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**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 8, 2012**

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**FTI CONSULTING, INC.**

(Exact Name of Registrant as Specified in Charter)

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**Maryland**  
(State or other jurisdiction  
of incorporation)

**001-14875**  
(Commission  
File Number)

**52-1261113**  
(IRS Employer  
Identification No.)

**777 South Flagler Drive, Suite 1500, West Palm Beach, Florida 33401**  
(Address of principal executive offices) (Zip Code)

**Registrant's telephone number, including area code: (561) 515-1900**

(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**ITEM 2.02. Results of Operations and Financial Condition**

On November 8, 2012, FTI Consulting, Inc. (“FTI Consulting”) issued its press release (the “Press Release”) reporting financial results for the three- and nine-month periods ended September 30, 2012. The full text of the Press Release (including the accompanying financial tables) is set forth in Exhibit 99.1 and is incorporated by reference herein.

**ITEM 7.01. Regulation FD Disclosure**

FTI Consulting defines “Adjusted EBITDA” as net income before income tax provision, other income (expense), depreciation, amortization of intangible assets and special charges, “Adjusted Segment EBITDA” as a segment’s share of consolidated operating income before depreciation, amortization of intangible assets and special charges, and “Adjusted Net Income” and “Adjusted EPS” as net income and earnings per diluted share, respectively, excluding the net impact of any special charges and any loss on early extinguishment of debt that were incurred in that period. Adjusted EBITDA, Adjusted Segment EBITDA, Adjusted EPS and Adjusted Net Income are not defined in the same manner by all companies and may not be comparable to other similarly titled measures of other companies. Although Adjusted EPS, Adjusted Segment EBITDA, Adjusted EPS and Adjusted Net Income are not measures of financial condition or performance determined in accordance with generally accepted accounting principles (“GAAP”), FTI Consulting believes that they can be useful operating performance measures for evaluating FTI Consulting’s results of operations as compared from period-to-period and as compared to its competitors. These non-GAAP measures should be considered in addition to, but not as a substitute for or superior to, the information contained in FTI Consulting’s Condensed Consolidated Statements of Comprehensive Income (Loss). EBITDA is a common alternative measure of operating performance used by investors, financial analysts and rating agencies to value and compare the financial performance of companies in FTI Consulting’s industry. FTI Consulting uses Adjusted EBITDA and Adjusted Segment EBITDA to evaluate and compare the operating performance of its segments. Reconciliations of GAAP to Non-GAAP financial measures are included in the accompanying financial tables to the Press Release.

The information included herein, including Exhibit 99.1 furnished herewith, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be incorporated by reference into any filing pursuant to the Securities Act of 1933, as amended, or the Exchange Act, regardless of any incorporation by reference language in any such filing, except as expressly set forth by specific reference in such filing.

**ITEM 9.01. Financial Statements and Exhibits**

(d) *Exhibits*

99.1 Press Release dated November 8, 2012, of FTI Consulting, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, FTI Consulting, Inc. has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FTI CONSULTING, INC.

Dated: November 9, 2012

By: /S/ ERIC B. MILLER

Eric B. Miller  
Executive Vice President, General  
Counsel and Chief Risk Officer

EXHIBIT INDEX

| <u>Exhibit<br/>No.</u> | <u>Description</u>  |
|------------------------|---|
| 99.1                   | Press Release dated November 8, 2012, of FTI Consulting, Inc. |

**FTI Consulting Inc. Reports 2012 Third Quarter Results**

- *Revenues \$386.1 Million*
- *Adjusted EPS \$0.60*
- *Net Cash Provided by Operating Activities \$70.9 Million*
- *\$20 Million of Share Repurchases During the Quarter*

**West Palm Beach, Fla., Nov. 8, 2012** — FTI Consulting, Inc. (NYSE: FCN), the global business advisory firm dedicated to helping organizations protect and enhance their enterprise value (the “Company”), today reported its financial results for the quarter ended September 30, 2012.

