
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

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): November 3, 2022

CRA INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Massachusetts
(State or other jurisdiction
of incorporation)

000-24049
(Commission
file number)

04-2372210
(IRS employer
identification no.)

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

02116
(Zip code)

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

(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:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
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.

Item 2.02 Results of Operations and Financial Condition

On November 3, 2022, we issued a press release reporting our financial results for our fiscal quarter ended October 1, 2022. A copy of the press release is set forth as Exhibit 99.1 and is incorporated by reference herein. On November 3, 2022, 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 November 3, 2022, we announced that our board of directors declared a quarterly cash dividend on our common stock of \$0.36 per share to be paid on December 9, 2022 to all shareholders of record as of November 29, 2022. 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>
99.1	November 3, 2022 earnings press release
99.2	Supplemental financial information (prepared CFO remarks)
99.3	November 3, 2022 dividend press release
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: November 3, 2022

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

Contacts:

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 Charles River Associates
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**CHARLES RIVER ASSOCIATES (CRA) REPORTS
 FINANCIAL RESULTS FOR THE THIRD QUARTER OF 2022**

*Broad-based Contributions Drive Strong Performance
 Raises Revenue and Profit Guidance for Full-year Fiscal 2022*

Increases Quarterly Dividend by 16%

BOSTON, November 3, 2022 – 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 1, 2022.

“Continued momentum in the business and demand for our services drove CRA’s quarterly revenue to \$148.4 million, representing 8.8% year-over-year growth,” said Paul Maleh, CRA’s President and Chief Executive Officer. “Our performance was broad based, with seven of our eleven practices expanding year over year and five of those practices – Antitrust & Competition Economics, Auctions & Competitive Bidding, Energy, Finance, and Labor & Employment – delivering double-digit revenue growth. Our North American operations expanded third-quarter revenue by more than 10% year over year. Revenue from our international operations was flat on a reported basis, but grew by 16% when adjusted for currency headwinds. We continue to effectively manage the business, mitigating cost pressures and converting CRA’s top-line performance into strong profitability.”

Highlights for Third Quarter Fiscal 2022

- Revenue grew 8.8% year over year to \$148.4 million.
- Utilization was 74%, and quarter-end headcount increased 3.3% year over year.
- Net income increased 8.5% year over year to \$11.9 million, or 8.0% of revenue, compared with \$10.9 million, or 8.0% of revenue, in the third quarter of fiscal 2021; non-GAAP net income increased 8.7% year over year to \$11.9 million, or 8.0% of revenue, compared with \$10.9 million, or 8.0% of revenue, in the third quarter of fiscal 2021.
- Earnings per diluted share increased 13.2% year over year to \$1.63 from \$1.44 in the third quarter of fiscal 2021; non-GAAP earnings per diluted share increased 13.9% year over year to \$1.64 from \$1.44 in the third quarter of fiscal 2021.
- Non-GAAP EBITDA increased 21.3% to \$19.6 million, or 13.2% of revenue, compared with \$16.2 million, or 11.9% of revenue, in the third quarter of fiscal 2021.
- On a constant currency basis relative to the third quarter of fiscal 2021, revenue, GAAP net income, and earnings per diluted share would have been higher by \$4.2 million, \$0.7 million, and \$0.10 per diluted share, respectively. Non-GAAP net income, earnings per diluted share, and EBITDA would have been higher by \$0.7 million, \$0.09 per diluted share, and \$0.9 million, respectively.
- CRA returned \$7.2 million of capital to its shareholders, consisting of \$2.2 million of dividend payments and \$5.0 million for share repurchases of approximately 52,000 shares.

Management Commentary and Financial Guidance

“Through the first three quarters of fiscal 2022, on a constant currency basis relative to fiscal 2021, we have generated total revenue of \$454.1 million and non-GAAP EBITDA of \$59.6 million, achieving a margin of 13.1%,” said Maleh. “Reflecting the continued strength and quality of our business, we are raising our revenue and profit guidance. For full-year fiscal 2022, on a constant currency basis relative to fiscal 2021, we expect revenue in the range of \$600 million to \$608 million, and non-GAAP EBITDA margin in the range of 12.5% to 13.0%. This new guidance compares with a prior revenue range of \$585 million to \$605 million and a prior non-GAAP EBITDA margin range of 11.3% to 12.0%. While we are pleased with CRA’s performance through the first nine months of the year, 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 November 3, 2022, CRA announced that it increased its quarterly cash dividend by 16% from \$0.31 to \$0.36 per common share. The dividend will be payable on December 9, 2022 to shareholders of record as of November 29, 2022. 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 2022 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 "Quarterly Earnings" in the "[Investor Relations](#)" section on CRA's website at <http://www.crai.com>. These remarks are offered to provide the investment community with additional background on CRA's financial results prior to the start of the conference call.

