

**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): **February 18, 2016**

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**

Not Applicable

(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))

Item 2.02 Results of Operations and Financial Condition.

On February 18, 2016, we issued a press release reporting our financial results for our fiscal fourth quarter and year ended January 2, 2016. A copy of the press release is set forth as Exhibit 99.1 and is incorporated by reference herein. On February 18, 2016, 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 is 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 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Number</u>	<u>Title</u>
99.1	February 18, 2016 press release
99.2	Supplemental financial information

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: February 18, 2016

By: /s/ Chad M. Holmes

Chad M. Holmes
Chief Financial Officer, Executive Vice President,
and Treasurer

3

Exhibit Index

Number

Title

99.1 February 18, 2016 press release

99.2 Supplemental financial information

4

FINAL FOR RELEASE

Contact:

Chad Holmes
 Chief Financial Officer
 Charles River Associates
 312-377-2322

Jamie Bernard
 Senior Associate
 Sharon Merrill Associates, Inc.
 617-542-5300

**CHARLES RIVER ASSOCIATES (CRA) ANNOUNCES
 FOURTH QUARTER AND FULL YEAR FISCAL 2015 FINANCIAL RESULTS
 CONSISTENT WITH UPDATED GUIDANCE**

Headcount Increased by 13% from 2014; CRA Positioned for Growth in Quarters Ahead

BOSTON, February 18, 2016 — Charles River Associates (NASDAQ: CRAI), a worldwide leader in providing economic, financial, and management consulting services, today announced financial results for the fiscal fourth quarter and year ended January 2, 2016.

“We continued to see strong demand for our portfolio of services in fiscal 2015,” said Paul Maleh, CRA’s President and Chief Executive Officer. “For fiscal 2015, companywide utilization of 74% and non-GAAP revenue of \$299.8 million were driven by our largest and most prominent practice, Antitrust & Competition Economics, which achieved another year of record performance, with strong contributions from both North America and Europe. As we celebrated our 50th anniversary in 2015, we maintained our focus on professional development, invested in our infrastructure, and increased consulting headcount relative to the end of fiscal 2014 by 13% to 511.”

“We welcomed nearly 100 new consultants during the second half of the year, which positions CRA for growth in the quarters ahead,” Maleh said. “While we are thrilled with the additions of our new colleagues, slower than expected integration was the primary contributor to a companywide utilization of 68% for the fourth quarter of fiscal 2015. We remain focused on our integration efforts and continue to see improved productivity from our new colleagues. Project lead flow and new project originations remain strong, which should help drive higher utilization and revenue going forward.”

Fourth Quarter Fiscal 2015 Results

Revenue for the fourth quarter of fiscal 2015 was \$72.5 million, compared with \$78.5 million for the fourth quarter of fiscal 2014. Non-GAAP revenue for the fourth quarter of fiscal 2015 was \$71.6 million, compared with \$77.4 million for the fourth quarter of fiscal 2014. Both GAAP and

1

non-GAAP results for the fourth quarter of fiscal 2015 reflect 13 weeks of operations, whereas the fourth quarter of fiscal 2014 had 14 weeks of operations.

Adjusted EBITDA for the fourth quarter of fiscal 2015 was \$5.3 million, or 7.4% of revenue, compared with \$12.5 million, or 16.0% of revenue, for the fourth quarter of fiscal 2014. On a non-GAAP basis, Adjusted EBITDA for the fourth quarter of fiscal 2015 was \$9.9 million, or 13.8% of revenue, compared with \$12.6 million, or 16.3% of revenue, for the fourth quarter of fiscal 2014.

Net loss for the fourth quarter of fiscal 2015 was \$1.3 million, or \$0.15 per diluted share, which includes the effect of a non-cash goodwill impairment charge relating to NeuCo of \$4.5 million. This compares with net income for the fourth quarter of fiscal 2014 of \$3.8 million, or \$0.40 per diluted share. NeuCo’s goodwill impairment charge does not affect CRA’s liquidity position, cash flow, or bank line of credit, nor does it have any effect on CRA’s operations. Non-GAAP net income for the fourth quarter of fiscal 2015 was \$0.2 million, or \$0.03 per diluted share, compared with \$3.9 million, or \$0.41 per diluted share, for the fourth quarter of fiscal 2014.

The effective tax rate for the fourth quarter of fiscal 2015 was negative 1.4%, compared with 37.8% for the fourth quarter of fiscal 2014. The non-GAAP effective tax rate for the fourth quarter of fiscal 2015 was 87.6%, compared with 36.3% for the fourth quarter of fiscal 2014. This unusually high non-GAAP effective tax rate is primarily related to lower than expected pre-tax fourth quarter earnings and a change in the jurisdictional mix of profits. For fiscal year 2015, the effective tax rate was 46.5%, compared with 42.5% for fiscal year 2014. The non-GAAP effective tax rate was 41.2% for fiscal year 2015, compared with 41.1% for fiscal year 2014.

