

Dear Shareholder,

Tomorrow's historians will remember 2001 as a watershed year. A world already rapidly changing was suddenly transformed one Tuesday morning in September. A global recession threatened to overwhelm established companies, mature industries and even entire nations. Thousands of start-ups and new economy firms born during the Internet boom closed their virtual (and non-virtual) doors. Unforgiving market conditions meant only those firms with clear missions and viable business plans survived.

I am proud to report that during this "make or break" year, Answerthink not only survived, but took strategic steps to maintain our position in the marketplace. Our ability to act decisively and stay focused on our objectives throughout a difficult year served as a clear testament to the strength of our business model, the discipline in our operating philosophy and the outstanding commitment of our people. We carried a positive cash flow during the year and ended 2001 with an all-time high cash balance of \$60 million. By limiting our exposure to dot com projects and focusing on IT-enabled initiatives that provide lasting value for our clients, we were able to move ahead, while many competitors failed.

In 2001 our strategic gains were particularly significant. We strengthened our business model by expanding our service offerings. For example, we grew our business applications practice by purchasing the SAP applications group of Condor Technology Solutions, Inc. Our recently formed joint venture with HCL Technologies, Inc. represents a significant new revenue opportunity

and allows us to provide cost-effective off-shore application development, maintenance and support to Fortune 1000 clients. The offerings of this new venture are an excellent complement to our business model and allow us to quickly enter this expanding market. The launch of Hackett Collaborative Learning, based on our acquisition of the Exult Process Intelligence Center (EPIC), furthers our leadership in best practices. By giving us best practice expertise focused on business process, this acquisition enhances our ability to meet the growing demand for business process outsourcing.

How were we able to move ahead in 2001? Just as our clients focused on fundamentals, so did our people. Our ability to deliver projects on time and on budget and to focus on client service enabled us to strengthen our relationships. To further promote our client-focused culture, we initiated a project performance bonus for our people tied to client satisfaction and quality of project delivery. The results from our client satisfaction surveys continue to be extremely positive and are a reflection of the value we are providing in the marketplace. Our work also won widespread recognition from industry experts and analysts, including seven Web Marketing Association Awards and an Electronic Multimedia Award.

In the coming year, we will build on the success of 2001 by further differentiating the Answerthink brand based on our unique approach, called Business Process Intelligence (BPI). BPI is not new—it's based on the founding principles of Answerthink and is how we do business every day. To a marketplace with no appetite for "cookie-cutter" consulting solutions that fail to satisfy client needs for true return on investment, this approach is compelling—as you will see in our Annual Report. BPI will be a big part of our efforts in 2002 as we demonstrate to clients how simultaneously optimizing people, process, technology and information leads to breakthrough performance gains.

Moving into 2002, the recovering economy is only one reason to be enthusiastic about our prospects. Client satisfaction remains high, and we are committed to deepening our relationships with our most significant and productive accounts. Our development of new service and revenue channels holds great potential for growth. The initiatives and acquisitions described above have given us a clear edge in important market sectors. We've never been better positioned, and as you'll see on the following pages the time is right for Answerthink to be recognized as a clear industry leader.



Ted A. Fernandez

Chairman & Chief Executive Officer



fig.01

Units of
Labor



In business,
long ago,
people were points
on a flow chart.

They filled
departments.

They fit
into
the structure.



Everyone had a function.

And work flowed from
left to right
across the company.



Everything was
command
and control,
task-oriented,
structured
around
linear processes.



Only those who
owned information
had the authority to use it.

There was little collaboration.



So
linking
every
person's
siloed
efforts
became
important
in
serving
the
customer.



And
that's when

Business Process
Reengineering

emerged.



fig.02

The
Expenditure



Suddenly,
what people did
was
studied
and
scrutinized.



Processes were
streamlined.
Redundancies were
eliminated.
Oftentimes,
people were
eliminated.



The game
was

cost reduction
and
head cutting.



fig.03

The Node



Then emerged
a new, overarching view,
enabled by IT.



People became
nodes
on a network.



