
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): February 22, 2018

FTI CONSULTING, INC.

(Exact Name of Registrant as Specified in Charter)

Maryland
(State or other jurisdiction
of incorporation)

001-14875
(Commission
File Number)

52-1261113
(IRS Employer
Identification No.)

555 12th Street NW, Washington, D.C. 20004
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (202) 312-9100

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

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 2.02. Results of Operations and Financial Condition

FTI Consulting, Inc. (“FTI Consulting”) uses a presentation from time to time in its discussions with investors and analysts (the “Presentation”). The Presentation includes FTI Consulting’s past and present financial results, operating data and other information. A copy of the Presentation is furnished as Exhibit 99.1 and has been posted to the FTI Consulting website at www.fticonsulting.com.

ITEM 7.01. Regulation FD Disclosure

In the Press Release, FTI Consulting uses information derived from consolidated and segment financial information that may not be presented in its financial statements or prepared in accordance with generally accepted accounting principles in the United States (“GAAP”). Certain of these measures are considered “Non-GAAP financial measures” under rules promulgated by the Securities and Exchange Commission. Specifically, FTI Consulting has referred to the following non-GAAP measures:

- Total Segment Operating Income
- Adjusted EBITDA
- Total Adjusted Segment EBITDA
- Adjusted EBITDA Margin
- Adjusted Net Income
- Adjusted Earnings per Diluted Share
- Free Cash Flow

FTI Consulting has included the definitions of “Segment Operating Income” and “Adjusted Segment EBITDA,” which are financial measures presented in accordance with GAAP, in order to more fully define the components of certain Non-GAAP financial measures. FTI Consulting evaluates the performance of its operating segments based on Adjusted Segment EBITDA, and Segment Operating Income is a component of the definition of Adjusted Segment EBITDA. FTI Consulting defines “Segment Operating Income” as a segment’s share of consolidated operating income. FTI Consulting defines “Total Segment Operating Income,” which is a Non-GAAP financial measure, as the total of Segment Operating Income for all segments, which excludes unallocated corporate expenses. FTI Consulting uses Segment Operating Income for the purpose of calculating Adjusted Segment EBITDA. FTI Consulting defines “Adjusted Segment EBITDA” as a segment’s share of consolidated operating income before depreciation, amortization of intangible assets, remeasurement of acquisition-related contingent consideration, special charges and goodwill impairment charges. FTI Consulting uses Adjusted Segment EBITDA as a basis to internally evaluate the financial performance of its segments because FTI Consulting believes it reflects current core operating performance and provides an indicator of the segment’s ability to generate cash. FTI Consulting defines Adjusted EBITDA Margin as Adjusted EBITDA as a percentage of total revenues.

FTI Consulting defines “Total Adjusted Segment EBITDA,” which is a Non-GAAP financial measure, as the total of Adjusted Segment EBITDA for all segments, which excludes unallocated corporate expenses. FTI Consulting defines “Adjusted EBITDA,” which is a Non-GAAP financial measure, as consolidated net income 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. FTI Consulting believes that the Non-GAAP financial measures, which exclude the effects of remeasurement of acquisition-related contingent consideration, special charges and goodwill impairment charges, when considered together with its GAAP financial results and GAAP financial measures, provide management and investors with a more complete understanding of FTI Consulting’s operating results, including underlying trends. In addition, EBITDA is a common alternative measure of operating performance used by many of FTI Consulting’s competitors. It is used by investors, financial analysts, rating agencies and others to

value and compare the financial performance of companies in FTI Consulting's industry. Therefore, FTI Consulting also believes that these measures, considered along with corresponding GAAP measures, provide management and investors with additional information for comparison of its operating results with the operating results of other companies.