On a constant currency basis relative to the fourth quarter of fiscal 2014, non-GAAP revenue for the fourth quarter of fiscal 2015 would have increased by approximately \$1.0 million to \$72.5 million; non-GAAP Adjusted EBITDA would have increased by approximately \$0.1 million to \$10.0 million, or 13.8% of revenue; and non-GAAP net income would have increased by roughly \$0.1 million to \$0.3 million, or by approximately \$0.01 per diluted share to \$0.04 per diluted share.

Full-Year Fiscal 2015 Summary

For the full-year fiscal 2015, CRA reported revenue of \$303.6 million, and Adjusted EBITDA margin of 13.5%. On a non-GAAP basis, revenue was \$299.8 million, and non-GAAP Adjusted EBITDA margin was 15.6%. Consistent with updated guidance provided on January 22, 2016, if adjusted on a constant currency basis relative to fiscal 2014, non-GAAP revenue would have

2

increased to \$306.1 million, while non-GAAP Adjusted EBITDA margin would have increased to 15.8%.

A complete reconciliation between GAAP and non-GAAP financial measures for the fourth quarters and full years of fiscal 2015 and fiscal 2014 is provided in the financial tables at the end of this release and described under the heading “Non-GAAP Financial Measures” below.

Outlook and Financial Guidance

For full-year fiscal 2016, on a constant currency basis relative to fiscal 2015, CRA expects non-GAAP revenue in the range of \$312 million to \$322 million, and non-GAAP Adjusted EBITDA margin in the range of 15.8% to 16.6%. “While we are encouraged by our strong lead flow and demands in the marketplace, we remain mindful that uncertainties around global economic conditions and continued integration of our new colleagues can affect our business,” Maleh concluded.

Conference Call Information and Prepared CFO Remarks

CRA will host a conference call this morning at 10:00 a.m. ET to discuss its fourth-quarter and full-year 2015 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 Chad Holmes under “Conference Call Materials” in the investor relations section on CRA’s website at <http://www.crai.com>. These remarks are offered to provide the investment community with additional background on CRA’s financial results prior to the start of the conference call.

About Charles River Associates (CRA)

Charles River Associates® is a global consulting firm specializing in litigation, regulatory, financial, and management consulting. 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 and celebrated its 50th anniversary in 2015. 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.

3

NON-GAAP FINANCIAL MEASURES

In addition to reporting its financial results in accordance with U.S. generally accepted accounting principles, or GAAP, the Company has also provided in this release non-GAAP financial information. The Company believes that the use of non-GAAP measures in addition to GAAP measures is a useful method of evaluating its results of operations. The Company believes that presenting its financial results excluding the items identified below is important to investors and management because it is more indicative of the Company’s ongoing operating results and financial condition. These non-GAAP financial measures should be considered in conjunction with, but not as a substitute for, the financial information presented in accordance with GAAP, and the results calculated in accordance with GAAP and reconciliations to those results should be carefully evaluated. The non-GAAP financial measures used by the Company may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies. Specifically, for the fourth quarter of fiscal 2014, the 2014 fiscal year, and for the full 2016 fiscal year guidance, the Company has excluded NeuCo’s results, and for the fourth quarter of fiscal 2015 and the full 2015 fiscal year, the Company has excluded NeuCo’s results (including its non-cash goodwill impairment charge in the fourth quarter of 2015) and a non-cash change in estimate associated with a contingent liability for a future contingent consideration payment related to a prior acquisition. Also, in calculating “Adjusted EBITDA” from income (loss) from operations for these fiscal periods, the Company has excluded the following non-cash expenses: depreciation and amortization, share-based compensation expenses, and amortization of forgivable loans.

Finally, the Company also believes that fluctuations in foreign currency exchange rates can significantly affect its financial results and provides a constant currency presentation to supplement disclosures regarding its results of operations and performance. The Company calculates constant currency amounts relative to a prior period, which also constitute non-GAAP financial information, by converting its current period local currency financial results using the prior period exchange rates. The Company has presented in this press release its non-GAAP revenue, net income, earnings per diluted share and Adjusted EBITDA for the fourth quarter of fiscal 2015 on a constant currency basis relative to the fourth quarter of fiscal 2014, its fiscal 2015 non-GAAP revenue and Adjusted EBITDA on a constant currency basis relative to fiscal 2014, and its guidance for fiscal 2016 non-GAAP revenue and Adjusted EBITDA on a constant currency basis relative to fiscal 2015.

