Charles River Associates (CRA) Reports Financial Results for the Third Quarter of 2026

November 5, 2026

Broad-based Revenue Growth Drives Company's Best-Ever Third-Quarter Results

Company Increases Revenue Guidance and Narrows Profit Margin Guidance Range for Full-Year Fiscal 2026

Company Increases Quarterly Dividend by 17.5%

BOSTON--(BUSINESS WIRE)--Nov. 5, 2026-- Charles River Associates (NASDAQ: CRAI), a worldwide leader in providing economic, financial and management consulting services, today announced financial results for the fiscal third quarter ended October 3, 2026.

"CRA continues to build on its strong start to fiscal 2026 as third-quarter revenue increased 15.6% year over year to $214.9 million," said Paul Maleh, CRA's President and Chief Executive Officer. "This record top-line performance translated into the highest third-quarter profits in the company's history as measured by net income, earnings per diluted share and EBITDA.

"Broad-based contributions once again characterized CRA's financial performance, reflecting both the quality and the depth of our portfolio. Seven practices grew year over year, representing approximately 95% of the company's total revenue for the third quarter. The Forensic Services, Life Sciences, and Risk, Investigations & Analytics practices each posted double-digit revenue growth year over year, while the Antitrust & Competition Economics practice posted a new high for quarterly revenue. Overall, Legal & Regulatory offerings grew 15.7% year over year and Management Consulting services increased 9.8%. We also expanded revenue across our geographies, with North American operations increasing by 18.0% and international operations growing 6.2% year over year."

Highlights for Third Quarter Fiscal 2026

- Revenue grew 15.6% year over year to $214.9 million.
- Utilization was 78% and quarter-end consultant headcount increased 6.2% year over year.
- Net income increased 21.2% year over year to $13.9 million, or 6.5% of revenue, compared with $11.5 million, or 6.2% of revenue, in the third quarter of fiscal 2025; non-GAAP net income increased 1.5% year over year to $13.9 million, or 6.4% of revenue, compared with $13.7 million, or 7.3% of revenue, in the third quarter of fiscal 2025.
- Earnings per diluted share increased 27.2% year over year to $2.20 from $1.73 in the third quarter of fiscal 2025; non-GAAP earnings per diluted share increased 6.3% year over year to $2.19 from $2.06 in the third quarter of fiscal 2025.
- Non-GAAP EBITDA increased 11.2% to $27.1 million, or 12.6% of revenue, compared with $24.4 million, or 13.1% of revenue, in the third quarter of fiscal 2025.
- On a constant currency basis relative to the third quarter of fiscal 2025, revenue would have been higher by $0.3 million, earnings per diluted share would have decreased by $0.01, and GAAP net income would have remained unchanged. Non-GAAP earnings per diluted share would have decreased by $0.01, while non-GAAP net income and non-GAAP EBITDA would have remained unchanged.
- CRA returned $3.6 million of capital to its shareholders via dividend payments.

Management Commentary and Financial Guidance

"Our year-to-date performance in fiscal 2026 represents the best first three quarters of revenue and non-GAAP EBITDA in CRA's history. On a constant currency basis relative to fiscal 2025, CRA generated total revenue of $624.0 million and non-GAAP EBITDA of $76.8 million, achieving a margin of 12.3%," said Maleh. "Given our strong results and healthy sales pipeline, we are increasing our full-year revenue guidance and narrowing our profit margin guidance range. For full-year fiscal 2026, on a constant currency basis relative to fiscal 2025, we expect revenue in the range of $830 million to $840 million and non-GAAP EBITDA margin in the range of 12.2% to 12.8%. This new revenue guidance compares with a prior range of $805 million to $820 million and a prior non-GAAP EBITDA margin range of 12.0% to 13.0%.

