



# INVESTOR PRESENTATION

## JULY 28, 2015

# DISCLOSURE STATEMENT



Statements included in this presentation which are not historical in nature are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements may generally be identified by words such as “anticipate,” “believe,” “intend,” “estimate,” “expect,” “plan,” “outlook” and similar expressions. These statements are based upon management’s current expectations and speak only as of the date of this presentation. Navigant Consulting, Inc. (the “Company”) cautions readers that there may be events in the future that the Company is not able to accurately predict or control and the information contained in the forward-looking statements is inherently uncertain and subject to a number of risks that could cause actual results to differ materially from those contained in or implied by the forward-looking statements including, without limitation: the success of the Company’s organizational changes and margin improvement initiatives; risks inherent in international operations, including foreign currency fluctuations; ability to make acquisitions and divestitures; pace, timing and integration of acquisitions and separation of divestitures; operational risks associated with new or expanded service areas, including business process management services; impairments; management of professional staff, including dependence on key personnel, recruiting, attrition and the ability to successfully integrate new consultants into the Company’s practices; utilization rates; conflicts of interest; potential loss of clients or large engagements; clients’ financial condition and their ability to make payments to the Company; risks inherent with litigation; higher risk client assignments; professional liability; potential legislative and regulatory changes; continued access to capital; and market and general economic conditions. Further information on these and other potential factors that could affect the Company’s financial results are included under the “Risk Factors” section and elsewhere in the Company’s filings with the Securities and Exchange Commission (SEC), which are available on the SEC’s website or at [www.navigant.com/investor\\_relations](http://www.navigant.com/investor_relations). The Company cannot guarantee any future results, levels of activity, performance or achievement and undertakes no obligation to update any of its forward-looking statements.

Unless otherwise indicated, all references are to results from continuing operations and exclude results from the July 2013 sale of the United Kingdom financial services advisory business which are reported as discontinued operations. Amounts previously reported have been reclassified to conform to the current presentation.



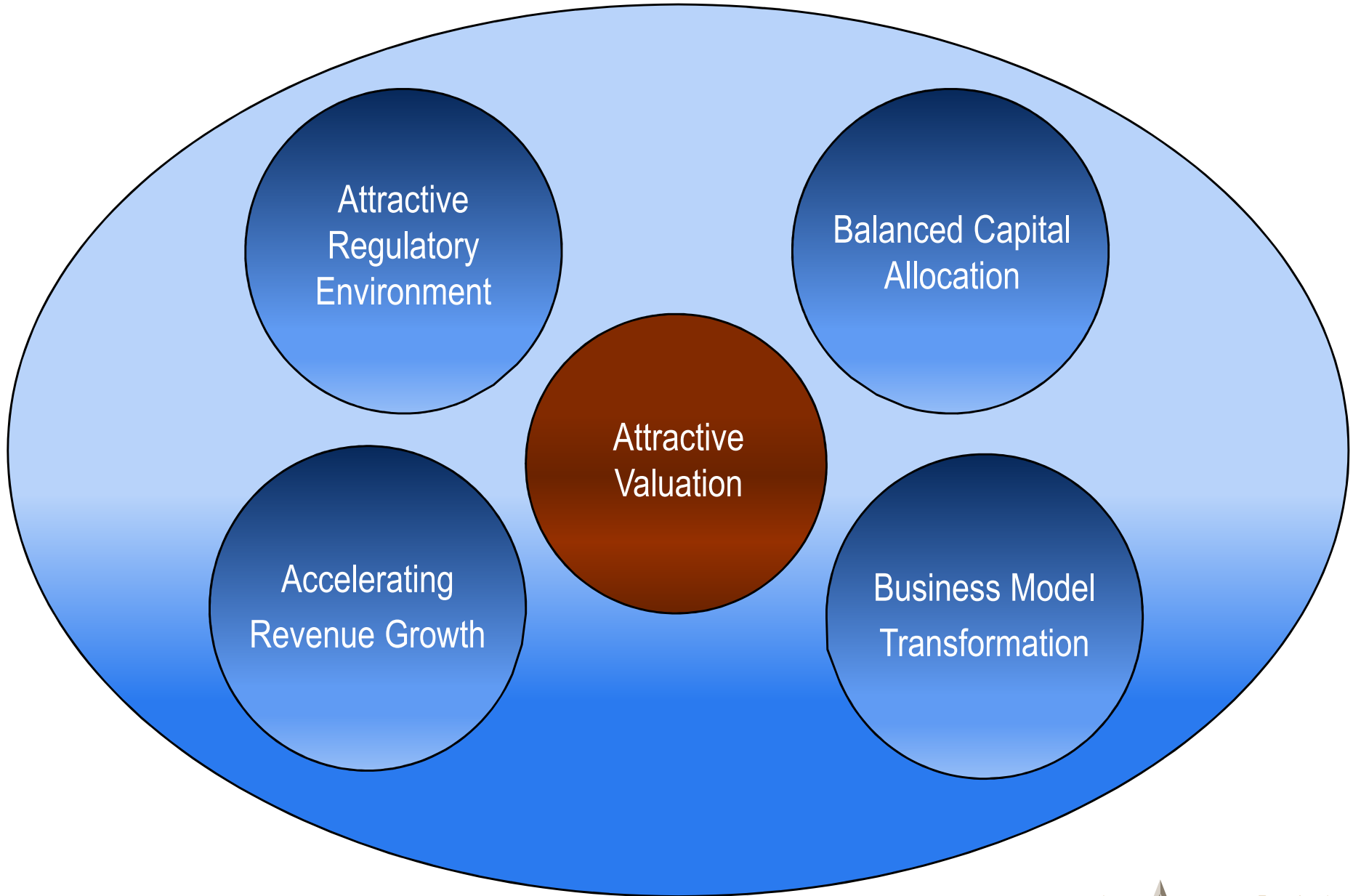
Specialized, global professional services firm helping clients **defend, protect and create value**

