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

FORM 8-K
CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

November 2, 2023
Date of Report (Date of earliest event reported)

Huron Consulting Group Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-50976
(Commission
File Number)

01-0666114
(IRS Employer
Identification Number)

550 West Van Buren Street
Chicago, Illinois
60607
(Address of principal executive offices)

(312) 583-8700
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

<table>
<thead>
<tr>
<th>Title of each class</th>
<th>Trading Symbol(s)</th>
<th>Name of each exchange on which registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Stock, par value $0.01 per share</td>
<td>HURN</td>
<td>NASDAQ Global Select Market</td>
</tr>
</tbody>
</table>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐
Item 2.02. Results of Operations and Financial Condition.

On November 2, 2023, Huron Consulting Group Inc. (the "Company") issued a press release announcing its financial results for the three months ended September 30, 2023. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information furnished pursuant to Item 2.02 and the attached Exhibit 99.1 shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<table>
<thead>
<tr>
<th>Exhibit Number</th>
<th>Exhibit Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>99.1</td>
<td>Press release, dated November 2, 2023</td>
</tr>
<tr>
<td>101.INS</td>
<td>Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document</td>
</tr>
<tr>
<td>101.SCH</td>
<td>Inline XBRL Taxonomy Extension Schema Document</td>
</tr>
<tr>
<td>101.CAL</td>
<td>Inline XBRL Taxonomy Extension Calculation Linkbase Document</td>
</tr>
<tr>
<td>101.LAB</td>
<td>Inline XBRL Taxonomy Extension Label Linkbase Document</td>
</tr>
<tr>
<td>101.PRE</td>
<td>Inline XBRL Taxonomy Extension Presentation Linkbase Document</td>
</tr>
<tr>
<td>101.DEF</td>
<td>Inline XBRL Taxonomy Extension Definition Linkbase Document</td>
</tr>
<tr>
<td>104</td>
<td>Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)</td>
</tr>
</tbody>
</table>
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 hereunto duly authorized.

Huron Consulting Group Inc.
(Registrant)

Date: November 2, 2023

/s/ JOHN D. KELLY
John D. Kelly
Executive Vice President, Chief Financial Officer, and Treasurer
Huron Announces Record Third Quarter 2023 Financial Results and Increases 2023 Guidance

THIRD QUARTER 2023 FINANCIAL HIGHLIGHTS

• Total revenues increased $72.8 million, or 25.5%, to $358.2 million in Q3 2023 from $285.4 million in Q3 2022.
• Net income increased $3.8 million, or 21.3%, to $21.5 million in Q3 2023 from $17.7 million in Q3 2022.
• Adjusted EBITDA, a non-GAAP measure, increased $11.5 million, or 31.6%, to $48.0 million in Q3 2023 from $36.5 million in Q3 2022.
• Diluted earnings per share increased $0.24, or 27.9%, to $1.10 in Q3 2023 from $0.86 in Q3 2022.
• Adjusted diluted earnings per share, a non-GAAP measure, increased $0.38, or 37.6%, to $1.39 in Q3 2023 from $1.01 in Q3 2022.
• Net cash provided by operating activities increased 54.7% to $68.8 million in Q3 2023, compared to $44.5 million in Q3 2022.

YEAR-TO-DATE 2023 FINANCIAL HIGHLIGHTS AND 2023 GUIDANCE

• Total revenues increased $204.1 million, or 24.9%, to $1.02 billion for the first nine months of 2023 from $818.7 million for the same prior year period.
• Revenues within all segments increased; led by Healthcare, the company’s largest segment, which increased 31.5% to $502.0 million for the first nine months of 2023, compared to $381.7 million for the same prior year period.
• Net income increased $1.2 million, or 2.0%, to $59.6 million for the first nine months of 2023, compared to $58.5 million for the same prior year period. Results for the first nine months of 2022 included a non-recurring, unrealized gain of $19.8 million, net of tax, related to the company’s investment in a hospital-at-home company.
• Adjusted EBITDA, a non-GAAP measure, increased $34.2 million, or 37.2%, to $126.0 million for the first nine months of 2023 from $91.8 million for the same prior year period.
• Adjusted EBITDA as a percentage of revenues, a non-GAAP measure, increased 110 basis points to 12.3% for the first nine months of 2023 from 11.2% for the same prior year period.
• Diluted earnings per share increased $0.25, or 8.9%, to $3.05 for the first nine months of 2023, compared to $2.80 for the same prior year period which included the non-recurring, unrealized gain of $19.8 million, net of tax, related to the company's investment in a hospital-at-home company.
• Adjusted diluted earnings per share, a non-GAAP measure, increased $1.32, or 56.9%, to $3.64 for the first nine months of 2023 from $2.32 for the same prior year period.
Huron returned $88.4 million to shareholders in the first nine months of 2023 by repurchasing 1.1 million shares of the company’s common stock.