For the quarter, revenues were \$386.1 million, down 6.7 percent from record quarterly revenues in the prior year quarter. Adjusted EBITDA was \$62.3 million or 16.1 percent of revenues compared to \$72.7 million or 17.6 percent of revenues in the prior year quarter. Fully diluted earnings per share (“EPS”) for the quarter were \$0.55, including a special charge of \$2.8 million related to the reduction of leased office space in four locations initiated in the second quarter and concluded in September, reducing EPS by \$0.05. Adjusted EPS were \$0.60 compared to \$0.70 in the prior year quarter. Adjusted EPS, Adjusted EBITDA and Adjusted Segment EBITDA are non-GAAP measures defined elsewhere in this press release and are reconciled to GAAP measures in the financial tables that accompany this press release.

Net cash provided by operating activities in the quarter was \$70.9 million compared to \$59.7 million in the prior year quarter, and the Company repurchased and retired 757,650 shares of its common stock at an average price of \$26.40 for a total purchase price of \$20 million.

Commenting on these results, Jack Dunn, President and Chief Executive Officer of FTI Consulting said, “Third quarter results were in line with our expectations and guidance. We also began to see the benefit of the expense reduction program we implemented in the second quarter and recently concluded. Going forward we will continue to invest capital in growth opportunities such as our industry initiatives and in geographic opportunities such as our recent acquisition of a restructuring practice in Australia. We will also repurchase our shares under the \$250 million program authorized by our board in June.”

**Third Quarter Segment Results*****Corporate Finance/Restructuring***

Corporate Finance/Restructuring revenues were \$110.2 million, approximately equal to revenues in the prior year quarter. In terms of mix, we saw slightly higher success fees and lower chargeable hours in our North America bankruptcy and restructuring practice, stronger demand in our healthcare practice and lower demand in real estate.

Adjusted Segment EBITDA was \$25.0 million, or 22.7 percent of segment revenues, compared to \$27.5 million, or 24.9 percent of segment revenues, in the prior year quarter due to higher headcount.

#### ***Economic Consulting***

Economic Consulting revenues were \$96.4 million compared to \$95.7 million in the prior year quarter. Revenues were driven by continued strong performance in antitrust litigation, financial economics, international arbitration and regulatory consulting engagements, particularly in the energy and transportation industries, with some slowing in the mergers and acquisitions (“M&A”) market and increased pricing pressure in our international arbitration and valuation practices in the Europe, Middle East and Africa (“EMEA”) region.

Adjusted Segment EBITDA was \$19.1 million, or 19.8 percent of segment revenues, compared to \$18.7 million, or 19.5 percent of segment revenues in the prior year quarter.

#### ***Forensic and Litigation Consulting***

Forensic and Litigation Consulting revenues were \$83.4 million compared to all-time record revenues of \$99.1 million in the prior year quarter. The segment’s global risk and investigations practice in Latin America continued to grow, while the North America region, including financial and enterprise data analytics, experienced a decline from the record levels in the prior year quarter.

Adjusted Segment EBITDA was \$13.2 million in the quarter or 15.8 percent of segment revenues compared to \$19.1 million or 19.3 percent of segment revenues in the prior year quarter as a result of reduced revenue despite the favorable impact of headcount reductions taken in the second quarter of 2012.

#### ***Technology***

Technology revenues were \$50.3 million compared to \$57.0 million in the prior year quarter. Revenues were negatively impacted by lower pricing in the quarter due to competitive factors and business mix and the wind down of certain large investigation and litigation related matters.

Adjusted Segment EBITDA for the quarter was \$15.7 million, or 31.2 percent of segment revenues, compared to \$19.6 million, or 34.4 percent of segment revenues, in the prior year quarter, as the impact of lower revenues was partially offset by lower overhead and research and development costs.

#### ***Strategic Communications***

Strategic Communications revenues were \$45.8 million compared to \$51.8 million in the prior year quarter. The estimated impact of foreign currency translation reduced revenues in the quarter by 2.3 percent. Revenues declined due to fewer M&A and natural resource related projects in the Asia Pacific region, lower project income in the North America region and continued pricing pressure on retainer fees and depressed capital markets activity worldwide.