4

SAFE HARBOR STATEMENT

Statements in this press release concerning our future business, operating results and financial condition, including guidance on future non-GAAP revenue and non-GAAP Adjusted EBITDA, and statements regarding project lead flow and originations driving future utilization and revenue growth or the effect of our integration efforts of consulting staff on productivity, and statements using the terms “expect,” “position,” “anticipate,” “believe,” “seek,” “should,” “target,” 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 non-GAAP revenue and non-GAAP Adjusted EBITDA margin in fiscal 2016 on a constant currency basis relative to fiscal 2015 could differ materially from the guidance presented herein, and our actual performance and results may differ materially from the performance and results contained or implied by the other forward-looking statements made herein, due to many important factors. These factors include, but are not limited to, the loss of key employee consultants or non-employee experts; their failure to generate engagements for us; our inability to attract, hire or retain qualified consultants or to integrate and utilize existing consultants and personnel; the unpredictable nature and risk of litigation-related projects; dependence on the growth of our management consulting practice; the change in demand for our services; the potential loss of clients; changes in the law that affect our practice areas; global economic conditions; foreign exchange rate fluctuations; intense competition; our attributable annual cost savings; changes in our effective tax rate; share dilution from our stock-based compensation; integration and generation of existing and new clients; unanticipated expenses and liabilities; the risk of impairment write downs to our intangible assets, including goodwill; risks associated with acquisitions (past, present and future); risks inherent in international operations; changes in accounting standards, rules and regulations; integration and management of new and existing offices; the ability of clients to terminate engagements with us on short notice; our ability to collect on forgivable loans should any become due; general economic conditions; the performance of our NeuCo subsidiary; and professional and other legal liability. Further information on these and other potential factors that could affect our future business, operating results and financial condition is included in our periodic filings with the Securities and Exchange Commission, including risks under the heading “Risk Factors.” We cannot guarantee any future results, levels of activity, performance or achievement. 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.

5

CRA INTERNATIONAL, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS INCLUDING A RECONCILIATION TO NON-GAAP RESULTS
FOR THE QUARTER ENDED JANUARY 2, 2016 COMPARED TO THE QUARTER ENDED JANUARY 3, 2015
(In thousands, except per share data)

	Quarter Ended January 2, 2016						Quarter Ended January 3, 2015					
	GAAP		Adjustments to	Adjustments to	Non-GAAP		GAAP		Adjustments to	Non-GAAP		
	GAAP Results	% of Revenues	GAAP Results (Contingent Liability) (1)	GAAP Results (NeuCo) (2)	Non-GAAP Results	% of Revenues	GAAP Results	% of Revenues	GAAP Results (NeuCo) (2)	Non-GAAP Results	% of Revenues	
Revenues	\$ 72,460	100.0%	\$ —	\$ 906	\$ 71,554	100.0%	\$ 78,459	100.0%	\$ 1,033	\$ 77,426	100.0%	
Costs of services	51,127	70.6%	(71)	318	50,880	71.1%	52,861	67.4%	319	52,542	67.9%	
Gross profit	21,333	29.4%	71	588	20,674	28.9%	25,598	32.6%	714	24,884	32.1%	
Selling, general and administrative expenses	17,334	23.9%	—	660	16,674	23.3%	17,777	22.7%	831	16,946	21.9%	
Depreciation and amortization	1,785	2.5%	—	—	1,785	2.5%	1,697	2.2%	—	1,697	2.2%	
NeuCo goodwill impairment	4,524	6.2%	—	4,524	—	0.0%	—	0.0%	—	—	0.0%	
(Loss) income from operations	(2,310)	-3.2%	71	(4,596)	2,215	3.1%	6,124	7.7%	(117)	6,241	8.0%	
Interest and other expense, net	(243)	-0.3%	—	(14)	(229)	-0.3%	(102)	-0.1%	—	(102)	-0.1%	
(Loss) income before benefit (provision) for income taxes and noncontrolling interest	(2,553)	-3.5%	71	(4,610)	1,986	2.8%	6,022	7.6%	(117)	6,139	7.9%	
(Provision) benefit for income taxes	(36)	0.0%	—	1,703	(1,739)	-2.4%	(2,279)	-2.9%	(50)	(2,229)	-2.9%	
Net (loss) income	(2,589)	-3.5%	71	(2,907)	247	0.4%	3,743	4.7%	(167)	3,910	5.0%	
Net loss attributable to noncontrolling interests, net of tax	1,282	1.7%	—	1,282	—	0.0%	73	0.1%	73	—	0.0%	
Net (loss) Income attributable to CRA International, Inc.	<u>\$ (1,307)</u>	<u>-1.8%</u>	<u>71</u>	<u>\$ (1,625)</u>	<u>\$ 247</u>	<u>0.4%</u>	<u>\$ 3,816</u>	<u>4.8%</u>	<u>\$ (94)</u>	<u>\$ 3,910</u>	<u>5.0%</u>	
Net (loss) income per share attributable to CRA International, Inc.:												
Basic	<u>\$ (0.15)</u>				<u>\$ 0.03</u>		<u>\$ 0.41</u>			<u>\$ 0.42</u>		
Diluted	<u>\$ (0.15)</u>				<u>\$ 0.03</u>		<u>\$ 0.40</u>			<u>\$ 0.41</u>		
Weighted average number of shares outstanding:												
Basic	<u>8,876</u>				<u>8,876</u>		<u>9,344</u>			<u>9,344</u>		
Diluted	<u>8,876</u>				<u>9,039</u>		<u>9,560</u>			<u>9,560</u>		

(1) This adjustment includes activity related to a decrease in the liability for future contingent consideration payments in connection with a prior acquisition.