Inter-departmental communication and collaboration became possible.

Access to information improved.



We've come a long way, no?



fig.04
The
Consultants



Today,
consulting
and
systems
integration
firms
stand level.



Each touts its
core competencies:

Expertise and Experience
Smart People

Quality Service Delivery
Technological Know-How



They're
the same
competencies.

And the wares are the same, too:

IT Strategy
Enterprise Business Applications
Supply Chain Management

Process Reengineering
Technology Integration
CRM



It's become
a commodity market.

And in its consulting wisdom,
each firm understands
it must differentiate itself
to get ahead of the others.

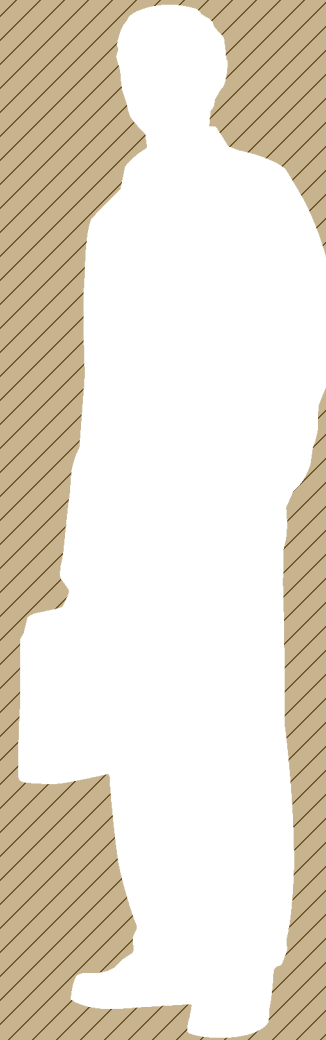


fig.05

The Secret
Sauce?



And thus was born
a slew of industry buzzwords

Acronyms
and
Proprietary Methodologies™
that now permeate the industry.



But basically
consulting firms
still do
the same thing.

They're selling
the same services
and approaches,
dressed up in
new buzzwords.

They propose
cookie-cutter

solutions to
unique
client problems.



And because clients aren't dumb,
they've become suspicious.



fig.06
Replication



Clients see

pre-packaged solutions,
buzzwords and

voluminous
credenzaware.

And they're not impressed.



They find, in the end, that
these big expensive
engagements
are rather hollow.



The results don't
optimize their businesses.



There aren't many benefits.



Or much value.



fig.07

ROI

That's the point at which we start.



The answer
for clients is:

Return on Investment.

Everyone's talking about ROI today,

but what is it, really?



ROI is about
the relationship
between

value
and
cost.



It is gaining the most benefit
from the least resources.

ROI is not
just cost reduction.



It's about viewing your business in a holistic manner.

It's about generating
real business value
and
real performance
breakthroughs.



Our approach
for achieving
this kind of ROI

is called

Business Process Intelligence,
or BPI.



It's not the latest label
for an old approach.

Answerthink was founded
on this approach.



fig.08

One Part of
A Whole

It's the way
we solve client
problems every day.



We believe
every business
has four
dimensions:



- 1.
- 2.
- 3.
- 4.

People
Process
Technology
Information



For performance
to improve,

all four dimensions
must be addressed.

Not just IT.
Not just process.

People work
differently today.



Everybody has more
information now,

but not everybody
uses it

efficiently
and
effectively.



Experience tells us
that the best
companies deal
with all parts of
the enterprise
and
how it works
holistically,

touching all
four dimensions.



That's
what
BPI
is
all
about.



fig.09

The
Tried
and
True



We implement based on
the most valuable
best practices database there is.



Many
consultancies
will say
they have
best practices,
but ours
are backed
by empirical
performance data
and metrics
from nearly
2,000 global
organizations,
including
80 percent
of the
Dow Jones
Industrials,
two-thirds
of the
Fortune 100
and over
60 percent
of the
Dow Jones
Global Titans
Index.