Serving **high growth industry sectors (Healthcare, Energy & Financial Services)** facing **transformational change** and significant **regulatory** and **legal** pressure

Balanced, **blue-chip client portfolio**

Strategic **growth agenda**

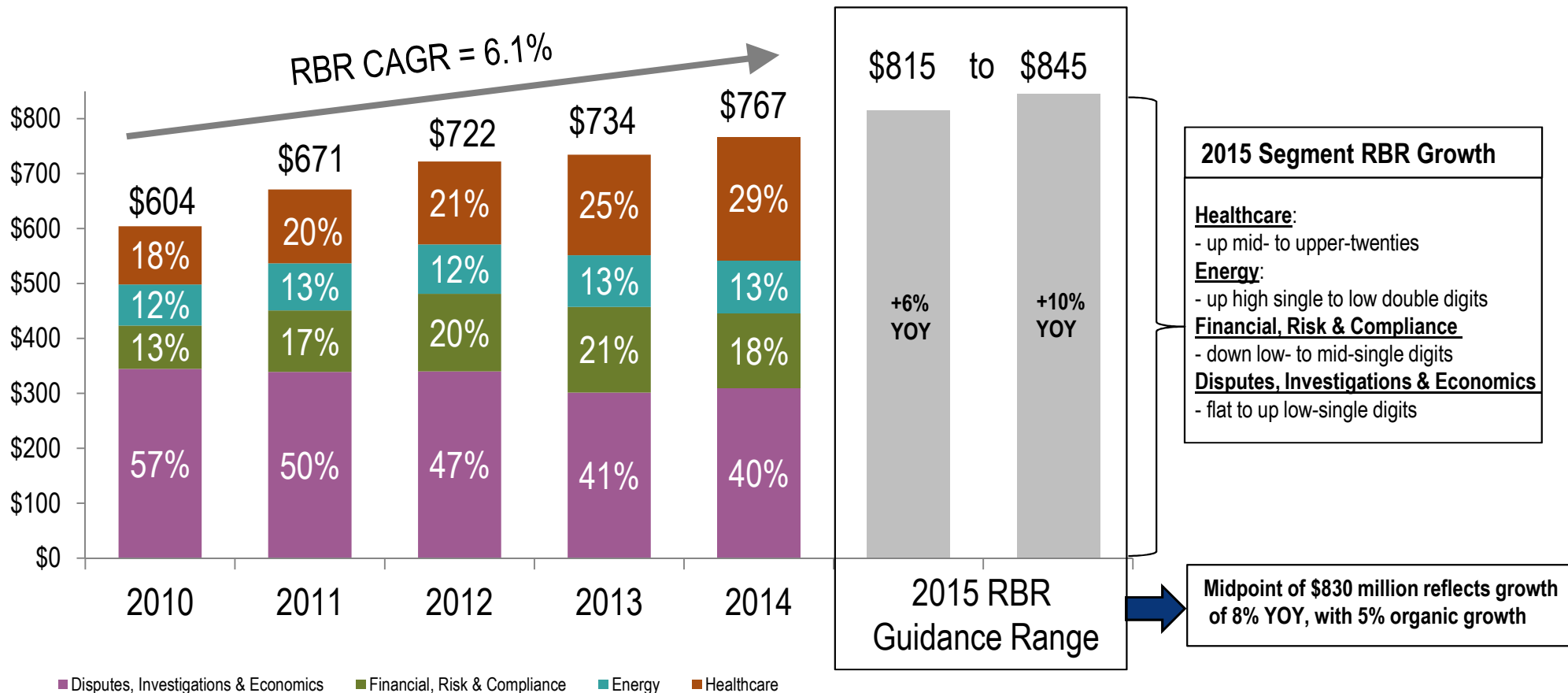
Strong balance sheet, **investing for future growth**, healthy cash flows and **active share repurchase program**

