



FTI Consulting, Inc.

First Quarter 2016 Earnings Conference Call



Cautionary Note About Forward-Looking Statements

This presentation 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 presentation, words such as "anticipates," "estimates," "expects," "goals," "intends," "believes," "forecasts," "targets," "objectives" 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, projections and growth targets 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, estimates or growth targets will be achieved, and the Company's actual results may differ materially from our expectations, beliefs, estimates and growth targets. 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 filed with the SEC and in the Company's other filings with the SEC, including the risks set forth under "Risks Related to Our Reportable 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.



Today's Speakers

Steven Gunby
President and Chief
Executive Officer



Catherine Freeman
SVP, Controller, Chief Accounting Officer
and Interim Chief Financial Officer



First Quarter 2016 Financial Review

All numbers in \$000s, except for per share data and percentages

	Q1 2016	Q4 2015	% Variance	Q1 2015	% Variance
Revenues	\$ 470,285	\$ 442,204	6.4%	\$ 432,338	8.8%
Fully Diluted Earnings Per Share	\$ 0.73	\$ 0.25	192.0%	\$ 0.57	28.1%
Adjusted Earnings Per Diluted Share⁽¹⁾	\$ 0.83	\$ 0.24	245.8%	\$ 0.57	45.6%
Adjusted EBITDA⁽¹⁾	\$ 68,857	\$ 35,203	95.6%	\$ 58,668	17.4%
Adjusted EBITDA Margin⁽¹⁾	14.6%	8.0%	-	13.6%	-

⁽¹⁾ See "Financial Tables" and "End Notes: FTI Consulting Non-GAAP Data Reconciliations" for the definitions and reconciliations of Adjusted EBITDA and Adjusted Earnings Per Diluted Share, which are non-GAAP financial measures, to the most directly comparable GAAP measures, and the definition of Adjusted EBITDA Margin.

First Quarter 2016

Segment Financial Review

All numbers in \$000s, except for percentages

	Q1 2016	Q4 2015	% Variance	Q1 2015	% Variance
Corporate Finance & Restructuring					
Revenue	\$ 127,156	\$ 111,586	14.0%	\$ 106,212	19.7%
Adjusted Segment EBITDA ⁽¹⁾	\$ 31,603	\$ 18,927	67.0%	\$ 22,480	40.6%
Adjusted Segment EBITDA Margin ⁽¹⁾	24.9%	17.0%	-	21.2%	-
Forensic and Litigation Consulting					
Revenue	\$ 119,004	\$ 116,715	2.0%	\$ 123,265	(3.5%)
Adjusted Segment EBITDA ⁽¹⁾	\$ 19,808	\$ 8,811	124.8%	\$ 22,071	(10.3%)
Adjusted Segment EBITDA Margin ⁽¹⁾	16.6%	7.5%	-	17.9%	-
Economic Consulting					
Revenue	\$ 130,731	\$ 118,589	10.2%	\$ 106,081	23.2%
Adjusted Segment EBITDA ⁽¹⁾	\$ 21,319	\$ 18,828	13.2%	\$ 11,556	84.5%
Adjusted Segment EBITDA Margin ⁽¹⁾	16.3%	15.9%	-	10.9%	-
Technology					
Revenue	\$ 48,281	\$ 46,551	3.7%	\$ 54,654	(11.7%)
Adjusted Segment EBITDA ⁽¹⁾	\$ 7,823	\$ 5,958	31.3%	\$ 10,073	(22.3%)
Adjusted Segment EBITDA Margin ⁽¹⁾	16.2%	12.8%	-	18.4%	-
Strategic Communications					
Revenue	\$ 45,113	\$ 48,763	(7.5%)	\$ 42,126	7.1%
Adjusted Segment EBITDA ⁽¹⁾	\$ 6,108	\$ 7,627	(19.9%)	\$ 5,752	6.2%
Adjusted Segment EBITDA Margin ⁽¹⁾	13.5%	15.6%	-	13.7%	-

(1) See "Financial Tables" and "End Notes: FTI Consulting Non-GAAP Data Reconciliations" for the definition and reconciliation of Adjusted Segment EBITDA, which is a non-GAAP financial measure, to the most directly comparable GAAP measure, and the definition of Adjusted Segment EBITDA Margin.