Huron increases its previous full year 2023 revenue and earnings guidance ranges, including revenue expectations in a range of $1.35 billion to $1.37 billion.

**OTHER HIGHLIGHT**

- For the 13th consecutive year in a row, Huron is named by Consulting magazine as a "Best Firm to Work For," recognizing the firm's commitment to its people and fostering a collaborative and inclusive culture.

**CHICAGO - Nov 2, 2023 -** Global professional services firm Huron (NASDAQ: HURN) today announced financial results for the third quarter ended September 30, 2023.

“Huron’s strong performance continued in the third quarter with revenues growing 26% over the prior year quarter and a ninth consecutive quarter of year-over-year margin expansion. In the first nine months of 2023, revenues grew organically across all three operating segments, led by 32% growth in the Healthcare segment, our largest business,” said Mark Hussey, chief executive officer and president of Huron. “Our results and increased guidance reflect ongoing strong demand for our broad portfolio of offerings, our deep industry expertise, and our highly talented team. Our third quarter results continue our strong multi-year performance and further demonstrate our ability to drive more sustainable revenue growth and margin expansion across our business.”

**THIRD QUARTER 2023 RESULTS**

Revenues increased $72.8 million, or 25.5%, to $358.2 million for the third quarter of 2023, compared to $285.4 million for the third quarter of 2022. This revenue growth was highlighted by 37.7% growth in the Consulting and Managed Services capability in the aggregate across all segments and growth in the Education and Healthcare segments’ Digital capability of 22.7% and 13.9%, respectively, during the third quarter of 2023, compared to the same prior year period; and reflects the company’s focus on accelerating growth in the healthcare and education industries.

Net income increased $3.8 million, or 21.3%, to $21.5 million for the third quarter of 2023, compared to $17.7 million for the same quarter last year. Diluted earnings per share increased $0.24, or 27.9%, to $1.10 for the third quarter of 2023, compared to $0.86 for the third quarter of 2022.

Third quarter 2023 earnings before interest, taxes, depreciation and amortization (“EBITDA”) increased $7.1 million, or 20.0%, to $42.6 million, compared to $35.5 million in the same prior year period.

In addition to using EBITDA to evaluate the company’s financial performance, management uses other non-GAAP financial measures, which exclude the effect of the following items (in thousands):

<table>
<thead>
<tr>
<th>Three Months Ended September 30,</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization of intangible assets</td>
<td>$1,997</td>
<td>$2,818</td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>$5,402</td>
<td>$1,332</td>
</tr>
<tr>
<td>Other gains, net</td>
<td>$(14)</td>
<td>$(67)</td>
</tr>
<tr>
<td>Transaction-related expenses</td>
<td>$302</td>
<td>$—</td>
</tr>
<tr>
<td>Tax effect of adjustments</td>
<td>$(2,037)</td>
<td>$(1,082)</td>
</tr>
<tr>
<td>Foreign currency transaction gains, net</td>
<td>$(332)</td>
<td>$(328)</td>
</tr>
</tbody>
</table>

Adjusted EBITDA increased $11.5 million, or 31.6%, to $48.0 million, or 13.4% of revenues, in the third quarter of 2023, compared to $36.5 million, or 12.8% of revenues, in the same quarter last year. Adjusted net income increased $6.4 million, or 31.0%, to $27.2 million, or $1.39 per diluted share, for the third quarter of 2023, compared to $20.7 million, or $1.01 per diluted share, for the same quarter in 2022.

The number of revenue-generating professionals increased 16.8% to 5,341 as of September 30, 2023 from 4,571 as of September 30, 2022. The utilization rate of the company’s Consulting capability increased to 77.3% during

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*Note: The table and some narrative text may be truncated or require further context for full comprehension.*
the third quarter 2023, compared to 72.5% during the same period last year. The utilization rate\(^{(5)}\) for the company's Digital capability increased to 75.4% during the third quarter 2023, compared to 70.1% during the same period last year.

**YEAR-TO-DATE 2023 RESULTS**

Revenues increased $204.1 million, or 24.9%, to $1.02 billion for the first nine months of 2023, compared to $818.7 million for the first nine months of 2022. This revenue growth was highlighted by 29.7% growth in the Consulting and Managed Services capability and 19.0% growth in the Digital capability in the aggregate across all industries; and reflects the company's focus on accelerating growth in the healthcare and education industries and growing its presence in commercial industries.