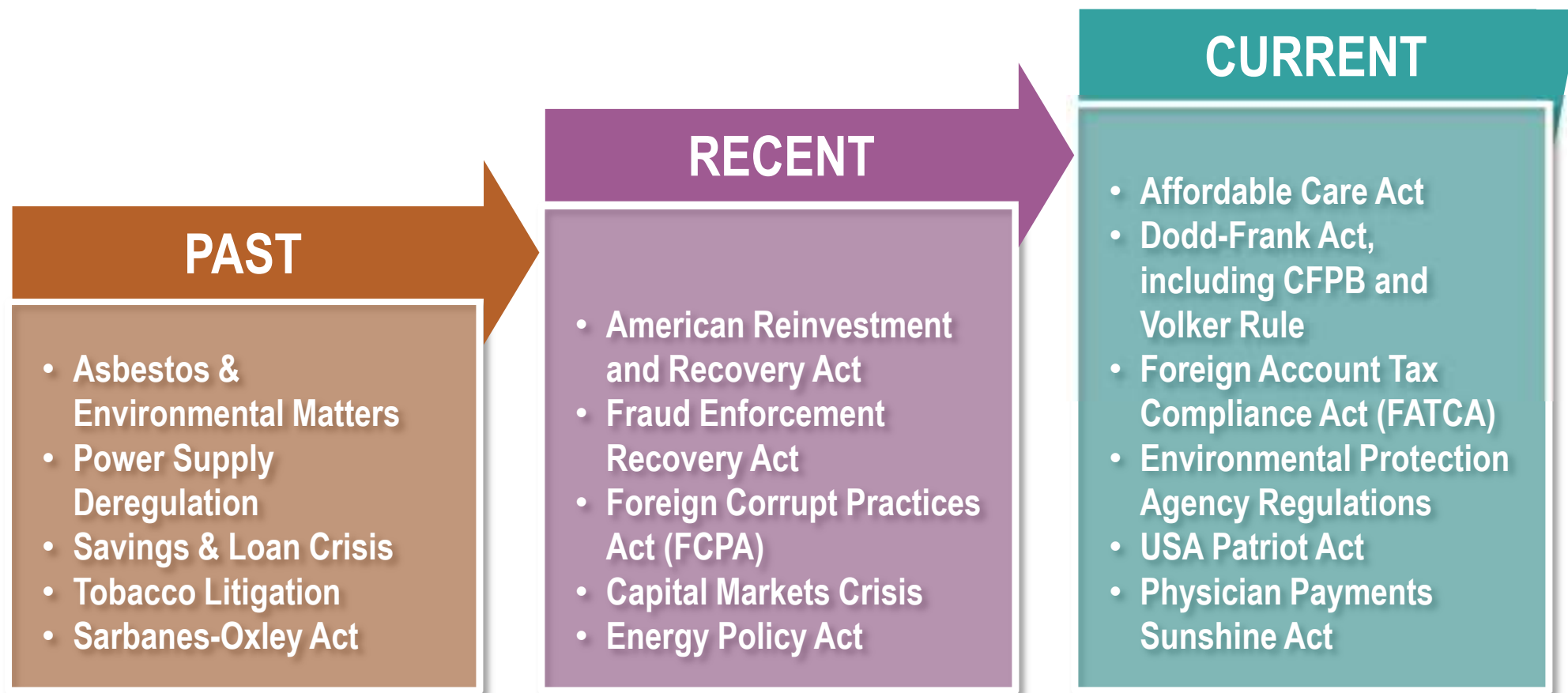


# ACCELERATING REVENUE GROWTH



## Revenues Before Reimbursements (RBR) (in millions)





» Since its founding, Navigant has anticipated and capitalized on regulatory change to capture growth and drive shareholder value

