

SCHEDULE 3
PRGX Global, Inc. and Subsidiaries
Reconciliation of Net Income (Loss) to EBIT, EBITDA and Adjusted EBITDA
(Amounts in thousands)
(Unaudited)

	Three Months		Nine Months	
	Ended September 30,		Ended September 30,	
	2018	2017	2018	2017
Reconciliation of net income (loss) to EBIT, EBITDA and Adjusted EBITDA:				
Net income (loss)	\$ 2,301	\$ 733	\$ (3,266)	\$ (2,125)
Income tax expense	597	930	1,573	2,436
Interest expense, net	416	142	1,300	227
EBIT	3,314	1,805	(393)	538
Depreciation of property and equipment	1,713	1,135	5,297	3,468
Amortization of intangible assets	872	722	2,524	2,166
EBITDA	5,899	3,662	7,428	6,172
Foreign currency transaction losses (gains) on short-term intercompany balances	70	(418)	730	(1,927)
Acquisition-related adjustment (income) loss	(1,640)	-	(1,640)	-
Transformation severance and related expenses	439	692	2,428	1,592
Other (income) loss	(1)	17	16	(177)
Stock-based compensation	1,341	2,107	4,159	5,362
Adjusted EBITDA	\$ 6,108	\$ 6,060	\$ 13,121	\$ 11,022
Adjusted EBITDA from continuing operations	\$ 6,433	\$ 6,402	\$ 13,804	\$ 12,045
Adjusted EBITDA from discontinued operations	\$ (325)	\$ (342)	\$ (683)	\$ (1,023)

EBIT, EBITDA and Adjusted EBITDA are all "non-GAAP financial measures" presented as supplemental measures of our performance. They are not presented in accordance with accounting principles generally accepted in the United States, or GAAP. The Company believes these measures provide additional meaningful information in evaluating the Company's performance over time, and that the rating agencies and a number of lenders use EBIT, EBITDA and similar measures for similar purposes. In addition, a measure similar to Adjusted EBITDA is used in the restrictive covenants contained in the Company's secured credit facility. However, EBIT, EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation, or as substitutes for analysis of our results as reported under GAAP. In addition, in evaluating EBIT, EBITDA and Adjusted EBITDA, you should be aware that in the future we will incur expenses such as those used in calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.