About Charles River Associates (CRA)

Charles River Associates® is a leading global consulting firm specializing in [economic, financial, and management consulting services](#). CRA advises clients on economic and financial matters pertaining to litigation and regulatory proceedings, and guides corporations through critical business strategy and performance-related issues. Since 1965, clients have engaged CRA for its unique combination of functional expertise and industry knowledge, and for its objective solutions to complex problems. Headquartered in Boston, CRA has offices throughout the world. Detailed information about Charles River Associates, a registered trade name of CRA International, Inc., is available at www.crai.com. 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, acquisition-related costs, 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, acquisition-related costs, 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. On a constant currency basis for the fiscal year-to-date period ended October 1, 2022 relative to the fiscal year-to-date period ended October 2, 2021, revenue and EBITDA would have been higher by \$8.2 million and \$1.3 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 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 2022 on a constant currency basis relative to fiscal 2021 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 AND FISCAL YEAR-TO-DATE PERIODS ENDED
OCTOBER 1, 2022 COMPARED TO OCTOBER 2, 2021
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	Fiscal Quarter Ended				Fiscal Year-to-Date Period Ended			
	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue
Revenues	\$ 148,441	100.0 %	\$ 136,412	100.0 %	\$ 445,925	100.0 %	\$ 431,167	100.0 %
Cost of services (exclusive of depreciation and amortization)	102,267	68.9 %	95,980	70.4 %	309,403	69.4 %	306,396	71.1 %
Selling, general and administrative expenses	28,246	19.0 %	24,490	18.0 %	82,026	18.4 %	71,740	16.6 %
Depreciation and amortization	3,034	2.0 %	3,141	2.3 %	9,060	2.0 %	9,657	2.2 %
Income from operations	14,894	10.0 %	12,801	9.4 %	45,436	10.2 %	43,374	10.1 %
Interest expense, net	(667)	-0.4 %	(183)	-0.1 %	(1,343)	-0.3 %	(791)	-0.2 %
Foreign currency gains (losses), net	1,667	1.1 %	235	0.2 %	3,566	0.8 %	(253)	-0.1 %
Income before provision for income taxes	15,894	10.7 %	12,853	9.4 %	47,659	10.7 %	42,330	9.8 %
Provision for income taxes	4,017	2.7 %	1,908	1.4 %	12,713	2.9 %	9,318	2.2 %
Net income	<u>\$ 11,877</u>	<u>8.0 %</u>	<u>\$ 10,945</u>	<u>8.0 %</u>	<u>\$ 34,946</u>	<u>7.8 %</u>	<u>\$ 33,012</u>	<u>7.7 %</u>
Net income per share:								
Basic	<u>\$ 1.66</u>		<u>\$ 1.48</u>		<u>\$ 4.81</u>		<u>\$ 4.42</u>	
Diluted	<u>\$ 1.63</u>		<u>\$ 1.44</u>		<u>\$ 4.72</u>		<u>\$ 4.31</u>	
Weighted average number of shares outstanding:								
Basic	<u>7,119</u>		<u>7,375</u>		<u>7,247</u>		<u>7,440</u>	
Diluted	<u>7,246</u>		<u>7,560</u>		<u>7,376</u>		<u>7,643</u>	

CRA INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE FISCAL QUARTERS AND FISCAL YEAR-TO-DATE PERIODS ENDED
OCTOBER 1, 2022 COMPARED TO OCTOBER 2, 2021
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	Fiscal Quarter Ended				Fiscal Year-to-Date Period Ended			
	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue
Revenues	\$ 148,441	100.0 %	\$ 136,412	100.0 %	\$ 445,925	100.0 %	\$ 431,167	100.0 %
Net income	\$ 11,877	8.0 %	\$ 10,945	8.0 %	\$ 34,946	7.8 %	\$ 33,012	7.7 %
Adjustments needed to reconcile GAAP net income to non-GAAP net income:								
Non-cash valuation change in contingent consideration	—	— %	—	— %	—	— %	380	0.1 %
Acquisition-related costs	30	— %	—	— %	233	0.1 %	—	— %
Tax effect on adjustments	(8)	— %	—	— %	(62)	— %	(103)	— %
Non-GAAP net income	\$ 11,899	8.0 %	\$ 10,945	8.0 %	\$ 35,117	7.9 %	\$ 33,289	7.7 %
Non-GAAP net income per share:								
Basic	\$ 1.66		\$ 1.48		\$ 4.83		\$ 4.46	
Diluted	\$ 1.64		\$ 1.44		\$ 4.75		\$ 4.34	
Weighted average number of shares outstanding:								
Basic	7,119		7,375		7,247		7,440	
Diluted	7,246		7,560		7,376		7,643	

