

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 28, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 000-24049

CRA International, Inc.

(Exact name of registrant as specified in its charter)

Massachusetts

04-2372210

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer Identification No.)

200 Clarendon Street , Boston , MA

02116-5092

(Address of principal executive offices)

(Zip Code)

(617) 425-3000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	CRAI	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at October 25, 2024
Common Stock, no par value per share	6,779,710 shares

CRA International, Inc.

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

CRA INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(in thousands, except per share data)

	Fiscal Quarter Ended		Fiscal Year-to-Date	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Revenues	\$ 167,748	\$ 147,553	\$ 510,979	\$ 462,363
Costs of services (exclusive of depreciation and amortization)	115,188	105,894	359,394	327,064
Selling, general and administrative expenses	31,269	27,919	93,784	86,137
Depreciation and amortization	2,900	2,947	8,503	8,762
Income from operations	18,391	10,793	49,298	40,400
Interest expense, net	(1,457)	(1,025)	(3,405)	(3,212)
Foreign currency gains (losses), net	(904)	755	(1,236)	(459)
Income before provision for income taxes	16,030	10,523	44,657	36,729
Provision for income taxes	4,593	1,927	12,991	9,707
Net income	<u>\$ 11,437</u>	<u>\$ 8,596</u>	<u>\$ 31,666</u>	<u>\$ 27,022</u>
Net income per share:				
Basic	\$ 1.68	\$ 1.22	\$ 4.62	\$ 3.83
Diluted	<u>\$ 1.67</u>	<u>\$ 1.21</u>	<u>\$ 4.57</u>	<u>\$ 3.78</u>
Weighted average number of shares outstanding:				
Basic	<u>6,760</u>	<u>6,977</u>	<u>6,840</u>	<u>7,026</u>
Diluted	<u>6,843</u>	<u>7,083</u>	<u>6,922</u>	<u>7,138</u>

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (unaudited)***(in thousands)*

	Fiscal Quarter Ended		Fiscal Year-to-Date	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Net income	\$ 11,437	\$ 8,596	\$ 31,666	\$ 27,022
Other comprehensive income (loss)				
Foreign currency translation adjustments, net of tax	2,895	(1,755)	1,475	371
Comprehensive income	<u>\$ 14,332</u>	<u>\$ 6,841</u>	<u>\$ 33,141</u>	<u>\$ 27,393</u>

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)

(in thousands, except share data)

	September 28, 2024	December 30, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 24,481	\$ 45,586
Accounts receivable, net of allowances of \$ 5,490 and \$ 4,335 , respectively	152,116	142,729
Unbilled services, net of allowances of \$ 1,026 and \$ 1,629 , respectively	80,739	56,827
Prepaid expenses and other current assets	17,726	11,575
Forgivable loans	10,478	8,759
Total current assets	<u>285,540</u>	<u>265,476</u>
Property and equipment, net	38,496	38,176
Goodwill	94,577	93,989
Intangible assets, net	7,599	7,196
Right-of-use assets	87,032	86,887
Deferred income taxes	13,350	13,885
Forgivable loans, net of current portion	48,501	45,182
Other assets	7,248	2,420
Total assets	<u><u>\$ 582,343</u></u>	<u><u>\$ 553,211</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 28,430	\$ 28,701
Accrued expenses	146,284	171,040
Deferred revenue and other liabilities	8,451	12,289
Current portion of lease liabilities	18,626	16,475
Current portion of deferred compensation	6,466	7,582
Revolving line of credit	60,000	—
Total current liabilities	<u>268,257</u>	<u>236,087</u>
Non-current liabilities:		
Deferred compensation and other non-current liabilities	19,045	11,681
Non-current portion of lease liabilities	89,412	92,280
Deferred income taxes	1,116	1,062
Total non-current liabilities	<u>109,573</u>	<u>105,023</u>
Commitments and contingencies (Note 10)		
Shareholders' equity:		
Preferred stock, no par value; 1,000,000 shares authorized; none issued and outstanding	—	—
Common stock, no par value; 25,000,000 shares authorized; 6,761,582 and 6,934,265 shares issued and outstanding, respectively	1,311	—
Retained earnings	213,909	224,283
Accumulated other comprehensive loss	(10,707)	(12,182)
Total shareholders' equity	<u>204,513</u>	<u>212,101</u>
Total liabilities and shareholders' equity	<u><u>\$ 582,343</u></u>	<u><u>\$ 553,211</u></u>

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

(in thousands)

	Fiscal Year-to-Date Period Ended	
	September 28, 2024	September 30, 2023
OPERATING ACTIVITIES:		
Net income	\$ 31,666	\$ 27,022
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	8,503	8,762
Right-of-use asset amortization	11,309	10,602
Deferred income taxes	418	(1,257)
Share-based compensation expense	3,760	3,024
Bad debt expense (recovery)	587	523
Unrealized foreign currency remeasurement (gains) losses, net	(152)	(112)
Changes in operating assets and liabilities:		
Accounts receivable	(9,018)	18,785
Unbilled services	(23,303)	(17,226)
Prepaid expenses and other current assets, and other assets	(10,342)	(4,006)
Forgivable loans	(13,958)	(2,306)
Incentive cash awards payable	7,262	6,110
Accounts payable, accrued expenses, and other liabilities	(24,174)	(36,786)
Lease liabilities	(12,247)	(13,162)
Net cash used in operating activities	<u>(29,689)</u>	<u>(27)</u>
INVESTING ACTIVITIES:		
Purchases of property and equipment	(6,032)	(2,008)
Consideration paid for acquisition	<u>(1,500)</u>	<u>(577)</u>
Net cash used in investing activities	<u>(7,532)</u>	<u>(2,585)</u>
FINANCING ACTIVITIES:		
Borrowings under revolving line of credit	95,000	105,000
Repayments under revolving line of credit	(35,000)	(73,000)
Tax withholding payments reimbursed by shares	(2,030)	(2,040)
Cash dividends paid	(8,850)	(7,773)
Repurchase of common stock	<u>(33,348)</u>	<u>(23,577)</u>
Net cash provided by (used in) financing activities	<u>15,772</u>	<u>(1,390)</u>
Effect of foreign exchange rates on cash and cash equivalents	344	159
Net decrease in cash and cash equivalents	<u>(21,105)</u>	<u>(3,843)</u>
Cash and cash equivalents at beginning of period	45,586	31,447
Cash and cash equivalents at end of period	<u>\$ 24,481</u>	<u>\$ 27,604</u>
Noncash investing and financing activities:		
Increase (decrease) in accounts payable and accrued expenses for property and equipment	<u>\$ 1,228</u>	<u>\$ (129)</u>
Asset retirement obligations	<u>\$ 191</u>	<u>\$ —</u>
Excise tax on share repurchases	<u>\$ (284)</u>	<u>\$ (190)</u>
Right-of-use assets obtained in exchange for lease obligations	<u>\$ 10,627</u>	<u>\$ 2,503</u>
Supplemental cash flow information:		
Cash paid for taxes	<u>\$ 17,085</u>	<u>\$ 9,953</u>
Cash paid for interest	<u>\$ 3,086</u>	<u>\$ 2,904</u>
Cash paid for amounts included in operating lease liabilities	<u>\$ 15,008</u>	<u>\$ 16,660</u>

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

FOR THE FISCAL YEAR-TO-DATE PERIOD ENDED SEPTEMBER 28, 2024 (unaudited)

(in thousands, except share data)

	Common Stock		Accumulated Other Comprehensive Loss			Total Shareholders' Equity
	Shares Issued	Amount	Retained Earnings	Comprehensive Loss		
BALANCE AT DECEMBER 30, 2023	6,934,265	\$ —	\$ 224,283	\$ (12,182)	\$ 212,101	
Net income	—	—	13,691	—	—	13,691
Foreign currency translation adjustment	—	—	—	(1,105)	—	(1,105)
Share-based compensation expense	—	1,039	—	—	—	1,039
Restricted shares vesting	33,441	—	—	—	—	—
Redemption of vested employee restricted shares for tax withholding	(12,526)	(1,631)	—	—	—	(1,631)
Shares repurchased	(65,882)	592	(9,834)	—	—	(9,242)
Accrued excise tax on shares repurchased	—	—	(65)	—	—	(65)
Accrued dividends on unvested shares	—	—	77	—	—	77
Cash dividends paid (\$ 0.42 per share)	—	—	(3,075)	—	—	(3,075)
BALANCE AT MARCH 30, 2024	6,889,298	—	\$ 225,077	\$ (13,287)	\$ 211,790	
Net income	—	—	6,538	—	—	6,538
Foreign currency translation adjustment	—	—	—	(315)	—	(315)
Share-based compensation expense	—	1,357	—	—	—	1,357
Restricted shares vesting	6,143	—	—	—	—	—
Redemption of vested employee restricted shares for tax withholding	(2,340)	(346)	—	—	—	(346)
Shares repurchased	(140,497)	(1,011)	(23,095)	—	—	(24,106)
Accrued excise tax on shares repurchased	—	—	(235)	—	—	(235)
Accrued dividends on unvested shares	—	—	(33)	—	—	(33)
Cash dividends paid (\$ 0.42 per share)	—	—	(2,901)	—	—	(2,901)
BALANCE AT JUNE 29, 2024	6,752,604	—	\$ 205,351	\$ (13,602)	\$ 191,749	
Net income	—	—	11,437	—	—	11,437
Foreign currency translation adjustment	—	—	—	2,895	—	2,895
Share-based compensation expense	—	1,364	—	—	—	1,364
Restricted shares vesting	9,272	—	—	—	—	—
Redemption of vested employee restricted shares for tax withholding	(294)	(53)	—	—	—	(53)
Accrued excise tax on shares repurchased	—	—	16	—	—	16
Accrued dividends on unvested shares	—	—	(21)	—	—	(21)
Cash dividends paid (\$ 0.42 per share)	—	—	(2,874)	—	—	(2,874)
BALANCE AT SEPTEMBER 28, 2024	6,761,582	1,311	\$ 213,909	\$ (10,707)	\$ 204,513	

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE FISCAL YEAR-TO-DATE PERIOD ENDED September 30, 2023 (unaudited)

(in thousands, except share data)

	Common Stock		Accumulated Other Comprehensive Total Shareholders' Equity		
	Shares Issued	Amount	Retained Earnings	Loss	Equity
BALANCE AT DECEMBER 31, 2022	7,149,884	\$ 1,743	\$ 224,392	\$ (14,981)	\$ 211,154
Net income	—	—	8,918	—	8,918
Foreign currency translation adjustment	—	—	—	1,052	1,052
Share-based compensation expense	—	940	—	—	940
Restricted shares vesting	45,544	—	—	—	—
Redemption of vested employee restricted shares for tax withholding	(16,614)	(1,873)	—	—	(1,873)
Shares repurchased	(180,881)	(810)	(19,767)	—	(20,577)
Accrued excise tax on shares repurchased	—	—	(173)	—	(173)
Accrued dividends on unvested shares	—	—	45	—	45
Cash dividends paid (\$ 0.36 per share)	—	—	(2,702)	—	(2,702)
BALANCE AT APRIL 1, 2023	6,997,933	\$ —	\$ 210,713	\$ (13,929)	\$ 196,784
Net income	—	—	9,508	—	9,508
Foreign currency translation adjustment	—	—	—	1,074	1,074
Share-based compensation expense	—	1,158	—	—	1,158
Restricted shares vesting	3,630	—	—	—	—
Redemption of vested employee restricted shares for tax withholding	(1,237)	(136)	—	—	(136)
Shares repurchased	(31,090)	(554)	(2,446)	—	(3,000)
Accrued excise tax on shares repurchased	—	—	(27)	—	(27)
Accrued dividends on unvested shares	—	—	(47)	—	(47)
Cash dividends paid (\$ 0.36 per share)	—	—	(2,528)	—	(2,528)
BALANCE AT JULY 1, 2023	6,969,236	\$ 468	\$ 215,173	\$ (12,855)	\$ 202,786
Net income	—	—	8,596	—	8,596
Foreign currency translation adjustment	—	—	—	(1,755)	(1,755)
Share-based compensation expense	—	926	—	—	926
Restricted shares vesting	10,004	—	—	—	—
Redemption of vested employee restricted shares for tax withholding	(299)	(31)	—	—	(31)
Accrued excise tax on shares repurchased	—	—	10	—	10
Accrued dividends on unvested shares	—	—	(31)	—	(31)
Cash dividends paid (\$ 0.36 per share)	—	—	(2,543)	—	(2,543)
BALANCE AT SEPTEMBER 30, 2023	6,978,941	\$ 1,363	\$ 221,205	\$ (14,610)	\$ 207,958

See accompanying notes to the condensed consolidated financial statements.