FTI Consulting defines "Adjusted Net Income" and "Adjusted Earnings per Diluted Share" ("Adjusted EPS"), which are Non-GAAP financial measures, as net income and earnings per diluted share, respectively, excluding the impact of remeasurement of acquisition-related contingent consideration, special charges, goodwill impairment charges, losses on early extinguishment of debt and the adjustment related to the adoption of the 2017 U.S. Tax Cuts and Jobs Act (the "2017 Tax Act"). FTI Consulting uses Adjusted Net Income for the purpose of calculating Adjusted EPS. Management of FTI Consulting uses Adjusted EPS to assess total company operating performance on a consistent basis. FTI Consulting believes that this Non-GAAP financial measure, which excludes the effects of the remeasurement of acquisition-related contingent consideration, special charges, goodwill impairment charges, losses on early extinguishment of debt, and the 2017 Tax Act, when considered together with its GAAP financial results, provides management and investors with an additional understanding of its business operating results, including underlying trends.

Non-GAAP financial measures are not defined in the same manner by all companies and may not be comparable with 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 FTI Consulting's Consolidated Statements of Comprehensive Income. Reconciliations of GAAP to Non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the accompanying 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 [Fourth Quarter and Full Year 2017 Investor Presentation, 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: February 23, 2018

By: /s/ CURTIS LU

Curtis Lu
General Counsel



FTI Consulting, Inc.

Fourth Quarter and Full Year 2017 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 (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that involve uncertainties and risks. Forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenues, future results and performance, future capital allocations and expenditures, expectations, plans or intentions relating to acquisitions, share repurchases and other matters, business trends, new, or changes to, laws and regulations, including the 2017 U.S. Tax Cuts and Jobs Act (the "2017 Tax Act"), 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," "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 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 or estimates will be achieved, and the Company's actual results may differ materially from our expectations, beliefs and estimates. 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, fluctuations in the price per share of our common stock, adverse financial, real estate or other market and general economic conditions, and other future events, which could impact each of our segments differently and could be outside our control, 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, new laws and regulations, or changes thereto, including the 2017 U.S. Tax Cuts and Jobs Act ("2017 Tax Act"), and other risks described under the heading "Part I, Item 1A Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the Securities and Exchange Commission ("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.

Fourth Quarter 2017 Financial Review

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

	Q4 2017	Q4 2016	% Variance
Consolidated Results			
Revenues	\$ 467,711	\$ 441,920	5.8%
Net Income	\$ 66,888	\$ 7,101	842.0%
Earnings per Diluted Share	\$ 1.78	\$ 0.17	947.1%
Adjusted Earnings per Diluted Share ⁽¹⁾	\$ 0.78	\$ 0.24	225.0%
Adjusted EBITDA ⁽¹⁾	\$ 55,511	\$ 30,344	82.9%
Adjusted EBITDA Margin ⁽¹⁾	11.9%	6.9%	
Segment Results			
Corporate Finance & Restructuring			
Revenues	\$ 130,532	\$ 113,354	15.2%
Adjusted Segment EBITDA	\$ 25,756	\$ 16,282	58.2%
Adjusted Segment EBITDA Margin	19.7%	14.4%	—
Forensic and Litigation Consulting			
Revenues	\$ 120,869	\$ 105,492	14.6%
Adjusted Segment EBITDA	\$ 23,613	\$ 6,330	273.0%
Adjusted Segment EBITDA Margin	19.5%	6.0%	—
Economic Consulting			
Revenues	\$ 121,051	\$ 129,270	(6.4)%
Adjusted Segment EBITDA	\$ 14,284	\$ 19,048	(25.0)%
Adjusted Segment EBITDA Margin	11.8%	14.7%	—
Technology			
Revenues	\$ 40,915	\$ 43,485	(5.9)%
Adjusted Segment EBITDA	\$ 2,973	\$ 5,558	(46.5)%
Adjusted Segment EBITDA Margin	7.3%	12.8%	—
Strategic Communications			
Revenues	\$ 54,344	\$ 50,319	8.0%
Adjusted Segment EBITDA	\$ 10,526	\$ 8,401	25.3%
Adjusted Segment EBITDA Margin	19.4%	16.7%	—