CRA INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE FISCAL QUARTERS AND FISCAL YEAR-TO-DATE PERIODS ENDED
OCTOBER 1, 2022 COMPARED TO OCTOBER 2, 2021
(IN THOUSANDS)

	Fiscal Quarter Ended				Fiscal Year-to-Date Period Ended			
	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue
Revenues	\$ 148,441	100.0 %	\$ 136,412	100.0 %	\$ 445,925	100.0 %	\$ 431,167	100.0 %
Net income	\$ 11,877	8.0 %	\$ 10,945	8.0 %	\$ 34,946	7.8 %	\$ 33,012	7.7 %
Adjustments needed to reconcile GAAP net income to non-GAAP net income:								
Non-cash valuation change in contingent consideration	—	— %	—	— %	—	— %	380	0.1 %
Acquisition-related costs	30	— %	—	— %	233	0.1 %	—	— %
Tax effect on adjustments	(8)	— %	—	— %	(62)	— %	(103)	— %
Non-GAAP net income	\$ 11,899	8.0 %	\$ 10,945	8.0 %	\$ 35,117	7.9 %	\$ 33,289	7.7 %
Adjustments needed to reconcile non-GAAP net income to non-GAAP EBITDA:								
Interest expense, net	667	0.4 %	183	0.1 %	1,343	0.3 %	791	0.2 %
Provision for income taxes	4,025	2.7 %	1,908	1.4 %	12,775	2.9 %	9,421	2.2 %
Depreciation and amortization	3,034	2.0 %	3,141	2.3 %	9,060	2.0 %	9,657	2.2 %
Non-GAAP EBITDA	\$ 19,625	13.2 %	\$ 16,177	11.9 %	\$ 58,295	13.1 %	\$ 53,158	12.3 %

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

	October 1, 2022	January 1, 2022
Assets		
Cash and cash equivalents	\$ 24,093	\$ 66,130
Accounts receivable and unbilled services, net	208,850	162,057
Other current assets	24,446	21,160
Total current assets	257,389	249,347
Property and equipment, net	46,967	53,612
Goodwill and intangible assets, net	96,504	93,117
Right-of-use assets	98,425	110,475
Other assets	54,994	48,809
Total assets	\$ 554,279	\$ 555,360
Liabilities and Shareholders' Equity		
Accounts payable	\$ 26,387	\$ 23,511
Accrued expenses	132,641	156,314
Current portion of lease liabilities	15,478	14,337
Revolving line of credit	45,000	—
Other current liabilities	11,531	18,924
Total current liabilities	231,037	213,086
Non-current portion of lease liabilities	108,936	124,464
Other non-current liabilities	13,631	11,976
Total liabilities	353,604	349,526
Total shareholders' equity	200,675	205,834
Total liabilities and shareholders' equity	\$ 554,279	\$ 555,360

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

	Fiscal Year-to-Date Period Ended	
	October 1, 2022	October 2, 2021
Operating activities:		
Net income	\$ 34,946	\$ 33,012
Adjustments to reconcile net income to net cash provided by (used in) operating activities, net of effect of acquired business:		
Non-cash items, net	21,723	20,665
Accounts receivable and unbilled services	(48,853)	(22,041)
Working capital items, net	(42,831)	(17,733)
Net cash provided by (used in) operating activities	(35,015)	13,903
Investing activities:		
Purchases of property and equipment, net	(2,999)	(1,730)
Consideration paid for acquisition, net	(10,185)	—
Net cash used in investing activities	(13,184)	(1,730)
Financing activities:		
Issuance of common stock, principally stock options exercises	760	5,005
Borrowings under revolving line of credit	124,000	72,000
Repayments under revolving line of credit	(79,000)	(66,000)
Payments for debt issuance costs	(1,008)	—
Tax withholding payments reimbursed by shares	(1,002)	(588)
Cash paid for contingent consideration	—	(2,357)
Cash dividends paid	(6,860)	(5,903)
Repurchase of common stock	(27,630)	(39,977)
Net cash provided by (used in) financing activities	9,260	(37,820)
Effect of foreign exchange rates on cash and cash equivalents	(3,098)	(365)
Net decrease in cash and cash equivalents	(42,037)	(26,012)
Cash and cash equivalents at beginning of period	66,130	45,677
Cash and cash equivalents at end of period	\$ 24,093	\$ 19,665
Noncash investing and financing activities:		
Increase (decrease) in accounts payable and accrued expenses for property and equipment	\$ (201)	\$ (7)
Right-of-use assets obtained in exchange for lease obligations	\$ 2,146	\$ 1,751
Restricted common stock issued for contingent consideration	\$ —	\$ 2,250
Supplemental cash flow information:		
Cash paid for taxes	\$ 11,407	\$ 12,484
Cash paid for interest	\$ 1,026	\$ 528
Cash paid for amounts included in operating lease liabilities	\$ 15,864	\$ 15,556



**CHARLES RIVER ASSOCIATES (CRA)
THIRD QUARTER FISCAL YEAR 2022
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 November 3, 2022 at 10:00 a.m. ET. These prepared remarks will not be read on the call.