Adjusted Segment EBITDA was \$6.8 million, or 14.8 percent of segment revenues, compared to \$7.4 million, or 14.3 percent of segment revenues, in the prior year quarter. The increase in Adjusted Segment EBITDA margin was primarily due to lower variable compensation expenses.

### **Third Quarter Conference Call**

FTI Consulting, Inc. will hold a conference call for analysts and investors to discuss third quarter financial results at 9:00 AM Eastern Time on November 8, 2012. The call can be accessed live and will be available for replay over the Internet for 90 days by logging onto the Company's website, [www.fticonsulting.com](http://www.fticonsulting.com).

### **About FTI Consulting**

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organizations protect and enhance enterprise value in an increasingly complex legal, regulatory and economic environment. With more than 3,800 employees located in 24 countries, FTI Consulting professionals work closely with clients to anticipate, illuminate and overcome complex business challenges in areas such as investigations, litigation, mergers and acquisitions, regulatory issues, reputation management, strategic communications and restructuring. The Company generated \$1.57 billion in revenues during fiscal year 2011. More information can be found at [www.fticonsulting.com](http://www.fticonsulting.com).

### **Use of Non-GAAP Measures**

*Note: We define Adjusted EBITDA as net income before income tax provision, other income (expense), depreciation, amortization of intangible assets and special charges. We define Adjusted Segment EBITDA as a segment's share of consolidated operating income before depreciation, amortization of intangible assets and special charges. We define Adjusted Net Income and Adjusted EPS as net income and earnings per diluted share, respectively, excluding the net impact of any special charges and any loss on early extinguishment of debt that were incurred in that period. Adjusted EBITDA, Adjusted Segment EBITDA, Adjusted EPS and Adjusted Net Income are not defined in the same manner by all companies and may not be comparable to other similarly titled measures of other companies. These non-GAAP measures should be considered in addition to, but not as a substitute for or superior to, the information contained in our Condensed Consolidated Statements of Comprehensive Income (Loss). We believe that these measures can be useful operating performance measures for evaluating our results of operations as compared from period-to-period and as compared to our competitors. EBITDA is a common alternative measure of operating performance used by investors, financial analysts and rating agencies to value and compare the financial performance of companies in our industry. We use Adjusted EBITDA and Adjusted Segment EBITDA to evaluate and compare the operating performance of our segments. Reconciliations of GAAP to Non-GAAP financial measures are included in the accompanying tables to this press release. EBITDA is a common alternative measure of operating performance used by investors, financial analysts and rating agencies to value and compare the financial performance of companies in our industry.*

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**Safe Harbor Statement**

*This press release includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which involve uncertainties and risks. Forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenues, future results and performance, expectations, plans or intentions relating to acquisitions and other matters, business trends and other information that is not historical, including statements regarding estimates of our future financial results. When used in this press release, words such as “estimates,” “expects,” “anticipates,” “projects,” “plans,” “intends,” “believes,” “forecasts” and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, estimates of our future financial results, are based upon our expectations at the time we make them and various assumptions. Our expectations, beliefs and projections are expressed in good faith, and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs and estimates will be achieved, and the Company’s actual results may differ from our expectations, beliefs and estimates. Further, preliminary results are subject to normal year-end adjustments. The Company has experienced fluctuating revenues, operating income and cash flow in prior periods and expects that this will occur from time to time in the future. Other factors that could cause such differences include declines in demand for, or changes in, the mix of services and products that we offer, the mix of the geographic locations where our clients are located or where services are performed, adverse financial, real estate or other market and general economic conditions, which could impact each of our segments differently, the pace and timing of the consummation and integration of past and future acquisitions, the Company’s ability to realize cost savings and efficiencies, competitive and general economic conditions, retention of staff and clients and other risks described under the heading “Item 1A Risk Factors” in the Company’s most recent Form 10-K and in the Company’s other filings with the Securities and Exchange Commission, including the risks set forth under “Risks Related to Our Business Segments” and “Risks Related to Our Operations”. We are under no duty to update any of the forward looking statements to conform such statements to actual results or events and do not intend to do so.*

