

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

April 30, 2024
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)
(Zip Code)

(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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	HURN	NASDAQ Global Select Market

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 April 30, 2024, Huron Consulting Group Inc. (the "Company") issued a press release announcing its financial results for the quarter ended March 31, 2024. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 7.01. Regulation FD Disclosure.

On April 30, 2024, the Company posted supplemental headcount information on its website to revise the headcount attributable to each of its reportable segments. During the first quarter of 2024, the Company reclassified certain revenue-generating professionals within the Digital capability from the Healthcare and Education segments to the Commercial segment as these professionals are able to provide services across all of the Company's industries. This reclassification did not impact the total Digital capability headcount for any period, but the Company did revise segment headcounts reported in prior periods for consistent presentation. The supplemental headcount information includes the revised segment headcount as of each quarter-end within fiscal years 2022 and 2023 and as of March 31, 2024. A copy of the supplemental headcount information is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

Additionally, on April 30, 2024, the Company posted on its website an updated investor presentation. A copy of the investor presentation is furnished as Exhibit 99.3 to this Current Report on Form 8-K.

The information furnished pursuant to this Item 7.01, Item 2.02 and the attached Exhibits 99.1, 99.2, and 99.3 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

Exhibit Number	Exhibit Description
99.1	Press release, dated April 30, 2024
99.2	Supplemental Headcount Information, dated April 2024
99.3	Investor Presentation, dated April 2024
101.INS	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
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

SIGNATURE

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: April 30, 2024

/s/ JOHN D. KELLY

John D. Kelly

Executive Vice President, Chief Financial Officer, and Treasurer



NEWS

FOR IMMEDIATE RELEASE

MEDIA CONTACT

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INVESTOR CONTACT

John D. Kelly
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Huron Announces First Quarter 2024 Financial Results and Updates 2024 Guidance

FIRST QUARTER 2024 FINANCIAL HIGHLIGHTS

- Total revenues increased \$38.1 million, or 12.0%, to \$356.0 million in Q1 2024 from \$317.9 million in Q1 2023.
- Net income increased \$4.6 million, or 34.2%, to \$18.0 million in Q1 2024, compared to \$13.4 million in Q1 2023.
- Adjusted EBITDA⁽⁶⁾, a non-GAAP measure, increased \$4.3 million, or 14.6%, to \$33.8 million in Q1 2024 from \$29.5 million in Q1 2023.
- Diluted earnings per share increased \$0.27, or 39.7%, to \$0.95 in Q1 2024, compared to \$0.68 in Q1 2023.
- Adjusted diluted earnings per share⁽⁶⁾, a non-GAAP measure, increased \$0.36, or 41.4%, to \$1.23 in Q1 2024 from \$0.87 in Q1 2023.
- Huron returned \$62.3 million to shareholders by repurchasing 0.6 million shares of the company's common stock in Q1 2024, representing 3.4% of the company's common stock outstanding as of December 31, 2023.
- Huron affirms its previous revenue and adjusted EBITDA as a percentage of revenues⁽⁶⁾ expectations for full year 2024, and increases its adjusted diluted earnings per share⁽⁶⁾ expectation to a range of \$5.60 to \$6.10.

OTHER HIGHLIGHTS

- On March 1, 2024, Huron [closed its acquisition of GG+A](#), strengthening its ability to advise on the building and acceleration of philanthropic programs to support clients' missions.
- Huron posted its [2024 Investor Presentation](#), which provides insight into the company and its commitments to achieving its strategic and financial objectives.

CHICAGO - Apr 30, 2024 - Global professional services firm Huron (NASDAQ: HURN) today announced financial results for the quarter ended March 31, 2024.

"Our first quarter results reflect our ongoing focus on achieving accelerated revenue growth and consistent margin expansion. Revenues grew 12% over the first quarter of 2023 driven by strong growth in our Healthcare segment as well as continued growth in our Education segment, which furthers the segment's multi-year growth trajectory," said [Mark Hussey](#), chief executive officer and president of [Huron](#).

"Our unique and talented team has established Huron as one of the leading trusted advisors to our clients by delivering with the highest quality and driving innovation to meet our clients' evolving needs. Our culture of collaboration and deep dedication to our clients coupled with our aligned operating model and strong competitive advantage position us well to meet the ongoing demand for our offerings and to achieve our financial goals," added [Hussey](#).

FIRST QUARTER 2024 RESULTS

Revenues increased \$38.1 million, or 12.0%, to \$356.0 million for the first quarter of 2024, compared to \$317.9 million for the first quarter of 2023. The increase in revenues was driven by continued strength in demand for Healthcare's Consulting and Managed Services and Digital capabilities, as well as an increase in demand for Education's Digital capability. These increases in revenue reflect the company's focus on accelerating growth in the healthcare and education industries.

Net income increased \$4.6 million, or 34.2%, to \$18.0 million for the first quarter of 2024, compared to \$13.4 million for the same quarter last year. Diluted earnings per share increased \$0.27, or 39.7%, to \$0.95 for the first quarter of 2024, compared to \$0.68 for the first quarter of 2023.

First quarter 2024 earnings before interest, taxes, depreciation and amortization ("EBITDA")⁽⁶⁾ increased \$2.2 million, or 8.2%, to \$28.9 million, compared to \$26.7 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):

	Three Months Ended March 31,	
	2024	2023
Amortization of intangible assets	\$ 1,690	\$ 2,231
Restructuring charges	\$ 2,337	\$ 2,284
Other losses	\$ 1,568	\$ 435
Transaction-related expenses	\$ 1,497	\$ —
Tax effect of adjustments	\$ (1,844)	\$ (1,312)
Foreign currency transaction losses (gains), net	\$ (465)	\$ 80

Adjusted EBITDA⁽⁶⁾ increased \$4.3 million, or 14.6%, to \$33.8 million, or 9.5% of revenues, in the first quarter of 2024, compared to \$29.5 million, or 9.3% of revenues, in the same quarter last year. Adjusted net income⁽⁶⁾ increased \$6.2 million, or 36.3%, to \$23.3 million, or \$1.23 per diluted share, for the first quarter of 2024, compared to \$17.1 million, or \$0.87 per diluted share, for the same quarter in 2023.

The number of revenue-generating professionals⁽¹⁾ increased 15.8% to 5,803 as of March 31, 2024 from 5,013 as of March 31, 2023. The utilization rate⁽⁵⁾ of the company's Consulting capability was 70.2% during the first quarter 2024, compared to 76.3% during the same period last year. The utilization rate⁽⁷⁾ for the company's Digital capability increased to 74.3% during the first quarter 2024, compared to 71.0% during the same period last year.

Additionally, Huron returned \$62.3 million to shareholders in the first three months of 2024 by repurchasing 624,698 shares of the company's common stock, representing 3.4% of the company's common stock outstanding as of December 31, 2023.

OPERATING INDUSTRIES

The company's year-to-date 2024 revenues by operating segment as a percentage of total company revenues are as follows: Healthcare (51%); Education (31%); and Commercial (18%). 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 March 31, 2024.

