



Connecting Clients With Solutions

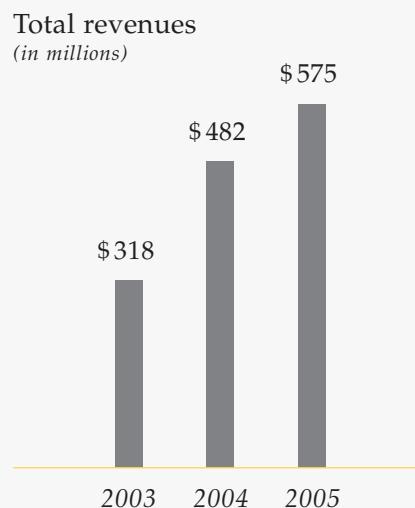
Navigant Consulting 2005 Annual Report

Navigant Consulting

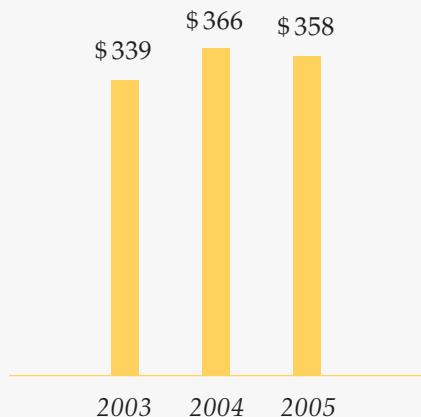
Navigant Consulting is an international consulting firm providing dispute, investigative, operational, risk management and financial advisory solutions to legal counsel, government agencies and companies experiencing regulatory or structural change.

Financial Highlights

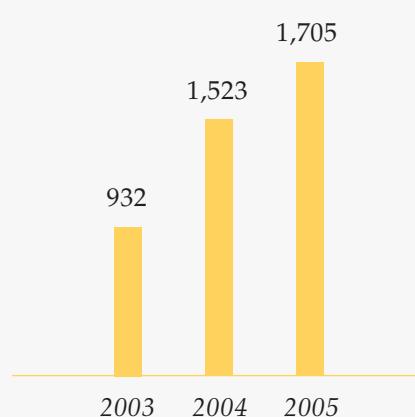
| Results of Operations | 2003 | 2004 | 2005 |
|--|-----------|-----------|-----------|
| Total revenues (<i>in thousands</i>) | \$317,782 | \$482,119 | \$575,492 |
| Full Time Equivalent (FTE) consultants at year-end | 932 | 1,523 | 1,705 |
| Average FTE consultants during the year | 937 | 1,319 | 1,608 |
| Annual gross revenues per FTE consultant | \$339,100 | \$365,500 | \$357,900 |



Annual gross revenues
per FTE consultant (*in thousands*)



FTE consultants at year-end





A Letter from the

Chairman and Chief Executive Officer

With more than 1,700 billable professionals and offices in more than 40 cities, including an increasing international presence, Navigant Consulting ranks among the world's largest specialized litigation and business advisory consulting firms. Our expansion has equipped us to compete for - and win - significantly larger and higher profile client assignments. This improved access to our markets, combined with the quality of our professional staff, is the foundation for our future success. We will convert size into leadership by combining the skills and experience of our professionals to connect clients with high-value solutions.

Businesses today face multiple, interlocking challenges. They must anticipate and respond to their customers' evolving needs while simultaneously achieving higher quality, greater efficiency and lower costs, all in a time of increased scrutiny and regulation. In 2005, we focused our efforts on meeting these challenges by investing to expand our knowledge and expertise. We added 200 professionals, enhancing our capabilities across our practices.

Fraud and Forensic Accounting

The independent investigation of fraud and other irregularities is now considered a "best practice," not just in the United States, but internationally. Corporations also continue to face the challenges of responding to whistleblowers and to enhanced regulatory scrutiny and interventions. What's more, the complexity of white collar investigations has increased; anti-money laundering regulations have become stronger; fraud and forensic investigations have forced companies to restate financial reports and change policies and controls; and parallel investigations have resulted in both civil and criminal charges. Our staff has proven its ability to help clients navigate these

extraordinary challenges and remain focused on their strategic goals.