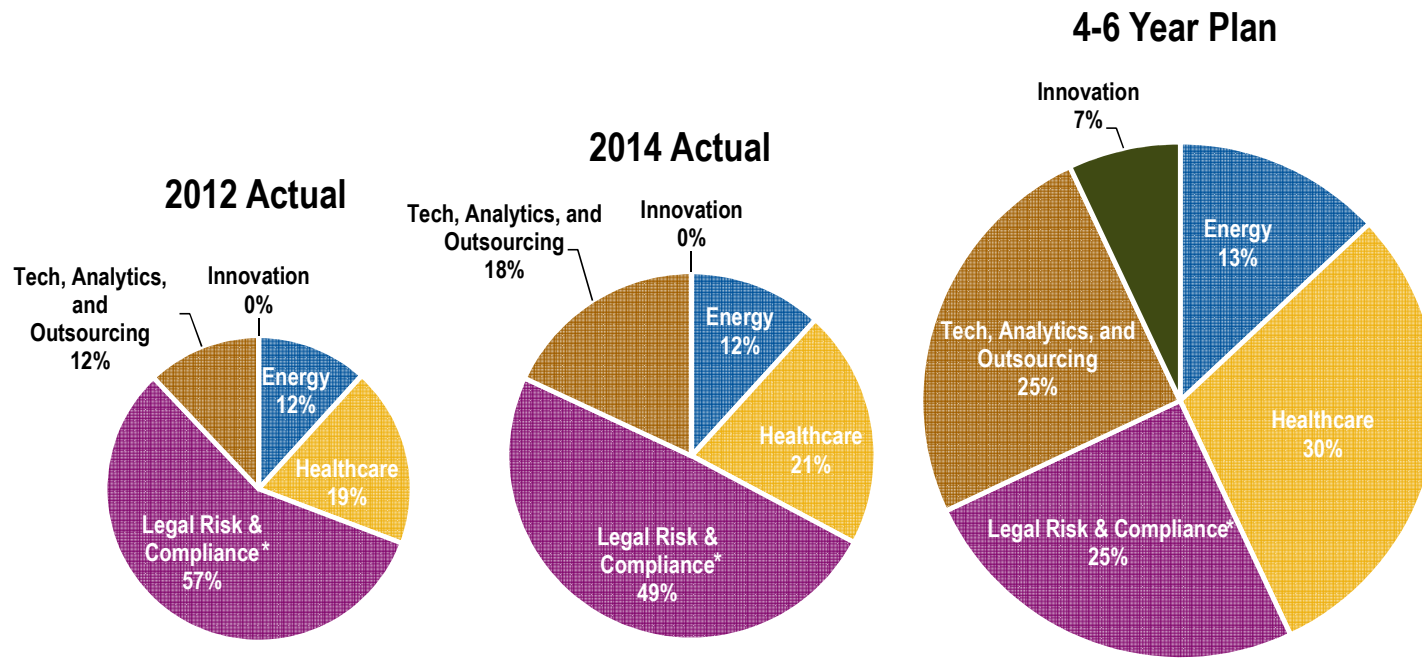


- » Consistent, healthy cash flow
- » Active share repurchase program
- » Pursue strategic growth options: combination of investments in organic and inorganic (buy and build acquisitions)
- » Invest in technology to enable consulting and business process management services growth
- » Reduce debt to maintain flexibility for growth investments

# BUSINESS MODEL TRANSFORMATION



- ✓ Articulated operating framework for sustainable growth
  - Perform, Bank & Innovate
- ✓ Defined strategy to evolve business towards balanced combination of event-driven and recurring revenue streams
- ✓ Re-aligned businesses to spotlight market approach and enhance collaboration
- ✓ Exited non-strategic practices
- ✓ Investing in technology-enabled solutions, business process management services and data analytics



\*Legal Risk and Compliance is a combination of the DI&E and FR&C segments and predominately serves the financial services industry



# LONG-TERM GROWTH POTENTIAL



## Total Company

Expected to be in the mid-to-high teens over the next 4-6 years, with anticipated topline contributions from both organic and inorganic sources

### Healthcare

Potential for double digit RBR growth

### Energy

Potential for mid to high teens RBR growth

### Disputes, Investigations and Economics

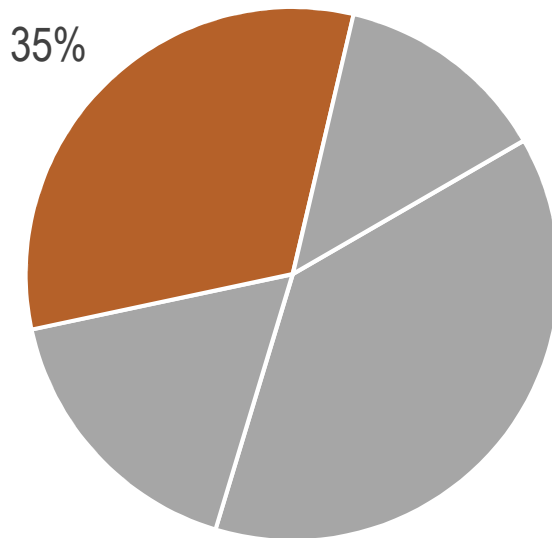
Potential for low single digit RBR growth