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

Full Year 2017 Financial Review

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

	FY 2017	FY 2016	% Variance
Consolidated Results			
Revenues	\$ 1,807,732	\$ 1,810,394	(0.1)%
Net Income	\$ 107,962	\$ 85,520	26.2%
Earnings per Diluted Share	\$ 2.75	\$ 2.05	34.1%
Adjusted Earnings per Diluted Share ⁽¹⁾	\$ 2.32	\$ 2.24	3.6%
Adjusted EBITDA ⁽¹⁾	\$ 192,038	\$ 203,010	(5.4)%
Adjusted EBITDA Margin ⁽¹⁾	10.6%	11.2%	
Segment Results			
Corporate Finance & Restructuring			
Revenues	\$ 482,041	\$ 483,269	(0.3)%
Adjusted Segment EBITDA	\$ 82,863	\$ 97,688	(15.2)%
Adjusted Segment EBITDA Margin	17.2%	20.2%	—
Forensic and Litigation Consulting			
Revenues	\$ 462,324	\$ 457,734	1.0%
Adjusted Segment EBITDA	\$ 72,705	\$ 57,882	25.6%
Adjusted Segment EBITDA Margin	15.7%	12.6%	—
Economic Consulting			
Revenues	\$ 496,029	\$ 500,487	(0.9)%
Adjusted Segment EBITDA	\$ 61,964	\$ 74,102	(16.4)%
Adjusted Segment EBITDA Margin	12.5%	14.8%	—
Technology			
Revenues	\$ 174,850	\$ 177,720	(1.6)%
Adjusted Segment EBITDA	\$ 22,171	\$ 25,814	(14.1)%
Adjusted Segment EBITDA Margin	12.7%	14.5%	—
Strategic Communications			
Revenues	\$ 192,488	\$ 191,184	0.7%
Adjusted Segment EBITDA	\$ 27,732	\$ 30,458	(9.0)%
Adjusted Segment EBITDA Margin	14.4%	15.9%	—



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

Full Year 2017 and 2016

Select Cash Position and Capital Allocation

All numbers in \$000s, except for DSOs

	FY 2017		FY 2016	
Cash and cash equivalents	\$	189,961	\$	216,158
Accounts receivable, net	\$	522,878	\$	474,897
Days sales outstanding ("DSO")		91		91
Net cash provided by operating activities	\$	147,625	\$	233,488
Purchases of property and equipment	\$	(32,004)	\$	(28,935)
Purchase and retirement of common stock	\$	(168,094)	\$	(21,489)
Total Debt ⁽¹⁾	\$	400,000	\$	370,000
Free Cash Flow ⁽²⁾	\$	115,621	\$	204,553

⁽¹⁾ Total debt excludes the reduction for deferred debt issue costs of \$3.7 million and \$4.5 million as of December 31, 2017 and December 31, 2016, respectively.

⁽²⁾ See "Financial Tables" and "End Notes: FTI Consulting Non-GAAP Financial Measures" for the reconciliation and definition of Free Cash Flow, which is a non-GAAP financial measure, to the most directly comparable GAAP measure.

Financial Tables

Reconciliation of Net Income to Adjusted Net Income and Earnings Per Diluted Share to Adjusted Earnings Per Diluted Share:

Three Months Ended December 31, 2017 and 2016

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

	Three Months Ended December 31, 2017	Three Months Ended December 31, 2016
Net income	\$ 66,888	\$ 7,101
Special charges	10,811	3,634
Tax impact of special charges	(3,635)	(1,113)
Remeasurement of acquisition-related contingent consideration	—	423
Tax impact of remeasurement of acquisition-related contingent consideration	—	(165)
Impact of 2017 Tax Act	(44,870)	—
Adjusted Net Income ⁽¹⁾	\$ 29,194	\$ 9,880
Earnings per Diluted Share	\$ 1.78	\$ 0.17
Special charges	0.29	0.09
Tax impact of special charges	(0.10)	(0.03)
Remeasurement of acquisition-related contingent consideration	—	0.01
Tax impact of remeasurement of acquisition-related contingent	—	—
Impact of 2017 Tax Act	(1.19)	—
Adjusted Earnings per Diluted Share ⁽¹⁾⁽²⁾	\$ 0.78	\$ 0.24
Weighted average number of common shares outstanding—diluted ⁽²⁾	37,643	42,018

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

⁽²⁾ For non-GAAP purposes, the Adjusted EPS and diluted weighted average number of common shares outstanding presented herein reflect the impact of the inclusion of share-based awards that are considered dilutive based on the impact of the add-backs included in Adjusted Net Income above.