CRA INTERNATIONAL, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Summary of Significant Accounting Policies

Description of Business

CRA International, Inc. and its wholly-owned subsidiaries (collectively, "CRA" or the "Company") is a worldwide leading consulting services firm that applies advanced analytic techniques and in-depth industry knowledge to complex engagements for a broad range of clients. CRA offers services in two broad areas: litigation, regulatory, and financial consulting and management consulting. CRA operates in one business segment. CRA operates its business under its registered trade name, Charles River Associates.

Basis of Presentation

The unaudited condensed consolidated financial statements include the accounts of CRA which require consolidation after the elimination of intercompany accounts and transactions. These financial statements have been prepared in accordance with the rules and regulations of the U.S. Securities and Exchange Commission ("SEC") for Quarterly Reports on Form 10-Q. Accordingly, these financial statements do not include all the information and note disclosures required by accounting principles generally accepted in the United States of America ("U.S. GAAP") for annual financial statements. Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications had no effect on previously reported results of operations, financial position, or cash flows. In the opinion of management, these financial statements reflect all adjustments of a normal, recurring nature necessary for the fair presentation of CRA's results of operations, financial position, cash flows, and shareholders' equity for the interim periods presented in conformity with U.S. GAAP. Results of operations for the interim periods presented herein are not necessarily indicative of results of operations for a full year. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto for the fiscal year ended December 30, 2023 included in CRA's Annual Report on Form 10-K filed with the SEC on February 29, 2024 (the "2023 Form 10-K").

Note 1 to the Consolidated Financial Statements included in Part II, Item 8, on the 2023 Form 10-K describes the significant accounting policies and methods used in preparation of the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

Recent Accounting Standards Not Yet Adopted

Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* (ASU 2023-07). The ASU improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 also requires that a public entity that has a single reportable segment provide all disclosures required by these amendments and all existing segment disclosures in Topic 280.

ASU 2023-07 is effective for CRA for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. CRA plans to adopt the amendment during the fourth fiscal quarter of 2024. CRA expects the adoption of this ASU will impact its disclosures, but will not have a material effect on its consolidated financial statements.

Income Taxes (Topic 740): Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* (ASU 2023-09) . The ASU requires disclosure of specific categories in the rate reconciliation, provides additional information for reconciling items that meet a quantitative threshold, and discloses the amount of income taxes paid disaggregated by federal, state, foreign taxes, and individual jurisdiction. ASU 2023-09 also requires income (or loss) from

CRA INTERNATIONAL, INC.**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)****(Unaudited)**

continuing operations before income tax expense (or benefit) disaggregated between domestic and foreign, and income tax expense (or benefit) from continuing operations disaggregated by federal (national), state, and foreign.

ASU 2023-09 is effective for CRA for annual periods beginning after December 15, 2024. CRA plans to adopt the amendment during the annual reporting for fiscal year 2025. CRA has begun to assess the impact of the amendment and has modeled out the changes to its income tax disclosures. As the amendment relates solely to disclosures, the adoption is not expected to have an effect on CRA's financial results.

2. Revenues and Allowances

The contracts CRA enters into and operates under specify whether the projects are billed on a time-and-materials or a fixed-price basis. Time-and-materials contracts are typically used for litigation, regulatory, and financial consulting projects while fixed-price contracts are principally used for management consulting projects. In general, project costs are classified in costs of services (exclusive of depreciation and amortization) and are based on the direct salary of CRA's employee consultants on the engagement, plus all direct expenses incurred to complete the project, including any amounts billed to CRA by its non-employee experts.

Disaggregation of Revenue

The following tables disaggregate CRA's revenue by type of contract and geographic location (in thousands):

Type of Contract	Fiscal Year-to-Date			
	Fiscal Quarter Ended		Period Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Consulting services revenues:				
Fixed-price	\$ 30,670	\$ 26,856	\$ 90,043	\$ 81,585
Time-and-materials	137,078	120,697	420,936	380,778
Total	<u>\$ 167,748</u>	<u>\$ 147,553</u>	<u>\$ 510,979</u>	<u>\$ 462,363</u>

Revenues have been attributed to locations based on the location of the legal entity generating the revenues.

Geographic Breakdown	Fiscal Year-to-Date			
	Fiscal Quarter Ended		Period Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Consulting services revenues:				
United States	\$ 136,223	\$ 117,420	\$ 417,029	\$ 362,186
United Kingdom	20,821	21,227	64,136	73,272
Other	10,704	8,906	29,814	26,905
Total	<u>\$ 167,748</u>	<u>\$ 147,553</u>	<u>\$ 510,979</u>	<u>\$ 462,363</u>

Reserves for Variable Consideration and Credit Risk

Revenues from CRA's consulting services are recorded at the net transaction price, which includes estimates of variable consideration for which reserves are established. Variable consideration reserves are based on specific price concessions and those expected to be extended to CRA customers estimated by CRA's historical realization rates. Reserves for variable consideration are recorded as a component of the allowances for accounts receivable and unbilled services on the condensed consolidated balance sheets. Adjustments to the reserves for variable consideration are included in revenues on the condensed consolidated statements of operations.

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CRA INTERNATIONAL, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)

The following table presents CRA's bad debt expense, net of recoveries of previously written off allowances (in thousands):

	Fiscal Quarter Ended		Fiscal Year-to-Date	
			Period Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Bad debt expense (recovery), net	\$ (94)	\$ 131	\$ 587	\$ 523

Reimbursable Expenses

Revenues also include reimbursements for costs incurred by CRA in fulfilling its performance obligations, including travel and other out-of-pocket expenses, fees for outside consultants, and other reimbursable expenses. CRA recovers substantially all of these costs. The following expenses are subject to reimbursement (in thousands):

	Fiscal Quarter Ended		Fiscal Year-to-Date	
			Period Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Reimbursable expenses	\$ 16,107	\$ 17,932	\$ 49,530	\$ 49,165

Contract Balances from Contracts with Customers

The timing of revenue recognition, billings, and cash collections results in accounts receivables, unbilled services, and contract liabilities on the consolidated balance sheets. Revenues recognized for services performed, but not yet billed to clients, are recorded as unbilled services. The following table presents the open and closing balances of CRA's accounts receivable, net and unbilled services, net (in thousands):

	September 28, 2024		December 30, 2023		December 31, 2022	
	Accounts receivable, net	Unbilled services, net	Accounts receivable, net	Unbilled services, net	Accounts receivable, net	Unbilled services, net
Accounts receivable, net	\$ 152,116	\$ 80,739	\$ 142,729	\$ 56,827	\$ 143,644	\$ 51,343
Unbilled services, net						

CRA defines contract assets as assets for which it has recorded revenue because it determines that it is probable that it will earn a performance-based or contingent fee, but is not yet entitled to receive a fee because certain events, such as completion of the measurement period or client approval, must occur. The contract assets balance was immaterial as of September 28, 2024, December 30, 2023, and December 31, 2022.

When consideration is received, or such consideration is unconditionally due from a customer prior to transferring consulting services to the customer under the terms of a contract, a contract liability is recorded. Contract liabilities are recognized as revenue after performance obligations have been satisfied and all revenue recognition criteria have been met. The following table presents the closing balances of CRA's contract liabilities (in thousands):

	September 28, 2024		December 30, 2023		December 31, 2022	
	Contract liabilities	Contract liabilities	Contract liabilities	Contract liabilities	Contract liabilities	Contract liabilities
Contract liabilities	\$ 2,141	\$ 2,141	\$ 6,037	\$ 6,037	\$ 6,977	\$ 6,977

CRA INTERNATIONAL, INC.**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)****(Unaudited)**

CRA recognized the following revenue that was included in the contract liabilities balance as of the opening of the respective period or for performance obligations satisfied in previous periods (in thousands):

	Fiscal Quarter Ended		Fiscal Year-to-Date	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Amounts included in contract liabilities at the beginning of the period	\$ 1,656	\$ 2,580	\$ 5,686	\$ 6,619
Performance obligations satisfied in previous periods	\$ 2,650	\$ 3,658	\$ 3,557	\$ 2,816

3. Forgivable Loans

In order to attract and retain highly skilled professionals, CRA may issue forgivable loans to employees and non-employee experts, certain of which may be denominated in local currencies. A portion of these loans is collateralized. The forgivable loans have terms that are generally between two and six years with interest rates currently ranging up to 5.12 %. The principal amount of forgivable loans and accrued interest is forgiven by CRA over the term of the loans, so long as the employee or non-employee expert continues employment or affiliation with CRA and complies with certain contractual requirements. The forgiveness of the principal amount of the loans is recorded as compensation over the service period, which is consistent with the term of the loans.

The following table presents forgivable loan activity for the respective periods (in thousands):

	September 28, 2024	December 30, 2023
Beginning balance	\$ 53,941	\$ 56,456
Advances	38,388	23,342
Repayments	(288)	(1,816)
Reclassifications from accrued expenses or to other assets ⁽¹⁾	(8,965)	—
Amortization ⁽²⁾	(24,141)	(24,198)
Effects of foreign currency translation	44	157
Ending balance	\$ 58,979	\$ 53,941
Current portion of forgivable loans	\$ 10,478	\$ 8,759
Non-current portion of forgivable loans	\$ 48,501	\$ 45,182

(1) Relates to the reclassification of performance awards previously recorded as accrued expenses or forgivable loans that have been reclassified to other receivables.

(2) During the quarter ended June 29, 2024, approximately \$ 5.7 million of amortization was accelerated due to involuntary terminations.

CRA INTERNATIONAL, INC.**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)****(Unaudited)****4. Goodwill and Intangible Assets**

The changes in the carrying amount of goodwill for the fiscal year-to-date period ended September 28, 2024 are summarized as follows (in thousands):

Goodwill, at December 30, 2023		\$ 165,882
Accumulated goodwill impairment		(71,893)
Goodwill, net at December 30, 2023		93,989
Foreign currency translation adjustment		588
Goodwill, net at September 28, 2024		<u>\$ 94,577</u>

Goodwill, net at September 28, 2024 of \$ 94.6 million, is comprised of goodwill of \$ 166.5 million and accumulated impairment of \$ 71.9 million. There were no impairment losses related to goodwill during the fiscal-year-to-date period ended September 28, 2024 or during the fiscal year ended December 30, 2023.

Intangible assets that are separable from goodwill and have determinable useful lives are valued separately and amortized using the straight-line method over their expected useful lives. The components of acquired identifiable intangible assets are as follows (in thousands):

Useful Life (in years)	September 28, 2024			December 30, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
	10	\$ 15,300	\$ (7,701)	\$ 7,599	\$ 13,800	\$ (6,604)
Customer relationships						

There were no impairment losses related to intangible assets during the fiscal year-to-date period ended September 28, 2024 or during the fiscal year ended December 30, 2023. Amortization expense related to intangible assets was \$ 0.4 million and \$ 1.1 million for the fiscal quarter and fiscal year-to-date period ended September 28, 2024, respectively, and \$ 0.3 million and \$ 1.0 million for the fiscal quarter and fiscal year-to-date period ended September 30, 2023, respectively.

5. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	September 28, 2024	December 30, 2023
Compensation and related expenses	\$ 134,762	\$ 143,647
Performance awards	165	16,556
Direct project accruals	3,171	1,704
Other	8,186	9,133
Total accrued expenses	<u>\$ 146,284</u>	<u>\$ 171,040</u>

As of September 28, 2024 and December 30, 2023, approximately \$ 109.5 million and \$ 121.2 million, respectively, of accrued bonuses were included above in "Compensation and related expenses."

6. Income Taxes

For the fiscal quarters ended September 28, 2024 and September 30, 2023, CRA's effective income tax rate ("ETR") was 28.7 % and 18.3 %, respectively. The ETR for the third quarter of fiscal 2024 was higher than the third quarter of fiscal 2023

[Table of Contents](#)**CRA INTERNATIONAL, INC.****NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)****(Unaudited)**

primarily due to the release of a valuation allowance in the third quarter of fiscal 2023, partially offset by an increase in the tax benefit related to share-based compensation.

For the fiscal year-to-date periods ended September 28, 2024 and September 30, 2023, CRA's ETR was 29.1 % and 26.4 %, respectively. The ETR for the fiscal year-to-date period ended September 28, 2024 was higher than the fiscal year-to-date period ended September 30, 2023, primarily due to the same items noted above.