### Financial, Risk and Compliance

Potential for low to mid single digit RBR growth



## Healthcare RBR



% of total company RBR in second quarter 2015

2015 RBR guidance –  
↑ mid to upper twenties

## Catalysts for Growth

- » Shift to business process management services by hospitals
- » Healthcare reform
- » Industry consolidation
- » Reimbursement changes
- » Evolving value-based care
- » Global demand for healthcare solutions
- » Data proliferation and need for analytics

## Developments

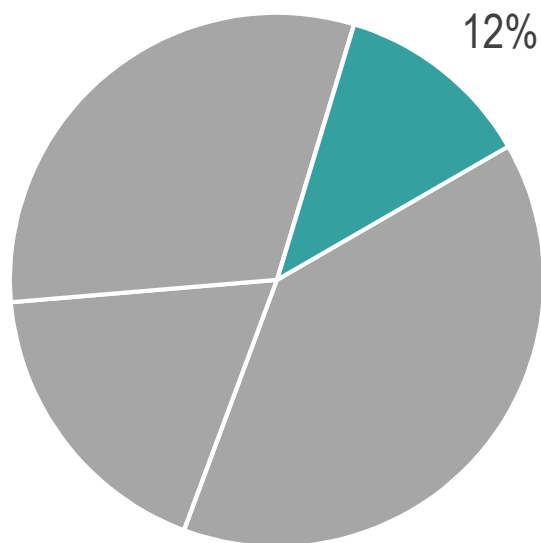
- » Acquired RevenueMed on 2/23/15
- » Acquired Cymetrix on 5/14/14
- » Acquired Life Sciences practice of Leerink Swann Consulting on 4/01/14

## What does Navigant do?

- Strategic advisory
- Operational improvement
- Clinical effectiveness
- Business process management services
- Data analytics

Clients include health systems, physician practice groups, payers, government agencies and life sciences companies

## Energy RBR



2015 RBR guidance -  
↑ high single to low  
double digits

% of total company RBR in second quarter 2015

## Catalysts for Growth

- » Investment in senior hires
- » Aging utility infrastructure
- » Energy efficiency programs
- » Mergers and acquisitions
- » Integration of renewables into the transmission grid
- » Changing energy prices
- » Global demand for energy solutions

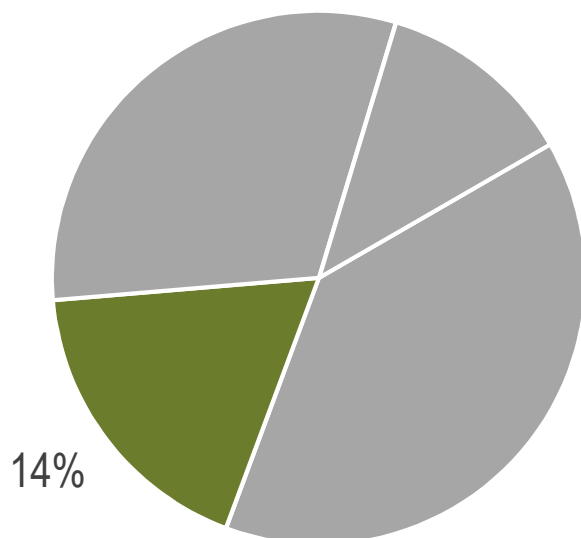
## What does Navigant do?

- Energy efficiency and demand side strategy
- Business planning and performance improvement
- Strategy development and implementation assistance
- Research and benchmarking

Clients include utilities, government agencies and investors



## Financial, Risk & Compliance RBR



2015 RBR guidance -  
↓ down to low- to  
mid-single digits

% of total company RBR in second quarter 2015

## Catalysts for Growth

- » Increasing regulation
- » Complex compliance requirements
- » Process change
- » Anti-money laundering focus
- » Preventative efforts to remediate issues in mortgage industry
- » Consumer lending scrutiny

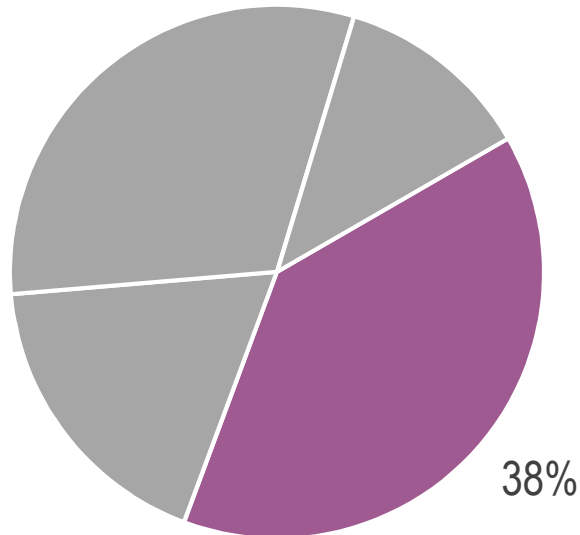
## What does Navigant do?