OUTLOOK FOR 2024

Based on currently available information, the company is affirming guidance for full year 2024 revenues before reimbursable expenses in a range of \$1.46 billion to \$1.54 billion and adjusted EBITDA as a percentage of revenues⁽⁶⁾ in a range of 12.8% to 13.3%. The company is increasing its guidance for full year 2024 adjusted diluted earnings per share⁽⁶⁾ to a range of \$5.60 to \$6.10.

FIRST QUARTER 2024 WEBCAST

The company will host a webcast to discuss its financial results today, April 30, 2024, 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⁽⁹⁾

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, 2023 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)
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
Revenues and reimbursable expenses:		
Revenues	\$ 355,961	\$ 317,895
Reimbursable expenses	7,424	8,490
Total revenues and reimbursable expenses	363,385	326,385
Operating expenses:		
Direct costs (exclusive of depreciation and amortization included below)	253,303	228,383
Reimbursable expenses	7,584	8,624
Selling, general and administrative expenses	74,268	62,289
Restructuring charges	2,337	2,284
Depreciation and amortization	5,972	6,374
Total operating expenses	343,464	307,954
Operating income	19,921	18,431
Other income (expense), net:		
Interest expense, net of interest income	(5,140)	(4,303)
Other income, net	2,779	1,719
Total other expense, net	(2,361)	(2,584)
Income before taxes	17,560	15,847
Income tax expense (benefit)	(446)	2,428
Net income	\$ 18,006	\$ 13,419
Earnings per share:		
Net income per basic share	\$ 0.99	\$ 0.70
Net income per diluted share	\$ 0.95	\$ 0.68
Weighted average shares used in calculating earnings per share:		
Basic	18,196	19,119
Diluted	18,943	19,699
Comprehensive income (loss):		
Net income	\$ 18,006	\$ 13,419
Foreign currency translation adjustments, net of tax	(722)	52
Unrealized gain (loss) on investment, net of tax	(1,447)	3,873
Unrealized gain (loss) on cash flow hedging instruments, net of tax	1,073	(2,329)
Other comprehensive income (loss)	(1,096)	1,596
Comprehensive income	\$ 16,910	\$ 15,015

HURON CONSULTING GROUP INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)
(Unaudited)

	March 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 18,642	\$ 12,149
Receivables from clients, net	215,141	162,566
Unbilled services, net	173,081	190,869
Income tax receivable	9,339	6,385
Prepaid expenses and other current assets	34,755	28,491
Total current assets	450,958	400,460
Property and equipment, net	24,578	23,728
Deferred income taxes, net	2,299	2,288
Long-term investments	73,467	75,414
Operating lease right-of-use assets	22,898	24,131
Other non-current assets	100,005	92,336
Intangible assets, net	25,649	18,074
Goodwill	647,100	625,711
Total assets	\$ 1,346,954	\$ 1,262,142
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 13,963	\$ 10,074
Accrued expenses and other current liabilities	36,640	33,087
Accrued payroll and related benefits	87,675	225,921
Current maturities of long-term debt	13,750	—
Current maturities of operating lease liabilities	11,338	11,032
Deferred revenues	24,722	22,461
Total current liabilities	188,088	302,575
Non-current liabilities:		
Deferred compensation and other liabilities	38,932	35,665
Long-term debt, net of current portion	558,897	324,000
Operating lease liabilities, net of current portion	36,767	38,850
Deferred income taxes, net	28,664	28,160
Total non-current liabilities	663,260	426,675
Commitments and contingencies		
Stockholders' equity		
Common stock; \$0.01 par value; 500,000,000 shares authorized; 21,237,828 and 21,316,441 shares issued, respectively	212	212
Treasury stock, at cost, 3,061,291 and 2,852,296 shares, respectively	(159,605)	(142,136)
Additional paid-in capital	200,235	236,962
Retained earnings	433,033	415,027
Accumulated other comprehensive income	21,731	22,827
Total stockholders' equity	495,606	532,892
Total liabilities and stockholders' equity	\$ 1,346,954	\$ 1,262,142

HURON CONSULTING GROUP INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
Cash flows from operating activities:		
Net income	\$ 18,006	\$ 13,419
Adjustments to reconcile net income to cash flows from operating activities:		
Depreciation and amortization	5,972	6,407
Non-cash lease expense	1,544	1,644
Lease-related impairment charges	849	1,870
Share-based compensation	13,949	11,562
Amortization of debt discount and issuance costs	223	191
Allowances for doubtful accounts	16	3
Deferred income taxes	602	—
Gain on sale of property and equipment, excluding transaction costs	—	1
Change in fair value of contingent consideration liabilities	516	435
Changes in operating assets and liabilities, net of acquisitions and divestiture:		
(Increase) decrease in receivables from clients, net	(51,116)	827
(Increase) decrease in unbilled services, net	18,097	(31,669)
(Increase) decrease in current income tax receivable / payable, net	(3,363)	1,487
(Increase) decrease in other assets	(5,008)	(5,205)
Increase (decrease) in accounts payable and other liabilities	4,437	(1,881)
Increase (decrease) in accrued payroll and related benefits	(132,290)	(89,843)
Increase (decrease) in deferred revenues	(3,158)	(1,349)
Net cash used in operating activities	<u>(130,724)</u>	<u>(92,101)</u>
Cash flows from investing activities:		
Purchases of property and equipment	(1,192)	(1,956)
Investment in life insurance policies	(806)	(1,833)
Purchases of businesses	(21,150)	38
Capitalization of internally developed software costs	(7,605)	(6,575)
Proceeds from note receivable	154	154
Net cash used in investing activities	<u>(30,599)</u>	<u>(10,172)</u>
Cash flows from financing activities:		
Proceeds from exercises of stock options	1,167	627
Shares redeemed for employee tax withholdings	(20,927)	(9,529)
Share repurchases	(60,998)	(45,133)
Proceeds from bank borrowings	566,000	201,000
Repayments of bank borrowings	(316,000)	(44,000)
Payments for debt issuance costs	(1,383)	(16)
Deferred payments on business acquisition	—	(500)
Net cash provided by financing activities	<u>167,859</u>	<u>102,449</u>
Effect of exchange rate changes on cash	(43)	16
Net increase in cash and cash equivalents	6,493	192
Cash and cash equivalents at beginning of the period	12,149	11,834
Cash and cash equivalents at end of the period	<u>\$ 18,642</u>	<u>\$ 12,026</u>

HURON CONSULTING GROUP INC.
SEGMENT OPERATING RESULTS AND OTHER OPERATING DATA
(Unaudited)