(2) These adjustments include activity related to NeuCo in the Company's GAAP results, including a \$4.5 million goodwill impairment charge.

CRA INTERNATIONAL, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS INCLUDING A RECONCILIATION TO NON-GAAP RESULTS
FOR THE FISCAL YEAR ENDED JANUARY 2, 2016 COMPARED TO THE FISCAL YEAR ENDED JANUARY 3, 2015
(In thousands, except per share data)

	Fiscal Year Ended January 2, 2016						Fiscal Year Ended January 3, 2015					
	GAAP		Adjustments to	Adjustments to	Non-GAAP		GAAP		Adjustments to	Non-GAAP		
	GAAP Results	% of Revenues	GAAP Results (Contingent Liability) (1)	GAAP Results (NeuCo) (2)	Non-GAAP Results	% of Revenues	GAAP Results	% of Revenues	GAAP Results (NeuCo) (2)	Non-GAAP Results	% of Revenues	
Revenues	\$303,559	100.0%	\$ —	\$ 3,765	\$299,794	100.0%	\$306,371	100.0%	\$ 4,771	\$301,600	100.0%	
Costs of services	207,650	68.4%	762	1,359	205,529	68.6%	206,813	67.5%	1,475	205,338	68.1%	
Gross profit	95,909	31.6%	(762)	2,406	94,265	31.4%	99,558	32.5%	3,296	96,262	31.9%	
Selling, general and administrative expenses	72,439	23.9%	—	3,065	69,374	23.1%	69,074	22.5%	3,592	65,482	21.7%	
Depreciation and amortization	6,552	2.2%	—	—	6,552	2.2%	6,443	2.1%	—	6,443	2.1%	

NeuCo goodwill impairment	4,524	1.5%	—	4,524	—	0.0%	—	0.0%	—	—	0.0%
Income (loss) from operations	12,394	4.0%	(762)	(5,183)	18,339	6.1%	24,041	7.9%	(296)	24,337	8.1%
Interest and other expense, net	(579)	-0.1%	—	557	(1,136)	-0.4%	(726)	-0.2%	(23)	(703)	-0.2%
Income (loss) before provision for income taxes and noncontrolling interest	11,815	3.9%	(762)	(4,626)	17,203	5.7%	23,315	7.7%	(319)	23,634	7.9%
(Provision) benefit for income taxes	(5,490)	-1.8%	—	1,604	(7,094)	-2.4%	(9,908)	-3.2%	(205)	(9,703)	-3.2%
Net income (loss)	6,325	2.1%	(762)	(3,022)	10,109	3.3%	13,407	4.5%	(524)	13,931	4.7%
Net loss attributable to noncontrolling interests, net of tax	1,332	0.4%	—	1,332	—	0.0%	231	0.1%	231	—	0.0%
Net income (loss) attributable to CRA International, Inc.	\$ 7,657	2.5%	(762)	(1,690)	\$ 10,109	3.3%	\$ 13,638	4.6%	(293)	\$ 13,931	4.7%
Net income (loss) per share attributable to CRA International, Inc.:											
Basic	\$ 0.84			\$ 1.12		\$ 1.40		\$ 1.43			
Diluted	\$ 0.83			\$ 1.10		\$ 1.38		\$ 1.41			
Weighted average number of shares outstanding:											
Basic	9,010			9,010		9,747		9,747			
Diluted	9,195			9,195		9,897		9,897			

(1) This adjustment includes activity related to an increase in the liability for future contingent consideration payments in connection with a prior acquisition.

(2) These adjustments include activity related to NeuCo in the Company's GAAP results, including a \$4.5 million goodwill impairment charge.

CRA INTERNATIONAL, INC.
UNAUDITED ADJUSTED EBITDA INCLUDING A RECONCILIATION TO NON-GAAP ADJUSTED EBITDA
FOR THE FISCAL QUARTER AND YEAR ENDED JANUARY 2, 2016 COMPARED TO THE FISCAL QUARTER AND YEAR ENDED JANUARY 3, 2015
(In thousands)

