share-based compensation)</b>	1,819	2,298	3,851	3,286	11,254	3,297	2,959	3,719	3,163	13,138	11,914	
<b>Severance expense added above</b>	(380)	(1,156)	(4,385)	(1,786)	(7,707)	(1,557)	(879)	(1,140)	(857)	(4,433)	(6,490)	
<b>Total Segment Operating Profit</b>	<b>\$ 73,288</b>	<b>\$ 78,206</b>	<b>\$ 70,368</b>	<b>\$ 74,445</b>	<b>\$ 296,307</b>	<b>\$ 79,000</b>	<b>\$ 84,013</b>	<b>\$ 84,238</b>	<b>\$ 72,698</b>	<b>\$ 319,949</b>	<b>\$ 273,828</b>	
<b>FREE CASH FLOW (1)(2)</b>												
<b>Net cash provided by (used in) operating activities</b>	\$ 70,716	\$ 35,175	\$ 21,305	\$ (22,961)	\$ 104,235	\$ 54,396	\$ 47,976	\$ 34,212	\$ (26,557)	\$ 110,027	\$ 83,079	
Changes in assets and liabilities	(36,761)	(5,952)	10,807	50,064	18,158	(29,493)	(15,190)	(1,291)	54,197	8,223	25,755	
Allowance for doubtful accounts receivable	(1,411)	(5,169)	(1,171)	(4)	(7,755)	(1,809)	(2,459)	(2,911)	(1,636)	(8,815)	(2,578)	
Purchases of property and equipment	(7,921)	(9,840)	(7,100)	(13,789)	(38,650)	(15,201)	(3,425)	(5,080)	(4,959)	(28,665)	(39,094)	
Payments of acquisition liabilities	-	-	-	-	-	-	(667)	(498)	-	(1,165)	(13,546)	
Payments of contingent acquisition liabilities	-	-	(10,330)	-	(10,330)	-	(779)	-	(49)	(828)	(4,592)	
<b>Free Cash Flow</b>	<b>\$ 24,623</b>	<b>\$ 14,214</b>	<b>\$ 13,511</b>	<b>\$ 13,310</b>	<b>\$ 65,658</b>	<b>\$ 7,893</b>	<b>\$ 25,456</b>	<b>\$ 24,432</b>	<b>\$ 20,996</b>	<b>\$ 78,777</b>	<b>\$ 49,024</b>	
<b>LEVERAGE RATIO (1)(2)</b>												
<b>Adjusted EBITDA for prior twelve-month period</b>	\$ 125,838	\$ 128,291	\$ 135,214	\$ 143,190	\$ 125,838	\$ 142,290	\$ 138,371	\$ 130,121	\$ 123,110	\$ 142,290	\$ 120,942	
<b>Bank debt</b>	132,944	176,723	184,787	178,336	132,944	135,030	161,208	189,757	211,521	135,030	173,743	
<b>Leverage ratio</b>	1.06	1.38	1.37	1.25	1.06	0.95	1.17	1.46	1.72	0.95	1.44	
<b>ORGANIC GROWTH (1)(2)</b>												
<b>Revenues Before Reimbursements</b>	\$ 230,685	\$ 237,505	\$ 235,238	\$ 236,211	\$ 939,639	\$ 239,671	\$ 237,115	\$ 238,485	\$ 223,475	\$ 938,746		
<b>Pro forma acquisition adjustment</b>	474	-	-	-	4,752	3,172	5,015	5,086	5,496	23,382		
<b>Currency impact</b>	(664)	488	1,581	1,812	3,184	-	-	-	-	-		
<b>Pro forma RBR</b>	\$ 230,495	\$ 237,993	\$ 236,819	\$ 238,023	\$ 947,575	\$ 242,843	\$ 242,130	\$ 243,571	\$ 228,971	\$ 962,128		
<b>Y/Y Organic growth rate</b>	-5.1%	-2.3%	-2.8%	4.0%	-1.5%	N/A	N/A	N/A	N/A	N/A		

**NON-GAAP FINANCIAL MEASURES RECONCILIATIONS PAGE 2 OF 2**  
**ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE (1)(2)**