Net income increased $1.2 million, or 2.0%, to $59.6 million for the first nine months of 2023, compared to $58.5 million for the first nine months of 2022. Diluted earnings per share increased $0.25, or 8.9%, to $3.05 for the first nine months of 2023, compared to $2.80 for the same period last year. Results for the first nine months of 2022 included a non-recurring, unrealized gain of $19.8 million, net of tax, related to the company's investment in a hospital-at-home company.

EBITDA\(^{(6)}\) for the first nine months of 2023 increased $2.3 million, or 2.0%, to $116.5 million; compared to $114.2 million in the same prior year period which included the non-recurring, pre-tax unrealized gain of $27.0 million related to the company's investment in a hospital-at-home company.

In addition to using EBITDA to evaluate the company's financial performance, management uses other non-GAAP financial measures, which exclude the effect of the following items (in thousands):

<table>
<thead>
<tr>
<th>Nine Months Ended September 30,</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization of intangible assets</td>
<td>$6,202</td>
<td>$8,496</td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>$9,385</td>
<td>$4,956</td>
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<tr>
<td>Other gains, net</td>
<td>$(202)</td>
<td>$(34)</td>
</tr>
<tr>
<td>Transaction-related expenses</td>
<td>$302</td>
<td>$50</td>
</tr>
<tr>
<td>Unrealized gain on preferred stock investment</td>
<td>$—</td>
<td>$(26,964)</td>
</tr>
<tr>
<td>Tax effect of adjustments</td>
<td>$(4,157)</td>
<td>$3,576</td>
</tr>
<tr>
<td>Foreign currency transaction losses (gains), net</td>
<td>$36</td>
<td>$(409)</td>
</tr>
</tbody>
</table>

Adjusted EBITDA\(^{(6)}\) increased $34.2 million, or 37.2%, to $126.0 million, or 12.3% of revenues, for the first nine months of 2023, compared to $91.8 million, or 11.2% of revenues, for the same period last year. Adjusted net income\(^{(6)}\) increased $22.6 million, or 46.6%, to $71.2 million, or $3.64 per diluted share, for the first nine months of 2023, compared to $48.5 million, or $2.32 per diluted share, for the first nine months of 2022.

The number of revenue-generating professionals\(^{(5)}\) increased 16.8% to 5,341 as of September 30, 2023 from 4,571 as of September 30, 2022. The utilization rate\(^{(5)}\) of the company's Consulting capability increased to 76.5% during the first nine months of 2023, compared to 73.0% during the same period last year. The utilization rate\(^{(5)}\) of the company's Digital capability increased to 73.7% during the first nine months 2023, compared to 71.6% during the same period last year.

Additionally, in the first nine months of 2023, Huron repurchased 1,116,830 shares of the company's common stock for $88.4 million.

**OPERATING INDUSTRIES**

The company's year-to-date 2023 revenues by operating segment as a percentage of total company revenues are as follows: Healthcare (49%); Education (32%); and Commercial (19%). Financial results by operating industry are included in the attached schedules and in Huron's forthcoming Quarterly Report on Form 10-Q filing for the quarter ended September 30, 2023.
OUTLOOK FOR 2023

Based on currently available information, the company increased guidance for full year 2023 revenues before reimbursable expenses to a range of $1.35 billion to $1.37 billion. The company also anticipates adjusted EBITDA as a percentage of revenues in a range of 12.0% to 12.5% and non-GAAP adjusted diluted earnings per share in a range of $4.70 to $4.90.

THIRD QUARTER 2023 WEBCAST

The company will host a webcast to discuss its financial results today, November 2, 2023, at 5:00 p.m. Eastern Time, 4:00 p.m. Central Time. The conference call is being webcast by Notified and can be accessed from Huron's website at http://ir.huronconsultinggroup.com. A replay will be available approximately two hours after the conclusion of the webcast and for 90 days thereafter.

USE OF NON-GAAP FINANCIAL MEASURES

In evaluating the company's financial performance and outlook, management uses EBITDA, adjusted EBITDA, adjusted EBITDA as a percentage of revenues, adjusted net income, and adjusted diluted earnings per share, which are non-GAAP measures. Management uses these non-GAAP financial measures to gain an understanding of the company's comparative operating performance (when comparing such results with previous periods or forecasts). These non-GAAP financial measures are used by management in their financial and operating decision making because management believes they reflect the company's ongoing business in a manner that allows for meaningful period-to-period comparisons. Management also uses these non-GAAP financial measures when publicly providing their business outlook, for internal management purposes, and as a basis for evaluating potential acquisitions and dispositions. Management believes that these non-GAAP financial measures provide useful information to investors and others in understanding and evaluating Huron's current operating performance and future prospects in the same manner as management does, if they so choose, and in comparing in a consistent manner Huron's current financial results with Huron's past financial results. Investors should recognize that these non-GAAP measures might not be comparable to similarly titled measures of other companies. These measures should be considered in addition to, and not as a substitute for or superior to, any measure of performance, cash flows or liquidity prepared in accordance with accounting principles generally accepted in the United States.