	Quarter Ended January 2, 2016					Quarter Ended January 3, 2015					
	GAAP Quarter Ended January 2, 2016	GAAP % of Revenues	Adjustments to GAAP Results (Contingent Liability) (1)	Adjustments to GAAP Results (NeuCo) (2)	Non-GAAP Quarter Ended January 2, 2016	Non-GAAP % of Revenues	GAAP Quarter Ended January 3, 2015	GAAP % of Revenues	Adjustments to GAAP Results (NeuCo) (2)	Non-GAAP Quarter Ended January 3, 2015	Non-GAAP % of Revenues
(Loss) Income from operations	\$ (2,310)	-3.2%	\$ 71	(4,596)	\$ 2,215	3.1%	\$ 6,124	7.8%	(117)	\$ 6,241	8.1%
Depreciation and amortization	1,785	2.5%	—	—	1,785	2.5%	1,697	2.2%	—	1,697	2.2%
EBITDA	(525)	-0.7%	71	(4,596)	4,000	5.6%	7,821	10.0%	(117)	7,938	10.3%
Share-based compensation expenses	1,365	1.9%	—	—	1,365	1.9%	1,496	1.9%	—	1,496	1.9%
Amortization of forgivable loans	4,493	6.2%	—	—	4,493	6.3%	3,203	4.1%	—	3,203	4.1%
Adjusted EBITDA	\$ 5,333	7.4%	\$ 71	(4,596)	\$ 9,858	13.8%	\$ 12,520	16.0%	(117)	\$ 12,637	16.3%
	Year to Date Period Ended January 2, 2016					Year to Date Period Ended January 3, 2015					
	GAAP Year to Date Period Ended January 2, 2016	GAAP % of Revenues	Adjustments to GAAP Results (Contingent Liability) (1)	Adjustments to GAAP Results (NeuCo) (2)	Non-GAAP Year to Date Period Ended January 2, 2016	Non-GAAP % of Revenues	GAAP Year to Date Period Ended January 3, 2015	GAAP % of Revenues	Adjustments to GAAP Results (NeuCo) (2)	Non-GAAP Year to Date Period Ended January 3, 2015	Non-GAAP % of Revenues
Income (loss) from operations	\$ 12,394	4.0%	(762)	(5,183)	18,339	6.1%	24,041	7.9%	(296)	24,337	8.1%
Depreciation	6,552	2.2%	—	—	6,552	2.2%	6,443	2.1%	—	6,443	2.1%

and amortization											
EBITDA	18,946	6.2%	(762)	(5,183)	24,891	8.3%	30,484	10.0%	(296)	30,780	10.2%
Share-based compensation expenses	5,770	1.9%	—	—	5,770	1.9%	5,619	1.8%	—	5,619	1.8%
Amortization of forgivable loans	16,183	5.4%	—	—	16,183	5.4%	13,465	4.4%	—	13,465	4.5%
Adjusted EBITDA	<u>\$ 40,899</u>	<u>13.5%</u>	<u>(762)\$</u>	<u>(5,183)\$</u>	<u>46,844</u>	<u>15.6%</u>	<u>49,568</u>	<u>16.2%</u>	<u>(296)\$</u>	<u>49,864</u>	<u>16.5%</u>

(1) This adjustment includes activity related to an increase (decrease) in the liability for future contingent consideration payments in connection with a prior acquisition.

(2) These adjustments include activity related to NeuCo in the Company's GAAP results, including a \$4.5 million goodwill impairment charge.

CRA INTERNATIONAL, INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	January 2, 2016	January 3, 2015 *
Assets		
Cash and cash equivalents	\$ 38,139	\$ 48,199
Accounts receivable and unbilled, net	86,377	83,165
Other current assets	16,278	13,165
Total current assets	<u>140,794</u>	<u>144,529</u>
Property and equipment, net	31,338	14,696
Goodwill and intangible assets, net	80,561	87,060
Other assets	61,024	67,187
Total assets	<u>\$ 313,717</u>	<u>\$ 313,472</u>
Liabilities and shareholders' equity		
Current liabilities	\$ 86,458	\$ 88,273
Non-current liabilities	16,191	10,495
Total liabilities	<u>102,649</u>	<u>98,768</u>
Total shareholders' equity	211,068	214,704
Total liabilities and shareholders' equity	<u>\$ 313,717</u>	<u>\$ 313,472</u>

*Balances restated for early adoption of ASU 2015-17.

CRA INTERNATIONAL, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Fiscal Year Ended January 2, 2016	Fiscal Year Ended January 3, 2015
Operating activities:		
Net income	\$ 6,325	\$ 13,407
Adjustments to reconcile net income to net cash provided by operating activities, net of effect of acquired businesses:		
Non-cash items, net	20,717	7,486
Accounts receivable and unbilled services	(4,210)	1,191
Working capital items, net	(2,408)	8,066
Net cash provided by operating activities	<u>20,424</u>	<u>30,150</u>
Investing activities:		
Consideration relating to acquisitions, net	—	(1,784)
Purchase of property and equipment	(17,975)	(4,192)
Payments on notes receivable	(78)	—
Collections on notes receivable	1,557	114
Net cash used in investing activities	<u>(16,496)</u>	<u>(5,862)</u>
Financing activities:		
Issuance of common stock, principally stock option exercises	602	469

Payments on notes payable	(300)	(26)
Borrowings under line of credit	4,000	—
Payments under line of credit	(4,000)	—
Tax withholding payments reimbursed by restricted shares	(668)	(1,222)
Excess tax benefits from share-based compensation	128	392
Repurchase of common stock	(12,806)	(25,492)
Net cash used in financing activities	(13,044)	(25,879)
Effect of foreign exchange rates on cash and cash equivalents	(944)	(1,461)
Net decrease in cash and cash equivalents	(10,060)	(3,052)
Cash and cash equivalents at beginning of period	48,199	51,251
Cash and cash equivalents at end of period	<u>\$ 38,139</u>	<u>\$ 48,199</u>
Supplemental cash flow information:		
Cash paid for taxes	<u>\$ 9,688</u>	<u>\$ 15,580</u>
Cash paid for interest	<u>\$ 240</u>	<u>\$ 443</u>
Issuance of common stock for acquired businesses	<u>\$ 42</u>	<u>\$ 427</u>
Purchases of property and equipment not yet paid for	<u>\$ 1,593</u>	<u>\$ —</u>
Purchases of property and equipment paid by a third party	<u>\$ 2,785</u>	<u>\$ —</u>