	2017				2017	2016				2016	2015
	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Full Year
<b>All numbers in thousands except per share data</b>											
<b>Shares used in computing adjusted per diluted share data</b>	47,223	48,017	48,696	48,969	48,226	48,618	48,763	48,841	49,031	48,813	49,224
<b>Severance expense</b>	\$ 380	\$ 1,156	\$ 4,385	\$ 1,786	\$ 7,707	\$ 1,557	\$ 879	\$ 1,140	\$ 857	\$ 4,433	\$ 6,490
Income tax benefit (7)	(140)	(449)	(1,730)	(656)	(2,975)	(594)	(288)	(430)	(310)	(1,622)	(2,247)
<b>Tax-effected impact of severance expense</b>	\$ 240	\$ 707	\$ 2,655	\$ 1,130	\$ 4,732	\$ 963	\$ 591	\$ 710	\$ 547	\$ 2,811	\$ 4,243
<b>Diluted earnings per share impact of severance expense</b>	\$ 0.01	\$ 0.01	\$ 0.05	\$ 0.02	\$ 0.10	\$ 0.02	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.06	\$ 0.09
<b>Other operating (benefit) costs - contingent acquisition liability adjustment, net</b>	\$ -	\$ 1,014	\$ -	\$ 1,199	\$ 2,213	\$ -	\$ 480	\$ 850	\$ -	\$ 1,330	\$ (13,047)
Income tax benefit(7)(8)(9)	-	(407)	-	(481)	(888)	-	(193)	(341)	-	(534)	(924)
<b>Tax-effected impact of other operating (benefit) costs - contingent acquisition liability adjustment, net</b>	\$ -	\$ 607	\$ -	\$ 718	\$ 1,325	\$ -	\$ 287	\$ 509	\$ -	\$ 796	\$ (13,971)
<b>Diluted earnings per share impact of other operating (benefit) costs - contingent acquisition liability adjustment, net</b>	\$ -	\$ 0.01	\$ -	\$ 0.01	\$ 0.03	\$ -	\$ 0.01	\$ 0.01	\$ -	\$ 0.02	\$ (0.28)
<b>Other operating (benefit) costs - office consolidation, net</b>	\$ 280	\$ -	\$ -	\$ (38)	\$ 242	\$ 368	\$ -	\$ 174	\$ -	\$ 542	\$ 2,766
Income tax expense (benefit)(7)	(112)	-	-	15	(97)	(147)	-	(70)	-	(217)	(1,119)
<b>Tax-effected impact of other operating (benefit) costs - office consolidation, net</b>	\$ 168	\$ -	\$ -	\$ (23)	\$ 145	\$ 221	\$ -	\$ 104	\$ -	\$ 325	\$ 1,647
<b>Diluted earnings per share impact of other operating (benefit) costs - office consolidation, net</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.03
<b>Other operating costs - loss on disposition of assets</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283
Income tax expense(7)(10)	-	-	-	-	-	-	-	-	-	-	-
<b>Tax-effected impact of other operating costs - loss on disposition of assets</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283
<b>Diluted earnings per share impact of other operating costs - loss on disposition of assets</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.01
<b>Other operating costs - deferred debt issuance costs write off</b>	\$ -	\$ -	\$ -	\$ 145	\$ 145	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income tax benefit(7)	-	-	-	(58)	(58)	-	-	-	-	-	-
<b>Tax-effected impact of other operating costs - deferred debt issuance costs write off</b>	\$ -	\$ -	\$ -	\$ 87	\$ 87	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Diluted earnings per share impact of other operating costs - deferred debt issuance costs write off</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other operating costs - other impairment</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98
Income tax benefit(7)	-	-	-	-	-	-	-	-	-	-	(40)
<b>Tax-effected impact of other operating costs - other impairment</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58
<b>Diluted earnings per share impact of other operating costs - other impairment</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other operating costs - other costs</b>	\$ -	\$ 1,620	\$ -	\$ -	\$ 1,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income tax benefit(7)	-	(650)	-	-	(650)	-	-	-	-	-	-
<b>Tax-effected impact of other operating costs - other costs</b>	\$ -	\$ 970	\$ -	\$ -	\$ 970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Diluted earnings per share impact of other operating costs - other costs</b>	\$ -	\$ 0.02	\$ -	\$ -	\$ 0.02	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Impact of 2017 Tax Cuts and Jobs Act ("Tax Reform")(11)</b>	\$ (29,691)	\$ -	\$ -	\$ -	\$ (29,691)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Diluted earnings per share impact of 2017 Tax Cuts and Jobs Act ("Tax Reform")(11)</b>	\$ (0.63)	\$ -	\$ -	\$ -	\$ (0.62)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Income</b>	\$ 43,120	\$ 11,939	\$ 8,797	\$ 11,096	\$ 74,952	\$ 13,504	\$ 17,175	\$ 14,777	\$ 12,642	\$ 58,098	\$ 60,345
<b>Tax-effected impact of severance expense</b>	240	707	2,655	1,130	4,732	963	591	710	547	2,811	4,243
<b>Tax-effected impact of other operating (benefit) costs - contingent acquisition liability adjustment, net</b>	-	607	-	718	1,325	-	287	509	-	796	(13,971)
<b>Tax-effected impact of other operating (benefit) costs - office consolidation, net</b>	168	-	-	(23)	145	221	-	104	-	325	1,647
<b>Tax-effected impact of other operating costs - loss on disposition of assets</b>	-	-	-	-	-	-	-	-	-	-	283
<b>Tax-effected impact of other operating costs - deferred debt issuance costs write off</b>	-	-	-	87	87	-	-	-	-	-	-
<b>Tax-effected impact of other operating costs - other impairment</b>	-	-	-	-	-	-	-	-	-	-	58
<b>Tax-effected impact of other operating costs - other costs</b>	-	970	-	-	970	-	-	-	-	-	-
<b>Impact of 2017 Tax Cuts and Jobs Act ("Tax Reform")(11)</b>	(29,691)	-	-	-	(29,691)	-	-	-	-	-	-
<b>Adjusted net income</b>	\$ 13,837	\$ 14,223	\$ 11,452	\$ 13,008	\$ 52,520	\$ 14,688	\$ 18,053	\$ 16,100	\$ 13,189	\$ 62,030	\$ 52,605
<b>Adjusted earnings per share</b>	\$ 0.29	\$ 0.30	\$ 0.24	\$ 0.27	\$ 1.09	\$ 0.30	\$ 0.37	\$ 0.33	\$ 0.27	\$ 1.27	\$ 1.07