Management has provided its outlook regarding adjusted EBITDA and adjusted diluted earnings per share, both of which are non-GAAP financial measures and exclude certain charges. Management has not reconciled these non-GAAP financial measures to the corresponding GAAP financial measures because guidance for the various reconciling items is not provided. Management is unable to provide guidance for these reconciling items because they cannot determine their probable significance, as certain items are outside of the company's control and cannot be reasonably predicted since these items could vary significantly from period to period. Accordingly, reconciliations to the corresponding GAAP financial measures are not available without unreasonable effort.

ABOUT HURON

Huron is a global professional services firm that collaborates with clients to put possible into practice by creating sound strategies, optimizing operations, accelerating digital transformation, and empowering businesses and their people to own their future. By embracing diverse perspectives, encouraging new ideas and challenging the status quo, we create sustainable results for the organizations we serve. Learn more at www.huronconsultinggroup.com.
Statements in this press release that are not historical in nature, including those concerning the company's current expectations about its future results, are "forward-looking" statements as defined in Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Forward-looking statements are identified by words such as "may," "should," "expects," "provides," "anticipates," "assumes," "can," "will," "meets," "could," "likely," "intends," "might," "predicts," "seeks," "would," "believes," "estimates," "plans," "continues," "goals," "guidance," or "outlook" or similar expressions. These forward-looking statements reflect the company's current expectations about future requirements and needs, results, levels of activity, performance, or achievements. Some of the factors that could cause actual results to differ materially from the forward-looking statements contained herein include, without limitation: failure to achieve expected utilization rates, billing rates, and the necessary number of revenue-generating professionals; inability to expand or adjust our service offerings in response to market demands; our dependence on renewal of client-based services; dependence on new business and retention of current clients and qualified personnel; failure to maintain third-party provider relationships and strategic alliances; inability to license technology to and from third parties; the impairment of goodwill; various factors related to income and other taxes; difficulties in successfully integrating the businesses we acquire and achieving expected benefits from such acquisitions; risks relating to privacy, information security, and related laws and standards; and a general downturn in market conditions. These forward-looking statements involve known and unknown risks, uncertainties, and other factors, including, among others, those described under "Item 1A. Risk Factors" in Huron's Annual Report on Form 10-K for the year ended December 31, 2022 that may cause actual results, levels of activity, performance or achievements to be materially different from any anticipated results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements. The company disclaims any obligation to update or revise any forward-looking statements as a result of new information or future events, or for any other reason.
### Huron Consulting Group Inc.

**Consolidated Statements of Operations and Other Comprehensive Income (Loss)**

(In thousands, except per share amounts)