**FINANCIAL TABLES FOLLOW**



**FTI CONSULTING, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011**  
(in thousands, except per share data)  
(unaudited)

|   | Nine Months Ended<br>September 30, |                    |
|---|------------------------------------|--------------------|
|   | 2012                               | 2011               |
| <b>Revenues</b>   | <u>\$1,177,526</u>                 | <u>\$1,176,055</u> |
| <b>Operating expenses</b>   |                                    |                    |
| Direct cost of revenues   | 735,452                            | 723,903            |
| Selling, general and administrative expense   | 283,958                            | 280,364            |
| Special charges   | 29,557                             | 15,212             |
| Acquisition-related contingent consideration  | (2,581)                            | 2,538              |
| Amortization of other intangible assets   | 16,773                             | 16,795             |
|   | <u>1,063,159</u>                   | <u>1,038,812</u>   |
| <b>Operating income</b>   | <u>114,367</u>                     | <u>137,243</u>     |
| <b>Other income (expense)</b>   |                                    |                    |
| Interest income and other   | 4,503                              | 5,409              |
| Interest expense  | (43,607)                           | (44,129)           |
|   | <u>(39,104)</u>                    | <u>(38,720)</u>    |
| <b>Income before income tax provision</b>   | 75,263                             | 98,523             |
| <b>Income tax provision</b>   | 26,372                             | 34,501             |
| <b>Net income</b>   | <u>\$ 48,891</u>                   | <u>\$ 64,022</u>   |
| <b>Earnings per common share—basic</b>  | <u>\$ 1.21</u>                     | <u>\$ 1.54</u>     |
| <b>Weighted average common shares outstanding—basic</b>   | <u>40,446</u>                      | <u>41,535</u>      |
| <b>Earnings per common share—diluted</b>  | <u>\$ 1.17</u>                     | <u>\$ 1.47</u>     |
| <b>Weighted average common shares outstanding—diluted</b>   | <u>41,882</u>                      | <u>43,671</u>      |
| <b>Other comprehensive income, net of tax:</b>  |                                    |                    |
| Foreign currency translation adjustments, including tax expense (benefit) of \$0 and (\$1,568) in 2012 and 2011, respectively | \$ 14,620                          | \$ 782             |
| <b>Other comprehensive income, net of tax</b>   | 14,620                             | 782                |
| <b>Comprehensive income</b>   | <u>\$ 63,511</u>                   | <u>\$ 64,804</u>   |

**FTI CONSULTING, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011**  
(in thousands, except per share data)  
(unaudited)

|   | Three Months Ended<br>September 30, |                  |
|---|-------------------------------------|------------------|
|   | 2012                                | 2011             |
| <b>Revenues</b>   | <u>\$386,055</u>                    | <u>\$413,802</u> |
| <b>Operating expenses</b>   |                                     |                  |
| Direct cost of revenues   | 241,614                             | 249,975          |
| Selling, general and administrative expense   | 88,909                              | 97,618           |
| Special charges   | 2,775                               | —                |
| Acquisition-related contingent consideration  | 403                                 | 944              |
| Amortization of other intangible assets   | 5,766                               | 5,843            |
|   | <u>339,467</u>                      | <u>354,380</u>   |
| <b>Operating income</b>   | <u>46,588</u>                       | <u>59,422</u>    |
| <b>Other income (expense)</b>   |                                     |                  |
| Interest income and other   | 1,584                               | 486              |
| Interest expense  | (13,208)                            | (14,319)         |
|   | <u>(11,624)</u>                     | <u>(13,833)</u>  |
| <b>Income before income tax provision</b>   | 34,964                              | 45,589           |
| <b>Income tax provision</b>   | 12,251                              | 16,150           |
| <b>Net income</b>   | <u>\$ 22,713</u>                    | <u>\$ 29,439</u> |
| <b>Earnings per common share—basic</b>  | <u>\$ 0.56</u>                      | <u>\$ 0.73</u>   |
| <b>Weighted average common shares outstanding—basic</b>   | <u>40,387</u>                       | <u>40,182</u>    |
| <b>Earnings per common share—diluted</b>  | <u>\$ 0.55</u>                      | <u>\$ 0.70</u>   |
| <b>Weighted average common shares outstanding—diluted</b>   | <u>41,102</u>                       | <u>42,267</u>    |
| <b>Other comprehensive income (loss), net of tax:</b>   |                                     |                  |
| Foreign currency translation adjustments, including tax expense of \$0 and \$500 in 2012 and 2011, respectively | \$ 12,731                           | \$ (15,873)      |
| <b>Other comprehensive income (loss), net of tax</b>  | <u>12,731</u>                       | <u>(15,873)</u>  |
| <b>Comprehensive income</b>   | <u>\$ 35,444</u>                    | <u>\$ 13,566</u> |

