

EXPONENT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
For the Quarters Ended April 2, 2021 and April 3, 2020
(unaudited)
(in thousands, except per share data)

	Quarters Ended	
	April 2, 2021	April 3, 2020
<u>Revenues</u>		
Revenues before reimbursements	\$ 109,579	\$ 99,720
Reimbursements	6,902	6,233
Revenues	<u>116,481</u>	<u>105,953</u>
<u>Operating expenses</u>		
Compensation and related expenses	74,538	49,985
Other operating expenses	7,710	8,216
Reimbursable expenses	6,902	6,233
General and administrative expenses	3,273	5,531
Total operating expenses	<u>92,423</u>	<u>69,965</u>
Operating income	24,058	35,988
<u>Other income</u>		
Interest income, net	29	875
Miscellaneous income, net	6,039	(12,808)
	<u>6,068</u>	<u>(11,933)</u>
Income before income taxes	30,126	24,055
Income taxes	<u>(722)</u>	<u>(2,227)</u>
Net income	<u>\$ 30,848</u>	<u>\$ 26,282</u>
<u>Net income per share:</u>		
Basic	\$ 0.59	\$ 0.50
Diluted	\$ 0.58	\$ 0.49
<u>Shares used in per share computations:</u>		
Basic	52,536	52,575
Diluted	53,333	53,657

EXPONENT, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
April 2, 2021 and January 1, 2021
(unaudited)
(in thousands)

	<u>April 2, 2021</u>	<u>January 1, 2021</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 184,521	\$ 197,525
Short-term investments	29,999	45,001
Accounts receivable, net	124,211	111,565
Prepaid expenses and other assets	14,824	12,741
Total current assets	<u>353,555</u>	<u>366,832</u>
Property, equipment and leasehold improvements, net	60,473	59,823
Operating lease right-of-use asset	18,467	19,322
Goodwill	8,607	8,607
Other assets	135,920	125,512
Total assets	<u>\$ 577,022</u>	<u>\$ 580,096</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 18,411	\$ 16,327
Accrued payroll and employee benefits	54,490	83,194
Deferred revenues	8,906	11,800
Operating lease liability	6,135	5,987
Total current liabilities	<u>87,942</u>	<u>117,308</u>
Other liabilities	98,759	86,947
Operating lease liability	12,713	14,343
Total liabilities	<u>199,414</u>	<u>218,598</u>
Stockholders' equity:		
Common stock	66	66
Additional paid-in capital	274,012	265,328
Accumulated other comprehensive loss	(1,693)	(1,932)
Retained earnings	439,717	421,809
Treasury stock, at cost	(334,494)	(323,773)
Total stockholders' equity	<u>377,608</u>	<u>361,498</u>
Total liabilities & stockholders' equity	<u>\$ 577,022</u>	<u>\$ 580,096</u>

EXPONENT, INC.
EBITDA and EBITDAS (1)
For the Quarters Ended April 2, 2021 and April 3, 2020
(unaudited)
(in thousands)

	Quarters Ended	
	April 2, 2021	April 3, 2020
Net Income	\$ 30,848	\$ 26,282
Add back (subtract):		
Income taxes	(722)	(2,227)
Interest income, net	(29)	(875)
Depreciation and amortization	1,656	1,786
EBITDA (1)	31,753	24,966
Stock-based compensation	6,282	6,138
EBITDAS (1)	\$ 38,035	\$ 31,104

(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.