7. Net Income Per Share

CRA calculates basic earnings per share using the two-class method. CRA calculates diluted earnings per share using the more dilutive of either the two-class method or treasury stock method. The two-class method was more dilutive for the fiscal quarters and fiscal year-to-date periods ended September 28, 2024 and September 30, 2023.

Under the two-class method, net earnings are allocated to each class of common stock and participating security as if all the net earnings for the period had been distributed. CRA's participating securities consist of unvested share-based payment awards that contain a nonforfeitable right to receive dividends and therefore are considered to participate in undistributed earnings with common shareholders. Net earnings allocable to these participating securities were not material for the fiscal quarters and fiscal year-to-date periods ended September 28, 2024 and September 30, 2023.

The following table presents the calculation of basic and diluted net income per share (in thousands, except per share data):

	Fiscal Quarter Ended		Fiscal Year-to-Date	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Numerator:				
Net income — basic	\$ 11,437	\$ 8,596	\$ 31,666	\$ 27,022
Less: net income attributable to participating shares	25	29	94	98
Net income — diluted	<u>\$ 11,412</u>	<u>\$ 8,567</u>	<u>\$ 31,572</u>	<u>\$ 26,924</u>
Denominator:				
Weighted average shares outstanding — basic	6,760	6,977	6,840	7,026
Effect of dilutive stock options and restricted stock units	83	106	82	112
Weighted average shares outstanding — diluted	<u>6,843</u>	<u>7,083</u>	<u>6,922</u>	<u>7,138</u>
Net income per share:				
Basic	\$ 1.68	\$ 1.22	\$ 4.62	\$ 3.83
Diluted	<u>\$ 1.67</u>	<u>\$ 1.21</u>	<u>\$ 4.57</u>	<u>\$ 3.78</u>

For the fiscal quarter and fiscal year-to-date period ended September 28, 2024, the anti-dilutive share-based awards that were excluded from the calculation of common stock equivalents for purposes of computing diluted weighted average outstanding shares amounted to 4,900 and 1,225 shares, respectively. For the fiscal quarter and fiscal year-to-date period ended September 30, 2023, the anti-dilutive share-based awards that were excluded from the calculation of common stock equivalents for purposes of computing diluted weighted average shares outstanding amounted to 6,185 and 5,875 shares, respectively.

8. Fair Value of Financial Instruments

The following tables show CRA's financial instruments recorded in the condensed consolidated financial statements which are measured at fair value on a recurring basis by level within the fair value hierarchy (in thousands):

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CRA INTERNATIONAL, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)

	September 28, 2024		
	Level 1	Level 2	Level 3
Assets:			
Money market mutual funds	\$ —	\$ —	\$ —
Total Assets	\$ —	\$ —	\$ —
Liabilities:			
Contingent consideration liability	\$ —	\$ —	\$ 190
Total Liabilities	\$ —	\$ —	\$ 190

	December 30, 2023		
	Level 1	Level 2	Level 3
Assets:			
Money market mutual funds	\$ —	\$ —	\$ —
Total Assets	\$ —	\$ —	\$ —
Liabilities:			
Contingent consideration liability	\$ —	\$ —	\$ 190
Total Liabilities	\$ —	\$ —	\$ 190

The contingent consideration liability pertains to estimated future contingent consideration payments related to the acquisition of bioStrategies Group, Inc. during fiscal 2022. The following table summarizes the changes in the contingent consideration liability (in thousands):

	Fiscal Year-to-Date	
	Period Ended	Fiscal Year Ended
	September 28, 2024	December 30, 2023
Beginning balance	\$ 190	\$ 1,056
Remeasurement of acquisition-related contingent consideration	—	(934)
Accretion	—	68
Ending balance	\$ 190	\$ 190

9. Credit Agreement

CRA is party to a Credit Agreement, dated as of August 19, 2022 (as amended, the "Credit Agreement") with Bank of America, N.A., as swingline lender, a letter of credit issuing bank and administrative agent, and with Citizens Bank, N.A., as a letter of credit issuing bank. The Credit Agreement provides CRA with a \$ 250.0 million revolving credit facility, which may be decreased at CRA's option to \$ 200.0 million during the period from July 16 in a year through January 15 in the next year. Additionally, for the period from January 16 to July 15 of each calendar year, CRA may elect to not increase the revolving credit facility to \$ 250.0 million. The revolving credit facility includes a \$ 25.0 million sublimit for the issuance of letters of credit.

Under the Credit Agreement, CRA must comply with various financial and non-financial covenants. The primary financial covenants consist of a maximum consolidated net leverage ratio of 3.0 to 1 and a minimum consolidated interest coverage ratio of 2.5 to 1. The primary non-financial covenants include, but are not limited to, restrictions on CRA's ability to

CRA INTERNATIONAL, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)

incur future indebtedness, engage in acquisitions or dispositions, pay dividends or repurchase capital stock, and enter into business combinations. Any indebtedness outstanding under the revolving credit facility may become immediately due upon the occurrence of stated events of default, including CRA's failure to pay principal, interest or fees, or upon the breach of any covenant. As of September 28, 2024, CRA was in compliance with the covenants of the Credit Agreement.

There were \$ 60.0 million in borrowings outstanding under the revolving credit facility as of September 28, 2024 and no borrowings outstanding as of December 30, 2023. As of September 28, 2024, the amount available under the revolving credit facility was reduced by certain letters of credit outstanding, which amounted to \$ 4.1 million.

10. Commitments and Contingencies

As described in the previous note, CRA is party to standby letters of credit with its lenders in support of minimum future lease payments under certain operating leases for office space.

CRA is subject to legal actions arising in the ordinary course of business. In management's opinion, based on current knowledge, CRA believes it has adequate legal defenses or insurance coverage, or both, with respect to the eventuality of such actions. CRA does not believe any settlement or judgment relating to any pending legal action would materially affect its financial position or results of operations. However, the outcome of such legal actions is inherently unpredictable and subject to inherent uncertainties.

11. Subsequent Events

On October 31, 2024, CRA announced that its Board of Directors declared a quarterly cash dividend of \$ 0.49 per common share, payable on December 13, 2024 to shareholders of record as of November 26, 2024.

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ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

Except for historical facts, the statements in this quarterly report are forward-looking statements. Forward-looking statements are merely our current predictions of future events. These statements are inherently uncertain, and actual events could differ materially from our predictions. Important factors that could cause actual events to vary from our predictions include those discussed below under the heading "Risk Factors." We assume no obligation to update our forward-looking statements to reflect new information or developments. We urge readers to review carefully the risk factors described in the other documents that we file with the Securities and Exchange Commission ("SEC"). You can read these documents at www.sec.gov.

Additional Available Information

Our principal Internet address is www.crai.com. Our website provides a link to a third-party website through which our annual, quarterly, and current reports, and amendments to those reports, are available free of charge. We do not maintain or provide any information directly to the third-party website, and we do not check its accuracy.

Critical Accounting Policies and Estimates

Our critical accounting policies involving the more significant estimates and judgments used in the preparation of our financial statements as of September 28, 2024 remain unchanged from December 30, 2023. Please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the fiscal year ended December 30, 2023, filed with the SEC on February 29, 2024 (the "2023 Form 10-K") for details on these critical accounting policies.

Recent Accounting Standards

There are no recent accounting standards that impact the unaudited condensed consolidated financial statements.

Results of Operations—For the Fiscal Quarter and Fiscal Year-to-Date Period Ended September 28, 2024, Compared to the Fiscal Quarter and Fiscal Year-to-Date Period Ended September 30, 2023

The following table provides operating information as a percentage of revenues for the periods indicated:

	Fiscal Quarter Ended		Fiscal Year-to-Date Period Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Revenues	100.0 %	100.0 %	100.0 %	100.0 %
Costs of services (exclusive of depreciation and amortization)	68.7	71.8	70.3	70.7
Selling, general and administrative expenses	18.6	18.9	18.4	18.6
Depreciation and amortization	1.7	2.0	1.7	2.0
Income from operations	11.0	7.3	9.6	8.7
Interest expense, net	(0.9)	(0.7)	(0.7)	(0.7)
Foreign currency gains (losses), net	(0.5)	0.5	(0.2)	(0.1)
Income before provision for income taxes	9.6	7.1	8.7	7.9
Provision for income taxes	2.7	1.3	2.5	2.1
Net income	6.8 %	5.8 %	6.2 %	5.8 %

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Fiscal Quarter Ended September 28, 2024, Compared to the Fiscal Quarter Ended September 30, 2023

Revenues. Revenues increased by \$20.1 million, or 13.6%, to \$167.7 million for the third quarter of fiscal 2024 from \$147.6 million for the third quarter of fiscal 2023. Utilization increased to 76% for the third quarter of fiscal 2024 from 66% for the third quarter of fiscal 2023, while consultant headcount decreased from 1,014 at the end of the third quarter of fiscal 2023 to 978 at the end of the third quarter of fiscal 2024.

Overall, revenues outside of the U.S. represented approximately 19% and 20% of net revenues for the third quarters of fiscal 2024 and fiscal 2023, respectively. Revenues derived from fixed-price projects remained unchanged at 18% of net revenues for the third quarter of fiscal 2024 compared with the third quarter of fiscal 2023. The percentage of revenue derived from fixed-price projects depends largely on the proportion of our revenues derived from our management consulting business, which typically has a higher concentration of fixed-price service contracts.

Costs of Services (exclusive of depreciation and amortization). Costs of services (exclusive of depreciation and amortization) increased by \$9.3 million, or 8.8%, to \$115.2 million for the third quarter of fiscal 2024 from \$105.9 million for the third quarter of fiscal 2023. The increase in costs of services was due to an increase in employee and incentive compensation of \$10.6 million and an increase in forgivable loan amortization of \$0.5 million, partially offset by a decrease in client reimbursable expenses of \$1.8 million. As a percentage of revenues, costs of services (exclusive of depreciation and amortization) decreased to 68.7% for the third quarter of fiscal 2024 from 71.8% for the third quarter of fiscal 2023.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by \$3.4 million, or 12.2%, to \$31.3 million for the third quarter of fiscal 2024 from \$27.9 million for the third quarter of fiscal 2023. Within this category of expenses, there was a \$1.5 million increase in employee and incentive compensation, a \$1.1 million increase in software subscription and data services, a \$0.7 million increase in rent expense, a \$0.4 million increase in training and marketing expense, and a \$0.1 million increase in miscellaneous and other fees partially offset by a \$0.4 million decrease in travel and entertainment for the third quarter of fiscal 2024 as compared to the third quarter of fiscal 2023.

As a percentage of revenues, selling, general and administrative expenses decreased to 18.6% for the third quarter of fiscal 2024 from 18.9% for the third quarter of fiscal 2023. Commissions to our non-employee experts remained unchanged at 2.4% of revenues for the third quarter of fiscal 2024 compared to the third quarter of fiscal 2023.

Provision for Income Taxes. The income tax provision was \$4.6 million and the effective tax rate ("ETR") was 28.7% for the third quarter of fiscal 2024 compared to \$1.9 million and 18.3% for the third quarter of fiscal 2023. The ETR for the fiscal quarter ended September 28, 2024 was higher than the fiscal quarter ended September 30, 2023 primarily due to the release of a valuation allowance in the third quarter of fiscal 2023, partially offset by an increase in the tax benefit related to share-based compensation.

Net Income. Net income increased to \$11.4 million for the third quarter of fiscal 2024 from \$8.6 million for the third quarter of fiscal 2023. The net income per diluted share was \$1.67 per share for the third quarter of fiscal 2024, compared to \$1.21 of net income per diluted share for the third quarter of fiscal 2023. Weighted average diluted shares outstanding decreased by approximately 240,000 shares to approximately 6,843,000 shares for the third quarter of fiscal 2024 from approximately 7,083,000 shares for the third quarter of fiscal 2023. The decrease in weighted average diluted shares outstanding was primarily due to the repurchase of shares of our common stock since September 30, 2023, offset in part by the vesting of shares of restricted stock and time-vesting restricted stock units and the exercise of stock options since September 30, 2023.

Fiscal Year-to-Date Period Ended September 28, 2024, Compared to the Fiscal Year-to-Date Period Ended September 30, 2023

Revenues. Revenues increased by \$48.6 million, or 10.5%, to \$511.0 million for the fiscal year-to-date period ended September 28, 2024 from \$462.4 million for the fiscal year-to-date period ended September 30, 2023. Utilization increased to 75% for the fiscal year-to-date period ended September 28, 2024 from 69% for the fiscal year-to-date period ended September 30, 2023, while consultant headcount decreased from 1,014 at the end of the third quarter of fiscal 2023 to 978 at the end of the third quarter of fiscal 2024.