International Growth

As international borders become more transparent and global business standards become more consistent, an increasing number of companies are venturing beyond their home markets - and encountering new risks, regulations and disputes. With the addition of more than 75 professionals to our offices in Toronto, Ottawa, London, Prague, Hong Kong and Shanghai, we are well positioned to help our clients address these concerns. From assisting with contract and compliance issues in Iraq and providing cost and schedule expertise for a power plant in Indonesia, to delivering expert testimony at arbitrations in Paris, London and New York, we can offer global clients effective, unified, support everywhere they do business.

Healthcare

The healthcare industry continues to face the challenge of addressing regulatory changes and innovating for tomorrow using yesterday's systems. We have responded by expanding our services in risk mitigation, operational controls, healthcare strategy development and revenue cycle management. Our solutions have helped clients reduce the impact of escalating costs and aging infrastructures and improve the efficiency of existing systems.

Corporate Finance

Significant increases in business mergers and acquisitions, coupled with the ongoing convergence of GAAP and international accounting standards, have increased the demand for our valuation and investment banking services. Today, with a staff of more than 100 dedicated professionals and a national presence, our

International Expansion Supports Clients

With the addition of more than 75 professionals to our offices in Toronto, Ottawa, London, Prague, Hong Kong and Shanghai, we are well positioned to help our clients address their growing international concerns.

Growth, Service and Leadership

Our strategic focus is to maximize market opportunities, leverage our intellectual capital to deliver engagement excellence, and demonstrate leadership discipline in the continued growth of the organization.

Corporate Finance practice is well positioned to assist clients in evaluating - and answering - their financial advisory needs.

Financial and Insurance Services

Global competition, increased regulation, and new technologies and products are changing the financial services industry and straining finance and risk management functions. Navigant Consulting combines industry knowledge, regulatory insight and operational excellence to assist clients in meeting these challenges, while maintaining key operating efficiencies and cost controls. We continue to increase our skills in all areas, including accounting policy, internal controls, transaction processing, data integrity and technology, to support the finance, risk management and operations functions of complex financial services and insurance organizations.

Our expansion benefits our large and varied client base, which includes *Amlaw* 100 law firms, *Fortune* 500 corporations, boards of directors and government agencies. Our goal is to be their first choice for large and complex assignments, each and every time. In engagement after engagement, we are demonstrating that we have the capacity - and the cross functional resources - to reach that objective. Recent assignments have included:

Assisting a major telecommunications company with the acquisition of its former parent, which required one of the largest document reviews, involving more than 400 attorneys, ever performed in the U.S.

Multiple engagements for a major software company, ranging from damage assistance services in patent and trade secrets cases to assistance in environmental litigation, health insurance claims and innovation management.

Providing independent investigative services to the Board of Administration of a public pension fund, including imaging and reviewing hard drives for deleted fields, to examining allegations of wrongful activity by former board members and staff.

Working together, our corporate finance and real estate professionals assisted a leading international real estate development and management company by developing a comprehensive U.S. operating strategy, identifying appropriate acquisition targets, conducting due diligence, assisting in negotiations, arranging institutional

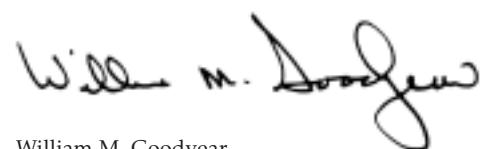
financing and providing related transaction advisory services.

Assisting the leadership of an international education agency in developing and implementing strategies to support current reform efforts and help achieve the United Nations' goal of "Education for All." The engagement includes developing a new strategy, modifying the current planning and development process, analyzing current workloads, creating staffing models and crafting a future vision for the agency's information systems.

We are committed to providing our professionals with the organizational structure, technological infrastructure and training and development programs necessary to continuously improve their skills and expertise. In 2005, we organized our consulting practices around key client channels to streamline the delivery of our services and accelerate the pace at which we bring them to market. We invested in the development of systems that provide a deeper understanding of our total consulting expertise and quickly profile our extensive network of client relationships. We are also dedicating more resources to quality control and practice standards management.