- Regulatory compliance and investigations
- Operational effectiveness
- Risk management and control
- Valuations

Clients include financial and insurance institutions, companies and government agencies



## Disputes, Investigations & Economics RBR



2015 RBR guidance - flat to  low single digits

% of total company RBR in second quarter 2015

## Catalysts for Growth

- » Global construction
- » Litigation, investigations and compliance issues in financial services, healthcare and life sciences
- » International arbitration
- » Legal technology solutions
- » Data proliferation

## What does Navigant do?






- Legal, regulatory and business risk management
- Expert testimony on damages and valuations
- Dispute resolution
- Forensic accounting
- E-discovery and data analytics

Clients include companies, counsel, corporate boards and government agencies

# DIVERSE CLIENT BASE



## Client Profiles

					
	Nearly 300 financial services companies including many of the largest banks in the U.S.	Over 80% of AMLAW 100 firms	50 of the largest electric and gas utilities  20 largest independent power generators	Over 300 hospitals, health systems and academic medical centers in 2014 including most of the top-ranked U.S. institutions. Also many of the top life sciences companies in the world.	Federal, state and local government departments and agencies
DI&E	✓	✓	✓	✓	✓
FR&C	✓	✓		✓	✓
HEALTHCARE	✓	✓		✓	✓
ENERGY		✓	✓		✓

## Client Retention

- » Client relationship of 10 years or more: 41%
- » Client relationship of 5 years or more: 67%

## Revenue Breadth

- » 162 clients with revenues of greater than \$1 million in 2014
- » 167 clients with revenues of \$500,000 to \$1 million in 2014
- » Clients with at least \$500,000 revenues were 75% of total in 2014



- » Maintain high quality client service delivery
- » Leverage investments to accelerate organic revenue growth
- » Improve profitability of consulting practices
- » Invest in and deliver large business process management services contracts
- » Effectively utilize free cash flow
- » Increase shareholder return