**FINAL FOR RELEASE**
**CHARLES RIVER ASSOCIATES (CRA)
 FOURTH QUARTER AND FISCAL YEAR 2015
 EARNINGS ANNOUNCEMENT
 PREPARED CFO REMARKS**

CRA is providing these prepared remarks by CFO Chad Holmes 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 February 18, 2016 at 10:00 a.m. ET. These prepared remarks will not be read on the call.

Q4 2015 Summary (Quarter ended January 2, 2016)

- Non-GAAP Revenue: \$71.6 million
- Non-GAAP Net Income: \$0.2 million, or \$0.03 per diluted share
- Non-GAAP Operating Margin: 3.1%
- Non-GAAP Effective Tax Rate: 87.6%
- Utilization: 68%
- Cash and Cash Equivalents: \$38.1 million at January 2, 2016
- Non-GAAP Adjusted EBITDA: \$9.9 million, or 13.8% of non-GAAP revenue
- Consultant Headcount at January 2, 2016: 511 (which consisted of 122 officers, 267 other senior staff and 122 junior staff, compared with 121 officers, 265 other senior staff and 121 junior staff for a total of 507 as of October 3, 2015)

Revenue

We reported GAAP revenue of \$72.5 million for Q4 of fiscal 2015, compared with GAAP revenue of \$78.5 million for Q4 of fiscal 2014. GAAP revenue for Q4 of fiscal 2015 included \$0.9 million from our NeuCo subsidiary. GAAP revenue for Q4 of fiscal 2014 included \$1.0 million from NeuCo.

1

Excluding NeuCo revenue from all periods, non-GAAP revenue was \$71.6 million for Q4 of fiscal 2015. This compares with non-GAAP revenue of \$77.4 million for Q4 of fiscal 2014. Both GAAP and non-GAAP results for the fourth quarter of fiscal 2015 reflect 13 weeks of operations, whereas the fourth quarter of fiscal 2014 had 14 weeks of operations.

Revenue on a GAAP basis for fiscal 2015 was \$303.6 million, compared with \$306.4 million for fiscal 2014. Excluding NeuCo revenue from both periods, non-GAAP revenue for fiscal 2015 was \$299.8 million, compared with \$301.6 million for fiscal 2014.

Utilization

Utilization on a firm-wide basis in Q4 of fiscal 2015 was 68%. This compares with 75% in Q4 of fiscal 2014 and 73% in Q3 of fiscal 2015. For fiscal year 2015, utilization was 74%, compared with 76% in fiscal year 2014.

Contingent Liability

In Q4 of fiscal 2015, the estimate of the future contingent consideration obligation associated with a prior acquisition was decreased by \$0.1 million. This contingent consideration obligation amounted to \$0.8 million at January 2, 2016, compared with \$0.3 million at January 3, 2015.

Gross Margin

GAAP gross margin in Q4 of fiscal 2015 was 29.4%, compared with 32.6% in Q4 of fiscal 2014. Non-GAAP gross margin for Q4 of fiscal 2015 was 28.9%, compared with 32.1% in Q4 of fiscal 2014. Client reimbursable expenses, on a non-GAAP basis, were 12.3% of revenue in Q4 of fiscal 2015, compared with 13.3% in Q4 of fiscal 2014.

For the full-year fiscal 2015, GAAP gross margin was 31.6%, compared with 32.5% for full-year fiscal 2014. Non-GAAP gross margin for full-year fiscal 2015 was 31.4%, compared with 31.9% for full-year fiscal 2014. Client reimbursable expenses, on a non-GAAP basis, were 11.1% of revenue in fiscal year 2015, compared with 12.1% in fiscal year 2014.

Goodwill Impairment

In the fourth quarter of fiscal 2015, a goodwill impairment related to CRA's NeuCo subsidiary was identified and resulted in a non-cash charge of \$4.5 million, or \$2.9 million after-tax, before taking into account the portion attributable to noncontrolling interests.

SG&A Expenses

For Q4 of fiscal 2015, GAAP SG&A expenses were \$17.3 million, or 23.9% of revenue, compared with GAAP SG&A expenses of \$17.8 million, or 22.7% of revenue, in Q4 of fiscal 2014.

2

Non-GAAP SG&A expenses, excluding NeuCo, were \$16.7 million, or 23.3% of revenue, in Q4 of fiscal 2015, compared with \$16.9 million, or 21.9% of revenue, in Q4 of fiscal 2014.