We use our Hackett Best Practices to set the path to high performance, across all areas of an enterprise:

Finance
IT
HR
Procurement
Shared Services

By baking Hackett Best Practices into information technology solutions, we can maximize ROI for clients and help them achieve the nirvana of greater performance with fewer resources.





fig.10

People —

A True
Asset

That makes CIOs happy.

(And the other “Chiefs” too.)



We design
solutions
that enable
collaboration
within
companies.

People are

thinkers,
managers

and
doers

in today's companies.

Not just parts
of the structure.



Our BPI approach
treats people as a vital
part of a system.

Because people
add value.



Because
to ignore
the intellectual capital
of your people
is to be
intellectually bankrupt.

Hollow.



People's individual
skills, knowledge and abilities
must be
connected, shared and leveraged.



To make
people smarter,
internal knowledge
must be
integrated
just as much as
operating and
financial data
are integrated.



And
business processes

must be

more intelligent too,
to allow for the ways
in which people work,

both inside and outside
a company's walls.



fig.11

More
from Less



BPI is the way
to create
the most value
from the
least resources.



The correct balance will
yield superior ROI.



And that pleases CEOs and CFOs.



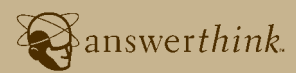
(And their shareholders.)



That's
different.



Not
cookie-
cutter.



To learn more about
Business Process Intelligence, visit:
www.answerthink.com/bpi

1001 Brickell Bay Drive
Suite 3000
Miami, FL 33131

Financial Highlights

RESULTS OF OPERATIONS

(in thousands, except per share data)

	Year Ended December 28, 2001	Year Ended December 29, 2000
Net revenues	\$ 247,461	\$ 311,136
Costs and expenses:		
Project personnel and expenses	155,150	181,338
Selling, general and administrative expenses	88,704	111,033
Restructuring costs	8,489	3,700
Stock compensation expense	4,855	853
Total costs and operating expenses	<u>257,198</u>	<u>296,924</u>
Income (loss) from operations	(9,737)	14,212
Other income (expense):		
Litigation settlement	—	1,850
Non-cash investment losses	—	(2,350)
Interest income	1,222	1,383
Interest expense	(165)	(255)
Income (loss) before income taxes	<u>(8,680)</u>	<u>14,840</u>
Income tax expense (benefit)	(161)	6,939
Net income (loss)	<u>\$ (8,519)</u>	<u>\$ 7,901</u>
Basic net income (loss) per common share	\$ (0.19)	\$ 0.20
Weighted average common shares outstanding	43,999	40,262
Diluted net income (loss) per common share	\$ (0.19)	\$ 0.18
Weighted average common and common equivalent shares outstanding	43,999	45,137

FINANCIAL POSITION

(in thousands)

	December 28, 2001	December 29, 2000
Cash and cash equivalents	\$ 59,888	\$ 51,662
Working capital	\$ 81,313	\$ 74,787
Total assets	\$ 211,919	\$ 228,676
Shareholders' equity	\$ 177,701	\$ 172,054

(continued on inside flap)

Shareholder Information

BOARD OF DIRECTORS

Ted A. Fernandez
Chairman & Chief Executive Officer

Robert J. Bahash
*Executive Vice President &
Chief Financial Officer,
The McGraw-Hill Companies*

David N. Dungan
Chief Operating Officer

Allan R. Frank
President

Edwin A. Huston
*Retired Vice Chairman,
Ryder System, Inc.*

Jeffrey E. Keisling
*Vice President, Information Services,
Wyeth-Ayerst Pharmaceuticals*

Alan T. G. Wix
*Chairman,
9th Floor PLC*

CORPORATE HEADQUARTERS

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t 305.375.8005
f 305.379.8810
www.answerthink.com

ANNUAL MEETING

Answerthink shareholders are invited to attend our annual meeting on Wednesday, May 8, 2002 at 11am at:

Hotel Inter-Continental
100 Chopin Plaza
Miami, Florida

TRANSFER AGENT

Fleet Bank, N.A.
Providence, Rhode Island
t 781.575.3400

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Miami, Florida