(Received)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended September 30,</th>
<th>Nine Months Ended September 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2023</td>
<td>2022</td>
</tr>
<tr>
<td><strong>Revenues and reimbursable expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$ 358,178</td>
<td>$ 285,370</td>
</tr>
<tr>
<td>Reimbursable expenses</td>
<td>9,288</td>
<td>6,816</td>
</tr>
<tr>
<td>Total revenues and reimbursable expenses</td>
<td>367,466</td>
<td>292,186</td>
</tr>
<tr>
<td><strong>Operating expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct costs (exclusive of depreciation and amortization included below)</td>
<td>244,774</td>
<td>193,368</td>
</tr>
<tr>
<td>Reimbursable expenses</td>
<td>9,497</td>
<td>6,917</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td>64,347</td>
<td>54,458</td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>5,402</td>
<td>1,332</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>6,104</td>
<td>6,812</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>330,124</td>
<td>262,887</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>37,342</td>
<td>29,299</td>
</tr>
<tr>
<td><strong>Other income (expense), net:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest expense, net of interest income</td>
<td>(5,047)</td>
<td>(3,111)</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>(1,000)</td>
<td>(785)</td>
</tr>
<tr>
<td>Total other income (expense), net</td>
<td>(6,047)</td>
<td>(3,896)</td>
</tr>
<tr>
<td><strong>Income before taxes</strong></td>
<td>31,295</td>
<td>25,403</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>9,779</td>
<td>7,662</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>$21,516</td>
<td>$17,741</td>
</tr>
<tr>
<td><strong>Earnings per share:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income per basic share</td>
<td>$ 1.15</td>
<td>$ 0.88</td>
</tr>
<tr>
<td>Net income per diluted share</td>
<td>$ 1.10</td>
<td>$ 0.86</td>
</tr>
<tr>
<td><strong>Weighted average shares used in calculating earnings per share:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>18,770</td>
<td>20,109</td>
</tr>
<tr>
<td>Diluted</td>
<td>19,475</td>
<td>20,615</td>
</tr>
<tr>
<td><strong>Comprehensive income (loss):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>$21,516</td>
<td>$17,741</td>
</tr>
<tr>
<td>Foreign currency translation adjustments, net of tax</td>
<td>(662)</td>
<td>(1,034)</td>
</tr>
<tr>
<td>Unrealized gain (loss) on investment, net of tax</td>
<td>(1,350)</td>
<td>(830)</td>
</tr>
<tr>
<td>Unrealized gain (loss) on cash flow hedging instruments, net of tax</td>
<td>(368)</td>
<td>3,762</td>
</tr>
<tr>
<td>Other comprehensive income (loss)</td>
<td>(2,380)</td>
<td>1,898</td>
</tr>
<tr>
<td><strong>Comprehensive income</strong></td>
<td>$19,136</td>
<td>$19,639</td>
</tr>
<tr>
<td>Assets</td>
<td>September 30, 2023</td>
<td>December 31, 2022</td>
</tr>
<tr>
<td>----------------------------</td>
<td>-------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$9,398</td>
<td>$11,834</td>
</tr>
<tr>
<td>Receivables from clients, net</td>
<td>166,330</td>
<td>147,852</td>
</tr>
<tr>
<td>Unbilled services, net</td>
<td>192,853</td>
<td>141,781</td>
</tr>
<tr>
<td>Income tax receivable</td>
<td>4,500</td>
<td>960</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>32,450</td>
<td>26,057</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>405,531</strong></td>
<td><strong>328,484</strong></td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>22,919</td>
<td>26,107</td>
</tr>
<tr>
<td>Deferred income taxes, net</td>
<td>1,735</td>
<td>1,554</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>95,387</td>
<td>91,194</td>
</tr>
<tr>
<td>Operating lease right-of-use assets</td>
<td>23,441</td>
<td>30,304</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$1,282,300</strong></td>
<td><strong>$1,199,040</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and stockholders' equity</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$11,987</td>
<td>$14,254</td>
</tr>
<tr>
<td>Accrued expenses and other current liabilities</td>
<td>31,591</td>
<td>27,268</td>
</tr>
<tr>
<td>Accrued payroll and related benefits</td>
<td>183,872</td>
<td>171,723</td>
</tr>
<tr>
<td>Current maturities of operating lease liabilities</td>
<td>11,116</td>
<td>10,530</td>
</tr>
<tr>
<td>Deferred revenues</td>
<td>26,217</td>
<td>21,909</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>264,783</strong></td>
<td><strong>245,684</strong></td>
</tr>
<tr>
<td>Non-current liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred compensation and other liabilities</td>
<td>32,700</td>
<td>33,614</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>358,000</td>
<td>290,000</td>
</tr>
<tr>
<td>Operating lease liabilities, net of current portion</td>
<td>39,207</td>
<td>45,556</td>
</tr>
<tr>
<td>Deferred income taxes, net</td>
<td>34,256</td>
<td>32,146</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td><strong>464,163</strong></td>
<td><strong>401,316</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commitments and contingencies</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Stockholders' equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common stock: $0.01 par value; 500,000,000 shares authorized; 21,597,274 and 22,507,159 shares issued, respectively</td>
<td>215</td>
<td>223</td>
</tr>
<tr>
<td>Treasury stock, at cost, 2,848,126 and 2,711,712 shares, respectively</td>
<td>(141,729)</td>
<td>(137,556)</td>
</tr>
<tr>
<td>Additional paid-in capital</td>
<td>261,995</td>
<td>318,706</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>412,195</td>
<td>352,548</td>
</tr>
<tr>
<td>Accumulated other comprehensive income</td>
<td>20,678</td>
<td>18,119</td>
</tr>
<tr>
<td><strong>Total stockholders' equity</strong></td>
<td><strong>553,354</strong></td>
<td><strong>552,040</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and stockholders' equity</strong></td>
<td><strong>$1,282,300</strong></td>
<td><strong>$1,199,040</strong></td>
</tr>
<tr>
<td>Cash flows from operating activities:</td>
<td>2023</td>
<td>2022</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td>Net income</td>
<td>$59,647</td>
<td>$58,468</td>
</tr>
<tr>
<td>Adjustments to reconcile net income to cash flows from operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>18,653</td>
<td>20,578</td>
</tr>
<tr>
<td>Non-cash lease expense</td>
<td>4,840</td>
<td>4,768</td>
</tr>
<tr>
<td>Lease-related impairment charges</td>
<td>5,584</td>
<td>—</td>
</tr>
<tr>
<td>Share-based compensation</td>
<td>35,398</td>
<td>23,083</td>
</tr>
<tr>
<td>Amortization of debt discount and issuance costs</td>
<td>577</td>
<td>595</td>
</tr>
<tr>
<td>Allowances for doubtful accounts</td>
<td>53</td>
<td>47</td>
</tr>
<tr>
<td>Deferred income taxes</td>
<td>890</td>
<td>7,133</td>
</tr>
<tr>
<td>Gain on sale of property and equipment, excluding transaction costs</td>
<td>(61)</td>
<td>(1,117)</td>
</tr>
<tr>
