

EXPONENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
For the Quarters Ended December 30, 2005 and December 31, 2004
(in thousands, except per share data)

	<u>Quarter Ended</u>		<u>Year Ended</u>	
	<u>December 30, 2005</u>	<u>December 31, 2004</u>	<u>December 30, 2005</u>	<u>December 31, 2004</u>
Revenues				
Revenues before reimbursements	\$ 34,605	\$ 32,049	\$ 142,861	\$ 138,718
Reimbursements	4,353	3,010	12,335	12,791
Revenues	38,958	35,059	155,196	151,509
Operating expenses				
Compensation and related expenses	23,519	21,420	93,963	90,760
Other operating expenses	4,686	4,884	18,618	18,801
Reimbursable expenses	4,353	3,010	12,335	12,791
General and administrative expenses	2,969	2,819	9,900	9,833
	<u>35,527</u>	<u>32,133</u>	<u>134,816</u>	<u>132,185</u>
Operating income	3,431	2,926	20,380	19,324
Other income				
Interest income, net	388	172	1,205	471
Miscellaneous income, net	336	231	1,033	608
	<u>724</u>	<u>403</u>	<u>2,238</u>	<u>1,079</u>
Income before income taxes	4,155	3,329	22,618	20,403
Income taxes	<u>1,445</u>	<u>1,363</u>	<u>8,432</u>	<u>8,363</u>
Net income	<u>\$ 2,710</u>	<u>\$ 1,966</u>	<u>\$ 14,186</u>	<u>\$ 12,040</u>
Net income per share:				
Basic	\$ 0.33	\$ 0.25	\$ 1.75	\$ 1.56
Diluted	\$ 0.31	\$ 0.22	\$ 1.62	\$ 1.41
Shares used in per share computations:				
Basic	8,173	8,008	8,106	7,707
Diluted	8,845	8,738	8,769	8,537

EXPONENT, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
December 30, 2005 and December 31, 2004
(in thousands)

	December 30, 2005	December 31, 2004
Assets		
Current assets:		
Cash and cash equivalents	\$ 13,216	\$ 4,680
Short-term investments	55,682	55,366
Accounts receivable, net	46,211	38,586
Prepaid expenses and other assets	2,900	2,674
Deferred income taxes	2,156	2,205
Total current assets	<u>120,165</u>	<u>103,511</u>
Property, equipment and leasehold improvements, net	29,839	30,211
Goodwill	8,607	8,607
Other assets	5,630	1,803
	<u>\$ 164,241</u>	<u>\$ 144,132</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 4,136	\$ 4,330
Accrued payroll and employee benefits	19,910	18,528
Deferred revenues	2,364	1,681
Total current liabilities	<u>26,410</u>	<u>24,539</u>
Other liabilities	3,487	1,484
Deferred rent	1,144	1,087
Total liabilities	<u>31,041</u>	<u>27,110</u>
Stockholders' equity:		
Common stock	8	8
Additional paid-in capital	46,880	42,282
Deferred stock-based compensation	(1,917)	(907)
Accumulated other comprehensive (loss) income	(93)	114
Retained earnings	88,322	75,525
Total stockholders' equity	<u>133,200</u>	<u>117,022</u>
	<u>\$ 164,241</u>	<u>\$ 144,132</u>