**FTI CONSULTING, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011**  
**(unaudited)**

|   | Three Months Ended<br>September 30, |                 | Nine Months Ended<br>September 30, |                 |
|---|-------------------------------------|-----------------|------------------------------------|-----------------|
|   | 2012                                | 2011            | 2012                               | 2011            |
| <b>Net income</b>   | \$22,713                            | \$29,439        | \$48,891                           | \$64,022        |
| Add back: Special charges, net of tax effect <sup>(1)</sup>         | 1,794                               | —               | 19,115                             | 9,285           |
| <b>Adjusted Net Income <sup>(2)</sup></b>                           | <u>\$24,507</u>                     | <u>\$29,439</u> | <u>\$68,006</u>                    | <u>\$73,307</u> |
| <b>Earnings per common share—diluted</b>                            | \$ 0.55                             | \$ 0.70         | \$ 1.17                            | \$ 1.47         |
| Add back: Special charges, net of tax effect <sup>(1)</sup>         | 0.05                                | —               | 0.45                               | 0.21            |
| <b>Adjusted EPS <sup>(2)</sup></b>                                  | <u>\$ 0.60</u>                      | <u>\$ 0.70</u>  | <u>\$ 1.62</u>                     | <u>\$ 1.68</u>  |
| <b>Weighted average number of common shares outstanding—diluted</b> | <u>41,102</u>                       | <u>42,267</u>   | <u>41,882</u>                      | <u>43,671</u>   |

<sup>(1)</sup> The tax effect takes into account the tax treatment and related tax rate(s) that apply to each adjustment in the applicable tax jurisdiction(s). As a result, the effective tax rates for the adjustments for both the three and nine months ended September 30, 2012 were 35.3% and 39% for the nine months ended September 30, 2011. The tax expense related to the adjustments for the three and nine months ended September 30, 2012 was \$1.0 million or \$0.02 impact on diluted earnings per share and \$10.4 million or \$0.25 impact on diluted earnings per share. The tax expense for the nine months ended September 30, 2011 was \$5.9 million or \$0.14 impact on diluted earnings per share.

<sup>(2)</sup> We define Adjusted Net Income and Adjusted EPS as net income and earnings per diluted share, respectively, excluding the net impact of any special charges and any loss on early extinguishment of debt that were incurred in that period.