Q3 Fiscal 2022 Summary (Quarter ended October 1, 2022)

- Revenue: \$148.4 million
- Net income and non-GAAP net income: \$11.9 million, or 8.0% of revenue
- Net income per diluted share: \$1.63; non-GAAP net income per diluted share: \$1.64
- Operating margin: 10.0%; non-GAAP operating margin: 10.1%
- Non-GAAP EBITDA: \$19.6 million, or 13.2% of revenue
- Effective tax rate and non-GAAP effective tax rate: 25.3%
- Utilization: 74%
- Consultant headcount at the end of Q3 of fiscal 2022: 911, which consists of 146 officers, 481 other senior staff and 284 junior staff
- Cash and cash equivalents: \$24.1 million at October 1, 2022
- Revolving credit facility borrowing capacity: \$150.6 million at October 1, 2022

Revenue

For Q3 of fiscal 2022, revenue was \$148.4 million, compared with revenue of \$136.4 million for Q3 of fiscal 2021.

Headcount

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

	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Officers	146	145	146	140	138
Other Senior Staff	481	475	505	477	495
Junior Staff	284	243	227	244	249
Total	911	863	878	861	882

Utilization

For Q3 of fiscal 2022, companywide utilization was 74%, compared with 73% for Q3 fiscal 2021.

Client Reimbursables

For Q3 of fiscal 2022, client reimbursables were \$15.0 million, or 10.1% of revenue, compared with \$15.7 million, or 11.5% of revenue, for Q3 of fiscal 2021.

Selling, General and Administrative (SG&A) Expenses

For Q3 of fiscal 2022, SG&A expenses were \$28.2 million, or 19.0% of revenue, compared with \$24.5 million, or 18.0% of revenue, for Q3 of fiscal 2021. Commissions to non-employee experts are included in SG&A expenses. These commissions represented

approximately 3.2% of revenue for Q3 of fiscal 2022, compared with 3.2% in Q3 of fiscal 2021. Excluding these commissions, SG&A expenses were 15.8% of revenue for Q3 of fiscal 2022, compared with 14.8% in Q3 of fiscal 2021.

\$ in 000's	Fiscal Quarter Ended			
	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue
SG&A expenses	\$ 28,246	19.0 %	\$ 24,490	18.0 %
Less: commissions to non-employee experts	4,773	3.2 %	4,371	3.2 %
SG&A expenses excluding commissions	\$ 23,473	15.8 %	\$ 20,119	14.8 %

Depreciation & Amortization

For Q3 of fiscal 2022, depreciation and amortization expenses amounted to \$3.0 million, or 2.0% of revenue, compared with \$3.1 million, or 2.3% of revenue, for Q3 of fiscal 2021.

Forgivable Loan Amortization

For Q3 of fiscal 2022, forgivable loan amortization was \$8.8 million, or 6.0% of revenue, compared with \$8.5 million, or 6.2% of revenue, for Q3 of fiscal 2021.

Share-Based Compensation Expense

For Q3 of fiscal 2022, share-based compensation expense was approximately \$1.5 million, or 1.0% of revenue, compared with \$1.0 million, or 0.7% of revenue, for Q3 of fiscal 2021.

Operating Income

For Q3 of fiscal 2022, operating income was \$14.9 million, or 10.0% of revenue, compared with operating income of \$12.8 million, or 9.4% of revenue, for Q3 of fiscal 2021. Non-GAAP operating income was \$14.9 million, or 10.1% of revenue, for Q3 of fiscal 2022, compared with \$12.8 million, or 9.4% of revenue, for Q3 of fiscal 2021.

\$ in 000's	Fiscal Quarter Ended			
	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue
Income from operations	\$ 14,894	10.0 %	\$ 12,801	9.4 %
Adjustments needed to reconcile GAAP income from operations to non-GAAP income from operations:				
Acquisition-related costs	30	— %	—	— %
Non-GAAP income from operations	\$ 14,924	10.1 %	\$ 12,801	9.4 %

Interest Income (Expense), net

For Q3 of fiscal 2022, net interest expense was \$0.7 million, or 0.4% of revenue, compared with net interest expense of \$0.2 million, or 0.1% of revenue, for Q3 of fiscal 2021.