Overall, revenues outside of the U.S. represented approximately 18% and 22% of net revenues for the fiscal year-to-date periods ended September 28, 2024 and September 30, 2023, respectively. Revenues derived from fixed-price projects remained unchanged at 18% of net revenues for the fiscal year-to-date periods ended September 28, 2024 and September 30, 2023. The

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percentage of revenue derived from fixed-price projects depends largely on the proportion of our revenues derived from our management consulting business, which typically has a higher concentration of fixed-price service contracts.

Costs of Services (exclusive of depreciation and amortization). Costs of services (exclusive of depreciation and amortization) increased by \$32.3 million, or 9.9%, to \$359.4 million for the fiscal year-to-date period ended September 28, 2024 from \$327.1 million for the fiscal year-to-date period ended September 30, 2023. The increase in costs of services was due to an increase of \$27.6 million in employee compensation and fringe benefit costs, an increase in forgivable loan amortization of \$4.4 million, and an increase in client reimbursable expenses of \$0.3 million. As a percentage of revenues, costs of services (exclusive of depreciation and amortization) decreased to 70.3% for the fiscal year-to-date period ended September 28, 2024 from 70.7% for the fiscal year-to-date period ended September 30, 2023.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by \$7.7 million, or 8.9%, to \$93.8 million for the fiscal year-to-date period ended September 28, 2024 from \$86.1 million for the fiscal year-to-date period ended September 30, 2023. Within this category of expenses, there was a \$3.5 million increase in employee compensation and fringe benefit costs, a \$1.5 million increase in software subscriptions and data services, a \$0.8 million increase in rent expense, a \$0.6 million increase in commissions to our non-employee experts, a \$0.4 million increase in training and marketing expense, and a \$0.9 million increase in miscellaneous and other fees for the fiscal year-to-date period ended September 28, 2024 as compared to the fiscal year-to-date period ended September 30, 2023.

As a percentage of revenues, selling, general and administrative expenses decreased to 18.4% for the fiscal year-to-date period ended September 28, 2024 from 18.6% for the fiscal year-to-date period ended September 30, 2023. Commissions to our non-employee experts decreased to 2.3% of revenues for the fiscal year-to-date period ended September 28, 2024 compared to 2.4% of revenues for the fiscal year-to-date period ended September 30, 2023.

Provision for Income Taxes. The income tax provision was \$13.0 million and the ETR was 29.1% for the fiscal year-to-date period ended September 28, 2024, compared to \$9.7 million and 26.4% for the fiscal year-to-date period ended September 30, 2023. The ETR for the fiscal year-to-date period ended September 28, 2024 was higher than the fiscal year-to-date period ended September 30, 2023 primarily due to the release of a valuation allowance in the prior fiscal year-to-date period, partially offset by an increase in the tax benefit related to share-based compensation.

Net Income. Net income increased by \$4.7 million to \$31.7 million for the fiscal year-to-date period ended September 28, 2024 from \$27.0 million for the fiscal year-to-date period ended September 30, 2023. The diluted net income per share was \$4.57 for the fiscal year-to-date period ended September 28, 2024, compared to diluted net income per share of \$3.78 for the fiscal year-to-date period ended September 30, 2023. Weighted average diluted shares outstanding decreased by approximately 216,000 to approximately 6,922,000 shares for the fiscal year-to-date period ended September 28, 2024 from approximately 7,138,000 shares for the fiscal year-to-date period ended September 30, 2023. The decrease in weighted average diluted shares outstanding was primarily due to the repurchase of shares of our common stock since September 30, 2023, offset in part by the vesting of restricted stock and time-vesting restricted stock units and the exercise of stock options since September 30, 2023.

Liquidity and Capital Resources

Fiscal Year-to-Date Period Ended September 28, 2024

We believe that our current cash, cash equivalents, cash generated from operations, and amounts available under our revolving credit facility will be sufficient to meet our anticipated working capital and capital expenditure requirements for at least the next 12 months. As of September 28, 2024, we had \$24.5 million of cash and cash equivalents and \$135.9 million of borrowing capacity under our revolving credit facility.

General. During the fiscal year-to-date period ended September 28, 2024, cash and cash equivalents decreased by \$21.1 million. We completed the period with cash and cash equivalents of \$24.5 million. The principal drivers of the decrease of cash and cash equivalents was payment of a significant portion of our fiscal 2023 performance bonuses in the first and second quarters of fiscal 2024, forgivable loan advances, the repurchase of shares, and the payment of dividends, offset by net borrowings of \$60.0 million.

At September 28, 2024, \$1.7 million of our cash and cash equivalents was held within the U.S. We have sufficient sources of liquidity in the U.S., including cash flow from operations and availability on our revolving credit facility to fund U.S. operations for the next 12 months without the need to repatriate funds from our foreign subsidiaries.

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Sources and Uses of Cash. During the fiscal year-to-date period ended September 28, 2024, net cash used in operating activities was \$29.7 million. Net income was \$31.7 million for the fiscal year-to-date period ended September 28, 2024. Uses of cash for operating activities included a decrease in accounts payable, accrued expenses, and other liabilities of \$24.2 million, primarily due to the payment of a significant portion of our fiscal 2023 performance bonuses and performance awards, an increase of \$23.3 million in unbilled receivables, a \$12.2 million decrease in lease liabilities, an increase in forgivable loans for the period of \$14.0 million, which was primarily driven by \$38.1 million of forgivable loan issuances, net of repayments, offset by \$24.1 million of forgivable loan amortization, a \$10.3 million increase in prepaid expenses and other current assets, and an increase of \$9.0 million in accounts receivable. Partially offsetting these uses of cash was an increase of \$7.3 million in incentive cash awards payable

Non-cash items included right-of-use amortization of \$11.3 million, depreciation and amortization expense of \$8.5 million, and share-based compensation expenses of \$3.8 million.

During the fiscal year-to-date period ended September 28, 2024, net cash used in investing activities was \$7.5 million, which included capital expenditures, primarily related to computer equipment.

During the fiscal year-to-date period ended September 28, 2024, net cash provided by financing activities was \$15.8 million, primarily as a result of net borrowings under the revolving credit facility of \$60.0 million. Offsetting this increase in cash provided by financing activities were repurchases of common stock of \$33.3 million, payment of cash dividends of \$8.9 million, and tax withholding payments reimbursed by restricted shares on vesting of \$2.0 million.

Lease Commitments

We are a lessee under certain operating leases for office space and equipment. Certain of our operating leases have terms that impose asset retirement obligations due to office modifications or the periodic redecoration of the premises, which are included in other liabilities on our condensed consolidated balance sheets and are recorded at a value based on their estimated discounted cash flows. At September 28, 2024, we expect to incur asset retirement obligation or redecoration obligation costs over the next twelve months of \$0.1 million. The remainder of our asset retirement obligations and redecoration obligations are approximately \$3.2 million and are expected to be paid between fiscal year 2026 and fiscal year 2033 when the underlying leases terminate or when the respective lease agreement requires redecoration. We expect to satisfy these lease and related obligations as they become due from cash generated from operations.

Indebtedness

CRA is party to a Credit Agreement, dated as of August 19, 2022 (as amended, the "Credit Agreement") with Bank of America, N.A., as swingline lender, a letter of credit issuing bank and administrative agent, and with Citizens Bank, N.A., as a letter of credit issuing bank. The Credit Agreement provides CRA with a \$250.0 million revolving credit facility, which may be decreased at CRA's option to \$200.0 million during the period from July 16 in a year through January 15 in the next year. Additionally, for the period from January 16 to July 15 of each calendar year, CRA may elect to not increase the revolving credit facility to \$250.0 million. The revolving credit facility includes a \$25.0 million sublimit for the issuance of letters of credit.

We may use the proceeds of the revolving credit loans under the Credit Agreement for general corporate purposes and may repay any borrowings under the revolving credit facility at any time, but any borrowings must be repaid no later than August 19, 2027. Borrowings under the revolving credit facility bear interest at a rate per annum equal to one of the following rates, at our election, plus an applicable margin as described below: (i) in the case of borrowings in U.S. dollars by us, the Base Rate (as defined in the Credit Agreement), (ii) in the case of borrowings in U.S. dollars, a rate based on Term SOFR (as defined in the Credit Agreement) for the applicable interest period, (iii) in the case of borrowings in Euros, EURIBOR (as defined in the Credit Agreement) for the applicable interest period, (iv) in the case of borrowings in Pounds Sterling, a daily rate based on SONIA (as defined in the Credit Agreement), (v) in the case of borrowings in Canadian Dollars, Term CORRA (as defined in the Credit Agreement) for the applicable interest period, (vi) in the case of borrowings in Swiss Francs, a daily rate based on SARON (as defined in the Credit Agreement), or (vii) in the case of borrowings in any other Alternate Currency (as defined in the Credit Agreement), the relevant daily or term rate determined as provided in the Credit Agreement. The applicable margin on borrowings based on the Base Rate varies within a range of 0.25% to 1.00% depending on our consolidated net leverage ratio, and the applicable margin on borrowings based on any of the other rates described above varies within a range of 1.25% to 2.00% depending on our consolidated net leverage ratio.

We are required to pay a fee on the amount available to be drawn under any letter of credit issued under the revolving credit facility at a rate per annum that varies between 1.25% and 2.00% depending on our consolidated net leverage ratio. In

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addition, we are required to pay a fee on the unused portion of the revolving credit facility at a rate per annum that varies between 0.175% and 0.250% depending on our consolidated net leverage ratio.

Under the Credit Agreement, CRA must comply with various financial and non-financial covenants. The primary financial covenants consist of a maximum consolidated net leverage ratio of 3.0 to 1 and a minimum consolidated interest coverage ratio of 2.5 to 1. The primary non-financial covenants include, but are not limited to, restrictions on CRA's ability to incur future indebtedness, engage in acquisitions or dispositions, pay dividends or repurchase capital stock, and enter into business combinations. Any indebtedness outstanding under the revolving credit facility may become immediately due upon the occurrence of stated events of default, including CRA's failure to pay principal, interest or fees, or upon the breach of any covenant. As of September 28, 2024, CRA was in compliance with the covenants of the Credit Agreement.

There was \$60.0 million in borrowings outstanding under the revolving credit facility as of September 28, 2024 and no borrowings outstanding as of December 30, 2023. As of September 28, 2024, the amount available under the revolving credit facility was reduced by certain letters of credit outstanding, which amounted to \$4.1 million.

Forgivable Loans

In order to attract and retain highly skilled professionals, we may issue forgivable loans or term loans to employees and non-employee experts. A portion of these loans is collateralized by key person life insurance. The forgivable loans have terms that are generally between two and six years. The principal amount of forgivable loans and accrued interest is forgiven by us over the term of the loans, so long as the employee or non-employee expert continues employment or affiliation with us and complies with certain contractual requirements. The forgiveness of the principal amount of the loans is recorded as compensation over the service period, which is consistent with the term of the loans.

Compensation Arrangements

We have entered into compensation arrangements for the payment of performance awards to certain of our employees and non-employee experts that are payable if specific performance targets are met. The financial targets may include a measure of revenue generation, profitability, or both. The amounts of the awards to be paid under these compensation arrangements could fluctuate depending on future performance during the applicable measurement periods. Changes in the estimated awards are expensed prospectively over the remaining service period. We believe that we will have sufficient funds to satisfy any cash obligations related to the performance awards. We expect to fund any cash payments from existing cash resources, cash generated from operations, or borrowings available on our revolving credit facility.

Our Amended and Restated 2006 Equity Incentive Plan, as amended (the "2006 Equity Plan"), authorizes the grant of a variety of incentive and performance equity awards to our directors, employees and non-employee experts, including stock options, shares of restricted stock, restricted stock units, and other equity awards.

Our long-term incentive program, or "LTIP," is used as a framework for equity grants made under our 2006 equity incentive plan to our senior corporate leaders, practice leaders, and key revenue generators. The equity awards granted under the LTIP include stock options, time-vesting restricted stock units, and performance-vesting restricted stock units.

Our LTIP allows us to grant service- and performance-based cash awards in lieu of, or in addition to, equity awards to our senior corporate leaders, practice leaders, and key revenue generators. The compensation committee of our Board of Directors is responsible for approving all cash and equity awards under the LTIP. We expect to fund any cash payments from existing cash resources, cash generated from operations, or borrowings available under our revolving credit facility.