**RECONCILIATION OF NET INCOME AND OPERATING INCOME TO ADJUSTED EBITDA**  
(in thousands)

| Three Months Ended September 30, 2012        | Corporate<br>Finance /<br>Restructuring | Forensic and<br>Litigation<br>Consulting | Economic<br>Consulting | Technology       | Strategic<br>Communi-<br>cations | Corp HQ           | Total            |
|--|---|--|------------------------|------------------|----------------------------------|-------------------|------------------|
| <b>Net income</b>                            |   |  |                        |                  |                                  |                   | \$ 22,713        |
| Interest income and other                    |   |  |                        |                  |                                  |                   | (1,584)          |
| Interest expense                             |   |  |                        |                  |                                  |                   | 13,208           |
| Income tax provision                         |   |  |                        |                  |                                  |                   | 12,251           |
| <b>Operating income</b>                      | \$ 21,655                               | \$ 11,431                                | \$ 17,810              | \$ 10,445        | \$ 4,874                         | \$(19,627)        | \$ 46,588        |
| Depreciation and amortization                | 805                                     | 889                                      | 702                    | 3,098            | 544                              | 1,114             | 7,152            |
| Amortization of other intangible assets      | 1,749                                   | 472                                      | 402                    | 1,984            | 1,159                            | —                 | 5,766            |
| Special charges                              | 820                                     | 419                                      | 173                    | 148              | 201                              | 1,014             | 2,775            |
| <b>Adjusted EBITDA <sup>(1)</sup></b>        | <u>\$ 25,029</u>                        | <u>\$ 13,211</u>                         | <u>\$ 19,087</u>       | <u>\$ 15,675</u> | <u>\$ 6,778</u>                  | <u>\$(17,499)</u> | <u>\$ 62,281</u> |
| <b>Nine Months Ended September 30, 2012</b>  |   |  |                        |                  |                                  |                   |                  |
| <b>Net income</b>                            |   |  |                        |                  |                                  |                   | \$ 48,891        |
| Interest income and other                    |   |  |                        |                  |                                  |                   | (4,503)          |
| Interest expense                             |   |  |                        |                  |                                  |                   | 43,607           |
| Income tax provision                         |   |  |                        |                  |                                  |                   | 26,372           |
| <b>Operating income</b>                      | \$ 61,885                               | \$ 30,963                                | \$ 51,681              | \$ 23,403        | \$ 6,161                         | \$(59,726)        | 114,367          |
| Depreciation and amortization                | 2,528                                   | 2,812                                    | 2,131                  | 9,262            | 1,913                            | 3,514             | 22,160           |
| Amortization of other intangible assets      | 4,654                                   | 1,469                                    | 1,199                  | 5,960            | 3,491                            | —                 | 16,773           |
| Special charges                              | 11,936                                  | 7,672                                    | 991                    | 3,114            | 4,712                            | 1,132             | 29,557           |
| <b>Adjusted EBITDA <sup>(1)</sup></b>        | <u>81,003</u>                           | <u>42,916</u>                            | <u>56,002</u>          | <u>41,739</u>    | <u>16,277</u>                    | <u>\$(55,080)</u> | <u>182,857</u>   |
| <b>Three Months Ended September 30, 2011</b> |   |  |                        |                  |                                  |                   |                  |
| <b>Net income</b>                            |   |  |                        |                  |                                  |                   | \$ 29,439        |
| Interest income and other                    |   |  |                        |                  |                                  |                   | (486)            |
| Interest expense                             |   |  |                        |                  |                                  |                   | 14,319           |
| Income tax provision                         |   |  |                        |                  |                                  |                   | 16,150           |
| <b>Operating income</b>                      | \$ 25,141                               | \$ 17,581                                | \$ 17,469              | \$ 14,662        | \$ 5,495                         | \$(20,926)        | 59,422           |
| Depreciation and amortization                | 848                                     | 867                                      | 680                    | 2,981            | 739                              | 1,304             | 7,419            |
| Amortization of other intangible assets      | 1,506                                   | 665                                      | 501                    | 1,976            | 1,195                            | —                 | 5,843            |
| Special charges                              | —                                       | —  | —                      | —                | —                                | —                 | —                |
| <b>Adjusted EBITDA <sup>(1)</sup></b>        | <u>27,495</u>                           | <u>19,113</u>                            | <u>18,650</u>          | <u>19,619</u>    | <u>7,429</u>                     | <u>(19,622)</u>   | <u>72,684</u>    |
| <b>Nine Months Ended September 30, 2011</b>  |   |  |                        |                  |                                  |                   |                  |
| <b>Net income</b>                            |   |  |                        |                  |                                  |                   | \$ 64,022        |
| Interest income and other                    |   |  |                        |                  |                                  |                   | (5,409)          |
| Interest expense                             |   |  |                        |                  |                                  |                   | 44,129           |
| Income tax provision                         |   |  |                        |                  |                                  |                   | 34,501           |
| <b>Operating income</b>                      | \$ 42,771                               | \$ 47,746                                | \$ 45,565              | \$ 44,026        | \$ 13,449                        | \$(56,314)        | 137,243          |
| Depreciation and amortization                | 2,617                                   | 2,579                                    | 1,883                  | 8,407            | 2,243                            | 3,778             | 21,507           |
| Amortization of other intangible assets      | 4,345                                   | 1,852                                    | 1,094                  | 5,929            | 3,575                            | —                 | 16,795           |
| Special charges                              | 9,440                                   | 839                                      | 2,093                  | —                | —                                | 2,840             | 15,212           |
| <b>Adjusted EBITDA <sup>(1)</sup></b>        | <u>59,173</u>                           | <u>53,016</u>                            | <u>50,635</u>          | <u>58,362</u>    | <u>19,267</u>                    | <u>(49,696)</u>   | <u>190,757</u>   |