Segment and Consolidated Operating Results (in thousands):	Three Months Ended March 31,		Percent Increase (Decrease)
	2024	2023	
Healthcare:			
Revenues	\$ 180,742	\$ 149,049	21.3%
Operating income	\$ 42,694	\$ 32,255	32.4%
Segment operating margin	23.6 %	21.6 %	
Education:			
Revenues	\$ 111,583	\$ 104,147	7.1%
Operating income	\$ 21,956	\$ 23,165	(5.2)%
Segment operating margin	19.7 %	22.2 %	
Commercial:			
Revenues	\$ 63,636	\$ 64,699	(1.6)%
Operating income	\$ 14,039	\$ 14,067	(0.2)%
Segment operating margin	22.1 %	21.7 %	
Total Huron:			
Revenues	\$ 355,961	\$ 317,895	12.0%
Reimbursable expenses	7,424	8,490	(12.6)%
Total revenues and reimbursable expenses	\$ 363,385	\$ 326,385	11.3%
Segment operating income	\$ 78,689	\$ 69,487	13.2%
Items not allocated at the segment level:			
Other operating expenses	52,507	44,056	19.2%
Restructuring charges	2,233	2,284	(2.2)%
Depreciation and amortization	4,028	4,716	(14.6)%
Operating income	19,921	18,431	8.1%
Other expense, net	(2,361)	(2,584)	(8.6)%
Income before taxes	\$ 17,560	\$ 15,847	10.8%
Other Operating Data:			
Number of revenue-generating professionals by segment (at period end) ⁽¹⁾⁽²⁾:			
Healthcare	2,279	1,780	28.0%
Education	1,231	1,069	15.2%
Commercial ⁽³⁾	2,293	2,164	6.0%
Total	5,803	5,013	15.8%
Revenue by capability:			
Consulting and Managed Services ⁽⁴⁾⁽⁵⁾	\$ 201,559	\$ 177,194	13.8%
Digital	154,402	140,701	9.7%
Total	\$ 355,961	\$ 317,895	12.0%
Number of revenue-generating professionals by capability (at period end) ⁽¹⁾:			
Consulting and Managed Services ⁽⁴⁾⁽⁶⁾	2,891	2,360	22.5%
Digital	2,912	2,653	9.8%
Total	5,803	5,013	15.8%
Utilization rate by capability ⁽⁷⁾:			
Consulting	70.2 %	76.3 %	
Digital	74.3 %	71.0 %	

(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) During the first quarter of 2024, we reclassified certain revenue-generating professionals within our Digital capability from our Healthcare and Education segments to our Commercial segment as these professionals are able to provide services across all of our industries. This reclassification did not impact the total Digital capability headcount for any period. The prior period headcount has been revised for consistent presentation.
- (3) The majority of our revenue-generating professionals within our Commercial segment can provide services across all of our industries, including healthcare and education, and the related costs of these professionals are allocated to each of the segments.
- (4) During the first quarter of 2024, we reclassified one of the offerings within Education's Consulting capability to Education's Managed Services capability. Revenues generated by this offering during the quarters ended March 31, 2023, June 30, 2023, September 30, 2023, and December 31, 2023 were \$2.8 million, \$2.2 million, \$2.4 million, and \$2.7 million, respectively, and during the years ended December 31, 2022 and 2023 were \$15.0 million and \$10.1 million, respectively. The number of revenue-generating professionals within this offering as of December 31, 2022, March 31, 2023, June 30, 2023, September 30, 2023 and December 31, 2023 were 54, 24, 24, 24 and 23, respectively.
- This reclassification did not impact the aggregate revenues or headcount reported for the Education Consulting and Managed Services capability for any period, and the prior period Education Managed Services capability revenues and headcount in the following footnotes have been revised for consistent presentation.
- (5) Managed Services capability revenues within our Healthcare segment was \$17.5 million and \$19.8 million for the three months ended March 31, 2024 and 2023, respectively. Managed Services capability revenues within our Education segment was \$7.4 million for both the three months ended March 31, 2024 and 2023, respectively.
- (6) The number of Managed Services revenue-generating professionals within our Healthcare segment was 1,087 and 726 as of March 31, 2024 and 2023, respectively. The number of Managed Services revenue-generating professionals within our Education segment was 132 and 125 as of March 31, 2024 and 2023, respectively.
- (7) 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 working 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.

HURON CONSULTING GROUP INC.
RECONCILIATION OF NET INCOME
TO ADJUSTED EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION ⁽⁸⁾
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
Revenues	\$ 355,961	\$ 317,895
Net income	\$ 18,006	\$ 13,419
Add back:		
Income tax expense (benefit)	(446)	2,428
Interest expense, net of interest income	5,140	4,303
Depreciation and amortization	6,181	6,553
Earnings before interest, taxes, depreciation and amortization (EBITDA) ⁽⁸⁾	28,881	26,703
Add back:		
Restructuring charges	2,337	2,284
Other losses	1,568	435
Transaction-related expenses	1,497	—
Foreign currency transaction losses (gains), net	(465)	80
Adjusted EBITDA ⁽⁸⁾	\$ 33,818	\$ 29,502
Adjusted EBITDA as a percentage of revenues ⁽⁸⁾	9.5 %	9.3 %

HURON CONSULTING GROUP INC.
RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME ⁽⁸⁾
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
Net income	\$ 18,006	\$ 13,419
Weighted average shares - diluted	18,943	19,699
Diluted earnings per share	\$ 0.95	\$ 0.68
Add back:		
Amortization of intangible assets	1,690	2,231
Restructuring charges	2,337	2,284
Other losses	1,568	435
Transaction-related expenses	1,497	—
Tax effect of adjustments	(1,844)	(1,312)
Total adjustments, net of tax	5,248	3,638
Adjusted net income ⁽⁸⁾	\$ 23,254	\$ 17,057
Adjusted weighted average shares - diluted	18,943	19,699
Adjusted diluted earnings per share ⁽⁸⁾	\$ 1.23	\$ 0.87

(8) 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.

HURON CONSULTING GROUP INC.
NUMBER OF REVENUE-GENERATING PROFESSIONALS BY SEGMENT
(Unaudited)

During the first quarter of 2024, we reclassified certain revenue-generating professionals within our Digital capability from our Healthcare and Education segments to our Commercial segment as these professionals are able to provide services across all of our industries. This reclassification did not impact the total Digital capability headcount for any period. The prior period headcount below has been revised for consistent presentation.

	As Of								
	Mar. 31, 2022	Jun. 30, 2022	Sep. 30, 2022	Dec. 31, 2022	Mar. 31, 2023	Jun. 30, 2023	Sep. 30, 2023	Dec. 31, 2023	Mar. 31, 2024
Number of revenue-generating professionals by segment (at period end)⁽¹⁾:									
Healthcare	1,488	1,456	1,519	1,719	1,780	1,852	1,878	2,050	2,279
Education	811	891	969	997	1,069	1,124	1,203	1,206	1,231
Commercial ⁽²⁾	1,724	1,896	2,083	2,116	2,164	2,198	2,260	2,263	2,293
Total	4,023	4,243	4,571	4,832	5,013	5,174	5,341	5,519	5,803

- (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, and the related costs of these professionals are allocated to each of the segments.



Huron Consulting Group Inc.

Investor Presentation



APRIL 2024



huronconsultinggroup.com

Forward-Looking Statements

Statements in this presentation 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, 2023 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.

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, adjusted diluted earnings per share, free cash flow and free cash flow yield 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.