Business and Talent Acquisitions

As part of our business, we regularly evaluate opportunities to acquire other consulting firms, practices or groups, or other businesses. In recent years, we have typically paid for acquisitions with cash, or a combination of cash and our common stock, and we may continue to do so in the future. To pay for an acquisition, we may use cash on hand, cash generated from our operations, borrowings available under our revolving credit facility, or we may pursue other forms of financing. Our ability to secure short-term and long-term debt or equity financing in the future, including our ability to refinance our credit agreement, will depend on several factors, including our future profitability, the levels of our debt and equity, restrictions under our existing revolving credit facility with our bank, and the overall credit and equity market environments.

Share Repurchases

In February 2024, we announced that our Board of Directors authorized an expansion of our existing share repurchase program of an additional \$35.0 million of our common stock, for a total authorized amount of \$46.4 million. We may repurchase shares under this program in open market purchases (including through any Rule 10b5-1 plan adopted by us) or in privately negotiated transactions in accordance with applicable insider trading and other securities laws and regulations.

During the fiscal quarter ended September 28, 2024, we did not repurchase any shares under this share repurchase program. For the fiscal year-to-date period ended September 28, 2024, we repurchased and retired 206,379 shares under our share repurchase program at an average price per share of \$161.59. During the fiscal quarter ended September 30, 2023, we did not repurchase any shares under this share repurchase program. For the fiscal year-to-date period ended September 30, 2023, we repurchased and retired 211,971 shares under our share repurchase program at an average price per share of \$111.23.

As of September 28, 2024, we had approximately \$13.1 million available for future repurchases under our share repurchase program. We plan to finance future repurchases with available cash, cash from future operations, and borrowings available under our revolving credit facility. We expect to continue to repurchase shares under our share repurchase program.

Dividends to Shareholders

We anticipate paying regular quarterly dividends each year. These dividends are anticipated to be funded through cash flow from operations, available cash on hand, and/or borrowings available under our revolving credit facility. Although we anticipate paying regular quarterly dividends on our common stock for the foreseeable future, the declaration, timing and amounts of any such dividends remain subject to the discretion of our Board of Directors. During the fiscal quarter and fiscal year-to-date period ended September 28, 2024, we paid dividends and dividend equivalents of \$2.9 million and \$8.9 million, respectively. During the fiscal quarter and fiscal year-to-date period ended September 30, 2023, we paid dividends and dividend equivalents of \$2.5 million and \$7.8 million, respectively.

Impact of Inflation

To date, inflation has not had a material impact on our financial results. There can be no assurance, however, that inflation will not adversely affect our financial results in the future.

Future Capital and Liquidity Needs

We anticipate that our future capital and liquidity needs will principally consist of funds required for:

- operating and general corporate expenses relating to the operation of our business, including the compensation of our employees under various annual bonus or long-term incentive compensation programs;
- the hiring of individuals to replenish and expand our employee base;
- capital expenditures, primarily for information technology equipment, office furniture and leasehold improvements;
- debt service and repayments, including interest payments on borrowings from our revolving credit facility;
- share repurchases under programs that we may have in effect from time to time;
- dividends to shareholders;
- potential acquisitions of businesses that would allow us to diversify or expand our service offerings;
- contingent obligations related to our acquisitions; and
- other known future contractual obligations.

The hiring of individuals to replenish and expand our employee base is an essential part of our business operations and has historically been funded principally from operations. Many of the other above activities are discretionary in nature. For example, capital expenditures can be deferred, acquisitions can be forgone, and share repurchase programs and regular dividends can be suspended. As such, our operating model provides flexibility with respect to the deployment of cash flow from operations. Given this flexibility, we believe that our cash flows from operations, supplemented by cash on hand and

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borrowings under our revolving credit facility (as necessary), will provide adequate cash to fund our long-term cash needs from normal operations for at least the next twelve months.

Our conclusion that we will be able to fund our cash requirements by using existing capital resources and cash generated from operations does not take into account the impact of any future acquisition transactions or any unexpected significant changes in the number of employees or other expenditures that are currently not contemplated. The anticipated cash needs of our business could change significantly if we pursue and complete additional business acquisitions, if our business plans change, if economic conditions change from those currently prevailing or from those now anticipated, or if other unexpected circumstances arise that have a material effect on the cash flow or profitability of our business. Any of these events or circumstances, including any new business opportunities, could involve significant additional funding needs in excess of the identified currently available sources and could require us to raise additional debt or equity funding to meet those needs on terms that may be less favorable compared to our current sources of capital. Our ability to raise additional capital, if necessary, is subject to a variety of factors that we cannot predict with certainty, including:

- our future profitability;
- the quality of our accounts receivable;
- our relative levels of debt and equity;
- the volatility and overall condition of the capital markets; and
- the market prices of our securities.

Factors Affecting Future Performance

Important factors that could cause our actual results to differ materially from the forward-looking statements we make in this report, as well as a description of material risks we face, are set forth below under the heading "Risk Factors" and included in Part I, Item 1A, "Risk Factors" of our 2023 Form 10-K. If any of these risks, or any risks not presently known to us or that we currently believe are not significant, develops into an actual event, then our business, financial condition, and results of operations could be adversely affected.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in our exposure to market risk during the fiscal quarter ended September 28, 2024. For information regarding our exposure to certain market risks, see Part II, Item 7A, "Quantitative and Qualitative Disclosures about Market Risk" of our 2023 Form 10-K.

ITEM 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our President and Chief Executive Officer and our Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. This is done in order to ensure that information we are required to disclose in the reports that are filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Based upon that evaluation, our President and Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 28, 2024.

Management has concluded that the condensed consolidated financial statements included in this Quarterly Report on Form 10-Q present fairly, in all material aspects, our financial position at the end of, and the results of operations and cash flows for, the periods presented in conformity with accounting principles generally accepted in the United States.

Evaluation of Changes in Internal Control over Financial Reporting

Under the supervision and with the participation of our management, including our President and Chief Executive Officer and our Chief Financial Officer, we evaluated whether there were any changes in our internal control over financial reporting during the third quarter of fiscal 2024. There were no changes in our internal control over financial reporting identified in connection with the above evaluation that occurred during the third quarter of fiscal 2024 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

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Important Considerations

The effectiveness of our disclosure controls and procedures and our internal control over financial reporting is subject to various inherent limitations, including judgments used in decision making, assumptions about the likelihood of future events, the soundness of our systems, the possibility of human error, and the risk of fraud. Moreover, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions and the risk that the degree of compliance with policies or procedures may deteriorate over time. Because of these limitations, there can be no assurance that any system of disclosure controls and procedures or internal control over financial reporting will be successful in preventing all errors or fraud or in making all material information known in a timely manner to the appropriate levels of management.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

None.

ITEM 1A. Risk Factors

There are many risks and uncertainties that can affect our future business, financial performance or results of operations. In addition to the other information set forth in this report, please review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Part I, Item 1A, "Risk Factors" in our 2023 Form 10-K. There have been no material changes to these risk factors during the fiscal quarter ended September 28, 2024.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) Not applicable.

(b) Not applicable.

(c) The following provides information about our repurchases of shares of our common stock during the fiscal quarter ended September 28, 2024. During that period, we did not act in concert with any affiliate or any other person to acquire any of our common stock and, accordingly, we do not believe that purchases by any such affiliate or other person (if any) are reportable in the following table. For purposes of this table, we have divided the fiscal quarter into three periods of four weeks, four weeks, and five weeks, respectively, to coincide with our reporting periods during the third quarter of fiscal 2024.

Issuer Purchases of Equity Securities

Period	(a) Total Number of Shares Purchased(1)(2)	(b) Average Price Paid per Share(1)(2)	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(2)	(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs(2)	
June 30, 2024 to July 27, 2024	294	\$ 181.00	—	\$	13,088,568
July 28, 2024 to August 24, 2024	—	\$ —	—	\$ —	13,088,568
August 25, 2024 to September 28, 2024	—	\$ —	—	\$ —	13,088,568
Total	294	\$ 181.00	—	\$ —	

(1) During the four weeks ended July 27, 2024, we accepted 294 shares of our common stock as a tax withholding from certain of our employees in connection with the vesting of shares of restricted stock that occurred during the indicated period, pursuant to the terms of our Amended and Restated 2006 Equity Incentive Plan, as amended, at the average price of \$181.00.

(2) On February 29, 2024, we announced that our Board of Directors authorized an expansion to our existing share repurchase program of an additional \$35.0 million of outstanding shares of our common stock, for a total authorized amount of \$46.4

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million. We may repurchase shares under this program in open market purchases (including through any Rule 10b5-1 plan adopted by us) or in privately negotiated transactions in accordance with applicable insider trading and other securities laws and regulations. We currently expect to continue to repurchase shares under this program.

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosures

None.

ITEM 5. Other Information

The following table describes, for the fiscal quarter ended September 28, 2024, each trading arrangement for the sale or purchase of Company securities adopted or terminated by our directors and officers that is a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” (in each case, as defined in Item 408 of Regulation S-K).

Name and Title	Date of Adoption of Rule 10b5-1 Trading Plan	Scheduled Expiration		Nature of Trading Arrangement	Aggregate Number of Securities
		Date of Rule 10b5-1 Trading Plan			
Daniel K. Mahoney , Chief Financial Officer, Executive Vice President and Treasurer	August 8, 2024	September 9, 2025		Sale	3,000
Jonathan D. Yellin , Executive Vice President and General Counsel	August 8, 2024	November 20, 2025		Sale	7,000

ITEM 6. Exhibits

Filed with this Form 10-		Description
Item No.	Q	
3.1		Amended and Restated Articles of Organization, as amended by the Articles of Amendment to our Articles of Organization filed on May 6, 2005 (incorporated by reference to Exhibit 3.1 to our annual report on Form 10-K filed on February 27, 2020).
3.2		Amended and Restated By-Laws, as amended (incorporated by reference to Exhibit 3.2 to our current report on Form 8-K filed on January 31, 2011).
10.1	X	Fifth Amendment to Lease dated August 11, 2021 by and between CRA International, Inc., 601W South Wacker LLC and 601 Sunset Wacker LLC.
31.1	X	Certification of Principal Executive Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	X	Certification of Principal Financial Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	X	Certification of Principal Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	X	Certification of Principal Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	X	The following financial statements from CRA International, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended September 28, 2024, formatted in Inline XBRL (eXtensible Business Reporting Language), as follows: (i) Condensed Consolidated Statements of Operations (unaudited) for the fiscal quarters ended September 28, 2024 and September 30, 2023, (ii) Condensed Consolidated Statements of Comprehensive Income (unaudited) for the fiscal quarters ended September 28, 2024 and September 30, 2023, (iii) Condensed Consolidated Balance Sheets (unaudited) at September 28, 2024 and December 30, 2023, (iv) Condensed Consolidated Statements of Cash Flows (unaudited) for the fiscal quarters ended September 28, 2024 and September 30, 2023, (v) Condensed Consolidated Statement of Shareholders' Equity (unaudited) for the fiscal quarter ended September 28, 2024 and September 30, 2023, and (vi) Notes to Condensed Consolidated Financial Statements (Unaudited).
104		Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

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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 thereunto duly authorized.

CRA INTERNATIONAL, INC.

Date: October 31, 2024

By: _____ */s/ PAUL A. MALEH*
Paul A. Maleh
President and Chief Executive Officer

Date: October 31, 2024

By: _____ */s/ DANIEL K. MAHONEY*
Daniel K. Mahoney
*Chief Financial Officer, Executive Vice President
and Treasurer*

FIFTH AMENDMENT TO LEASE

THIS FIFTH AMENDMENT TO LEASE (this "**Fifth Amendment**") is made and entered into as of this 1st of August, 2024, ("**Fifth Amendment Effective Date**") by and among **601W SOUTH WACKER LLC**, a Delaware limited liability, and **601 SUNSET WACKER LLC**, a Delaware limited liability company, as tenants-in-common ("**Landlord**"), and **CRA INTERNATIONAL, INC.**, a Massachusetts corporation ("**Tenant**").

RECITALS

WHEREAS, Landlord (as successor-in-interest to John Hancock Life Insurance Company (U.S.A.), a Michigan corporation, successor-in-interest, Teachers Insurance and Annuity Association of America) and Tenant entered into that certain Lease dated February 14, 2008 (the "**Original Lease**"), as amended by that certain First Amendment to Lease dated as of May 8, 2017 (the "**First Amendment**"), as amended by that certain Second Amendment to Lease dated as of October 9, 2017 (the "**Second Amendment**"), as amended by that certain Third Amendment to lease dated as of August 11, 2021 (the "**Third Amendment**") as amended by that certain Fourth Amendment to Lease dated as of April [__], 2024 (the **Fourth Amendment**"); the Original Lease as amended by the First Amendment, Second Amendment, Third Amendment, and Fourth Amendment is hereinafter referred to as the "**Current Lease**", and with this Fifth Amendment, the "**Lease**") under which Tenant leases the entirety of the thirty-third (33rd) floor and thirty-fourth (34th) floor (collectively, the "**Premises**") in the building located at 1 S. Wacker Drive, Chicago, Illinois (the "**Building**");

WHEREAS, Landlord and Tenant wish to modify the Lease to: (i) extend the Term of the Lease; (ii) update the rentable square footage of the Premises; (iii) provide for a certain Construction Allowance; and (iv) otherwise modify the Lease pursuant to the terms and conditions set forth in this Fifth Amendment.