(1) We define Adjusted EBITDA as net income before income tax provision, other income (expense), depreciation, amortization of intangible assets and special charges. Amounts presented in the Adjusted EBITDA column for each segment reflect the segments' respective Adjusted Segment EBITDA. We define Adjusted Segment EBITDA as the segments' share of consolidated operating income before depreciation, amortization of intangible assets and special charges. Although Adjusted EBITDA and Adjusted Segment EBITDA are not measures of financial condition or performance determined in accordance with generally accepted accounting principles ("GAAP"), we believe that these measures can be a useful operating performance measure for evaluating our results of operations as compared from period to period and as compared to our competitors.

Adjusted EBITDA and Adjusted Segment EBITDA are not defined in the same manner by all companies and may not be comparable to other similarly titled measures of other companies. These non-GAAP measures should be considered in addition to, but not as a substitute for or superior to, the information contained in our Condensed Consolidated Statements of Comprehensive Income .

**FTI CONSULTING, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 AND 2011**  
(in thousands)  
(unaudited)

|   | Nine Months Ended<br>September 30, |                   |
|---|------------------------------------|-------------------|
|   | 2012                               | 2011              |
| <b>Operating activities</b>   |                                    |                   |
| Net income  | \$ 48,891                          | \$ 64,022         |
| Adjustments to reconcile net income to net cash provided by operating activities: |                                    |                   |
| Depreciation and amortization   | 26,475                             | 21,508            |
| Amortization of other intangible assets   | 16,948                             | 16,795            |
| Acquisition-related contingent consideration                                      | (2,581)                            | 2,538             |
| Provision for doubtful accounts   | 9,387                              | 9,483             |
| Non-cash share-based compensation   | 24,465                             | 29,043            |
| Excess tax benefits from share-based compensation                                 | (98)                               | (198)             |
| Non-cash interest expense   | 4,505                              | 6,322             |
| Other   | 108                                | (559)             |
| Changes in operating assets and liabilities, net of effects from acquisitions:    |                                    |                   |
| Accounts receivable, billed and unbilled  | (62,466)                           | (130,132)         |
| Notes receivable  | (20,732)                           | (4,914)           |
| Prepaid expenses and other assets   | (3,701)                            | (3,670)           |
| Accounts payable, accrued expenses and other                                      | 5,608                              | 14,489            |
| Income taxes  | (5,595)                            | 1,061             |
| Accrued compensation  | (33,734)                           | 21,098            |
| Billings in excess of services provided   | 6,144                              | (38)              |
| <b>Net cash provided by operating activities</b>                                  | <b>13,624</b>                      | <b>46,848</b>     |
| <b>Investing activities</b>   |                                    |                   |
| Payments for acquisition of businesses, net of cash received                      | (26,453)                           | (62,346)          |
| Purchases of property and equipment   | (20,534)                           | (24,595)          |
| Other   | (1,105)                            | (127)             |
| <b>Net cash used in investing activities</b>                                      | <b>(48,092)</b>                    | <b>(87,068)</b>   |
| <b>Financing activities</b>   |                                    |                   |
| Borrowings under revolving line of credit   | 75,000                             | 25,000            |
| Payments of revolving line of credit  | —                                  | (25,000)          |
| Payments of long-term debt and capital lease obligations                          | (156,487)                          | (6,967)           |
| Purchase and retirement of common stock   | (20,013)                           | (209,400)         |
| Net issuance of common stock under equity compensation plans                      | 523                                | 797               |
| Excess tax benefit from share-based compensation                                  | 98                                 | 198               |
| Other   | (2,080)                            | (1)               |
| <b>Net cash used in financing activities</b>                                      | <b>(102,959)</b>                   | <b>(215,373)</b>  |
| Effect of exchange rate changes on cash and cash equivalents                      | (68)                               | (747)             |
| Net decrease in cash and cash equivalents   | (137,495)                          | (256,340)         |
| Cash and cash equivalents, beginning of period                                    | 264,423                            | 384,570           |
| Cash and cash equivalents, end of period  | <u>\$ 126,928</u>                  | <u>\$ 128,230</u> |