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

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

**(2) Non-GAAP Financial Information**

This supplemental information includes certain non-GAAP financial measures as defined by the Securities and Exchange Commission. All non-GAAP financial measures are presented on a continuing operations basis. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measure calculated and presented in accordance with generally accepted accounting principles (GAAP) have been provided. This information should be considered as supplemental in nature and not as a substitute for, or superior to, any measure of performance prepared in accordance with GAAP. Management uses these non-GAAP financial measures in addition to GAAP financial measures to assess the Company's operations and financial results and believes they are useful indicators of operating performance and the Company's ability to generate cash flows from operations that are available for interest, debt service, taxes and capital expenditures. Investors should recognize that these non-GAAP financial measures may not be comparable to similarly-titled measures of other companies.

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

EBITDA is earnings from continuing operations before interest, taxes, depreciation and amortization. Adjusted EBITDA excludes the impact of severance expense and other operating costs (benefit). Adjusted net income and adjusted earnings per share exclude the net income and per share net income impact of discontinued operations, severance expense, other operating costs (benefit), and the benefit recognized in the fourth quarter 2017 related to the 2017 Tax Cuts and Jobs Act. Severance expense and other operating costs (benefit) are not considered to be non-recurring, infrequent or unusual to our business. Management believes that these non-GAAP financial measures provide investors with enhanced comparability of Navigant's results of operations across periods.

**Free Cash Flow**

Free cash flow is calculated as net cash provided from operations excluding the change in assets and liabilities and allowance for doubtful accounts less cash payments for property and equipment and deferred acquisition liabilities. Free cash flow does not represent discretionary cash available for spending as it excludes certain contractual obligations such as debt repayment. However, management believes that it provides investors with an indicator of cash available for on-going business operations and long term value creation.

**Leverage Ratio**

Leverage ratio is calculated as bank debt at the end of the period divided by adjusted EBITDA for the prior twelve-month period. Management believes that leverage provides investors with an indicator of the cash flows available to repay the Company's debt obligations.

**Organic Growth**

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

(3) Technology, Data & Process businesses are comprised of technology enabled professional services, including business process management services and data analytics, legal technology solutions and data services and insurance claims processing, market research and benchmarking businesses. During the year ended December 31, 2017, 88 Technology, Data & Process FTE were transferred from our Healthcare segment to our Financial Services and Advisory Compliance segment to align the FTE with work being performed.

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

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

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

(11) 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.