Foreign Currency Gains (Losses), net

For Q3 of fiscal 2022, net foreign currency gains were \$1.7 million, or 1.1% of revenue, compared with net foreign currency gains of \$0.2 million, or 0.2% of revenue, for Q3 of fiscal 2021.

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	
	October 1, 2022	October 2, 2021	October 1, 2022	October 2, 2021
Tax Provision	\$ 4,017	\$ 1,908	\$ 4,025	\$ 1,908
Effective Tax Rate	25.3 %	14.8 %	25.3 %	14.8 %

\$ in 000's	Fiscal Quarter Ended			
	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue
Income before provision for income taxes	\$ 15,894	10.7 %	\$ 12,853	9.4 %
Adjustments needed to reconcile GAAP income before provision for income taxes to non-GAAP income before provision for income taxes				
Acquisition-related costs	30	— %	—	— %
Non-GAAP income before provision for income taxes	\$ 15,924	10.7 %	\$ 12,853	9.4 %
GAAP provision for income taxes	\$ 4,017		\$ 1,908	
Tax effect on non-GAAP adjustments	8		—	
Non-GAAP provision for income taxes	\$ 4,025		\$ 1,908	

Net Income

For Q3 of fiscal 2022, net income was \$11.9 million, or 8.0% of revenue, or \$1.63 per diluted share, compared with net income of \$10.9 million, or 8.0% of revenue, or \$1.44 per diluted share, for Q3 of fiscal 2021. Non-GAAP net income for Q3 of fiscal 2022 was \$11.9 million, or 8.0% of revenue, or \$1.64 per diluted share, compared with \$10.9 million, or 8.0% of revenue, or \$1.44 per diluted share, for Q3 of fiscal 2021.

Non-GAAP EBITDA

For Q3 of fiscal 2022, non-GAAP EBITDA was \$19.6 million, or 13.2% of revenue, compared with \$16.2 million, or 11.9% of revenue, for Q3 of fiscal 2021.

Constant Currency Basis

For Q3 of fiscal 2022, revenue was \$148.4 million, and net income was \$11.9 million, or 8.0% of revenue, or \$1.63 per diluted share. On a constant currency basis relative to Q3 of fiscal 2021, Q3 of fiscal 2022 revenue would have been higher by \$4.2 million to \$152.6 million, GAAP net income would have increased by \$0.7 million to \$12.6 million, or 8.3% of revenue, and earnings per diluted share would have increased by \$0.10 to \$1.73 per diluted share.

For Q3 of fiscal 2022, revenue was \$148.4 million, and non-GAAP net income was \$11.9 million, or 8.0% of revenue, or \$1.64 per diluted share. On a constant currency basis relative to Q3 of fiscal 2021, Q3 of fiscal 2022 revenue would have been higher by \$4.2 million to \$152.6 million, non-GAAP net income would have increased by \$0.7 million to \$12.6 million, or 8.3% of revenue, non-GAAP earnings per diluted share would have increased by \$0.09 to \$1.73 per diluted share, and non-GAAP EBITDA would have increased by \$0.9 million to \$20.5 million, or 13.4% 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 October 1, 2022 were \$208.9 million, compared with \$173.8 million at October 2, 2021. Current liabilities at October 1, 2022 were \$231.0 million, compared with \$182.1 million at October 2, 2021.

Total Days Sales Outstanding, or DSO, for Q3 of fiscal 2022 was 123 days, consisting of 77 days of billed and 46 days of unbilled. This compares with 112 days reported for Q3 of fiscal 2021, consisting of 68 days of billed and 44 days of unbilled.

Cash and Cash Flow

Cash and cash equivalents was \$24.1 million at October 1, 2022, compared with \$19.7 million at October 2, 2021.

Net cash provided by operating activities for Q3 of fiscal 2022 was \$43.8 million, compared with net cash provided by operating activities of \$50.1 million for Q3 of fiscal 2021.

As of October 1, 2022, outstanding borrowings under CRA's revolving credit facility amounted to \$45.0 million. At October 2, 2021, outstanding borrowings under CRA's revolving credit facility amounted to \$6.0 million.

Capital expenditures totaled \$0.9 million for Q3 of fiscal 2022, compared with \$0.6 million for Q3 of fiscal 2021.

CRA repurchased approximately 52,000 shares of its common stock during Q3 of fiscal 2022 for \$5.0 million, compared with Q3 of fiscal 2021, when approximately 53,000 shares of common stock were repurchased for \$5.0 million.

A quarterly cash dividend of \$0.31 per common share, for total dividends and dividend equivalents of \$2.2 million was paid in Q3 of fiscal 2022, compared with a quarterly cash dividend of \$0.26 per common share, for total dividends and dividend equivalents of \$1.9 million paid in Q3 of fiscal 2021.