Commissions to non-employee experts are included in SG&A. Those commissions represented 3.3% of non-GAAP revenue in Q4 of fiscal 2015, compared with 2.8% of non-GAAP revenue in Q4 of fiscal 2014. Excluding these commissions, non-GAAP SG&A expenses were 20.1% of non-GAAP revenue in Q4 of fiscal 2015 and 19.1% of non-GAAP revenue in Q4 of fiscal 2014.

GAAP SG&A expenses for the full-year fiscal 2015 were \$72.4 million, or 23.9% of revenue, compared with \$69.1 million, or 22.5% of revenue, for the full-year fiscal 2014. On a non-GAAP basis, full-year fiscal 2015 SG&A expenses were \$69.4 million, or 23.1% of revenue, compared with \$65.5 million, or 21.7% of revenue, for the full-year fiscal 2014. For fiscal 2015, non-GAAP SG&A expenses, excluding commissions to non-employee experts, were 19.8%, compared with 18.7% in fiscal 2014.

Depreciation & Amortization

On a GAAP and non-GAAP basis, depreciation and amortization expense was \$1.8 million for Q4 of fiscal 2015, compared with \$1.7 million for Q4 of fiscal 2014. On a GAAP and non-GAAP basis, depreciation and amortization expense was \$6.6 million for the full-year of fiscal 2015, compared with \$6.4 million for the full-year of fiscal 2014.

Share-Based Compensation Expense

On a GAAP and non-GAAP basis, share-based compensation expense was approximately \$1.4 million for Q4 of fiscal 2015, compared with \$1.5 million for Q4 of fiscal 2014. For fiscal 2015, on a GAAP and non-GAAP basis, share-based compensation expense was approximately \$5.8 million, compared with \$5.6 million for fiscal 2014.

Operating (Loss) Income

On a GAAP basis, operating loss was \$2.3 million in Q4 of fiscal 2015, compared with operating income of \$6.1 million in Q4 of fiscal 2014. GAAP operating loss for Q4 of fiscal 2015 includes a non-cash goodwill impairment charge relating to CRA's NeuCo subsidiary of \$4.5 million. Non-GAAP operating income was \$2.2 million, or 3.1% of non-GAAP revenue, for Q4 of fiscal 2015, compared with \$6.2 million, or 8.0% of non-GAAP revenue, for Q4 of fiscal 2014.

For the full-year fiscal 2015, non-GAAP operating income was 6.1% of revenue, compared with 8.1% of revenue for the full-year fiscal 2014.

Interest and Other (Expense) Income, net

In Q4 of fiscal 2015, interest and other expense was \$243,000 on a GAAP basis and \$229,000 on a non-GAAP basis. This compares with interest and other expense of \$102,000 on a GAAP and non-GAAP basis for Q4 of fiscal 2014.

3

For the full-year fiscal 2015, interest and other expense was \$579,000 on a GAAP basis and \$1.1 million on a non-GAAP basis, compared with \$726,000 on a GAAP basis and \$703,000 on a non-GAAP basis for the full-year of fiscal 2014.

Income Taxes

The following table outlines our income tax provision recorded and the resulting effective tax rates (in \$000):

	GAAP		NON-GAAP	
	Q4		Q4	
	2015	2014	2015	2014
Tax Provision (Benefit)	\$ 36	\$ 2,279	\$ 1,739	\$ 2,229
Effective Tax Rate	(1.4)%	37.8%	87.6%	36.3%
	GAAP		NON-GAAP	
	Full-year		Full-year	
	2015	2014	2015	2014
Tax Provision (Benefit)	\$ 5,490	\$ 9,908	\$ 7,094	\$ 9,703
Effective Tax Rate	46.5%	42.5%	41.2%	41.1%

Our Q4 and full-year fiscal 2015 GAAP effective tax rates reflect the tax benefit from the non-cash goodwill impairment charge arising from CRA's NeuCo subsidiary.

Net Income

GAAP net loss for Q4 of fiscal 2015 was \$1.3 million, or \$0.15 per diluted share, compared with GAAP net income of \$3.8 million, or \$0.40 per diluted share, for Q4 of fiscal 2014. Net loss for Q4 of fiscal 2015 includes NeuCo's non-cash goodwill impairment charge attributed to CRA of \$1.6 million. Excluding NeuCo's results and an adjustment to the estimated future contingent consideration obligation of \$0.1 million, non-GAAP net income for Q4 of fiscal 2015 was \$0.2 million, or \$0.03 per diluted share, compared with \$3.9 million, or \$0.41 per diluted share, for Q4 of fiscal 2014.

GAAP net income for fiscal 2015 was \$7.7 million, or \$0.83 per diluted share, compared with GAAP net income of \$13.6 million, or \$1.38 per diluted share, for fiscal 2014. Non-GAAP net income for fiscal 2015 was \$10.1 million, or \$1.10 per diluted share,

4

compared with non-GAAP net income of \$13.9 million, or \$1.41 per diluted share, for fiscal 2014.