"We expect that the constant currency adjustment will decrease CRA's reported annual revenue by approximately $2.9 million and will decrease CRA's reported annual EBITDA by approximately $0.4 million for fiscal 2026. As previously reported, non-cash forgivable loan amortization, which is reflected as an expense when presenting EBITDA metrics, is expected to increase in fiscal 2026 by approximately $15 million, reflecting investments in talent to drive profitable growth (approximately $14 million of this increase has been booked through the first three quarters of fiscal 2026). As a reminder, fiscal 2026 returns to CRA's typical 52-week year, whereas fiscal 2025 contained an extra week in the fourth quarter and resulted in a 53-week year. We remain confident in CRA's competitive position, which is reflected in our decision to raise our quarterly cash dividend by 17.5%, but we are mindful that uncertain global macroeconomic, business, and political conditions can affect our clients and 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 and without unreasonable effort: (i) unusual gains or charges, foreign currency exchange rates and the resulting effect of these items on CRA's taxes and (ii) the impact of equity awards on CRA's taxes. 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 press release is provided in the financial tables at the end of this press release.

Quarterly Dividend

On November 5, 2026, CRA announced that it increased its quarterly cash dividend by 17.5% from $0.57 to $0.67 per common share, payable on

December 11, 2026 to shareholders of record as of November 24, 2026. This is the tenth anniversary of CRA's inaugural dividend and the tenth consecutive annual increase in the dividend. 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 third-quarter 2026 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, Eric Nierenberg, under "Quarterly Earnings" in the " Investor Relations" section on CRA's website at http://www.crai.com. These remarks are offered each quarter 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 trade name of CRA International, Inc., is available at www.crai.com. Follow us on LinkedIn, Instagram, and Facebook.

NON-GAAP FINANCIAL MEASURES

In this press 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, non-GAAP EBITDA and non-GAAP EBITDA margin. 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, restructuring costs 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, restructuring costs and related tax effects. This press 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. On a constant currency basis for the fiscal year-to-date period ended October 3, 2026 relative to the fiscal year-to-date period ended September 27, 2025, revenue and non-GAAP EBITDA would have been lower by $2.7 million and $0.3 million, respectively.

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 press release. The financial measures identified in this press 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, 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 Securities Exchange Act of 1934, as amended. 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 2026 on a constant currency basis relative to fiscal 2025, as well as our actual non-cash forgivable loan amortization, 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; the development and use of artificial intelligence; our ability to attract and retain key employees 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; financing risks, including the availability of, and costs associated with, sources of liquidity; 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

OCTOBER 3, 2026 COMPARED TO SEPTEMBER 27, 2025
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	Fiscal Quarter Ended				Fiscal Year-to-Date Period Ended			
	October 3, 2026	As a % of Revenue	September 27, 2025	As a % of Revenue	October 3, 2026	As a % of Revenue	September 27, 2025	As a % of Revenue
Revenues	$ 214,917	100.0%	$ 185,891	100.0%	$ 626,707	100.0%	$ 554,620	100.0%
Costs of services (exclusive of depreciation and amortization)	152,378	70.9%	131,468	70.7%	446,141	71.2%	380,364	68.6%
Selling, general and administrative expenses	35,407	16.5%	33,725	18.1%	105,189	16.8%	101,342	18.3%
Depreciation and amortization	3,239	1.5%	3,487	1.9%	9,911	1.6%	10,428	1.9%
Income from operations	23,893	11.1%	17,211	9.3%	65,466	10.4%	62,486	11.3%
Interest expense, net	(2,609)	-1.2%	(1,750)	-0.9%	(6,574)	-1.0%	(3,975)	-0.7%
Foreign currency gains (losses), net	59	—%	763	0.4%	(30)	—%	(527)	-0.1%
Income before provision for income taxes	21,343	9.9%	16,224	8.7%	58,862	9.4%	57,984	10.5%
Provision for income taxes	7,437	3.5%	4,751	2.6%	20,316	3.2%	16,387	3.0%
Net income	$ 13,906	6.5%	$ 11,473	6.2%	$ 38,546	6.2%	$ 41,597	7.5%
Net income per share:								
Basic	$ 2.21		$ 1.74		$ 6.04		$ 6.22	
Diluted	$ 2.20		$ 1.73		$ 5.98		$ 6.16	
Weighted average number of shares outstanding:								
Basic	6,262		6,556		6,374		6,675	
Diluted	6,327		6,621		6,441		6,745	