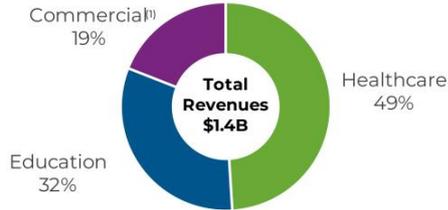
Our Business



Huron is a **global professional services firm** that partners with clients to develop **growth strategies, optimize operations** and **accelerate digital transformation** using an **enterprise portfolio of technology, data and analytics solutions** to create sustainable results for the organizations we serve

Focused on Serving Enduring End Markets

2023 Revenue by Segment



43% of 2023 revenues derived from our Digital capability

(1) Commercial segment includes financial services, energy and utilities and all other industries.
 (2) See Appendix for a reconciliation of adjusted EBITDA margin and adjusted diluted EPS, both of which are non-GAAP measures.

2023 Financial Results Demonstrate Strong Execution of our Strategy

Companywide Highlights

20% Revenue growth year-over-year	70 bps Adjusted EBITDA margin ⁽²⁾ growth year-over-year	43% Adjusted Diluted EPS growth year-over-year
---	--	--

Business Highlights

26% Healthcare segment revenue growth year-over-year	19% Education segment revenue growth year-over-year	9% Commercial segment revenue growth year-over-year	17% Digital capability revenue growth year-over-year
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Q1 2024 financial highlights

Financial Results	Q1 2024	Q1 2023	Q1 2024 vs. Q1 2023
Total Revenue	\$356M	\$318M	▲ 12% growth
Net Income	\$18M	\$13M	▲ 34% growth
Adj. EBITDA margins ⁽¹⁾	9.5%	9.3%	▲ 20 bps increase
Diluted EPS	\$0.95	\$0.68	▲ 40% growth
Adj. Diluted EPS ⁽¹⁾	\$1.23	\$0.87	▲ 41% growth
Net Debt ⁽¹⁾	\$555M	\$435M	▲ Increased \$120M
Free Cash Flow ⁽¹⁾	(\$140M)	(\$101M)	▼ Decreased \$39M

FY 2024 Guidance ⁽³⁾	Q1 2024	Commentary
Revenue	▶ \$1.46 – 1.54B	Affirmed midpoint of \$1.5 billion
Adj. EBITDA margins ⁽²⁾	▶ 12.8% – 13.3%	Affirmed midpoint of 13.0%
Adj. Diluted EPS ⁽²⁾	▲ \$5.60 – \$6.10	Increased midpoint by \$0.20

(1) See Appendix A for a reconciliation of our non-GAAP measures to GAAP results.

(2) 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.

(3) Guidance is as of April 30th, 2024. Nothing herein should be construed as reaffirming, disaffirming or updating such guidance.

Our strategy for driving increased shareholder value



Compelling mix of industry-differentiated offerings

Industries of Focus


Healthcare


Education

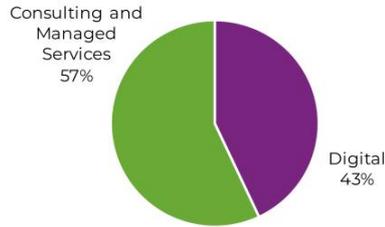

Financial Services


Energy and Utilities


Public Sector

Capabilities Mix

2023 Revenue



Consulting and Managed Services

Building on our long-term client relationships to help address a variety of strategic, operational, financial, people and organizational-related challenges by providing an array of consulting, managed services and outsourcing services that best address their unique needs.



Digital

Helping organizations: (i) design and execute technology, data and analytic strategies that accelerate transformation, facilitate data-driven decision making, and improve the customer and employee experience and (ii) implement our industry-focused proprietary software products.

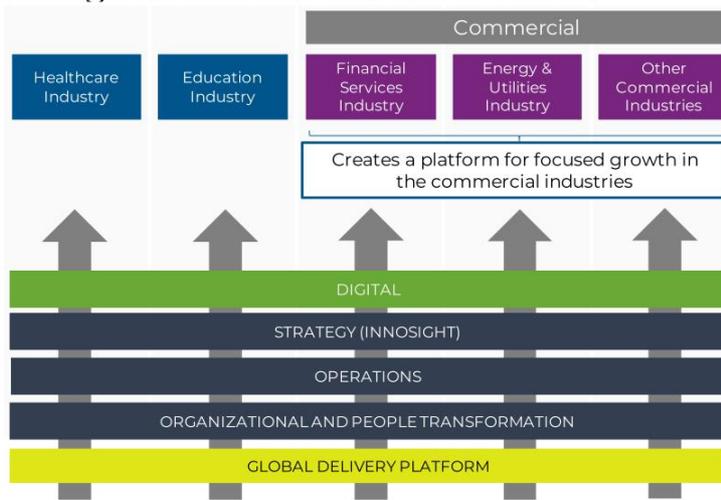


87%
of Digital revenue in 2023 was comprised of technology services revenue



13%
of Digital revenue in 2023 was comprised of technology product revenue

Our global enterprise platform is designed to provide a client-centric approach and bring the full breadth of Huron's offerings to our industries of focus



Industry

Aligned under a common go-to-market strategy across all of **our firm-wide offerings in each industry** with greater accountability to achieve our industry growth goals



Capability

Aligned common capabilities across the enterprise to better drive operating efficiencies and elevate our collective market position across **Consulting, Digital, and Managed Services**

Unlocking value for all stakeholders through our five key corporate social responsibility commitments

Illustrative Actions Taken in 2023

ADVANCING OUR CLIENTS' MISSIONS	We serve clients in industries that have a significant impact on the health and well-being, education and economic growth of our communities	80%+ of our revenue is generated in mission-driven industries, including organizations in the education, healthcare, public sector and nonprofit sectors
INVESTING IN OUR PEOPLE	We are committed to investing in our people and fostering a diverse and inclusive culture	Encouraged ongoing learning and development, which resulted in 84% of our employees using our learning platform to access a diverse skill-building curriculum
SERVING OUR COMMUNITIES	We have a long tradition of supporting the communities where we live and work	Supported 1,100 unique charitable organizations encompassing a diverse range of causes, including local food banks, relief agencies, programs aimed at empowering at-risk youth, and educational institutions
ACHIEVING ENVIRONMENTAL PROGRESS	We are focused on protecting and preserving our planet for future generations	Grew revenues at a compound annual growth rate of 17% from 2020 to 2023, while continuing to reduce our GHG emissions by more than 50% from our 2019 baseline
MANAGING RESPONSIBLY	We hold our directors, management and employees to the highest standards of integrity and principled business conduct	Enhanced various policies and practices to ensure we operate at the highest standards of integrity

For more details, see the Company's 2023 Corporate Social Responsibility Report, which can be found in the investor relations section of the Company's website, including our Sustainability Accounting Standards Board (SASB) Index Addendum, ECO-1 Statement and environmental impact data.