<td>Change in fair value of contingent consideration liabilities</td>
<td>(251)</td>
<td>(34)</td>
</tr>
<tr>
<td>Change in fair value of preferred stock investment</td>
<td>—</td>
<td>(26,964)</td>
</tr>
<tr>
<td>Other, net</td>
<td>—</td>
<td>6</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities, net of acquisitions and divestiture:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) decrease in receivables from clients, net</td>
<td>(18,508)</td>
<td>(44,759)</td>
</tr>
<tr>
<td>(Increase) decrease in unbilled services, net</td>
<td>(51,092)</td>
<td>(31,937)</td>
</tr>
<tr>
<td>(Increase) decrease in current income tax receivable / payable, net</td>
<td>(4,365)</td>
<td>14,704</td>
</tr>
<tr>
<td>(Increase) decrease in other assets</td>
<td>(6,243)</td>
<td>3,468</td>
</tr>
<tr>
<td>Increase (decrease) in accounts payable and other liabilities</td>
<td>(5,361)</td>
<td>(14,538)</td>
</tr>
<tr>
<td>Increase (decrease) in accrued payroll and related benefits</td>
<td>10,805</td>
<td>(18,883)</td>
</tr>
<tr>
<td>Increase (decrease) in deferred revenues</td>
<td>4,328</td>
<td>(397)</td>
</tr>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td>54,894</td>
<td>(5,779)</td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(5,147)</td>
<td>(9,768)</td>
</tr>
<tr>
<td>Investment in life insurance policies</td>
<td>(2,601)</td>
<td>(283)</td>
</tr>
<tr>
<td>Distributions from life insurance policies</td>
<td>2,956</td>
<td>2,958</td>
</tr>
<tr>
<td>Purchases of businesses</td>
<td>(1,613)</td>
<td>(1,948)</td>
</tr>
<tr>
<td>Capitalization of internally developed software costs</td>
<td>(19,610)</td>
<td>(6,655)</td>
</tr>
<tr>
<td>Proceeds from note receivable</td>
<td>154</td>
<td>157</td>
</tr>
<tr>
<td>Proceeds from sale of property and equipment</td>
<td>62</td>
<td>4,753</td>
</tr>
<tr>
<td>Divestiture of business</td>
<td>207</td>
<td></td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(25,799)</td>
<td>(10,779)</td>
</tr>
<tr>
<td>Cash flows from financing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from exercises of stock options</td>
<td>987</td>
<td>1,421</td>
</tr>
<tr>
<td>Shares redeemed for employee tax withholdings</td>
<td>(10,050)</td>
<td>(7,540)</td>
</tr>
<tr>
<td>Share repurchases</td>
<td>(88,897)</td>
<td>(95,474)</td>
</tr>
<tr>
<td>Proceeds from bank borrowings</td>
<td>292,000</td>
<td>287,000</td>
</tr>
<tr>
<td>Repayments of bank borrowings</td>
<td>(224,000)</td>
<td>(178,780)</td>
</tr>
<tr>
<td>Payments for debt issuance costs</td>
<td>(58)</td>
<td></td>
</tr>
<tr>
<td>Deferred payments on business acquisition</td>
<td>(1,500)</td>
<td>(1,875)</td>
</tr>
<tr>
<td>Net cash provided by (used in) financing activities</td>
<td>(31,518)</td>
<td>4,752</td>
</tr>
<tr>
<td>Effect of exchange rate changes on cash</td>
<td>(13)</td>
<td>(144)</td>
</tr>
<tr>
<td>Net decrease in cash and cash equivalents</td>
<td>(2,436)</td>
<td>(11,950)</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of the period</td>
<td>11,834</td>
<td>20,781</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of the period</td>
<td>$9,398</td>
<td>$8,831</td>
</tr>
<tr>
<td>Segment and Consolidated Operating Results (in thousands):</td>
<td>Three Months Ended September 30,</td>
<td>Percent Increase (Decrease)</td>
</tr>
<tr>
<td>----------------------------------------------------------</td>
<td>----------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td><strong>Healthcare:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$179,177</td>
<td>$131,319</td>
</tr>
<tr>
<td>Operating income</td>
<td>$46,888</td>
<td>$33,045</td>
</tr>
<tr>
<td>Segment operating margin</td>
<td>26.2 %</td>
<td>25.2 %</td>
</tr>
<tr>
<td><strong>Education:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$111,043</td>
<td>$94,347</td>
</tr>
<tr>
<td>Operating income</td>
<td>$26,550</td>
<td>$22,851</td>
</tr>
<tr>
<td>Segment operating margin</td>
<td>23.9 %</td>
<td>24.2 %</td>
</tr>
<tr>
<td><strong>Commercial:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$67,958</td>
<td>$59,704</td>
</tr>
<tr>
<td>Operating income</td>
<td>$15,432</td>
<td>$14,153</td>
</tr>
<tr>
<td>Segment operating margin</td>
<td>22.7 %</td>
<td>23.7 %</td>
</tr>
<tr>
<td><strong>Total Huron:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$358,178</td>
<td>$285,370</td>
</tr>
<tr>
<td>Reimbursable expenses</td>
<td>9,288</td>
<td>6,816</td>
</tr>
<tr>
<td><strong>Total revenues and reimbursable expenses</strong></td>
<td>$367,466</td>
<td>$292,186</td>
</tr>
<tr>
<td><strong>Segment operating income</strong></td>
<td>$88,870</td>
<td>$70,049</td>
</tr>
<tr>
<td><strong>Items not allocated at the segment level:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>43,086</td>
<td>34,875</td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>4,095</td>
<td>804</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>4,347</td>
<td>5,071</td>
</tr>
<tr>
<td><strong>Total operating income</strong></td>
<td>37,342</td>
<td>29,299</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>(6,047)</td>
<td>(3,896)</td>
</tr>
<tr>
<td><strong>Income before taxes</strong></td>
<td>$31,295</td>
<td>$25,403</td>
</tr>
<tr>
<td><strong>Other Operating Data:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of revenue-generating professionals by segment (at period end)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Healthcare</td>
<td>2,083</td>
<td>1,686</td>
</tr>
<tr>
<td>Education</td>
<td>1,799</td>
<td>1,543</td>
</tr>
<tr>
<td>Commercial</td>
<td>1,459</td>
<td>1,342</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,341</td>
<td>4,571</td>
</tr>
<tr>
<td>Revenue by capability:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consulting and Managed Services</td>
<td>$214,688</td>
<td>$155,901</td>
</tr>
<tr>
<td>Digital</td>
<td>143,490</td>
<td>129,469</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$358,178</td>
<td>$285,370</td>
</tr>
<tr>
<td>Number of revenue-generating professionals by capability (at period end)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consulting and Managed Services</td>
<td>2,483</td>
<td>2,098</td>
</tr>
<tr>
<td>Digital</td>
<td>2,858</td>
<td>2,473</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,341</td>
<td>4,571</td>
</tr>
<tr>
<td>Utilization rate by capability:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consulting</td>
<td>77.3 %</td>
<td>72.5 %</td>
</tr>
<tr>
<td>Digital</td>
<td>75.4 %</td>
<td>70.1 %</td>
</tr>
</tbody>
</table>
(1) Consists of our full-time consultants who generate revenues based on the number of hours worked; full-time equivalents, which consists of coaches and their support staff within the culture and organizational excellence solution, consultants who work variable schedules as needed by clients, and full-time employees who provide software support and maintenance services to clients; and our Healthcare managed services employees who provide revenue cycle billing, collections insurance verification and change integrity services to clients.