CRA INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE FISCAL QUARTERS ENDED
OCTOBER 3, 2026 COMPARED TO SEPTEMBER 27, 2025
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	Fiscal Quarter Ended				Fiscal Year-to-Date Period Ended			
	October 3, 2026	As a % of Revenue	September 27, 2025	As a % of Revenue	October 3, 2026	As a % of Revenue	September 27, 2025	As a % of Revenue
Revenues	$ 214,917	100.0%	$ 185,891	100.0%	$ 626,707	100.0%	$ 554,620	100.0%
Net income	$ 13,906	6.5%	$ 11,473	6.2%	$ 38,546	6.2%	$ 41,597	7.5%
Adjustments needed to reconcile GAAP net income to non-GAAP net income:								
Restructuring and other [1][2][3]	—	—%	3,708	2.0%	1,759	0.3%	(462)	-0.1%
Foreign currency (gains) losses, net	(59)	—%	(763)	-0.4%	29	—%	527	0.1%
Tax effect on adjustments[1]	11	—%	(767)	-0.4%	490	0.1%	(34)	—%
Non-GAAP net income	$ 13,858	6.4%	$ 13,651	7.3%	$ 40,824	6.5%	$ 41,628	7.5%
Non-GAAP net income per share:								
Basic	$ 2.21		$ 2.07		$ 6.40		$ 6.22	
Diluted	$ 2.19		$ 2.06		$ 6.33		$ 6.16	
Weighted average number of shares outstanding:								
Basic	6,262		6,556		6,374		6,675	

Diluted	6,327	6,621	6,441	6,745

(1) Fiscal year-to-date period ended October 3, 2026 includes cash severance of $1.6 million and non-cash charges of $1.0 million associated with portfolio optimization actions.

(2) Fiscal quarter ended September 27, 2025 includes restructuring and separation benefits totaling $3.7 million, comprised of $2.6 million in cash and $1.1 million in non-cash charges.

(3) Fiscal year-to-date period ended September 27, 2025 includes restructuring and separation benefits totaling $4.9 million, comprised of $3.8 million in cash and $1.1 million in non-cash charges; net of the reversal of $5.4 million of non-cash charges associated with a previously recorded performance award.

CRA INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE FISCAL QUARTERS ENDED
OCTOBER 3, 2026 COMPARED TO SEPTEMBER 27, 2025
(IN THOUSANDS)

	Fiscal Quarter Ended				Fiscal Year-to-Date Period Ended			
	October 3, 2026	As a % of Revenue	September 27, 2025	As a % of Revenue	October 3, 2026	As a % of Revenue	September 27, 2025	As a % of Revenue
Revenues	$ 214,917	100.0%	$ 185,891	100.0%	$ 626,707	100.0%	$ 554,620	100.0%
Net income	$ 13,906	6.5%	$ 11,473	6.2%	$ 38,546	6.2%	$ 41,597	7.5%
Adjustments needed to reconcile GAAP net income to non-GAAP net income:								
Restructuring and other (1)(2)(3)	—	—%	3,708	2.0%	1,759	0.3%	(462)	-0.1%
Foreign currency (gains) losses, net	(59)	—%	(763)	-0.4%	29	—%	527	0.1%
Tax effect on adjustments(1)	11	—%	(767)	-0.4%	490	0.1%	(34)	—%
Non-GAAP net income	$ 13,858	6.4%	$ 13,651	7.3%	$ 40,824	6.5%	$ 41,628	7.5%
Adjustments needed to reconcile non-GAAP net income to non-GAAP EBITDA:								
Interest expense, net	$ 2,609	1.2%	$ 1,750	0.9%	$ 6,574	1.0%	$ 3,975	0.7%
Provision for income taxes	7,426	3.5%	5,518	3.0%	19,826	3.2%	16,421	3.0%
Depreciation and amortization	3,239	1.5%	3,487	1.9%	9,911	1.6%	10,428	1.9%
Non-GAAP EBITDA	$ 27,132	12.6%	$ 24,406	13.1%	$ 77,135	12.3%	$ 72,452	13.1%

(1) Fiscal year-to-date period ended October 3, 2026 includes cash severance of $1.6 million and non-cash charges of $1.0 million associated with portfolio optimization actions.