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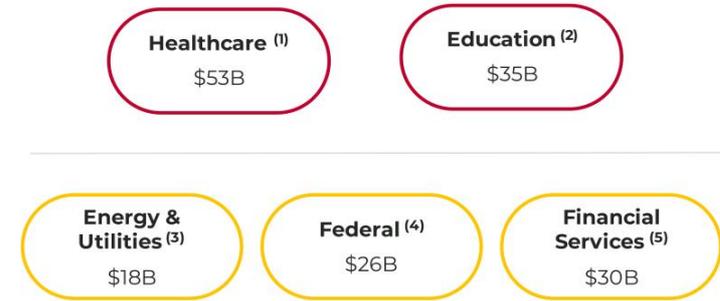
Our Market Opportunity
and Growth Initiatives



Operating in a large, growing professional services industry with core end markets facing significant disruption or regulatory change



Total Addressable Market By Industry



(1) Internal analysis coupled with data from IBIS World's Healthcare Consultants report dated March 2023, Gartner's 2023 Outlook Presentation: Enterprise IT Spending Forecast for Healthcare and Life Sciences, and Markets and Markets Revenue Cycle Management/RCM Market Global Forecast to 2026 dated August 2021.
 (2) Internal analysis coupled with data from the Integrated Postsecondary Education System (IPEDS), Gartner's 2023 Outlook Presentation: Enterprise IT Spending Forecast, and HERD and NIH Funding data.
 (3) Internal analysis coupled with data from IBIS World's Energy & Utilities Consulting Services in the US Report dated March 2023, Gartner's 2023 Outlook Presentation: Enterprise IT Spending Forecast for Power and Utilities and Gartner's 2023 Outlook Presentation: Enterprise IT Spending Forecast for Oil and Gas.
 (4) Internal analysis coupled with data from Administrative Management and General Management Consulting Services Report (NAICS 5480), IT Dashboard.gov, Department of Defense Information Technology and Cyberspace Activities 2023 Budget Overview dated May 2022, and Gartner's 2023 Outlook Presentation: Enterprise IT Spending Forecast for Government.
 (5) Internal analysis coupled with data from SourceMarket Research's The Financial Services Consulting Market in 2022-2023 report, and Gartner's 2023 Outlook Presentation: Enterprise IT Spending Forecast for Financial Services.

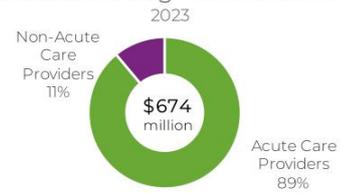
Healthcare industry overview

Providing Proven and Innovative Solutions to Address Key Industry Challenges

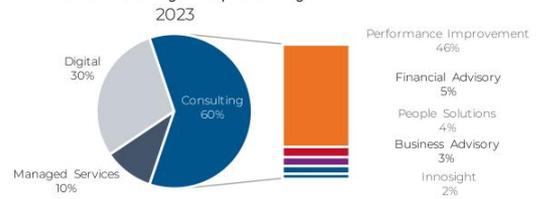
- Performance Improvement
- Managed Services
- Digital Transformation
- Strategy and Financial Advisory
- People Transformation

- Increased economic challenges driven by strained cost structures and worsening payor mix
- Clinical delivery shifting from inpatient to outpatient settings
- Increased number of virtual care providers and disruptive entrants coming to market
- Consumer expectations shifting, including a desire for more virtual care
- Disruption in the workforce with personnel shortages, the war for talent and labor costs increasing
- Inadequate technology leading to a focus on digital transformation
- Greater focus on community impact, including social determinants of health and health equity

Healthcare Segment Revenue



Revenue by Capability



Healthcare consulting and managed services and digital grew 30% and 16%, respectively, in 2023 as compared to 2022.

Driving future growth in Healthcare

STRONG MOMENTUM TO DATE	OPPORTUNITIES THAT LIE AHEAD		
	STRENGTHENING OUR LEADING MARKET POSITION	GROWING OUR CONSULTING OFFERINGS	ADVANCING OUR DIGITAL CAPABILITIES
<ul style="list-style-type: none"> • Grew total Healthcare segment revenues 26% in 2023 as compared to 2022 • Grew Healthcare industry consulting revenues 36% in 2023 as compared to 2022 • Grew Healthcare industry Digital revenues 16% in 2023 as compared to 2022 • Grew revenue cycle managed services offerings 4% in 2023 as compared to 2022 	<ul style="list-style-type: none"> • Accelerating growth in revenue cycle consulting and managed services • Combining our strategic, digital and performance improvement capabilities to drive greater margin improvements for our clients • Advancing people transformation capabilities to help clients achieve greater workforce resiliency 	<ul style="list-style-type: none"> • Expanding our Innosight capability to further support our clients' strategy and innovation needs • Integrating and advancing our healthcare-focused financial advisory offerings into our core offerings and client relationships • Advancing our financial distressed healthcare, consumer affordability, and growth strategy-related offerings • Expanding our federal health offerings 	<ul style="list-style-type: none"> • Growing market share in our core healthcare digital services (e.g., EHR, ERP, CRM, etc.) and products • Further developing and deploying intelligent automation, analytics, and artificial intelligence services and products • Advancing and expanding our digital capabilities, including in data and advanced analytics (AI/ML)

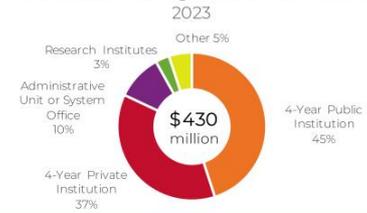
Education industry overview

Providing Proven and Innovative Solutions to Address Key Industry Challenges

-  Strategy and Innovation
-  Research Enterprise
-  Student and Alumni Strategy
-  Digital Transformation
-  Business Operations
-  People Transformation

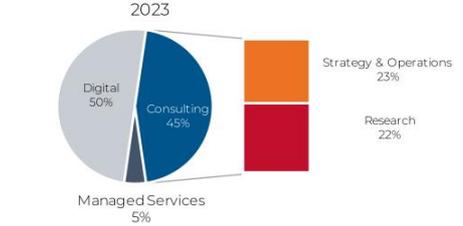
- Disruption in the workforce and the war for talent is increasing
- Enrollment challenges increasing despite rise in applications
- Conventional research funding sources are becoming less stable and more uncertain
- Continued governmental scrutiny, including attention to conflicts of interest and foreign influence
- Increased pressure to modernize operations with shift to the cloud
- Financial profile creates opportunity for strategic investment and transformation
- Opportunities to drive more sustainable fundraising growth and improve the donor experience

Education Segment Revenue



Have worked with all 100 of the top 100 research universities in the U.S.

Revenue by Capability



Education digital and consulting and managed services grew 28% and 12%, respectively, in 2023 as compared to 2022

Driving future growth in Education

STRONG MOMENTUM TO DATE	OPPORTUNITIES THAT LIE AHEAD		
	STRENGTHENING OUR LEADING MARKET POSITION	GROWING OUR CONSULTING OFFERINGS	ADVANCING OUR DIGITAL CAPABILITIES
<ul style="list-style-type: none"> • Grew total Education segment revenues 19% in 2023 as compared to 2022 • Grew Education industry Digital revenues 28% in 2023 as compared to 2022 • Grew research managed services offerings 24% in 2023 as compared to 2022 • Grew Education industry consulting revenues 11% in 2023 as compared to 2022 	<ul style="list-style-type: none"> • Accelerating growth in research consulting and managed services • Strengthening and expanding our strong competitive advantage in our strategy and operations offerings • Continuing to gain momentum in student information systems (SIS) offerings, which represents a \$6B total addressable market opportunity 	<ul style="list-style-type: none"> • Expanding our consulting offerings into new areas (e.g., athletics, M&A, talent strategy, etc.) • Accelerating growth in student strategy and philanthropy, including capabilities acquired via Whiteboard Higher Education and CG+A • Advancing analytics capabilities to further differentiate our consulting offerings 	<ul style="list-style-type: none"> • Continuing to grow our core education digital service offerings (i.e., ERP, EPM, CRM, etc.) • Traditional HCM/FIN ERP offerings alone represent a \$4B total addressable market opportunity • Further investing in our Huron Research Suite product to gain additional market share and support full research outsourcing • Strengthening our global delivery capabilities