GAAP Condensed Consolidated Statement of Cash Flows

CRA has derived the condensed consolidated statement of cash flow data for the years ended January 1, 2022 and January 2, 2021 from its audited financial statements appearing on Form 10-K for the fiscal year ended January 1, 2022, filed with the Securities and Exchange Commission on March 3, 2022. The condensed consolidated statement of cash flow data for the first, second, and third quarters of fiscal year 2021 and the first, second, and third quarters of fiscal year 2022 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 1, 2022 and January 2, 2021 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 Q3 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Net cash provided by (used in) operating activities	\$ 26,780	\$ 43,797	\$ (16,974)	\$ (61,838)	\$ 61,795
Net cash used in investing activities	(14,077)	(932)	(267)	(11,985)	(893)
Net cash provided by (used in) financing activities	(4,913)	(32,840)	(10,011)	52,111	(14,173)
Effect of foreign exchange rates on cash and cash equivalents	(3,362)	(1,553)	(829)	(716)	(264)
Net increase (decrease) in cash and cash equivalents	\$ 4,428	\$ 8,472	\$ (28,081)	\$ (22,428)	\$ 46,465
Cash and cash equivalents at beginning of period	19,665	15,621	43,702	66,130	19,665
Cash and cash equivalents at end of period	\$ 24,093	\$ 24,093	\$ 15,621	\$ 43,702	\$ 66,130

GAAP Condensed Consolidated Statement of Cash Flows (\$ in 000's)	LTM Q3 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Net cash provided by (used in) operating activities	\$ 79,218	\$ 50,126	\$ 3,625	\$ (39,848)	\$ 65,315
Net cash used in investing activities	(3,082)	(560)	(478)	(692)	(1,352)
Net cash provided by (used in) financing activities	(82,378)	(43,428)	(20,857)	26,465	(44,558)
Effect of foreign exchange rates on cash and cash equivalents	1,799	(450)	58	27	2,164
Net increase (decrease) in cash and cash equivalents	\$ (4,443)	\$ 5,688	\$ (17,652)	\$ (14,048)	\$ 21,569
Cash and cash equivalents at beginning of period	24,108	13,977	31,629	45,677	24,108
Cash and cash equivalents at end of period	\$ 19,665	\$ 19,665	\$ 13,977	\$ 31,629	\$ 45,677

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.

Adjusted Net Cash Flows from Operations (\$ in 000's)	LTM Q3 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
GAAP net cash provided by (used in) operating activities	\$ 26,780	\$ 43,797	\$ (16,974)	\$ (61,838)	\$ 61,795
Forgivable loan advances	30,360	3,313	13,354	8,800	4,893
Forgivable loan repayments	(94)	—	(25)	—	(69)
Other non-recurring cash items (1)	233	30	92	111	—
Adjusted net cash flows from operations	\$ 57,279	\$ 47,140	\$ (3,553)	\$ (52,927)	\$ 66,619
Net revenue	\$ 580,691	\$ 148,441	\$ 149,102	\$ 148,382	\$ 134,766
GAAP net cash provided by (used in) operating activities as a percentage of net revenue	4.6 %	29.5 %	(11.4)%	(41.7)%	45.9 %
Adjusted net cash flows from operations as a percentage of net revenue	9.9 %	31.8 %	(2.4)%	(35.7)%	49.4 %

Adjusted Net Cash Flows from Operations (\$ in 000's)	LTM Q3 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
GAAP net cash provided by (used in) operating activities	\$ 79,218	\$ 50,126	\$ 3,625	\$ (39,848)	\$ 65,315
Forgivable loan advances	13,575	5,105	2,380	2,150	3,940
Forgivable loan repayments	—	—	—	—	—
Other non-recurring cash items (1)	10,393	—	—	10,393	—
Adjusted net cash flows from operations	\$ 103,186	\$ 55,231	\$ 6,005	\$ (27,305)	\$ 69,255
Net revenue	\$ 568,589	\$ 136,412	\$ 148,237	\$ 146,518	\$ 137,422
GAAP net cash provided by (used in) operating activities as a percentage of net revenue	13.9 %	36.7 %	2.4 %	(27.2)%	47.5 %
Adjusted net cash flows from operations as a percentage of net revenue	18.1 %	40.5 %	4.1 %	(18.6)%	50.4 %

(1) Other non-recurring cash items includes acquisition-related costs in Q1, Q2, and Q3 of fiscal 2022 and a portion of the cash paid to settle a contingent consideration obligation in Q1 of fiscal 2021.