NOW THEREFORE, in consideration of the above recitals, the mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals; Definitions. The Recitals are incorporated as if fully set forth herein and are true and correct in all material respects. All capitalized terms used herein, which are not defined in this Fifth Amendment, shall have the meanings ascribed to such terms in the Lease.

2. Extension Term. The Term of the Current Lease expires on July 31, 2028. The Term of the Lease is extended for an additional period of seven (7) years (the "**Second Extended Term**"), commencing on August 1, 2028 (the "**Second Extended Term Commencement Date**") and ending on July 31, 2035 (which shall be the "**Second Extended Term Expiration Date**" under the Lease) unless the Lease shall be sooner terminated as provided therein and herein.

3. Rentable Square Footage. Notwithstanding anything to the contrary contained in the Current Lease, as of the Second Extended Term Commencement Date, the rentable square footage of the Premises shall be deemed to be 52,723 rentable square feet measured in accordance with ANSI/BOMA Z65.1-2017 (“**BOMA 2017**”).

4. Rent. Tenant will continue to pay Base Rent in the amounts set forth in and pursuant to the terms of the Current Lease up to July 31, 2024, and Operating Cost Share Rent and Tax Share Rent in the amounts set forth in and pursuant to the terms of the Current Lease up to July 31, 2028. Tenant shall also continue to pay Additional Rent in accordance with the terms and conditions of the Lease. Tenant agrees to pay rent to Landlord, the aggregate of the following, all of which are Rent reserved under the Lease with regard to the Premises:

(a) Base Rent. Tenant will continue to pay Base Rent pursuant to the Current Lease up to July 31, 2024. Commencing on the August 1, 2024 and continuing through out the Second Extended Term, Tenant shall pay Base Rent for the Premises as follows:

Period	Annualized Base Rent per Square Foot	Annual Base Rent	Monthly Installment
August 1, 2024 – July 31, 2025	\$28.50	\$1,501,209.00	\$125,100.75
August 1, 2025 – July 31, 2026	\$29.21	\$1,538,739.23	\$128,228.27
August 1, 2026 – July 31, 2027	\$29.94	\$1,577,207.71	\$131,433.98
August 1, 2027 – July 31, 2028	\$30.69	\$1,616,637.90	\$134,719.82
August 1, 2028 – July 31, 2029	\$31.46	\$1,658,595.32	\$138,216.28
August 1, 2029 – July 31, 2030	\$32.25	\$1,700,060.20	\$141,671.68
August 1, 2030 – July 31, 2031	\$33.05	\$1,742,561.71	\$145,213.48
August 1, 2031 – July 31, 2032	\$33.88	\$1,786,125.75	\$148,843.81

August 1, 2032 – July 31, 2033	\$34.72	\$1,830,778.90	\$152,564.91
August 1, 2033 – July 31, 2034	\$35.59	\$1,876,548.37	\$156,379.03
August 1, 2034 – July 31, 2035	\$36.48	\$1,923,462.08	\$160,288.51

Based on 52,674 retable square feet through July 31, 2028, and the Remeasured Square Footage thereafter.

(b) Additional Rent and Tenant's Proportionate Share. Commencing on the Second Extended Term Commencement Date (i.e., August 1, 2028) and notwithstanding anything to the contrary in the Current Lease, Tenant shall pay Additional Rent for the Premises in the manner set forth in the Lease as amended by this Fifth Amendment except that Tenant's Proportionate Share of the Premises shall be 4.408% (52,723/1,196,164) (the "**Remeasured Square Footage**"). The parties hereby agree that upon the Second Extended Term Commencement Date, all Lease terms related to the square footage of the Premises, include the amount of Base Rent, Additional Rent, and Tenant's Proportionate Share, shall be calculated using the Remeasured Square Footage.

(c) Rent Abatement. Notwithstanding anything herein to the contrary, provided no default under the Lease beyond any applicable notice or cure period then exists (but once the default is cured, Tenant shall again be entitled to the abatement, however, it being agreed that Tenant shall forfeit the Abated Rent for any Abated Month for which there is an ongoing default on the date which payment of Rent is due hereunder), one hundred percent of the Base Rent and Additional Rent shall abate for the following thirteen (13) months (each an "**Abated Month**" and collectively, the "**Abated Months**") : (i) August 2028, (ii) September 2028, (iii) October 2028, (iv) August 2029, (v) September 2029, (vi) August 2030, (vii) September 2030, (viii) August 2031, (ix) September 2031, (x) August 2032, (xi) September 2032, (xii) August 2033, and (xiii) September 2033 (the Rent so abated during such months is the "**Abated Rent**"). Notwithstanding anything to the contrary contained herein, if the Lease or Tenant's right to possession is terminated because of a default beyond any applicable cure period, then in addition to all other rights and remedies available to Landlord, an amount equal to the unamortized portion of the Abated Rent shall immediately become due and payable to Landlord. For purposes of the proceeding sentence, the principal amount of Abated Rent shall be amortized on a straight line basis over the period beginning on the last day of the Lease month in which such Abated Rent ends and ending on the Second Extended Term Expiration Date, with interest at eight percent (8%) per annum.

5. Termination Option.

(a) Subject to the terms and provisions of this Section 5, Tenant shall have and is hereby granted the one-time option (the "**Termination Option**") to terminate the Lease,

which termination, at Tenant's election shall apply to the Premises in its entirety (including an Offer Space), and be effective as of September 30, 2033 (the "**Early Termination Date**"), which the Termination Option must be exercised by Tenant, if at all, as follows:

- (i) Tenant shall deliver binding written notice to Landlord of Tenant's exercise of the Termination Option (the "**Tenant's Termination Notice**") no later than September 30, 2032; and
- (ii) Tenant pays to Landlord a termination fee (the "**Termination Fee**") equal to the sum of (i) two (2) times the monthly Base Rent, Operating Cost Share Rent and Tax Share Rent payable for the month in which the Early Termination Date occurs; and (ii) the unamortized portion of the Leasing Costs. For purposes of determining the termination fee, the Leasing Costs for each portion of the Premises shall be amortized (mortgage amortization) with interest at eight percent (8%) per annum over the period commencing on the date the Term commenced for such portion of the Premises and ending on the Early Termination Date. For avoidance of doubt, as shown on **Exhibit B** attached hereto, for purposes of the foregoing amortization calculation, the amortization period for the 2024 concessions shown on **Exhibit B** shall commence August 1, 2024, and the amortization period for the 2028 concessions shown on **Exhibit B** shall commence August 1, 2028. Upon receipt of Tenant's Termination Notice, Landlord shall calculate the Termination Fee, and Tenant shall pay one-half (1/2) within five (5) business days of Landlord's notice to Tenant of the amount of the Termination Fee, and the remaining one-half (1/2) on or prior to the Early Termination Date, time being of the essence, and the Termination Option shall only be deemed to have been effectively exercised if Tenant timely pays such Termination Fee. Tenant may elect to request Landlord's determination of the Termination Fee prior to Tenant delivery of Tenant's Termination Notice. Landlord shall respond to such request from Tenant no later than ten (10) business days after receipt of the request. As used herein, "**Leasing Costs**" means Lease Concessions, leasing commissions or brokerage fees payable in connection with Tenant's leasing of space in the Building. "**Lease Concessions**" means any concessions provided by Landlord in connection with the leasing of space in the Building (inclusive of the First Offer Space, Fixed Terms ROFO Space, and any other space leased to Tenant) including the Abated Rent and credits, lease assumption or take over expenses, costs to improve space for tenants or prospective tenants, architectural, engineering and space planning fees and the Construction Allowance, but not including the Unused Construction Allowance, as shown on **Exhibit B** attached hereto. A sample calculation of the Termination Fee for the Lease, as amended by this Fifth Amendment, but not including any future expansion such as First Offer or Fixed Terms ROFO Space or the two (2) months of Operating Cost Share Rent and Tax Share Rent, is calculated as set forth on **Exhibit B** attached hereto.

(b) At Landlord's option, Tenant's exercise of its Termination Option shall be null and void if an uncured event of default exists at the time of Tenant exercising the Termination Option or as of the Early Termination Date or if Tenant fails to timely pay the Termination Fee to Landlord, and does not cure such failure within three (3) business days following written notice from Landlord. The Termination Option shall automatically terminate and be null and void if this Lease or Tenant's possession of the Premises is terminated. The Termination Option granted to Tenant is personal to Tenant and shall not be transferrable except to a Permitted Transferee.

(c) The early termination of the Lease under this Section 5 shall not affect Tenant's liability for (i) post-termination adjustments to Additional Rent applicable to the period prior to the Early Termination Date, (ii) unperformed obligations which accrued prior to the Early Termination Date, and (iii) obligations which by their terms survive the expiration or earlier termination of the Term.

6. Option to Renew. Section 7 of the First Amendment is hereby deleted in its entirety and replaced with the following:

"Tenant shall retain its Extension Option under Section 31 of the Original Lease, except, however, (a) references to the "Extended Term" shall be replaced with "**Third Extended Term**"; (b) the Third Extended Term shall commence on August 1, 2035 and end on July 31, 2040; (c) the Extension Notice shall be given to Landlord no later than July 31, 2034, which shall be the "**Extension Option Exercise Date**" under the Lease; and (d) references to the "Premises" shall include the Premises plus any First Offer Space and/or Fixed Terms ROFO Space that Tenant has elected to lease as of the date Tenant provides the Extension Notice to Landlord.

7. Security Deposit. Landlord is currently holding a Letter of Credit in the amount of \$300,000.00 as security for Tenant's obligations under the Lease. Section 15 of the Third Amendment is hereby deleted and replaced with "Intentionally Omitted" and the second paragraph of Section 10 of the First Amendment is hereby deleted and replaced with the following:

"If the LC Reduction Conditions are met, the amount of the Letter of Credit shall be reduced as and when set forth below (each such date being hereinafter referred to as a "**LC Reduction Date**")

August 31, 2024 - \$150,000.00

September 30, 2033 - \$0.00

Notwithstanding anything else to the contrary contained in the Lease, within ten (10) days after receipt of notice from Tenant requesting a reduction and evidencing Tenant's satisfaction of all LC Reduction Conditions (to Landlord's reasonable satisfaction), Landlord shall reduce Letter of Credit Amount as provided above. As used herein "**LC**

Reduction Conditions" means no Event of Default shall be outstanding on the applicable LC Reduction Date."

8. **Construction Allowance.** In addition to the Unused Construction Allowance, Landlord shall provide Tenant a further allowance to be used to complete any Tenant Work (as defined in the Third Amendment) in an amount to not exceed \$43.72 per rentable square foot of Remeasured Square Footage of the Premises as of the Fifth Amendment Effective Date, apportioned and payable as follows: (i) One Million Fifty-Four Thousand Four Hundred Sixty (\$1,054,460.00) (i.e., \$20.00 per square foot) as of the Fifth Amendment Effective Date (the "**First Additional Construction Allowance**"); and (ii) One Million Two Hundred Fifty Thousand Five Hundred Eighty Nine and 56/100 Dollars (\$1,250,589.56) (i.e., \$23.72 per square foot) as of the Second Extended Term Commencement Date (the "**Second Additional Construction Allowance**"); notwithstanding anything to the contrary contained in the Current Lease, as of the Fifth Amendment Effective Date, the First Additional Construction Allowance, the Second Additional Construction Allowance, and any unused Construction Allowance provided for under the Current Lease (the "**Unused Construction Allowance**"), are collectively the "**Construction Allowance**"). No portion of the First Additional Construction Allowance shall be disbursed for Tenant Work invoiced to Landlord after twelve (12) months after the Fifth Amendment Effective Date and no portion of the Second Additional Construction Allowance shall be disbursed for Tenant Work after July 31, 2030. For the avoidance of doubt, except as provided for herein, all Construction Allowance funds shall be used to pay for any Tenant Work completed and shall be utilized pursuant to the Work Letter attached as Exhibit "B" to the Third Amendment. Provided no uncured default then exists (provided, however, Tenant shall be entitled to disbursement of the Construction Allowance upon cure of the default by Tenant), upon written request by Tenant, delivered to Landlord not later than the Second Extension Term Commencement Date (i.e., August 1, 2028), Tenant may elect to apply any unused portion of the Second Additional Construction Allowance toward Tenant's obligations for Base Rent, Operating Cost Share Rent, Tax Share Rent, and Additional Rent under the Lease, spread in equal installments across the remaining months (not including, however, Abated Months) of the first five years of the Second Extension Term (the "**Additional Abated Rent**"). Notwithstanding anything to the contrary contained in the Current Lease, including the Work Letter, Landlord shall be reimbursed for Landlord's reasonable actual out-of-pocket costs for any third-party document review, after-hour freight elevator usage during construction and move-in, temporary power, dumpster use, sprinkler drain-downs, cleaning of the restroom facilities during the construction period and any other costs for services requested by Tenant, Tenant's general contractor or subcontractors, materials suppliers, and project manager, and incurred by Landlord during Tenant's construction process after the First Amendment Effective Date.