Commercial industry overview

Providing Proven and Innovative Solutions to Address Key Industry Challenges



Financial Services

- Growing financial and operational pressure stemming from continued economic uncertainty
- Increased scrutiny of capital adequacy being driven by current banking failures, compliance points of failure, presumably additional regulation



Energy and Utilities

- Strong financial positions fueling opportunistic M&A
- Increasing operational pressures from delayed capital spending stemming from lingering supply chain issues, inflation and the possibility of a recession



Public Sector

- Increased congressional oversight, technology upgrade requirements, and regulatory constraints
- Significant opportunity to advance public sector operations to more closely align with the private sector



All Industries

- Continued shift to the cloud and digitization
- Unleashing the next wave of productivity in increasingly competitive and financially challenging environments
- Continued focus on the power of data, advanced analytics and automation

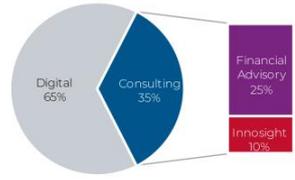
Industries of Focus



Opportunistically Serve All Other Industries

- Personas of Focus:**
- CEO
 - CFO
 - Chief Strategy Officer
 - CHRO
 - COO
 - Organizational advisors, including lenders and law firms

Revenue by Capability 2023



In the Commercial segment, our financial advisory offerings grew 68% in 2023 as compared to 2022

Driving future growth in Commercial

OPPORTUNITIES THAT LIE AHEAD			
STRONG MOMENTUM TO DATE	STRENGTHENING OUR PRESENCE IN THE COMMERCIAL INDUSTRIES	GROWING OUR CONSULTING OFFERINGS	ADVANCING OUR DIGITAL CAPABILITIES
<ul style="list-style-type: none"> • Grew total Commercial segment revenues 9% in 2023 as compared to 2022 • Grew Commercial industry Consulting revenues 13% in 2023 as compared to 2022 • Grew Commercial industry Digital revenues 7% in 2023 as compared to 2022 	<ul style="list-style-type: none"> • Integrating our strategy, digital and financial advisory capabilities into a comprehensive, global operating platform that accelerates growth across all our industries • Further establishing our foothold in oil and gas while expanding into new sectors within the Energy & Utilities value chain • Broadening our client base within the Federal government 	<ul style="list-style-type: none"> • Deepening our industry expertise in our strategy offerings • Capitalizing on favorable market conditions for our special situations offerings • Further diversifying and growing our financial advisory offerings, including in public finance advisory, bank regulatory advisory, and real estate advisory 	<ul style="list-style-type: none"> • Building our industry expertise and IP into additional technology-related services and products • Growing market share in our core commercial digital services (e.g., EHR, ERP, CRM, etc.) • Advancing and expanding our digital capabilities, including in advanced data and analytics (AI/ML) • Scaling our technology-related managed services to strengthen our recurring revenue base

Our Proven Results



Delivering proven results for our clients

Illustrative case studies



Mon Health System, in collaboration with Huron, employed disease prediction modeling to pinpoint individuals at high risk for lung cancer within their community, where the disease posed a significant threat. Utilizing the Huron Intelligence® Analytic Suite, they developed a predictive algorithm that facilitated the early identification of at-risk individuals, leading to targeted patient outreach and subsequent screening. This strategic initiative enabled over 800 patients to commence potentially lifesaving treatments, exemplifying a successful integration of advanced analytics and patient-centered communication in healthcare. The process not only streamlined the detection and treatment of lung cancer but also set a precedent for using data-driven approaches in managing other health conditions, with plans to expand the technology for predicting diseases like breast cancer and knee replacements. This approach demonstrated a significant shift towards proactive healthcare, enhancing the overall health and wellness of the community served by Mon Health System.



Huron played a crucial role in **Baylor University's** pursuit of R1 recognition and research excellence. They conducted a thorough assessment and helped redefine research administration roles and processes, creating a scalable team to support proposal and award activities. By implementing an enhanced faculty service delivery model and Oracle Cloud technology, Huron improved efficiency, transparency, and accountability. The university's commitment to innovation and collaboration, coupled with Huron's guidance, led to outstanding results. Baylor secured a \$43.4 million research grant, achieved record National Science Foundation CAREER grants, increased research expenditures by 28%, and boosted research doctorates awarded by 34%, marking a transformative journey towards academic excellence and R1 status.



A regional state-chartered bank based in the Northeastern U.S. partnered with Huron to upgrade its financial planning and analysis processes using Workday Adaptive Planning, focusing on modernization and integration. The initiative aimed at user-friendliness and minimizing maintenance, leveraging Huron's financial services expertise to create a banking-specific planning framework. This approach included proprietary accelerators and a phased implementation plan, leading to significant efficiency gains, enhanced insights, and greater accuracy. The results were a reduction in planning time, productivity savings, decreased need for additional staffing, improved FP&A team morale, reduced turnover, and a strong return on investment over three years. The project also promoted better collaboration and accuracy with standardized tools, following a roadmap from foundational setup to ongoing optimization.

Note: For additional case studies, visit the [insights page](#) on the Huron website.

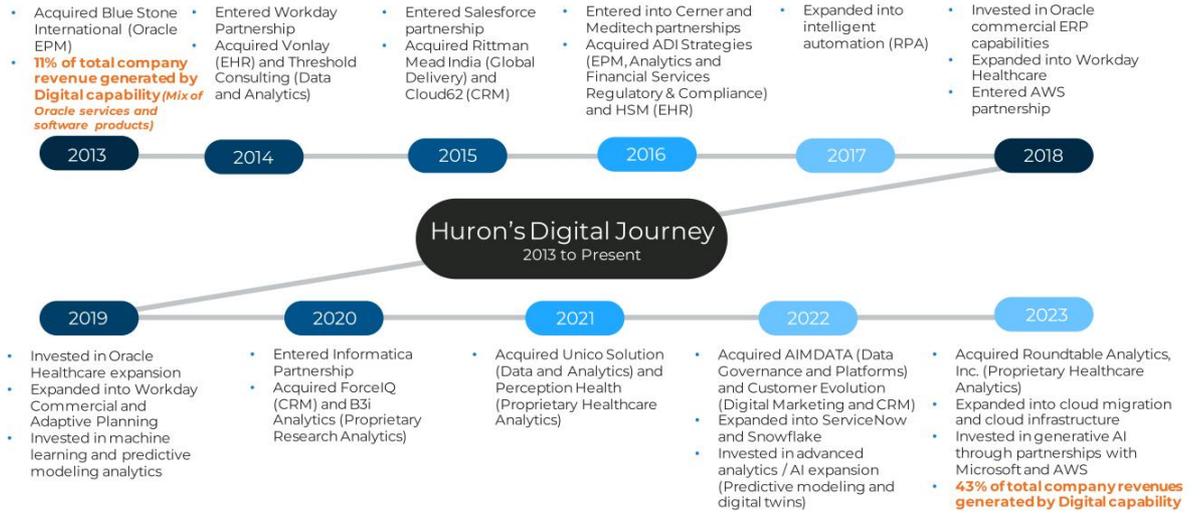
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Our Digital Capability