First Quarter 2016 Geographic Review

Region	Percentage of Revenues			Revenue Growth	
	Q1 2016	Q4 2015	Q1 2015	Q1 2016 vs. Q4 2015	Q1 2016 vs. Q1 2015
North America	74.4%	71.4%	73.6%	11.0%	10.1%
EMEA	18.1%	20.6%	17.5%	(6.9%)	12.1%
Asia Pacific	5.8%	5.3%	6.1%	15.4%	3.2%
Latin America	1.7%	2.7%	2.8%	(33.8%)	(34.6%)

First Quarter 2016

Cash Position/Capital Allocation

All numbers in \$000s except for DSO

	Quarter to Date Q1 2016	Year to Date Q4 2015	Quarter to Date Q1 2015
Cash and cash equivalents	\$ 114,451	\$ 149,760	\$ 225,295
Accounts receivable, net	\$ 553,230	\$ 499,784	\$ 513,285
Days sales outstanding ("DSO")	98	97	101
Net cash (used in) provided by operating activities	\$ (33,099)	\$ 139,920	\$ (51,333)
Purchases of property and equipment	\$ 6,362	\$ 31,399	\$ 8,876
Payments for acquisition of businesses, net of cash received	\$ -	\$ 575	\$ -
Purchase and retirement of common stock	\$ 2,903	\$ 26,532	\$ -
Total Debt ⁽¹⁾	\$ 507,000	\$ 500,000	\$ 711,000

(1) Total debt excludes the reduction for deferred debt issue costs of \$5.0 million as of March 31, 2016, \$5.2 million as of December 31, 2015, and \$11.2 million as of March 31, 2015.



First Quarter 2016
Question & Answer Session

Q&A

Financial Tables

Condensed Consolidated Statements of Comprehensive Income: Three Months Ended March 31, 2016 and 2015 and December 31, 2015

All numbers in \$000s, except for per share data

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015	Three Months Ended December 31, 2015
Revenues	\$470,285	\$432,338	\$442,204
Operating expenses			
Direct cost of revenues	305,636	279,030	299,336
Selling, general & administrative expenses	103,609	102,214	116,351
Special charges	5,061	-	-
Acquisition-related contingent consideration	1,134	234	(55)
Amortization of other intangible assets	2,606	3,012	2,807
	418,046	384,490	418,439
Operating income	\$52,239	\$47,848	\$23,765
Other income (expense)			
Interest income & other	2,557	(137)	392
Interest expense	(6,229)	(12,368)	(6,231)
	(3,672)	(12,505)	(5,839)
Income before income tax provision	\$48,567	\$35,343	\$17,926
Income tax provision	18,386	11,657	7,577
Net income	\$30,181	\$23,686	\$10,349
Earnings per common share – basic	\$0.75	\$0.59	\$0.25
Earnings per common share – diluted	\$0.73	\$0.57	\$0.25
Weighted average common shares outstanding – basic	40,506	40,384	41,078
Weighted average common shares outstanding– diluted	41,148	41,324	41,879
Other comprehensive loss, net of tax			
Foreign currency translation adjustments, net of tax \$0	(\$358)	(\$20,482)	(\$4,315)
Total other comprehensive loss, net of tax	(\$358)	(\$20,482)	(\$4,315)
Comprehensive income	\$29,823	\$3,204	\$6,034

Select Operating Results by Business Segment: Three Months Ended March 31, 2016 and 2015