9. **Right of First Offer.** Section 5 of the First Amendment is hereby deleted in its entirety and replaced with the following:

(a) Subject to the terms and provisions of this Section 9, throughout the Term, excluding the last three (3) years of the Term, Tenant shall have a continuing right of first offer (the "**Right of First Offer**") to lease space on the 32nd floor, 35th floor, and 39th floor of the Building (the "**First Offer Space**"), in the location outlined on Exhibit A attached hereto, that is

or will become Available (as hereinafter defined). First Offer Space or any portion thereof shall only be **Available**" if, at the time in question, no party leases or occupies such space, whether pursuant to a lease with Landlord or other agreement with Landlord and no party holds any unexpired or unexercised option or right to lease or occupy such space, or to renew or extend its lease or right of occupancy thereof. First Offer Space that is vacant and unleased as of the Fifth Amendment Effective Date shall not be deemed "Available" until such space subsequently becomes Available after Landlord first enters into a lease for such space after the Fifth Amendment Effective Date. Landlord shall be free to extend the tenancy or occupancy of any portion of the First Offer Space whether or not pursuant to a lease or other agreement, and such space shall not be deemed to be "Available". Nothing in this Section 9 shall be deemed to limit Landlord's right to keep the First Offer Space vacant or to utilize such space for Landlord's use if Landlord elects, in Landlord's sole discretion, to do so prior to delivering a First Offer Notice, and such vacant space shall not be deemed Available.

(b) Landlord shall not lease any portion of the First Offer Space that is Available until Landlord notifies Tenant of the availability of such space (the "**Availability Notice**") and Tenant does not exercise its Right of First Offer under this Section 9 to lease such space. Landlord's Availability Notice shall include (i) a description of the portion of the First Offer Space that is Available for lease, (ii) the rentable square feet in such space (using BOMA 2017), (iii) the base rental rate per rentable square feet for such space, (iv) the anticipated commencement of the lease of such space, (v) any requirement for a security deposit or letter of credit as a result of leasing such space; and (vi) any other terms Landlord in Landlord's sole discretion.

(c) Tenant may exercise its Right of First Offer to lease such space only by Notice delivered to Landlord within ten (10) Business Days following the date delivery of Landlord's Availability Notice for such space, time being of the essence. Tenant may not elect to lease less than all the First Offer Space included in Landlord's Availability Notice and Tenant's exercise of its Right of First Offer to lease the First Offer Space included in Landlord's Notice shall be irrevocable. If Tenant fails to deliver timely the Notice exercising its Right of First Offer to lease the First Offer Space included in Landlord's Availability Notice, Tenant shall be deemed to have rejected Landlord's offer to lease such space, Landlord shall be free to lease such space to another party on any terms and conditions and Tenant shall have no further right to lease such space under this Section, provided, however, in the event that the net effective rental rate and other economic terms of the lease which Landlord proposes to execute for the First Offer Space are less than ninety-five percent (95%) of the net effective rental rate and other economic terms set forth in the applicable Availability Notice therefore, then, in such event, Tenant's right of First Offer with respect to such First Offer Space shall be reinstated and Landlord shall be required to re-offer the First Offer Space to Tenant in accordance with the terms and provisions hereof. Additionally, if Landlord does not enter into a lease for the First Offer Space within twelve (12) months after the date Tenant rejects or is deemed to have rejected Landlord's offer to lease such space hereunder, then, in such event, Tenant's Right of First Offer with respect to such First Offer Space shall be reinstated and Landlord shall be required to re-offer the First Offer Space to Tenant in accordance with the terms and provisions hereof.

(d) If Tenant timely exercises its Right of First Offer to lease the First Offer Space included in Landlord's Availability Notice, such space shall be added to the Premises and the Term shall commence for such space on the date Landlord tenders vacant possession of such space to Tenant. Tenant shall lease such space on all the terms and conditions of this Lease except (i) the monthly Base Rent for such space shall be one twelfth (1/12th), of the product of the base rental rate for such space and the rentable square feet of such space set forth in Landlord's Availability Notice (which, absent manifest error, the parties agree shall be the rentable square feet of such space for all purposes of this Lease), (ii) Tenant's Proportionate Share shall be adjusted to reflect the additional space added to the Premises, (iii) Tenant shall lease such space in its then "as is" condition, and, except to the extent included in Landlord's Availability Notice, Landlord shall not be obligated to perform any work with respect thereto or make any contribution to Tenant to prepare such First Offer Space for Tenant's occupancy and (iv) subject to additional review of Tenant's financial statements, the security deposit or letter of credit required as set forth Landlord's Availability Notice. Landlord shall use commercially reasonable efforts to obtain and tender to Tenant vacant possession of the First Offer Space leased by Tenant on a date that falls between the anticipated commencement date set forth in Landlord's Notice (the "**Target Delivery Date**") and the date that is nine (9) months after the Target Delivery Date (the "**Outside Delivery Date**") but Landlord shall not be liable to Tenant and this Lease shall not be affected if Landlord is unable to tender possession of such space on any particular date. Notwithstanding the foregoing, if Landlord does not deliver possession of the First Offer Space within thirty (30) days after the Outside Delivery Date, Tenant shall have the right to terminate the Lease, as amended, with respect to such First Offer Space by written notice given to Landlord prior to delivery of possession of the First Offer Space to Tenant. Landlord and Tenant shall promptly execute an amendment memorializing the leasing of the portion of the First Offer Space and the terms thereof in a form reasonably satisfactory to both parties, but no such agreement shall be necessary in order to make the provisions hereof effective.

(e) Tenant's rights under this Section 9 shall not apply and Landlord shall not be required to notify Tenant of Availability of the First Offer Space if any of the following conditions exist on the date Landlord is to deliver the Availability Notice to Tenant or on the date such First Offer Space is to be added to the Premises: (i) an event of default shall have occurred and then be continuing beyond any applicable extension and cure period; (ii) the Lease is not in full force and effect; (iii) an assignment of this Lease, or a sublease of all or any portion of the Premises, or a transfer, by operation of law or otherwise of any part of Tenant's interest in this Lease, has occurred, other than in any case to a Permitted Transferee; (iv) less than three (3) years of the Term will remain after the date such space is to be added to the Premises unless Tenant has a Renewal Option and Tenant exercises such Renewal Option simultaneously with the exercise of the right to lease the First Offer Space; or (v) Tenant has not exercised its right to terminate the Lease under Section 5 above. At Landlord's option, Tenant's exercise of a right to lease First Offer Space shall be null and void if an uncured event of default exists beyond any applicable notice and cure period on the anticipated commencement of the lease for such First Offer Space.

(f) The Right of First Offer granted to Tenant pursuant this Section are personal to Tenant under this Lease and shall not be transferrable, except to a Permitted Transferee.

10. Fixed Terms Right of First Offer Option. Notwithstanding anything to the contrary contained in the Lease Tenant's Right of First Offer as originally set forth in Original Lease and as modified by the First Amendment and this Amendment, is hereby modified to provide Tenant with a one-time option to lease a portion of the First Offer Space on fixed terms as set forth below (such option, the "**Fixed Terms Right of First Offer**") (for avoidance of doubt, the Fixed Term Right of First Offer is in addition to, and does not replace, the Right of First Offer):

(a) An option to lease Suite 3220 (6,047 rentable square feet using BOMA 2017) and Suite 3230 (835 rentable square feet using BOMA 2017) (Suites 3220 and 3230 are collectively, the "**Fixed Terms ROFO Space**") by delivery of a written notice to Landlord on or before April 30, 2026, time being of the essence as to Tenant's delivery of the notice. If Tenant timely delivers the notice, then Landlord shall notify Tenant in writing ("**Landlord Notice**") at least thirty (30) days prior to the anticipated possession date for such Fixed Terms ROFO Space of the anticipated date possession of the Fixed Terms ROFO Space will be delivered to Tenant (the "**Target Possession Date**"), (in no event shall said Target Possession Date be later than February 1, 2027).

(b) Landlord shall use reasonable efforts to tender possession for the Fixed Terms ROFO Space leased pursuant to paragraph (a) above, on the anticipated possession date set forth in the Landlord Notice, but in either event Landlord shall not be liable to Tenant and this Lease shall not be affected if Landlord is unable to tender possession of such space on any particular date. Notwithstanding the foregoing, if Landlord does not deliver possession of the Fixed Terms ROFO Space within three (3) months after the Target Possession Date, Tenant shall be entitled to a day-for-day abatement of rent for the Fixed Terms ROFO Space for each day of delay beyond such three (3) months and if Landlord does not deliver possession of the Expansion Space within six (6) months after the Target Possession Date, Tenant shall have the right to terminate the Lease, as amended, with respect to the Expansion Space by written notice given to Landlord prior to delivery of possession of the Expansion Space to Tenant. The Term of the Lease for the Fixed Terms ROFO Space leased by Tenant shall commence on the date six (6) months after Landlord tenders possession of such space to Tenant. Tenant shall lease the Fixed Terms ROFO Space on all the terms and conditions of this Lease except (i) the Base Rent for such space shall be one twelfth (1/12th), of the product of (A) the Rentable Square Foot of such space and (B) the applicable Base Rent per Rentable Square Foot set forth in the Lease for each year of the remaining Term, (ii) Tenant's Proportionate Share shall be adjusted to reflect the additional space added to the Premises, and (iii) Tenant shall lease each Fixed Terms ROFO Space in its then "as is" condition, and Landlord shall not be obligated to perform any work with respect thereto or make any contribution to Tenant to prepare such Fixed Terms ROFO Space for Tenant's occupancy. Notwithstanding anything to the contrary contained in the foregoing, the Lease Concessions provided by Landlord for the Fixed Terms ROFO Space shall be the Construction Allowance and Abated Rent provided by Landlord for the initial Premises

multiplied by a fraction the numerator of which is the number of months of the term for the Fixed Terms ROFO Space and the denominator of which is one hundred thirty-two (132) months. Landlord and Tenant shall promptly execute an amendment evidencing each leasing of Fixed Terms ROFO Space and the terms thereof in a form reasonably satisfactory to both parties, (but no such agreement shall be necessary in order to make the provisions hereof effective). Tenant's rights under this Section 10 shall not apply if (i) a default shall have occurred and then be continuing beyond any applicable notice and cure period, (ii) the Lease is not in full force and effect or (iii) an assignment of this Lease has occurred other to a Permitted Transferee, or Tenant has subleased any of the Premises to subtenants that are not Permitted Transferees, or otherwise transferred, by operation of law or otherwise, any part of Tenant's interest under this Lease to a party that is not a Permitted Transferee. At Landlord's option, Tenant's exercise of a right to lease Fixed Terms ROFO Space shall be null and void if an uncured default exists on the anticipated commencement of the Lease for such space.

11. SNDA. Within fifteen (15) business days of the Fifth Amendment Effective Date, Landlord shall cause Landlord's lender to deliver an executed copy of a Subordination, Non-Disturbance and Attornment Agreement in the form and substance as attached to the Third Amendment as Exhibit D.

12. Successors and Assigns. The terms, covenants and conditions contained in this Fifth Amendment shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

13. Entire Agreement. This Fifth Amendment and the Lease contain the entire agreement between Landlord and Tenant with respect to Tenant's leasing of the Premises. Except for the Lease and this Fifth Amendment, no prior agreements or understandings with respect to the Premises shall be valid or of any force or effect.