# FINANCIAL PERFORMANCE





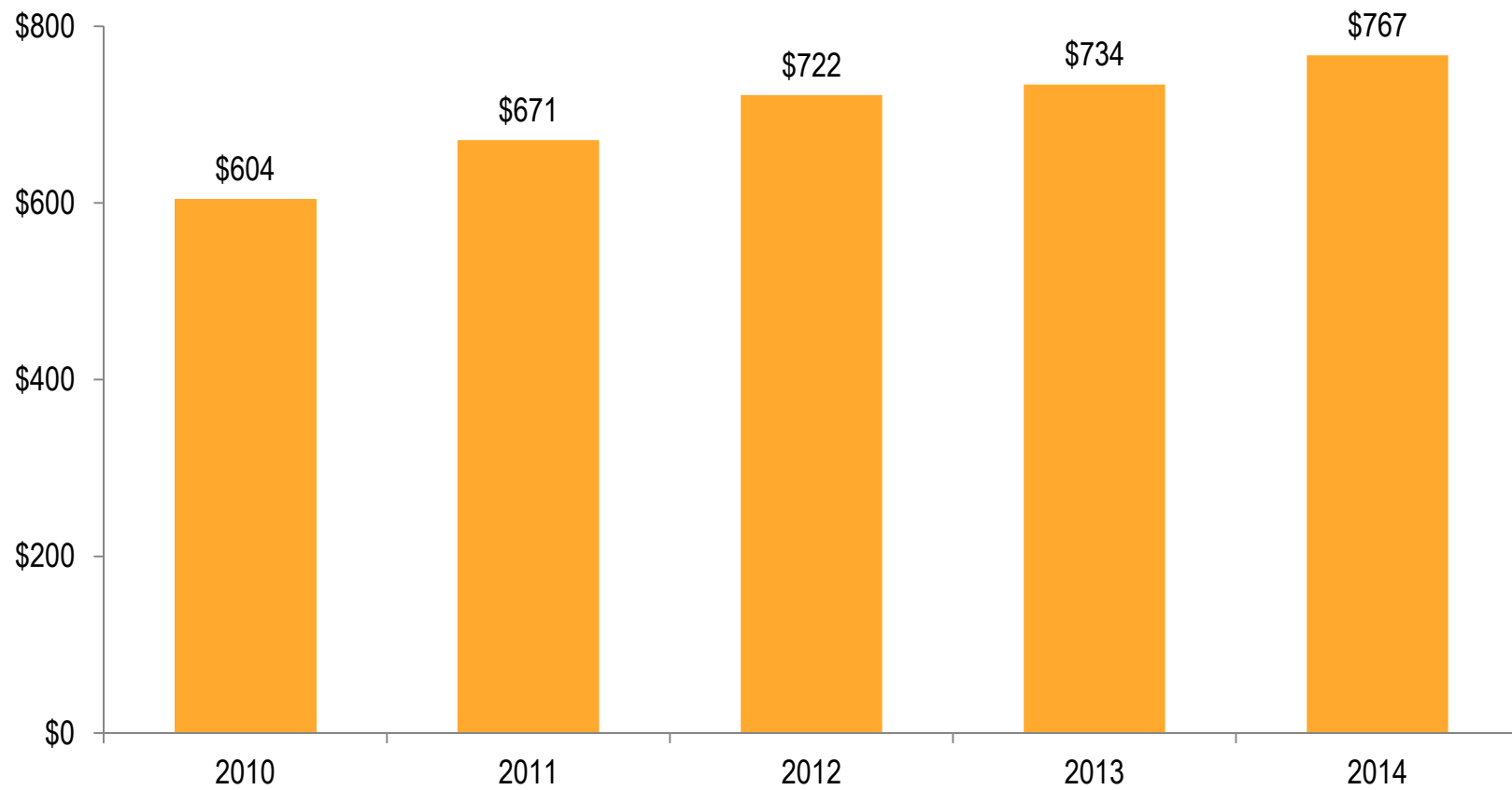


- » Balanced revenue streams with track record of growth
- » Investing for future growth
- » Strong balance sheet
- » Consistent, healthy cash flow
- » Disciplined capital allocation with emphasis on ROI to shareholders