(2) The majority of our revenue-generating professionals within our Commercial segment can provide services across all of our industries, including healthcare and education.

(3) Managed Services capability revenues within our Healthcare segment was $16.7 million and $17.6 million for the three months ended September 30, 2023 and 2022, respectively; and $53.8 million and $47.5 million for the nine months ended September 30, 2023 and 2022, respectively.

Managed Services capability revenues within our Education segment was $5.0 million and $4.1 million for the three months ended September 30, 2023 and 2022, respectively; and $14.6 million and $11.3 million for the nine months ended September 30, 2023 and 2022, respectively.

(4) The number of Managed Services revenue-generating professionals within our Healthcare segment as of September 30, 2023 and 2022 was 757 and 547, respectively.

The number of Managed Services revenue-generating professionals within our Education segment as of September 30, 2023 and 2022 was 105 and 97, respectively.

(5) Utilization rate is calculated by dividing the number of hours our billable consultants worked on client assignments during a period by the total available working hours for these billable consultants during the same period. Available hours are determined by the standard hours worked by each billable consultant, adjusted for part-time hours, and U.S. standard work weeks. Available working hours exclude local country holidays and vacation days. Utilization rates are presented for our revenue-generating professionals who primarily bill on an hourly basis. We have not presented utilization rates for our Managed Services professionals as most of the revenues generated by these employees are not billed on an hourly basis.