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, SG&A expenses excluding commissions 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, acquisition-related costs, and related tax effects. Non-GAAP net income, non-GAAP income from operations and non-GAAP provision for income taxes also exclude non-cash amounts relating to valuation changes in contingent consideration, acquisition-related costs, 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 AND FISCAL YEAR-TO-DATE PERIODS ENDED
OCTOBER 1, 2022 COMPARED TO OCTOBER 2, 2021
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	Fiscal Quarter Ended				Fiscal Year-to-Date Period Ended			
	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue
Revenues	\$ 148,441	100.0 %	\$ 136,412	100.0 %	\$ 445,925	100.0 %	\$ 431,167	100.0 %
Cost of services (exclusive of depreciation and amortization)	102,267	68.9 %	95,980	70.4 %	309,403	69.4 %	306,396	71.1 %
Selling, general and administrative expenses	28,246	19.0 %	24,490	18.0 %	82,026	18.4 %	71,740	16.6 %
Depreciation and amortization	3,034	2.0 %	3,141	2.3 %	9,060	2.0 %	9,657	2.2 %
Income from operations	14,894	10.0 %	12,801	9.4 %	45,436	10.2 %	43,374	10.1 %
Interest expense, net	(667)	-0.4 %	(183)	-0.1 %	(1,343)	-0.3 %	(791)	-0.2 %
Foreign currency gains (losses), net	1,667	1.1 %	235	0.2 %	3,566	0.8 %	(253)	-0.1 %
Income before provision for income taxes	15,894	10.7 %	12,853	9.4 %	47,659	10.7 %	42,330	9.8 %
Provision for income taxes	4,017	2.7 %	1,908	1.4 %	12,713	2.9 %	9,318	2.2 %
Net income	<u>\$ 11,877</u>	<u>8.0 %</u>	<u>\$ 10,945</u>	<u>8.0 %</u>	<u>\$ 34,946</u>	<u>7.8 %</u>	<u>\$ 33,012</u>	<u>7.7 %</u>
Net income per share:								
Basic	<u>\$ 1.66</u>		<u>\$ 1.48</u>		<u>\$ 4.81</u>		<u>\$ 4.42</u>	
Diluted	<u>\$ 1.63</u>		<u>\$ 1.44</u>		<u>\$ 4.72</u>		<u>\$ 4.31</u>	
Weighted average number of shares outstanding:								
Basic	<u>7,119</u>		<u>7,375</u>		<u>7,247</u>		<u>7,440</u>	
Diluted	<u>7,246</u>		<u>7,560</u>		<u>7,376</u>		<u>7,643</u>	

CRA INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE FISCAL QUARTERS AND FISCAL YEAR-TO-DATE PERIODS ENDED
OCTOBER 1, 2022 COMPARED TO OCTOBER 2, 2021
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	Fiscal Quarter Ended				Fiscal Year-to-Date Period Ended			
	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue
Revenues	\$ 148,441	100.0 %	\$ 136,412	100.0 %	\$ 445,925	100.0 %	\$ 431,167	100.0 %
Net income	\$ 11,877	8.0 %	\$ 10,945	8.0 %	\$ 34,946	7.8 %	\$ 33,012	7.7 %
Adjustments needed to reconcile GAAP net income to non-GAAP net income:								
Non-cash valuation change in contingent consideration	—	— %	—	— %	—	— %	380	0.1 %
Acquisition-related costs	30	— %	—	— %	233	0.1 %	—	— %
Tax effect on adjustments	(8)	— %	—	— %	(62)	— %	(103)	— %
Non-GAAP net income	\$ 11,899	8.0 %	\$ 10,945	8.0 %	\$ 35,117	7.9 %	\$ 33,289	7.7 %
Non-GAAP net income per share:								
Basic	\$ 1.66		\$ 1.48		\$ 4.83		\$ 4.46	
Diluted	\$ 1.64		\$ 1.44		\$ 4.75		\$ 4.34	
Weighted average number of shares outstanding:								
Basic	7,119		7,375		7,247		7,440	
Diluted	7,246		7,560		7,376		7,643	

CRA INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
FOR THE FISCAL QUARTERS AND FISCAL YEAR-TO-DATE PERIODS ENDED
OCTOBER 1, 2022 COMPARED TO OCTOBER 2, 2021
(IN THOUSANDS)