All numbers in \$000s, except for bill rate per hour and headcount data

Three Months Ended March 31, 2016

	Revenues	Adjusted EBITDA ⁽¹⁾	Adjusted EBITDA Margin ⁽¹⁾	Utilization	Average Billable Rate	Revenue-Generating Headcount (at period end)
Corporate Finance & Restructuring	\$127,156	\$31,603	24.9%	74%	\$384	857
Forensic and Litigation Consulting	119,004	19,808	16.6%	64%	\$333	1,132
Economic Consulting	130,731	21,319	16.3%	79%	\$531	607
Technology ⁽²⁾	48,281	7,823	16.2%	N/M	N/M	313
Strategic Communications ⁽²⁾	45,113	6,108	13.5%	N/M	N/M	601
Total	\$470,285	\$86,661	18.4%			3,510
Unallocated Corporate		(17,804)				
Adjusted EBITDA⁽¹⁾		\$68,857	14.6%			

Three Months Ended March 31, 2015

	Revenues	Adjusted EBITDA ⁽¹⁾	Adjusted EBITDA Margin ⁽¹⁾	Utilization	Average Billable Rate	Revenue-Generating Headcount (at period end)
Corporate Finance & Restructuring	\$106,212	\$22,480	21.2%	74%	\$374	735
Forensic and Litigation Consulting	123,265	22,071	17.9%	68%	\$318	1,145
Economic Consulting	106,081	11,556	10.9%	73%	\$501	566
Technology ⁽²⁾	54,654	10,073	18.4%	N/M	N/M	360
Strategic Communications ⁽²⁾	42,126	5,752	13.7%	N/M	N/M	556
Total	\$432,338	\$71,932	16.6%			3,362
Unallocated Corporate		(13,264)				
Adjusted EBITDA⁽¹⁾		\$58,668	13.6%			

⁽¹⁾ See "End Notes: FTI Consulting Non GAAP Data Reconciliations" for the definitions of Adjusted EBITDA, Adjusted Segment EBITDA and Adjusted Segment EBITDA Margin, which are non-GAAP financial measures, and the reconciliations of Adjusted EBITDA and Adjusted Segment EBITDA to the most directly comparable GAAP measures.

⁽²⁾ The majority of the Technology and Strategic Communications segments' revenues are not generated based on billable hours. Accordingly, utilization and average billable rate metrics are not presented as they are not meaningful as a segment-wide metric.

Select Operating Results by Business Segment: Three Months Ended December 31, 2015

All numbers in \$000s, except for bill rate per hour and headcount data

Three Months Ended December 31, 2015

	Revenues	Adjusted EBITDA ⁽¹⁾	Adjusted EBITDA Margin ⁽¹⁾	Utilization	Average Billable Rate	Revenue-Generating Headcount (at period end)
Corporate Finance & Restructuring	\$111,586	\$18,927	17.0%	62%	\$386	838
Forensic and Litigation Consulting	116,715	8,811	7.5%	60%	\$330	1,131
Economic Consulting	118,589	18,828	15.9%	70%	\$529	599
Technology ⁽²⁾	46,551	5,958	12.8%	N/M	N/M	349
Strategic Communications ⁽²⁾	48,763	7,627	15.6%	N/M	N/M	599
Total	\$442,204	\$60,151	13.6%			3,516
Unallocated Corporate		(24,948)				
Adjusted EBITDA⁽¹⁾		\$35,203	8.0%			

⁽¹⁾ See "End Notes: FTI Consulting Non GAAP Data Reconciliations" for the definitions of Adjusted EBITDA, Adjusted Segment EBITDA and Adjusted Segment EBITDA Margin, which are non-GAAP financial measures, and the reconciliations of Adjusted EBITDA and Adjusted Segment EBITDA to the most directly comparable GAAP measures.

⁽²⁾ The majority of the Technology and Strategic Communications segments' revenues are not generated based on billable hours. Accordingly, utilization and average billable rate metrics are not presented as they are not meaningful as a segment-wide metric.

