

**Answerthink, Inc.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
*(in thousands, except per share data)*

	<b>Quarter Ended</b>	
	<u>March 31, 2006</u>	<u>April 1, 2005</u>
	<i>(unaudited)</i>	
Revenues:		
Revenues before reimbursements	\$ 44,896	\$ 33,178
Reimbursements	<u>4,935</u>	<u>3,694</u>
Total revenues	<u>49,831</u>	<u>36,872</u>
Costs and expenses:		
Project personnel and expenses:		
Project personnel and expenses before reimbursable expenses	26,464	20,508
<small>(includes \$220 and \$122 of stock compensation expense in 2006 and 2005, respectively)</small>		
Reimbursable expenses	<u>4,935</u>	<u>3,694</u>
Total project personnel and expenses	<u>31,399</u>	<u>24,202</u>
Selling, general and administrative expenses	17,791	13,319
<small>(includes \$856 and \$435 of stock compensation expense in 2006 and 2005, respectively)</small>		
Restructuring costs	<u>6,313</u>	<u>1,134</u>
Total costs and operating expenses	<u>55,503</u>	<u>38,655</u>
Loss from operations	<u>(5,672)</u>	<u>(1,783)</u>
Other income (expense):		
Interest income	189	263
Interest expense	<u>(106)</u>	<u>(24)</u>
Loss before income taxes	<u>(5,589)</u>	<u>(1,544)</u>
Income taxes	<u>365</u>	<u>(114)</u>
Net loss	<u>\$ (5,954)</u>	<u>\$ (1,430)</u>
Basic net loss per common share	\$ (0.13)	\$ (0.03)
Weighted average common shares outstanding	44,518	43,439
Diluted net loss per common share (1)	\$ (0.13)	\$ (0.03)
Weighted average common and common equivalent shares outstanding	44,518	43,439
Pro forma data: (2)		
Loss before income taxes	\$ (5,589)	\$ (1,544)
Restructuring costs	6,313	1,134
Stock compensation expense	1,076	557
Amortization of intangible assets	<u>969</u>	<u>444</u>
Pro forma income before income taxes	<u>2,769</u>	591
Pro forma income taxes	<u>1,108</u>	<u>236</u>
Pro forma net income	<u>\$ 1,661</u>	<u>\$ 355</u>
Pro forma basic net income per common share	\$ 0.04	\$ 0.01
Weighted average common shares outstanding	44,518	43,439
Pro forma diluted net income per common share	\$ 0.04	\$ 0.01
Weighted average common and common equivalent shares outstanding	46,551	47,540

- (1) Potentially dilutive shares were excluded from the diluted loss per share calculation for the quarters ended March 31, 2006 and April 1, 2005 as their effects would have been anti-dilutive to the loss incurred by the Company.
- (2) The Company provides pro forma earnings results (which exclude amortization of intangible assets, non-cash compensation and restructuring charges, and include a normalized tax rate) as a complement to results provided in accordance with Generally Accepted Accounting Principles. These non-GAAP results are provided to enhance the users' overall understanding of the Company's current financial performance and its prospects for the future. The Company believes the non-GAAP results provide useful information to both management and investors by excluding certain expenses that it believes are not indicative of its core operating results. The non-GAAP measures are included to provide investors and management with an alternative method for assessing operating results in a manner that is focused on the performance of ongoing operations and to provide a more consistent basis for comparison between quarters. Further, these non-GAAP results are one of the primary indicators management uses for planning and forecasting in future periods. In addition, since the Company has historically reported non-GAAP results to the investment community, it believes the inclusion of non-GAAP numbers provides consistency in its financial reporting. The presentation of this additional information should not be considered in isolation or as a substitute for results prepared in accordance with accounting principles generally accepted in the United States of America.

**Answerthink, Inc.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
*(in thousands)*

	March 31, 2006	December 30, 2005
<b>ASSETS</b>		
<i>(unaudited)</i>		
Current assets:		
Cash and cash equivalents	\$ 18,785	\$ 18,103
Marketable investments	4,928	9,902
Restricted cash	-	3,657
Accounts receivable and unbilled revenue, net	42,182	41,928
Prepaid expenses and other current assets	3,393	3,273
Total current assets	<u>69,288</u>	<u>76,863</u>
Restricted cash	600	600
Property and equipment, net	5,485	6,304
Other assets	5,489	6,422
Goodwill, net	62,176	61,692
Total assets	<u>\$ 143,038</u>	<u>\$ 151,881</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 4,807	\$ 6,319
Accrued expenses and other liabilities	35,681	37,751
Loan payable	-	3,657
Total current liabilities	<u>40,488</u>	<u>47,727</u>
Accrued expenses and other liabilities, non-current	5,750	3,272
	<u>46,238</u>	<u>50,999</u>
Shareholders' equity	96,800	100,882
Total liabilities and shareholders' equity	<u>\$ 143,038</u>	<u>\$ 151,881</u>

**Answerthink, Inc.**  
**Supplemental Financial Data**  
*(unaudited)*

	<u>2006</u>	<u>2005</u>	
	<u>Q1</u>	<u>Q4</u>	<u>Q1</u>
<b>Revenue Breakdown by Group:</b> <i>(in thousands)</i>			
The Hackett Group			
Benchmarking	\$ 4,623	\$ 4,810	\$ 4,633
Membership Advisory Programs	2,236	2,202	1,675
Transformation Advisory	<u>18,354</u>	<u>13,620</u>	<u>9,079</u>
Total The Hackett Group	25,213	20,632	15,387
Best Practice Solutions			
Business Applications	14,124	13,702	13,233
Business Intelligence	<u>10,494</u>	<u>10,407</u>	<u>8,252</u>
Total Best Practice Solutions	24,618	24,109	21,485
 Total revenues	 <u>\$ 49,831</u>	 <u>\$ 44,741</u>	 <u>\$ 36,872</u>

**Revenue Concentration:**  
*(% of total revenues)*

Top customer	6%	7%	7%
Top 5 customers	21%	20%	24%
Top 10 customers	32%	30%	36%

**Key Metrics and Other Financial Data:**

The Hackett Group revenue per professional <i>(in thousands)</i>	\$ 350	\$ 375	\$ 352
Best Practice Solutions consultant utilization rate	76%	72%	73%
Best Practice Solutions gross billing rate per hour	\$ 155	\$ 155	\$ 146
Best Practice Solutions net billing rate per hour	\$ 138	\$ 139	\$ 132
Consultant headcount	670	694	569
Total headcount	856	899	753
Days sales outstanding (DSO)	76	73	71
Cash provided by (used in) operating activities <i>(in thousands)</i>	\$ (3,633)	\$ 10,142	\$ (262)
Depreciation and amortization <i>(in thousands)</i>	\$ 1,640	\$ 1,054	\$ 1,262

**Share Repurchase Program:**

Shares purchased since inception <i>(in thousands)</i>	6,534	6,534	5,723
Cost of shares repurchased since inception <i>(in thousands)</i>	\$ 22,119	\$ 22,119	\$ 18,987
Average per share cost of shares purchased since inception	\$ 3.39	\$ 3.39	\$ 3.32
Remaining authorization <i>(in thousands)</i>	\$ 7,881	\$ 7,881	\$ 6,013