	Fiscal Quarter Ended				Fiscal Year-to-Date Period Ended			
	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue	October 1, 2022	As a % of Revenue	October 2, 2021	As a % of Revenue
Revenues	\$ 148,441	100.0 %	\$ 136,412	100.0 %	\$ 445,925	100.0 %	\$ 431,167	100.0 %
Net income	\$ 11,877	8.0 %	\$ 10,945	8.0 %	\$ 34,946	7.8 %	\$ 33,012	7.7 %
Adjustments needed to reconcile GAAP net income to non-GAAP net income:								
Non-cash valuation change in contingent consideration	—	— %	—	— %	—	— %	380	0.1 %
Acquisition-related costs	30	— %	—	— %	233	0.1 %	—	— %
Tax effect on adjustments	(8)	— %	—	— %	(62)	— %	(103)	— %
Non-GAAP net income	\$ 11,899	8.0 %	\$ 10,945	8.0 %	\$ 35,117	7.9 %	\$ 33,289	7.7 %
Adjustments needed to reconcile non-GAAP net income to non-GAAP EBITDA:								
Interest expense, net	667	0.4 %	183	0.1 %	1,343	0.3 %	791	0.2 %
Provision for income taxes	4,025	2.7 %	1,908	1.4 %	12,775	2.9 %	9,421	2.2 %
Depreciation and amortization	3,034	2.0 %	3,141	2.3 %	9,060	2.0 %	9,657	2.2 %
Non-GAAP EBITDA	\$ 19,625	13.2 %	\$ 16,177	11.9 %	\$ 58,295	13.1 %	\$ 53,158	12.3 %

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

	October 1, 2022	January 1, 2022
Assets		
Cash and cash equivalents	\$ 24,093	\$ 66,130
Accounts receivable and unbilled services, net	208,850	162,057
Other current assets	24,446	21,160
Total current assets	257,389	249,347
Property and equipment, net	46,967	53,612
Goodwill and intangible assets, net	96,504	93,117
Right-of-use assets	98,425	110,475
Other assets	54,994	48,809
Total assets	\$ 554,279	\$ 555,360
Liabilities and Shareholders' Equity		
Accounts payable	\$ 26,387	\$ 23,511
Accrued expenses	132,641	156,314
Current portion of lease liabilities	15,478	14,337
Revolving line of credit	45,000	—
Other current liabilities	11,531	18,924
Total current liabilities	231,037	213,086
Non-current portion of lease liabilities	108,936	124,464
Other non-current liabilities	13,631	11,976
Total liabilities	353,604	349,526
Total shareholders' equity	200,675	205,834
Total liabilities and shareholders' equity	\$ 554,279	\$ 555,360

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

	Fiscal Year-to-Date Period Ended	
	October 1, 2022	October 2, 2021
Operating activities:		
Net income	\$ 34,946	\$ 33,012
Adjustments to reconcile net income to net cash provided by (used in) operating activities, net of effect of acquired business:		
Non-cash items, net	21,723	20,665
Accounts receivable and unbilled services	(48,853)	(22,041)
Working capital items, net	(42,831)	(17,733)
Net cash provided by (used in) operating activities	(35,015)	13,903
Investing activities:		
Purchases of property and equipment, net	(2,999)	(1,730)
Consideration paid for acquisition, net	(10,185)	—
Net cash used in investing activities	(13,184)	(1,730)
Financing activities:		
Issuance of common stock, principally stock options exercises	760	5,005
Borrowings under revolving line of credit	124,000	72,000
Repayments under revolving line of credit	(79,000)	(66,000)
Payments for debt issuance costs	(1,008)	—
Tax withholding payments reimbursed by shares	(1,002)	(588)
Cash paid for contingent consideration	—	(2,357)
Cash dividends paid	(6,860)	(5,903)
Repurchase of common stock	(27,630)	(39,977)
Net cash provided by (used in) financing activities	9,260	(37,820)
Effect of foreign exchange rates on cash and cash equivalents	(3,098)	(365)
Net decrease in cash and cash equivalents	(42,037)	(26,012)
Cash and cash equivalents at beginning of period	66,130	45,677
Cash and cash equivalents at end of period	<u>\$ 24,093</u>	<u>\$ 19,665</u>
Noncash investing and financing activities:		
Increase (decrease) in accounts payable and accrued expenses for property and equipment	\$ (201)	\$ (7)
Right-of-use assets obtained in exchange for lease obligations	\$ 2,146	\$ 1,751
Restricted common stock issued for contingent consideration	\$ —	\$ 2,250
Supplemental cash flow information:		
Cash paid for taxes	\$ 11,407	\$ 12,484
Cash paid for interest	\$ 1,026	\$ 528
Cash paid for amounts included in operating lease liabilities	\$ 15,864	\$ 15,556

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CHARLES RIVER ASSOCIATES (CRA) INCREASES QUARTERLY CASH DIVIDEND 16% FROM \$0.31 TO \$0.36 PER COMMON SHARE

BOSTON, November 3, 2022 – 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 16% increase in the quarterly cash dividend from \$0.31 to \$0.36 per common share to be paid on December 9, 2022 to shareholders of record of CRA’s common stock as of the close of business on November 29, 2022. 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. 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.