Reconciliation of Non-GAAP Financial Measures: Three Months Ended March 31, 2016 and 2015 and December 31, 2015

All numbers in \$000s, except for per share data

	Three Months Ended March 31, 2016	2015	Three Months Ended December 31, 2015
Net income	\$30,181	\$23,686	\$10,349
Special charges, net of tax	3,269	-	-
Remeasurement of acquisition-related contingent consideration, net of tax	600	-	(115)
Adjusted Net Income⁽¹⁾	\$34,050	\$23,686	\$10,234
Earnings per common share - diluted	\$0.73	\$0.57	\$0.25
Special charges, net of tax	0.08	-	-
Remeasurement of acquisition-related contingent consideration, net of tax	0.02	-	(\$0.01)
Adjusted EPS - diluted⁽¹⁾	\$0.83	\$0.57	\$0.24
Weighted average number of common shares outstanding - diluted	41,148	41,324	41,879

⁽¹⁾ See "End Notes: FTI Consulting Non-GAAP Data Reconciliations" for the definition of Adjusted Net Income and Adjusted Earnings per Diluted Share, which are non-GAAP financial measures.

Reconciliation of Net Income and Operating Income to Adjusted EBITDA: Three Months Ended March 31, 2016 and 2015

All numbers in \$000s

Three Months Ended March 31, 2016

	Corporate Finance & Restructuring	Forensic and Litigation Consulting	Economic Consulting	Technology	Strategic Communications	Unallocated Corporate	Total
Net income							\$30,181
Interest income and other							(2,557)
Interest expense							6,229
Income tax provision							18,386
Operating income (loss)⁽¹⁾	\$30,076	\$18,213	\$20,211	(\$1,180)	\$3,665	(\$18,746)	\$52,239
Depreciation and amortization	722	1,079	925	3,784	519	942	7,971
Amortization of other intangible assets	805	516	183	158	944	-	2,606
Special charges	-	-	-	5,061	-	-	5,061
Remeasurement of acquisition-related contingent consideration	-	-	-	-	980	-	980
Adjusted EBITDA⁽¹⁾	\$31,603	\$19,808	\$21,319	\$7,823	\$6,108	(\$17,804)	\$68,857

Three Months Ended March 31, 2015

	Corporate Finance & Restructuring	Forensic and Litigation Consulting	Economic Consulting	Technology	Strategic Communications	Unallocated Corporate	Total
Net income							\$23,686
Interest Income and other							137
Interest expense							12,368
Income tax provision							11,657
Operating income⁽¹⁾	\$20,764	\$20,474	\$10,296	\$6,198	\$4,197	(\$14,081)	\$47,848
Depreciation and amortization	782	1,015	952	3,677	565	817	7,808
Amortization of other intangible assets	934	582	308	198	990	-	3,012
Adjusted EBITDA⁽¹⁾	\$22,480	\$22,071	\$11,556	\$10,073	\$5,752	(\$13,264)	\$58,668

⁽¹⁾ See "End Notes: FTI Consulting Non-GAAP Data Reconciliations" for the definitions of Segment Operating Income and Adjusted EBITDA, which are non-GAAP financial measures.

Reconciliation of Net Income and Operating Income to Adjusted EBITDA: Three Months Ended December 31, 2015

All numbers in \$000s

Three Months Ended December 31, 2015							
	Corporate Finance & Restructuring	Forensic and Litigation Consulting	Economic Consulting	Technology	Strategic Communications	Unallocated Corporate	Total
Net income							\$10,349
Interest income and other							(392)
Interest expense							6,231
Income tax provision							7,577
Operating income⁽¹⁾	\$17,425	\$7,291	\$17,836	\$1,339	\$6,165	(\$26,291)	\$23,765
Depreciation and amortization	694	998	876	4,421	491	1,343	8,823
Amortization of other intangible assets	808	522	308	198	971	-	2,807
Remeasurement of acquisition-related contingent consideration	-	-	(192)	-	-	-	(192)
Adjusted EBITDA⁽¹⁾	\$18,927	\$8,811	\$18,828	\$5,958	\$7,627	(\$24,948)	\$35,203

⁽¹⁾ See "End Notes: FTI Consulting Non-GAAP Data Reconciliations" for the definitions of Segment Operating Income and Adjusted EBITDA, which are non-GAAP financial measures.



