

**EXPONENT, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
For the Quarters Ended December 30, 2022 and December 31, 2021  
(unaudited)  
(in thousands, except per share data)

	<u>Quarters Ended</u>		<u>Years Ended</u>	
	<u>December 30, 2022</u>	<u>December 31, 2021</u>	<u>December 30, 2022</u>	<u>December 31, 2021</u>
<b><u>Revenues</u></b>				
Revenues before reimbursements	\$ 112,589	\$ 104,336	\$ 463,820	\$ 434,850
Reimbursements	14,766	9,170	49,473	31,419
Revenues	<u>127,355</u>	<u>113,506</u>	<u>513,293</u>	<u>466,269</u>
<b><u>Operating expenses</u></b>				
Compensation and related expenses	74,253	67,556	264,235	278,047
Other operating expenses	9,341	8,746	35,083	32,594
Reimbursable expenses	14,766	9,170	49,473	31,419
General and administrative expenses	6,960	4,656	23,660	15,282
Total operating expenses	<u>105,320</u>	<u>90,128</u>	<u>372,451</u>	<u>357,342</u>
Operating income	22,035	23,378	140,842	108,927
<b><u>Other income (expense), net</u></b>				
Interest income, net	1,262	12	2,096	66
Miscellaneous income, net	7,222	5,265	(10,704)	16,844
Total other income (expense), net	<u>8,484</u>	<u>5,277</u>	<u>(8,608)</u>	<u>16,910</u>
Income before income taxes	30,519	28,655	132,234	125,837
<b>Income taxes</b>	<u>7,995</u>	<u>8,275</u>	<u>29,904</u>	<u>24,635</u>
Net income	<u>\$ 22,524</u>	<u>\$ 20,380</u>	<u>\$ 102,330</u>	<u>\$ 101,202</u>
<b><u>Net income per share:</u></b>				
Basic	\$ 0.44	\$ 0.39	\$ 1.98	\$ 1.92
Diluted	\$ 0.44	\$ 0.38	\$ 1.96	\$ 1.90
<b><u>Shares used in per share computations:</u></b>				
Basic	51,105	52,647	51,727	52,610
Diluted	51,649	53,359	52,280	53,331

**EXPONENT, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**December 30, 2022 and December 31, 2021**  
**(unaudited)**  
**(in thousands)**

	<b>December 30, 2022</b>	<b>December 31, 2021</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 161,458	\$ 297,687
Accounts receivable, net	170,114	139,861
Prepaid expenses and other assets	17,585	15,214
Total current assets	<u>349,157</u>	<u>452,762</u>
Property, equipment and leasehold improvements, net	65,539	59,971
Operating lease right-of-use asset	18,007	14,370
Goodwill	8,607	8,607
Other assets	145,352	148,029
Total Assets	<u>\$ 586,662</u>	<u>\$ 683,739</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 29,115	\$ 24,504
Accrued payroll and employee benefits	105,822	103,552
Deferred revenues	18,834	19,762
Operating lease liability	5,258	5,164
Total current liabilities	<u>159,029</u>	<u>152,982</u>
Other liabilities	93,538	103,885
Operating lease liability	13,343	9,807
Total liabilities	<u>265,910</u>	<u>266,674</u>
Stockholders' equity:		
Common stock	66	66
Additional paid-in capital	301,002	281,419
Accumulated other comprehensive loss	(3,587)	(1,983)
Retained earnings	528,810	478,370
Treasury stock, at cost	(505,539)	(340,807)
Total stockholders' equity	<u>320,752</u>	<u>417,065</u>
	<u>\$ 586,662</u>	<u>\$ 683,739</u>

**EXPONENT, INC.**  
**EBITDA and EBITDAS (1)**  
**For the Quarters Ended December 30, 2022 and December 31, 2021**  
**(unaudited)**  
**(in thousands)**

	Quarter Ended		Years Ended	
	December 30, 2022	December 31, 2021	December 30, 2022	December 31, 2021
Net Income	\$ 22,524	\$ 20,380	\$ 102,330	\$ 101,202
Add back (subtract):				
Income taxes	7,995	8,275	29,904	24,635
Interest income, net	(1,262)	(12)	(2,096)	(66)
Depreciation and amortization	1,855	1,544	7,079	6,487
<b>EBITDA (1)</b>	<b>31,112</b>	<b>30,187</b>	<b>137,217</b>	<b>132,258</b>
Stock-based compensation	4,292	4,024	20,364	19,263
<b>EBITDAS (1)</b>	<b>\$ 35,404</b>	<b>\$ 34,211</b>	<b>\$ 157,581</b>	<b>\$ 151,521</b>

(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.