Grew a \$580M Digital platform since 2010 through organic investments and \$200M+ in deployed capital

Illustrative investments



Deeply integrating our industry focus with our Digital capabilities to strengthen our competitive advantage and accelerate growth

Providing Proven and Innovative Solutions to Address Key Industry Challenges

Technology Strategy & Advisory

Pre-Implementation

Implementation

Optimization

Managed Services

Healthcare

- Leveraging technology to generate cost savings and catalyze organizational growth
- Improving business and clinical operations with technology-led innovation and reimagined care delivery models, including virtual care

Education

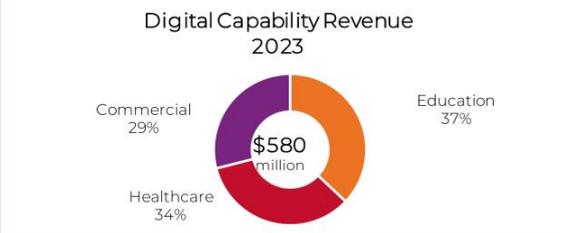
- Need to modernize operations with a shift to the cloud
- Connecting seamlessly throughout the student's collegiate journey (pre-, during and post-graduation)
- Providing researchers with innovative support models

Commercial

- Continued shift to the cloud and digitization
- Unleashing the next wave of productivity in increasingly competitive and financially challenging environments
- Continued focus on the power of data, advanced analytics and automation

All Industries

- Delivering on the power of a data-driven enterprise through the use of analytics, machine learning and artificial intelligence (AI)



Recognized partner to over **25+** technology vendors



Our Financial Outlook



Strong 2023 performance demonstrates commitment to consistent revenue growth and margin expansion

COMPANYWIDE HIGHLIGHTS

20%

Revenue growth
year-over-year

70 bps

Adjusted EBITDA⁽¹⁾
margin growth
year-over-year

43%

Adjusted Diluted EPS⁽¹⁾
growth
year-over-year

BUSINESS HIGHLIGHTS



26%

Healthcare segment
revenue growth
year-over-year



19%

Education segment
revenue growth
year-over-year



9%

Commercial segment
organic revenue growth
year-over-year

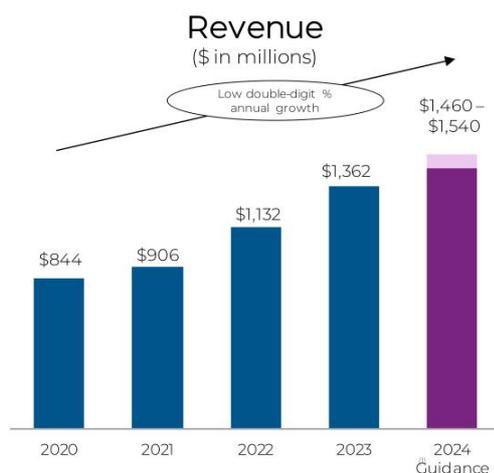


17%

Digital capability
revenue growth
year-over-year

⁽¹⁾ See Appendix for a reconciliation of adjusted EBITDA margin and adjusted diluted EPS, both of which are non-GAAP measures.

Building on our primary revenue drivers to achieve consistent revenue growth



Low double-digit percentage growth target expected to be driven by organic revenue

- Strong market tailwinds create growth opportunities in each of our core end markets and capabilities
- Deep industry client relationships with opportunities in which to expand wallet share by strengthening collaboration across industries and capabilities
- Accelerating growth in areas with recurring revenue

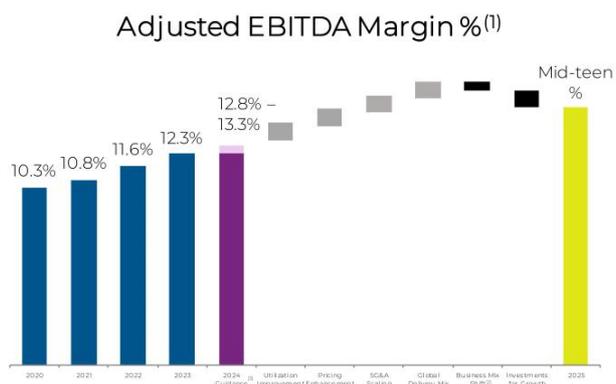
(1) Guidance is as of April 30th, 2024. Nothing herein should be construed as reaffirming, disaffirming or updating such guidance.

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Building on our primary revenue drivers, including our foundation of recurring revenue, to drive consistent growth



Adjusted EBITDA margin % is on a trajectory to achieve mid-teen % in 2025



Committed to annual expansion while maintaining flexibility to optimally manage the business

- Operating income margin expansion driven by improved utilization and pricing and shift in business mix
- Improved SG&A leverage to continue as we scale the business
 - Approx. 30%⁽⁴⁾ of total employee base is based in India in 6 cities across multiple capabilities: digital services and products, managed services, and corporate functions
- Commitment to margin expansion includes continued investments in organic and inorganic growth and mix shift to digital offerings

(1) See Appendix for a reconciliation of adjusted EBITDA margin %, a non-GAAP measure.
 (2) Business mix shift represents the impact of the rapid growth of our Digital capability, which has lower margins than our Consulting and Managed Services capability.
 (3) Guidance is as of April 30, 2024. Nothing herein should be construed as reaffirming, disaffirming or updating such guidance.
 (4) Headcount as of December 31, 2023

Rapidly growing global delivery platform enables Huron to accelerate growth and expand margins



Healthy balance sheet and strong cash flows create flexibility to return capital to shareholders and drive future growth



Expected Deployment of Capital	
5-Year Framework (2022 to 2027)	
<ul style="list-style-type: none"> Target 25%-50% in annual share repurchases 50%-75% available to invest in our business, inclusive of M&A and organic investment in our consulting, digital and managed services capabilities 	

Strategic capital deployment framework balances growth, flexibility and return of capital to shareholders

- Based on our revenue and adjusted EBITDA margin % expectations, we anticipate having **\$750 million to \$1 billion available for deployment** over the five-year period ending in 2027
- Targeting 25%-50% of deployed capital returned to shareholders via share repurchases through 2025⁽²⁾
- Invest in the business to strengthen our competitive position, including through the execution of strategic, tuck-in M&A
- Manage debt levels to achieve approximately 2.0x leverage ratio

⁽¹⁾ 2021 free cash flow is adjusted for the impact of our Life Sciences divestiture, which excludes transaction-related employee and third-party costs as well as estimated tax payments and net working capital adjustments. 2021 free cash flow yield is lower than historical amounts, reflecting record low DSO as of December 31, 2020 and the pull forward of certain cash receipts into Q4 2020; the repayment in 2021 of 2020 FICA deferrals under the CARES ACT, and a DSO higher than our target of 60 days as of December 31, 2021, due to the impact of certain larger projects with extended contractual payment terms.
⁽²⁾ As of December 31, 2023, the Company had \$96M remaining under its share repurchase authorization.
⁽³⁾ See Appendix for a reconciliation of free cash flow and free cash flow yield, both of which are non-GAAP measures.
⁽⁴⁾ Cash flows from operating activities of \$155 million to \$185 million less capital expenditures of \$40 million. Guidance is as of April 30th, 2024. Nothing herein should be construed as reaffirming, disaffirming or updating such guidance.