**FTI CONSULTING, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011**  
(in thousands, except per share amounts)

|   | September 30,<br>2012<br>(unaudited) | December 31,<br>2011 |
|---|--------------------------------------|----------------------|
| <b>Assets</b>   |                                      |                      |
| <b>Current assets</b>   |                                      |                      |
| Cash and cash equivalents   | \$ 126,928                           | \$ 264,423           |
| Restricted cash   | 1,192                                | 10,213               |
| Accounts receivable:  |                                      |                      |
| Billed receivables  | 363,486                              | 335,758              |
| Unbilled receivables  | 215,456                              | 173,440              |
| Allowance for doubtful accounts and unbilled services   | (93,885)                             | (80,096)             |
| Accounts receivable, net  | 485,057                              | 429,102              |
| Current portion of notes receivable   | 32,735                               | 26,687               |
| Prepaid expenses and other current assets   | 35,327                               | 30,448               |
| Income taxes receivable   | 11,562                               | 10,081               |
| <b>Total current assets</b>   | <b>692,801</b>                       | <b>770,954</b>       |
| Property and equipment, net of accumulated depreciation   | 66,933                               | 74,448               |
| Goodwill  | 1,327,041                            | 1,309,358            |
| Other intangible assets, net of amortization  | 104,068                              | 118,889              |
| Notes receivable, net of current portion  | 97,141                               | 81,748               |
| Other assets  | 61,964                               | 55,687               |
| <b>Total assets</b>   | <b>\$ 2,349,948</b>                  | <b>\$ 2,411,084</b>  |
| <b>Liabilities and Stockholders' Equity</b>   |                                      |                      |
| <b>Current liabilities</b>  |                                      |                      |
| Accounts payable, accrued expenses and other  | \$ 99,536                            | \$ 132,773           |
| Accrued compensation  | 154,773                              | 180,366              |
| Current portion of long-term debt and capital lease obligations   | 81,021                               | 153,381              |
| Billings in excess of services provided   | 25,519                               | 19,063               |
| Deferred income taxes   | 6,215                                | 12,254               |
| <b>Total current liabilities</b>  | <b>367,064</b>                       | <b>497,837</b>       |
| Long-term debt and capital lease obligations, net of current portion  | 636,821                              | 643,579              |
| Deferred income taxes   | 99,373                               | 88,071               |
| Other liabilities   | 72,970                               | 75,395               |
| <b>Total liabilities</b>  | <b>1,176,228</b>                     | <b>1,304,882</b>     |
| <b>Stockholders' equity</b>   |                                      |                      |
| Preferred stock, \$0.01 par value; shares authorized — 5,000; none outstanding  | —                                    | —                    |
| Common stock, \$0.01 par value; shares authorized — 75,000; shares issued and outstanding — 41,355 (2012) and 41,484 (2011) | 414                                  | 415                  |
| Additional paid-in capital  | 387,986                              | 383,978              |
| Retained earnings   | 827,092                              | 778,201              |
| Accumulated other comprehensive loss  | (41,772)                             | (56,392)             |
| <b>Total stockholders' equity</b>   | <b>1,173,720</b>                     | <b>1,106,202</b>     |
| <b>Total liabilities and stockholders' equity</b>   | <b>\$ 2,349,948</b>                  | <b>\$ 2,411,084</b>  |