(2) Fiscal quarter ended September 27, 2025 includes restructuring and separation benefits totaling $3.7 million, comprised of $2.6 million in cash and $1.1 million in non-cash charges.

(3) Fiscal year-to-date period ended September 27, 2025 includes restructuring and separation benefits totaling $4.9 million, comprised of $3.8 million in cash and $1.1 million in non-cash charges; net of the reversal of $5.4 million of non-cash charges associated with a previously recorded performance award.

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

	October 3, 2026	January 3, 2026
Assets		
Cash and cash equivalents	$ 20,400	$ 18,210
Accounts receivable and unbilled services, net	289,574	248,862
Other current assets	40,455	36,057
Total current assets	350,429	303,129
Property and equipment, net	33,323	36,713
Goodwill and intangible assets, net	98,977	100,404
Right-of-use assets	65,334	76,132

Other assets	132,625	112,495
Total assets	$ 680,688	$ 628,873
Liabilities and Shareholders' Equity		
Accounts payable	$ 29,266	$ 30,177
Accrued expenses	191,259	223,460
Current portion of lease liabilities	18,003	17,223
Revolving line of credit	75,000	34,000
Other current liabilities	20,273	25,169
Total current liabilities	333,801	330,029
Non-current portion of lease liabilities	61,574	76,009
Non-current portion of term loan	72,923	—
Other non-current liabilities	19,649	9,237
Total liabilities	487,947	415,275
Total shareholders' equity	192,741	213,598
Total liabilities and shareholders' equity	$ 680,688	$ 628,873

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

	Fiscal Year-to-Date Period Ended	
	October 3, 2026	**September 27, 2025**
Operating activities:		
Net income	$ 38,546	$ 41,597
Adjustments to reconcile net income to net cash used in operating activities:		
Non-cash items, net	30,527	26,292
Accounts receivable and unbilled services	(42,534)	(20,231)
Working capital items, net	(70,449)	(85,253)
Net cash used in operating activities	(43,910)	(37,595)
Investing activities:		
Purchases of property and equipment, net	(5,485)	(2,813)
Net cash used in investing activities	(5,485)	(2,813)
Financing activities:		
Borrowings under credit facility	332,500	132,000
Repayments under credit facility	(216,500)	(37,000)
Payments for debt issuance costs	(1,406)	—
Tax withholding payments reimbursed by shares	(2,155)	(2,862)
Cash dividends and dividend equivalents paid	(11,040)	(10,098)
Repurchase of common stock	(49,303)	(47,149)
Net cash provided by financing activities	52,096	34,891
Effect of foreign exchange rates on cash and cash equivalents	(511)	1,302
Net increase (decrease) in cash and cash equivalents	2,190	(4,215)
Cash and cash equivalents at beginning of period	18,210	26,711
Cash and cash equivalents at end of period	$ 20,400	$ 22,496
Noncash investing and financing activities:		
(Decrease) increase in accounts payable and accrued expenses for property and equipment	$ (11)	$ 84
Excise tax on share repurchases	$ (451)	$ (416)
Right-of-use assets obtained in exchange for lease obligations	$ 885	$ 8,460
Supplemental cash flow information:		
Cash paid for taxes	$ 15,273	$ 20,364

Cash paid for interest	$ 6,367	$ 3,585
Cash paid for amounts included in operating lease liabilities	$ 17,318	$ 17,395

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