Financially, we continued to make good progress in 2005. Our revenues increased nearly \$100 million, to \$575 million. We have now completed five consecutive years of profitable revenue growth, at a compounded annual rate of 25%.

We are optimistic about our prospects for 2006. Our strategic focus remains on maximizing market opportunities, leveraging our intellectual capital to deliver engagement excellence, and demonstrating ongoing leadership discipline in managing the continued growth of the organization. We are confident we have the professionals, clients and business models in place to continue to meet our long term goal - expanding our firm 10%-20% on a sustainable basis, with attractive margins. We will continue to work as one organization, building upon our combined knowledge, skills and resources. Clients will be connected to the very best solutions we have to offer, each and every time.



William M. Goodyear
Chairman and Chief Executive Officer

Strategic Objective

Our strategic objective is to be the premier professional services provider in our areas of expertise. We want to be the first organization our clients call and the one they turn to when they face their greatest challenges.

Corporate Information

Board of Directors

William M. Goodyear
Chairman and Chief Executive Officer

Thomas A. Gildehaus
Retired Executive Vice President, Deere & Co.

Valerie B. Jarrett
Executive Vice President, The Habitat Company

Peter B. Pond
General Partner, Alta Equity Partners

Samuel K. Skinner
Retired Chairman, President and Chief Executive Officer, U.S. Freightways Corporation

Gov. James R. Thompson
Chairman, Partner and Chairman of the Executive Committee, Winston & Strawn

Executive Management Group

William M. Goodyear
Chairman and Chief Executive Officer

Julie M. Howard
President and Chief Operating Officer

Ben W. Perks
Executive Vice President and Chief Financial Officer

Philip P. Steptoe
Vice President, General Counsel and Secretary

Jeffrey H. Stoecklein
Vice President, Corporate Development

Investor Information

Corporate Headquarters

615 North Wabash Avenue
Chicago, Illinois 60611
312.573.5600

www.navigantconsulting.com

Annual Meeting of Shareholders

9:00 am CDT, Wednesday, May 3, 2006
The Chicago Club
81 East Van Buren Street
Chicago, Illinois 60605

Investor Relations

Mary E. Rosinski, Senior Manager
312.573.5614
Fax 312.573.5675

Stock Market Information

Common stock is traded on the New York Stock Exchange under the symbol NCI.

Transfer Agent and Registrar

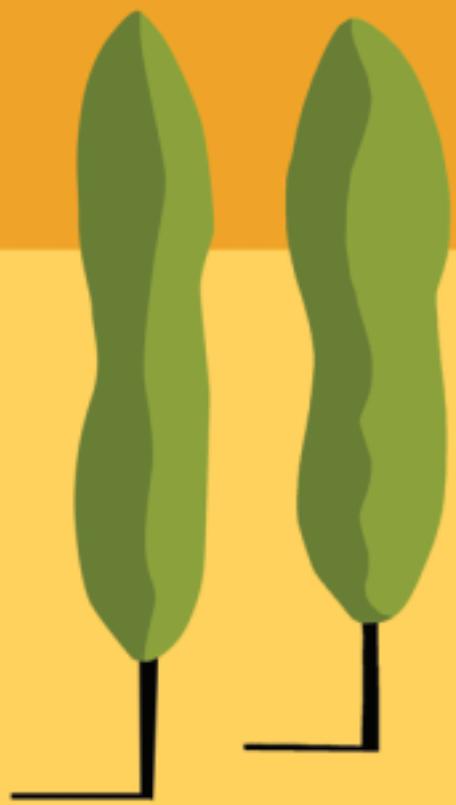
LaSalle Bank N.A.
135 South LaSalle Street
Chicago, Illinois 60603

Independent Accountants

KPMG LLP
303 East Wacker Drive
Chicago, Illinois 60601

Legal Counsel

Sidley Austin LLP
1 South Dearborn Street
Chicago, Illinois 60603



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CONSULTING