14. Full Force and Effect. Except as herein modified or amended, the provisions, conditions and terms of the Lease shall remain unchanged and in full force and effect. In the case of any inconsistency between the provisions of the Lease and this Fifth Amendment, the provisions of this Fifth Amendment shall govern and control.

15. Non-Binding Until Fully Executed. Submission of this Fifth Amendment by Landlord to Tenant for examination and/or execution shall not in any manner bind Landlord and no obligations on Landlord or Tenant shall arise under this Fifth Amendment unless and until this Fifth Amendment is fully signed and delivered by all parties hereto.

16. Real Estate Broker. Tenant and Landlord represent to each other that they have not dealt with any real estate broker with respect to this Fifth Amendment, other than Telos Group LLC ("Landlord's Broker") and CBRE, Inc. ("Tenant's Broker"), and no other broker is in any way entitled to any broker's fee or other payment in connection with this Fifth Amendment based upon its acts. Tenant and Landlord shall each indemnify and defend the other party against any claims by any broker or third party for any payment of any kind in connection with this Fifth Amendment arising from a breach by Tenant or Landlord, respectively, of the

foregoing representations. Landlord shall pay Landlord's Broker and Tenant's Broker commissions pursuant to the terms of a separate written agreement.

17. Counterparts. This Fifth Amendment may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument. A facsimile or other electronic transmission of a signature shall have the same force and effect as an original signature.

18. Authority. Each party has the full right, power and authority to enter into this Fifth Amendment, and has obtained all necessary consents and resolutions required under the documents governing such party's affairs in order to consummate this transaction. The persons executing this Fifth Amendment have been duly authorized to do so and this Fifth Amendment and the Lease are binding obligations of each party, enforceable in accordance with their terms.

[Remainder of page left intentionally blank; signature page follows]

IN WITNESS WHEREOF, the parties have caused this Fifth Amendment to Office Lease be executed on the date first above written.

LANDLORD:

601W SOUTH WACKER LLC, a Delaware limited liability company

By: /s/ Mark Karasick

Name: Mark Karasick

Its: Managing Director

601 SUNSET WACKER LLC, a Delaware limited liability company

By: /s/ Mark Karasick

Name: Mark Karasick

Its: Managing Director

TENANT:

CRA INTERNATIONAL, INC., a Massachusetts corporation

By: /s/ Chad M. Holmes

Name: Chad M. Holmes

Its: EVP

EXHIBIT A

FIRST OFFER SPACE

Exhibit "A"
One South Wacker

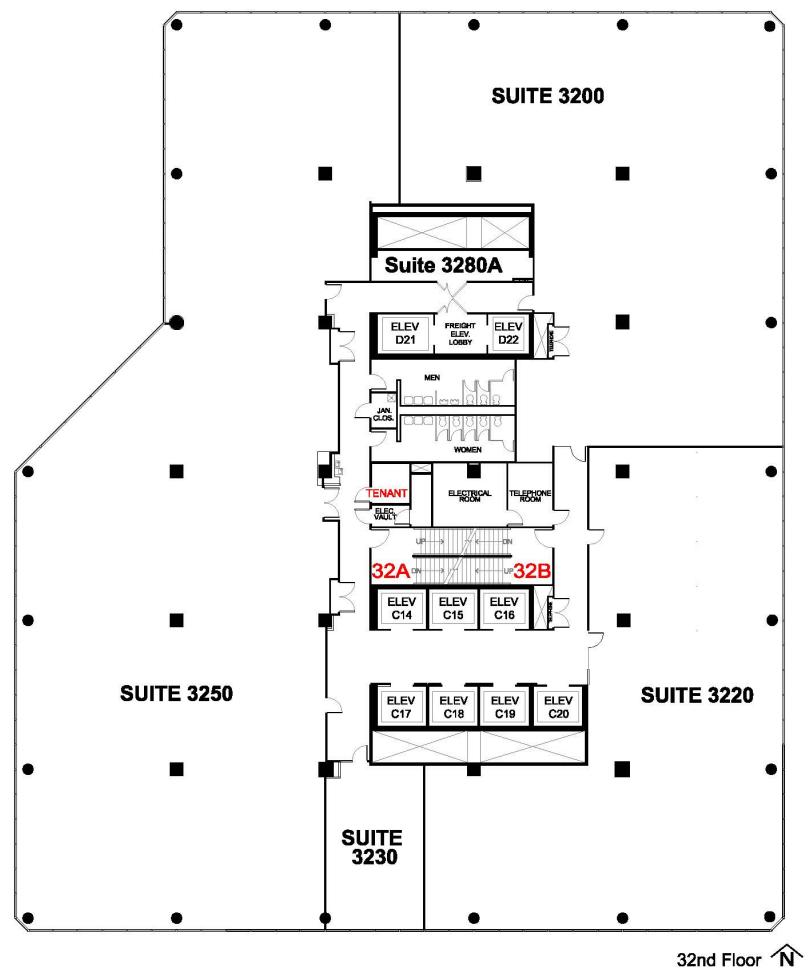


Exhibit "A"

One South Wacker

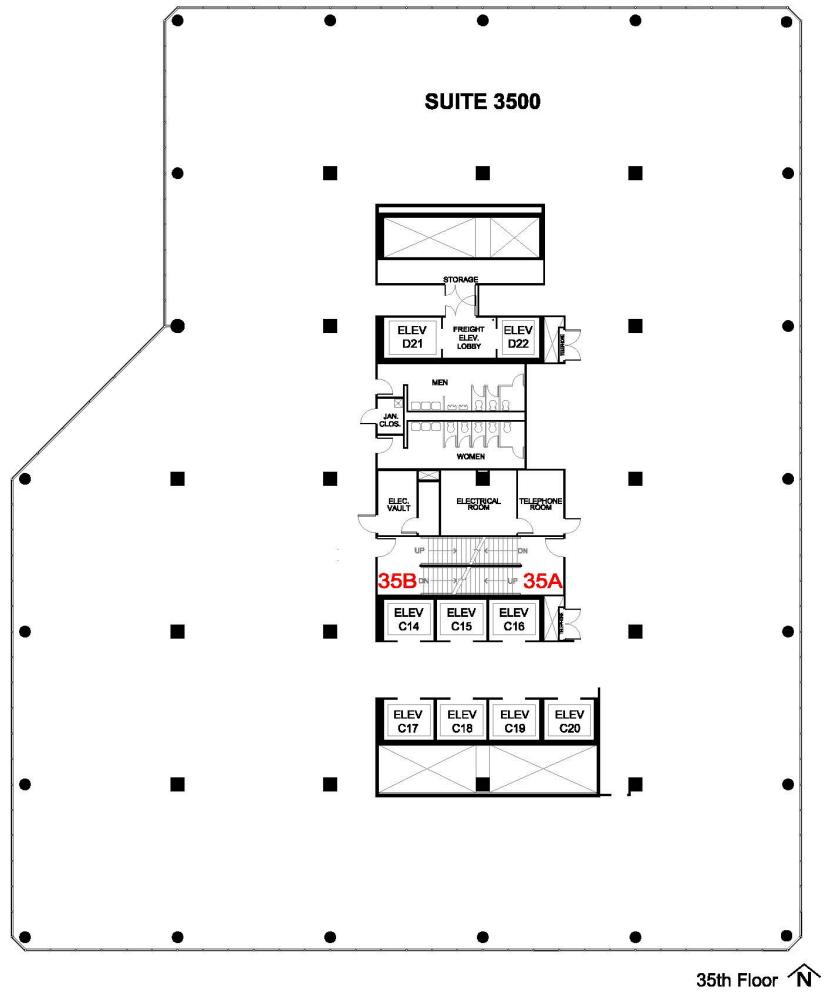


Exhibit "A"

One South Wacker

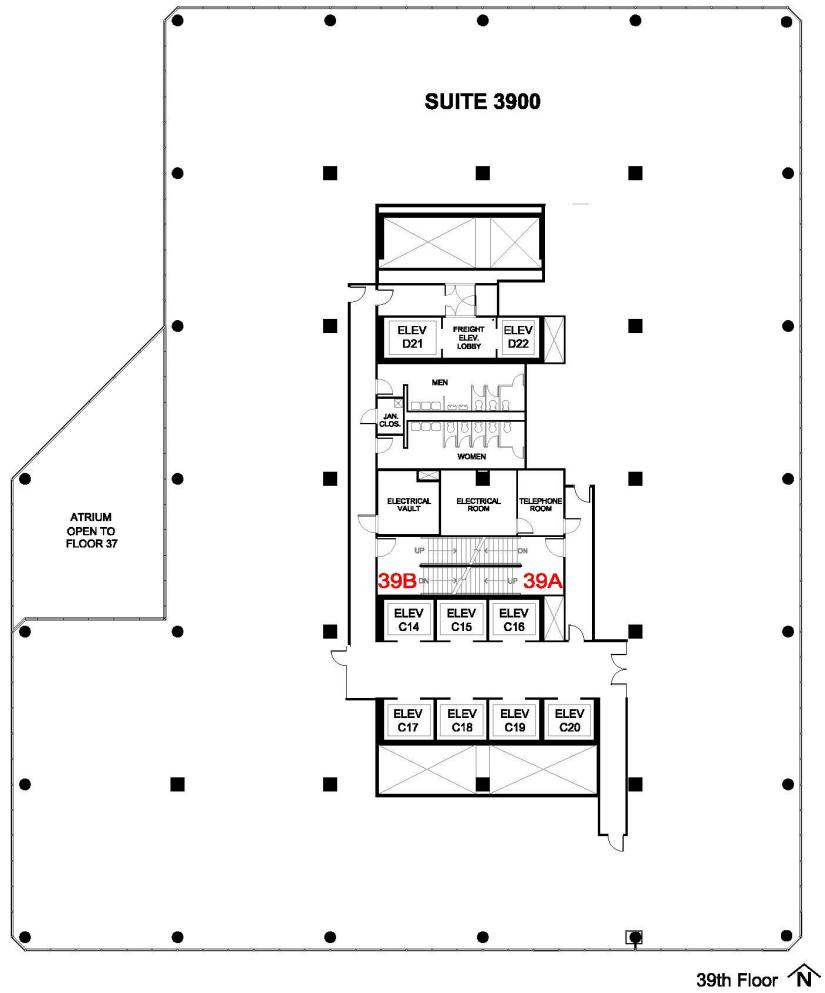


EXHIBIT B

SAMPLE TERMINATION FEE

Amortization For 2024 Concession (11 year amortization <u>from 8/1/24</u>)		
	52,723	RSF
TI	\$20.00	\$1,054,460.00
LC	\$15.75	\$830,387.25
Abatement	N/A	N/A
Total Deal Costs	\$35.75	\$1,884,847.25
Term	11 years	
Unamortized Deal Costs	\$8.33	\$438,926.86 (9 years, 2 mos)

Amortization For 2028 Concession (7 year amortization <u>from 8/1/28</u>)		
	52,723	RSF
TI	\$23.72	\$1,250,589.56
LC	N/A	N/A
Abatement	\$61.17	\$3,225,149.01
Total Deal Costs	\$84.89	\$4,475,738.57
Term	7 years	
Unamortized Deal Costs	\$26.99	\$1,423,077.11 (5 years, 2 mos)

Total Termination Penalty		
2024 Unamortized Costs	\$8.33	\$438,926.86
2028 Unamortized Costs	\$26.99	\$1,423,077.11
Total Unamortized Costs	\$35.32	\$1,862,003.97
2 Month Penalty	\$10.10	\$532,547.08
Total Termination Payment	\$45.42	\$2,394,551.05

**CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Paul A. Maleh, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q (this "report") of CRA International, Inc. (the "registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2024

By: /s/ PAUL A. MALEH

Paul A. Maleh

President and Chief Executive Officer

**CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Daniel K. Mahoney, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q (this "report") of CRA International, Inc. (the "registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2024

By: /s/ DANIEL K. MAHONEY

Daniel K. Mahoney

Chief Financial Officer, Executive Vice President and Treasurer

**CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of CRA International, Inc. (the "Company") on Form 10-Q for the quarter ended September 28, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned President and Chief Executive Officer of the Company, certifies, to the best knowledge and belief of the signatory, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ PAUL A. MALEH

Paul A. Maleh

President and Chief Executive Officer

Date: October 31, 2024

**CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of CRA International, Inc. (the "Company") on Form 10-Q for the quarter ended September 28, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned Chief Financial Officer, Executive Vice President and Treasurer of the Company, certifies, to the best knowledge and belief of the signatory, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ DANIEL K. MAHONEY

Daniel K. Mahoney
Chief Financial Officer, Executive Vice President and Treasurer
Date: October 31, 2024