End Notes

FTI Consulting Non-GAAP Data Reconciliations

We define Adjusted Net Income and Adjusted Earnings per Diluted Share (“Adjusted EPS”) as Net Income and Earnings Per Diluted Share, respectively, excluding the impact of remeasurement of acquisition-related contingent consideration, special charges, goodwill impairment charges and losses on early extinguishment of debt. We use Adjusted Net Income for the purpose of calculating Adjusted EPS. Management uses Adjusted EPS to assess total Company operating performance on a consistent basis. We believe that this measure, when considered together with our GAAP financial results, provides management and investors with a more complete understanding of our business operating results, including underlying trends, by excluding the effects of remeasurement of acquisition-related contingent consideration, special charges, goodwill impairment charges and losses on early extinguishment of debt.

We define Segment Operating Income (Loss) as a segment’s share of consolidated operating income (loss). We define Total Segment Operating Income (Loss) as the total of Segment Operating Income (Loss) for all segments, which excludes unallocated corporate expenses. We use Segment Operating Income (Loss) for the purpose of calculating Adjusted Segment EBITDA (loss). We define Adjusted EBITDA as consolidated net income (loss) before income tax provision, other non-operating income (expense), depreciation, amortization of intangible assets, remeasurement of acquisition-related contingent consideration, special charges, goodwill impairment charges and losses on early extinguishment of debt. We define Adjusted Segment EBITDA as a segment’s share of consolidated operating income (loss) before depreciation, amortization of intangible assets, remeasurement of acquisition-related contingent consideration, special charges and goodwill impairment charges. We define Total Adjusted Segment EBITDA as the total of Adjusted Segment EBITDA for all segments, which excludes unallocated corporate expenses. We define Adjusted EBITDA Margin as Adjusted EBITDA as a percentage of total revenues. We define Adjusted Segment EBITDA margin as Adjusted Segment EBITDA as a percentage of a segment’s share of revenue. We use Adjusted Segment EBITDA to internally evaluate the financial performance of our segments because we believe it is a useful supplemental measure, which reflects current core operating performance and provides an indicator of the segment’s ability to generate cash. We also believe that these measures, when considered together with our GAAP financial results, provide management and investors with a more complete understanding of our operating results, including underlying trends, by excluding the effects of remeasurement of acquisition-related contingent consideration, special charges, and goodwill impairment charges. In addition, EBITDA and Adjusted EBITDA are common alternative measures of operating performance used by many of our competitors. It is used by investors, financial analysts, rating agencies and others to value and compare the financial performance of companies in our industry. Therefore, we also believe that these measures, considered along with corresponding GAAP measures, provide management and investors with additional information for comparison of our operating results to the operating results of other companies.

Non-GAAP financial measures are not defined in the same manner by all companies and may not be comparable to other similarly titled measures of other companies. Non-GAAP financial measures should be considered in addition to, but not as a substitute for or superior to, the information contained in our Consolidated Statements of Comprehensive Income (loss).

Appendix



First Quarter 2016 **Awards & Accolades**

FTI Consulting Professionals recognized as **leading forensic accountants and digital forensic experts by *Who's Who Legal Investigations 2016* list**

FTI Technology named to **100 Companies That Matter in Knowledge Management** list by *KMWorld* magazine for the sixth consecutive year

FTI Technology recognized as **Top Data Visualization Solution Provider by *CIOReview's 20 Most Promising Data Visualization Solution Providers***

Carlin Adrianopoli, Senior Managing Director in Corporate Finance & Restructuring, Named to ***Turnarounds & Workouts' People to Watch in 2016***

Strategic Communications recently won two top awards at the **2016 PRCA City and Financial PR Awards** event for the **Best Crisis Communications Campaign and Best Social Media Campaign**

Voted **#1 Intellectual Property Litigation Consulting Services provider** in *The National Law Journal's* "Best of 2016" list; also named leading **Litigation Valuation Provider, Jury Consultant, Demonstrative Evidence Provider and Trial Technology "Hot Seat" Provider**

Critical Thinking at the Critical Time™