Adjusted EBITDA

On a GAAP basis, Adjusted EBITDA for Q4 of fiscal 2015 was \$5.3 million, or 7.4% of revenue, compared with \$12.5 million, or 16.0% of revenue, for Q4 of fiscal 2014. Adjusted EBITDA on a non-GAAP basis for Q4 of fiscal 2015 was \$9.9 million, or 13.8% of non-GAAP revenue, compared with \$12.6 million, or 16.3% of non-GAAP revenue, for Q4 of fiscal 2014.

Adjusted EBITDA on a GAAP basis for fiscal 2015 was \$40.9 million, or 13.5% of revenue, compared with \$49.6 million, or 16.2% of revenue, for fiscal 2014. Adjusted EBITDA on a non-GAAP basis for fiscal 2015 was \$46.8 million, or 15.6% of revenue, compared with \$49.9 million, or 16.5% of revenue, for fiscal 2014. See the exhibit to our press release for more details and the calculation of Adjusted EBITDA.

Constant Currency Basis

On a constant currency basis relative to Q4 of fiscal 2014, Q4 of fiscal 2015 non-GAAP revenue would have increased by approximately \$1.0 million to approximately \$72.5 million; non-GAAP Adjusted EBITDA would have increased by approximately \$0.1 million to \$10.0 million, or 13.8% of revenue; and non-GAAP net income would have increased by approximately \$0.1 million to \$0.3 million, or by approximately \$0.01 per diluted share to \$0.04 per diluted share. On a constant currency basis relative to full-year fiscal 2014, full-year fiscal 2015 non-GAAP revenue would have increased by approximately \$6.3 million to approximately \$306.1 million; non-GAAP Adjusted EBITDA would have increased by approximately \$1.4 million to \$48.2 million, or 15.8% of revenue; and non-GAAP net income would have increased by approximately \$0.8 million to \$10.9 million, or by approximately \$0.08 per diluted share to \$1.18 per diluted share. 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 January 2, 2016 were \$86.4 million, compared with \$83.2 million at January 3, 2015. Current liabilities at January 2, 2016 were \$86.5 million, compared with \$88.3 million at January 3, 2015.

Total DSO in Q4 of fiscal 2015 was 105 days, consisting of 73 days of billed and 32 days of unbilled. This compares with 109 days we reported in Q3 of fiscal 2015, consisting of 69 days of billed and 40 days of unbilled.

Cash and Cash Flow

Cash and cash equivalents were \$38.1 million at January 2, 2016, compared with \$21.0 million at October 3, 2015.

5

For the full-year 2015, cash flow from operations was \$20.4 million including Q4 cash flow from operations of \$25.2 million.

Capital expenditures totaled approximately \$5.3 million in Q4 of fiscal 2015, compared with \$1.0 million in Q4 of fiscal 2014.

During Q4 of fiscal 2015, approximately 88,000 shares of common stock were repurchased for approximately \$2.0 million. For fiscal 2015, CRA repurchased a total of approximately 477,000 shares of common stock for \$12.8 million.

This concludes the prepared CFO remarks.

NON-GAAP FINANCIAL MEASURES

In addition to reporting its financial results in accordance with U.S. generally accepted accounting principles, or GAAP, the Company has also provided in this release non-GAAP financial information. The Company believes that the use of non-GAAP measures in addition to GAAP measures is a useful method of evaluating its results of operations. The Company believes that presenting its financial results excluding the items identified below is important to investors and management because it is more indicative of the Company's ongoing operating results and financial condition. These non-GAAP financial measures should be considered in conjunction with, but not as a substitute for, the financial information presented in accordance with GAAP, and the results calculated in accordance with GAAP and reconciliations to those results should be carefully evaluated. The non-GAAP financial measures used by the Company may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies. Specifically, for the fourth quarter of fiscal 2014 and for the full 2014 fiscal year, the Company has excluded NeuCo's results. For the fourth quarter of fiscal 2015 and for the full 2015 fiscal year, the Company has excluded NeuCo's results (including its non-cash goodwill impairment charge in the fourth quarter of fiscal 2015) and a non-cash change in estimate associated with a contingent liability for a future contingent consideration payment relating to a prior acquisition. Also, in calculating "Adjusted EBITDA" from income (loss) from operations for these fiscal periods, the Company has excluded the following non-cash expenses: depreciation and amortization, share-based compensation expenses, and amortization of forgivable loans.

Finally, the Company also believes that fluctuations in foreign currency exchange rates can significantly affect its financial results and provides a constant currency presentation to supplement disclosures regarding its results of operations and performance. The Company calculates constant currency amounts relative to a prior period, which also constitute non-GAAP financial information, by converting its current period local currency financial results using the prior period exchange rates. The Company has presented in these remarks its non-GAAP revenue, net income, earnings per diluted share and Adjusted EBITDA for the fourth quarter of fiscal 2015 on a constant currency basis relative to the fourth quarter of fiscal 2014, and for fiscal 2015 on a constant currency basis relative to fiscal 2014.

6