Disciplined approach to M&A will continue to provide opportunities to accelerate growth

Recent Acquisitions



Strengthening our track record of success

- Huron named Informatica's 2022 North America Partner of the Year, building on the combined strength of Huron's data management and analytics capabilities and our acquisitions of Unico Solution and AIMDATA (closed in 2021 and 2022, respectively)
- Huron is the market leader ranked #1 in the Digital Rounding – 2024 Best in KLAS® report, building on Huron's acquisition of MyRounding (closed in 2016)

Criteria used to evaluate acquisition opportunities

1. **Aligns with our business strategy**
 - Expands our capabilities into adjacent offerings
 - Strengthens our industry expertise
2. **Enhances our financial strategy**
 - Has a strong growth trajectory on a standalone basis
 - Is accretive to EBITDA margins
3. **Are a strong cultural fit**
 - Two-thirds of our recent acquisitions were Huron partners or teams we worked side-by-side with at a client prior to discussing a potential transaction

A clear and compelling investment thesis

				
<p>A PREEMINENT GLOBAL CONSULTANCY AND DIGITAL PARTNER</p>	<p>MEANINGFUL GROWTH OPPORTUNITY IN OUR CORE INDUSTRIES</p>	<p>EXPANSION OF INDUSTRY EXPERTISE AND CAPABILITIES</p>	<p>MATERIAL MARGIN EXPANSION OPPORTUNITY</p>	<p>STRONG CASH FLOW AND BALANCE SHEET</p>
<p>Leading global consultancy with deep industry focus and growing digital and managed services capabilities</p>	<p>Operating in a large, growing professional services industry with core end markets facing significant disruption and/or regulatory change</p>	<p>Supporting sustained and consistent revenue growth through expansion in areas of greatest growth potential, capitalizing on industry tailwinds and growing global digital platform</p>	<p>New operating model and focused execution on improved profitability creates significant room for margin expansion</p>	<p>Disciplined and balanced capital allocation framework underscores commitment to growth and returning capital to shareholders</p>

Appendix



Reconciliations of non-GAAP measures

Reconciliation of net income (loss) from continuing operations to adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) (in millions)

	2020	2021	2022	2023	Q1 2023	Q1 2024
Revenues	\$ 844	\$ 906	\$ 1,132	\$ 1,362	\$ 318	\$ 356
Net income (loss) from continuing operations	(24)	63	76	62	13	18
Add back:						
Income tax expense (benefit)	(10)	17	33	21	2	(0)
Interest expense, net of interest income	9	8	12	20	4	5
Depreciation and amortization	30	26	28	26	7	6
EBITDA	\$ 5	\$ 115	\$ 149	\$ 129	\$ 27	\$ 29
Add back:						
Restructuring and other charges	21	12	10	12	2	2
Litigation and other (gains) / losses, net	(0)	0	(0)	(0)	0	2
Unrealized (gains) / losses on preferred stock investment	(2)	-	(27)	26	-	-
Goodwill impairment charges	60	-	-	-	-	-
(Gain) / loss on sales of businesses	2	(32)	-	-	-	-
Transaction-related expenses	1	2	0	0	-	1
Foreign currency transaction (gains) / losses, net	(0)	0	(1)	0	0	(0)
Adjusted EBITDA	\$ 87	\$ 98	\$ 131	\$ 167	\$ 30	\$ 34
Adjusted EBITDA as a percentage of revenues	10.3%	10.8%	11.6%	12.3%	9.3%	9.5%

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Reconciliations of non-GAAP measures

Reconciliation of net income (loss) from continuing operations to adjusted net income from continuing operations *(in millions, except earnings per share)*

	2020	2021	2022	2023	Q1 2023	Q1 2024
Net income (loss) from continuing operations	\$ (24)	\$ 63	\$ 76	\$ 62	\$ 13	\$ 18
Weighted average shares – diluted	22	22	21	20	20	19
Diluted earnings (loss) per share (EPS) from continuing operations	\$ (1.08)	\$ 2.89	\$ 3.64	\$ 3.19	\$ 0.68	\$ 0.95
Add back:						
Amortization of intangible assets	13	9	11	8	2	2
Restructuring and other charges	21	12	10	12	2	2
Litigation and other (gains) / losses, net	(0)	0	(0)	(0)	0	2
Goodwill impairment charges	60	-	-	-	-	-
Unrealized (gains) / losses on preferred stock investment	(2)	-	(27)	26	0	-
(Gain) / loss on sales of businesses	2	(32)	-	-	-	-
Transaction-related expenses	1	2	0	0	-	1
Non-cash interest on convertible notes	-	-	-	-	-	-
Tax effect	(23)	2	2	(12)	(1)	(2)
Total adjustments, net of tax	72	(6)	(4)	34	4	5
Adjusted net income from continuing operations	\$ 48	\$ 57	\$ 71	\$ 96	\$ 17	\$ 23
Adjusted weighted average shares – diluted	22	22	21	20	20	19
Adjusted diluted EPS from continuing operations	\$ 2.15	\$ 2.61	\$ 3.43	\$ 4.91	\$0.87	\$1.23

Reconciliations of non-GAAP measures

Reconciliation of cash from operating activities to free cash flow *(in millions)*

	2020	2021	2022	2023	Q1 2023	Q1 2024
Cash from operating activities	\$ 137	\$ 18	\$ 85	\$ 135	\$ (92)	\$ (131)
Less: Capital expenditures	(17)	(16)	(24)	(35)	(9)	(9)
Free cash flow	\$ 120	\$ 2	\$ 61	\$ 100	\$ (101)	\$ (140)
<i>Add back:</i>						
Life Sciences divestiture ⁽¹⁾	-	19	-	-	-	-
Adjusted free cash flow [A]	\$ 120	\$ 21	\$ 61	\$ 100	\$ (101)	\$ (140)
Weighted average shares – diluted [B]	22	22	21	20		
End of period stock price [C]	\$ 58.95	\$ 49.90	\$72.60	\$102.80		
Free cash flow yield (A / B / C)	9.3%	1.9% ⁽²⁾	4.0%	4.9%		

⁽¹⁾ 2021 free cash flow is adjusted for the impact of our Life Sciences divestiture, which excludes transaction-related employee and third-party costs as well as estimated tax payments and net working capital adjustments.

⁽²⁾ 2021 free cash flow yield is lower than historical amounts, reflecting record low DSO as of December 31, 2020 and the pull forward of certain cash receipts into Q1 2020, the repayment in 2021 of 2020 PICA deferrals under the CARES ACT, and a DSO higher than our target of 60 days as of December 31, 2021 due to the impact of certain larger projects with extended contractual payment terms.

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