

EXPONENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
For the Quarters Ended March 31, 2023 and April 1, 2022
(unaudited)
(in thousands, except per share data)

	Quarters Ended	
	March 31, 2023	April 1, 2022
<u>Revenues</u>		
Revenues before reimbursements	\$ 128,705	\$ 117,870
Reimbursements	11,604	10,608
Revenues	<u>140,309</u>	<u>128,478</u>
<u>Operating expenses</u>		
Compensation and related expenses	84,181	68,757
Other operating expenses	9,561	8,165
Reimbursable expenses	11,604	10,608
General and administrative expenses	5,843	4,231
Total operating expenses	<u>111,189</u>	<u>91,761</u>
Operating income	29,120	36,717
<u>Other income</u>		
Interest income, net	1,770	21
Miscellaneous income, net	4,648	(3,931)
	<u>6,418</u>	<u>(3,910)</u>
Income before income taxes	35,538	32,807
Income taxes	<u>6,414</u>	<u>3,198</u>
Net income	<u>\$ 29,124</u>	<u>\$ 29,609</u>
<u>Net income per share:</u>		
Basic	\$ 0.57	\$ 0.56
Diluted	\$ 0.56	\$ 0.56
<u>Shares used in per share computations:</u>		
Basic	51,132	52,419
Diluted	51,682	53,039

EXPONENT, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
March 31, 2023 and December 30, 2022
(unaudited)
(in thousands)

	March 31, 2023	December 30, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 125,649	\$ 161,458
Accounts receivable, net	173,064	170,114
Prepaid expenses and other assets	19,588	17,585
Total current assets	<u>318,301</u>	<u>349,157</u>
Property, equipment and leasehold improvements, net	69,413	65,539
Operating lease right-of-use asset	16,629	18,007
Goodwill	8,607	8,607
Other assets	153,477	145,352
Total assets	<u>\$ 566,427</u>	<u>\$ 586,662</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 26,322	\$ 29,115
Accrued payroll and employee benefits	63,390	105,822
Deferred revenues	14,567	18,834
Operating lease liability	4,900	5,258
Total current liabilities	<u>109,179</u>	<u>159,029</u>
Other liabilities	103,843	93,538
Operating lease liability	11,549	13,343
Total liabilities	<u>224,571</u>	<u>265,910</u>
Stockholders' equity:		
Common stock	66	66
Additional paid-in capital	314,502	301,002
Accumulated other comprehensive loss	(3,127)	(3,587)
Retained earnings	542,983	528,810
Treasury stock, at cost	(512,568)	(505,539)
Total stockholders' equity	<u>341,856</u>	<u>320,752</u>
Total liabilities & stockholders' equity	<u>\$ 566,427</u>	<u>\$ 586,662</u>

EXPONENT, INC.
EBITDA and EBITDAS (1)
For the Quarters Ended March 31, 2023 and April 1, 2022
(unaudited)
(in thousands)

	Quarters Ended	
	March 31, 2023	April 1, 2022
Net Income	\$ 29,124	\$ 29,609
Add back (subtract):		
Income taxes	6,414	3,198
Interest income, net	(1,770)	(21)
Depreciation and amortization	1,988	1,689
EBITDA (1)	35,756	34,475
Stock-based compensation	7,063	6,870
EBITDAS (1)	\$ 42,819	\$ 41,345

(1) EBITDA is a non-GAAP financial measure defined by the Company as net income before income taxes, interest income, depreciation and amortization. EBITDAS is a non-GAAP financial measure defined by the Company as EBITDA before stock-based compensation. The Company regards EBITDA and EBITDAS as useful measures of operating performance and cash flow to complement operating income, net income and other GAAP financial performance measures. Additionally, management believes that EBITDA and EBITDAS provide meaningful comparisons of past, present and future operating results. Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position or cash flow that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. These measures, however, should be considered in addition to, and not as a substitute or superior to, operating income, cash flows, or other measures of financial performance prepared in accordance with GAAP.