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**HURON CONSULTING GROUP INC.**

**RECONCILIATION OF NET INCOME TO ADJUSTED EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION**

(In thousands)

(In Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended September 30,</th>
<th>Nine Months Ended September 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2023</td>
<td>2022</td>
</tr>
<tr>
<td>Revenues</td>
<td>$358,178</td>
<td>$285,370</td>
</tr>
<tr>
<td>Net income</td>
<td>$21,516</td>
<td>$17,741</td>
</tr>
<tr>
<td>Add back:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>9,779</td>
<td>7,662</td>
</tr>
<tr>
<td>Interest expense, net of interest income</td>
<td>5,047</td>
<td>3,111</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>6,300</td>
<td>7,019</td>
</tr>
<tr>
<td>Earnings before interest, taxes, depreciation and amortization (EBITDA) (6)</td>
<td>42,642</td>
<td>35,533</td>
</tr>
<tr>
<td>Add back:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>5,402</td>
<td>1,332</td>
</tr>
<tr>
<td>Other gains, net</td>
<td>(14)</td>
<td>(67)</td>
</tr>
<tr>
<td>Transaction-related expenses</td>
<td>302</td>
<td>—</td>
</tr>
<tr>
<td>Unrealized gain on preferred stock investment</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Foreign currency transaction losses (gains), net</td>
<td>(332)</td>
<td>(328)</td>
</tr>
<tr>
<td>Adjusted EBITDA (6)</td>
<td>$48,000</td>
<td>$36,470</td>
</tr>
<tr>
<td>Adjusted EBITDA as a percentage of revenues (6)</td>
<td>13.4 %</td>
<td>12.8 %</td>
</tr>
</tbody>
</table>

---

(6) EBITDA as a percentage of revenues is calculated by dividing Adjusted EBITDA by Revenues.
### HURON CONSULTING GROUP INC.

#### RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME *(6)*

* (In thousands, except per share amounts)
* (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended September 30,</th>
<th>Nine Months Ended September 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2023</td>
<td>2022</td>
</tr>
<tr>
<td>Net income</td>
<td>$21,516</td>
<td>$17,741</td>
</tr>
<tr>
<td>Weighted average shares - diluted</td>
<td>19,475</td>
<td>20,615</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td>$1.10</td>
<td>$0.86</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>1,997</td>
<td>2,818</td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>5,402</td>
<td>1,332</td>
</tr>
<tr>
<td>Other gains, net</td>
<td>(14)</td>
<td>(67)</td>
</tr>
<tr>
<td>Transaction-related expenses</td>
<td>302</td>
<td>—</td>
</tr>
<tr>
<td>Unrealized gain on preferred stock investment</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Tax effect of adjustments</td>
<td>(2,037)</td>
<td>(1,082)</td>
</tr>
<tr>
<td>Total adjustments, net of tax</td>
<td>5,850</td>
<td>3,001</td>
</tr>
<tr>
<td>Adjusted net income <em>(6)</em></td>
<td>$27,166</td>
<td>$20,742</td>
</tr>
<tr>
<td>Adjusted weighted average shares - diluted</td>
<td>19,475</td>
<td>20,615</td>
</tr>
<tr>
<td>Adjusted diluted earnings per share <em>(6)</em></td>
<td>$1.39</td>
<td>$1.01</td>
</tr>
</tbody>
</table>

*(6)* In evaluating the company's financial performance and outlook, management uses earnings before interest, taxes, depreciation and amortization ("EBITDA"), adjusted EBITDA, adjusted EBITDA as a percentage of revenues, adjusted net income, and adjusted diluted earnings per share, which are non-GAAP measures. Management uses these non-GAAP financial measures to gain an understanding of the company's comparative operating performance (when comparing such results with previous periods or forecasts). These non-GAAP financial measures are used by management in their financial and operating decision making because management believes they reflect the company's ongoing business in a manner that allows for meaningful period-to-period comparisons. Management also uses these non-GAAP financial measures when publicly providing the company's business outlook, for internal management purposes, and as a basis for evaluating potential acquisitions and dispositions. Management believes that these non-GAAP financial measures provide useful information to investors and others in understanding and evaluating Huron's current operating performance and future prospects in the same manner as management does, if they so choose, and in comparing in a consistent manner Huron's current financial results with Huron's past financial results. Investors should recognize that these non-GAAP measures might not be comparable to similarly titled measures of other companies. These measures should be considered in addition to, and not as a substitute for or superior to, any measure of performance, cash flows or liquidity prepared in accordance with accounting principles generally accepted in the United States.