## Revenues Before Reimbursements (RBR) (in millions)

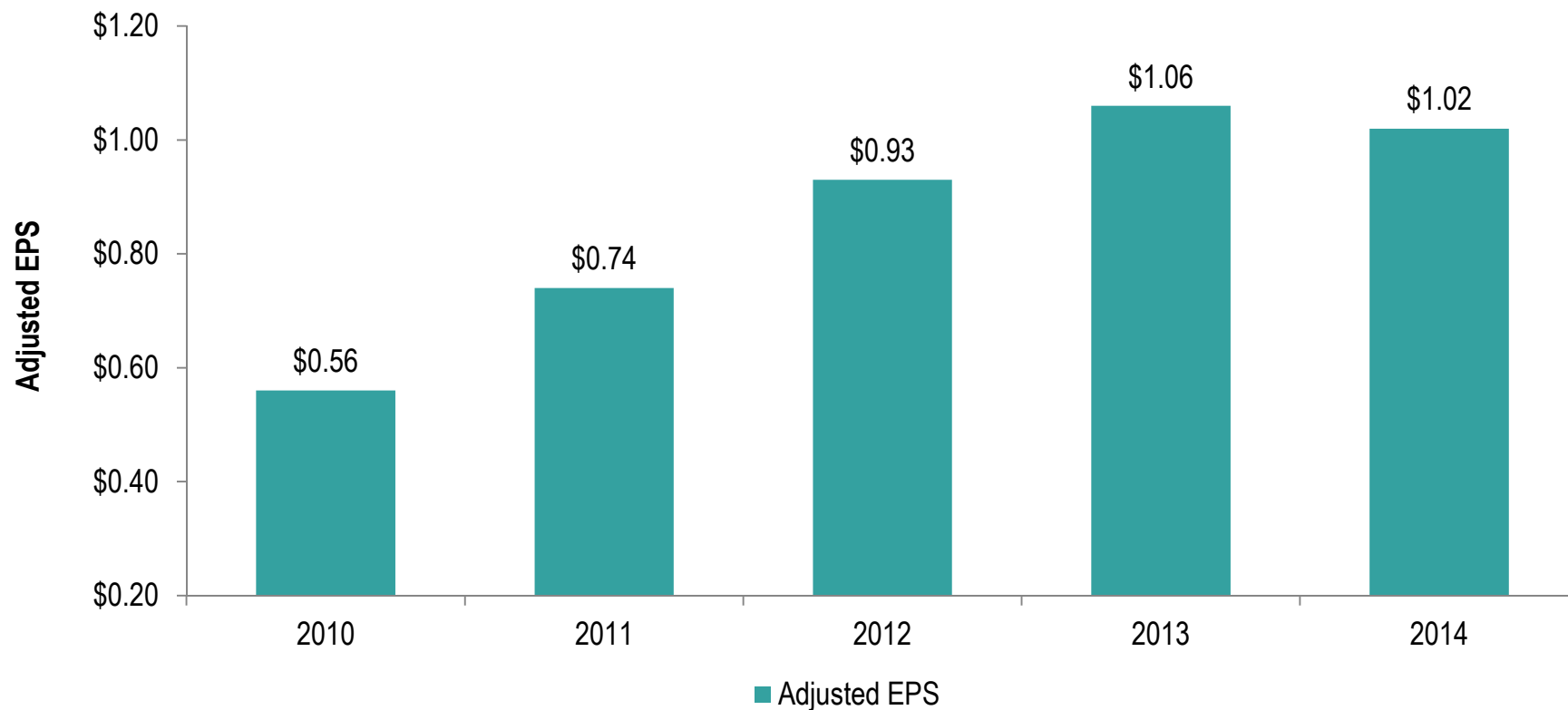
RBR CAGR (2010-2014) of 6.1%



# EARNINGS HIGHLIGHTS



Adjusted EPS CAGR (2010-2014) of 16.2%

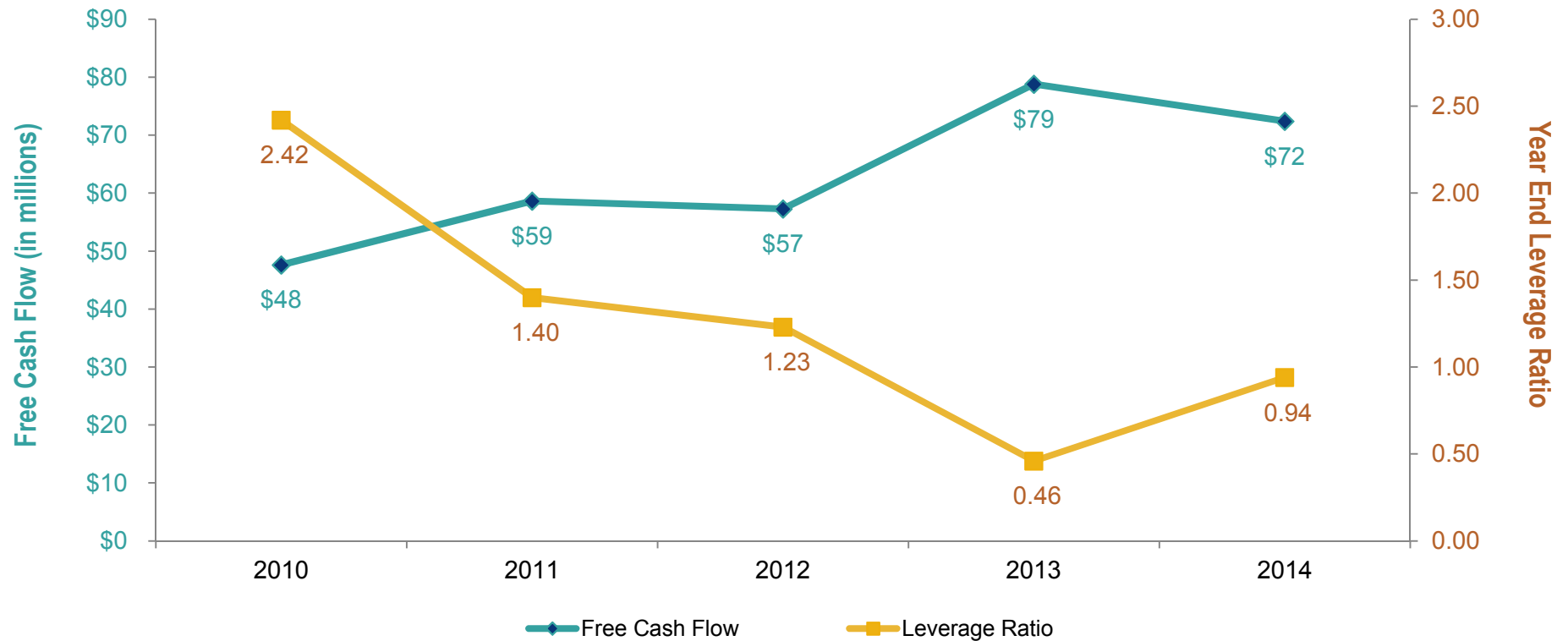


For reconciliation of Adjusted EPS to the most comparable GAAP financial measure, see [www.navigant.com/investor\\_relations](http://www.navigant.com/investor_relations).



## Free Cash Flow and Leverage Ratio

Free Cash Flow CAGR (2010-2014) of 10.7%



For calculation of leverage ratio and reconciliation of Free Cash Flow to the most comparable GAAP financial measure, see [www.navigant.com/investor\\_relations](http://www.navigant.com/investor_relations).



# INVESTOR PRESENTATION

More information about Navigant can be found at  
[www.navigant.com/investor\\_relations](http://www.navigant.com/investor_relations)

or contact

Aaron Miles, Investor Relations

312.583.5820

[aaron.miles@navigant.com](mailto:aaron.miles@navigant.com)