Reconciliation of Net Income to Adjusted Net Income and Earnings Per Diluted Share to Adjusted Earnings Per Diluted Share:

Years Ended December 31, 2017 and 2016

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

	Year Ended December 31, 2017	Year Ended December 31, 2016
Net income	\$ 107,962	\$ 85,520
Special charges	40,885	10,445
Tax impact of special charges	(13,570)	(3,595)
Remeasurement of acquisition-related contingent consideration	702	1,403
Tax impact of remeasurement of acquisition-related contingent consideration	(269)	(546)
Impact of 2017 Tax Act	(44,870)	—
Adjusted Net Income ⁽¹⁾	\$ 90,840	\$ 93,227
Earnings per Diluted Share	\$ 2.75	\$ 2.05
Special charges	1.04	0.25
Tax impact of special charges	(0.34)	(0.08)
Remeasurement of acquisition-related contingent consideration	0.02	0.03
Tax impact of remeasurement of acquisition-related contingent	(0.01)	(0.01)
Impact of 2017 Tax Act	(1.14)	—
Adjusted Earnings per Diluted Share ⁽¹⁾⁽²⁾	\$ 2.32	\$ 2.24
Weighted average number of common shares outstanding—diluted ⁽²⁾	39,192	41,709

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

⁽²⁾ For non-GAAP purposes, the Adjusted EPS and diluted weighted average number of common shares outstanding presented herein reflect the impact of the inclusion of share-based awards that are considered dilutive based on the impact of the add-backs included in Adjusted Net Income above.

Reconciliation of Net Income and Operating Income (Loss) to Adjusted EBITDA: Three Months Ended December 31, 2017 and 2016

All numbers in \$000s

Three Months Ended December 31, 2017

	Corporate Finance & Restructuring	Forensic and Litigation Consulting	Economic Consulting	Technology	Strategic Communications	Unallocated Corporate	Total
Net income							\$ 66,888
Interest income and other							(452)
Interest expense							6,547
Income tax benefit							(38,458)
Operating income (loss)	\$ 21,332	\$ 20,286	\$ 12,120	\$ (1,079)	\$ 4,840	\$ (22,974)	\$ 34,525
Depreciation and amortization	815	1,042	1,316	2,664	673	899	7,409
Amortization of other intangible assets	1,218	396	134	158	860	—	2,766
Special charges	2,391	1,889	714	1,230	4,153	434	10,811
Adjusted EBITDA ⁽¹⁾	\$ 25,756	\$ 23,613	\$ 14,284	\$ 2,973	\$ 10,526	\$ (21,641)	\$ 55,511

Three Months Ended December 31, 2016

	Corporate Finance & Restructuring	Forensic and Litigation Consulting	Economic Consulting	Technology	Strategic Communications	Unallocated Corporate	Total
Net income							\$ 7,101
Interest income and other							(571)
Interest expense							5,983
Income tax benefit							(1,832)
Operating income (loss)	\$ 14,741	\$ 4,083	\$ 17,452	\$ (4,752)	\$ 6,449	\$ (27,292)	\$ 10,681
Depreciation and amortization	722	1,212	1,442	7,919	641	1,405	13,341
Amortization of other intangible assets	819	481	154	(77)	888	—	2,265
Special Charges	—	554	—	2,468	—	612	3,634
Remeasurement of acquisition-related contingent consideration	—	—	—	—	423	—	423
Adjusted EBITDA ⁽¹⁾	\$ 16,282	\$ 6,330	\$ 19,048	\$ 5,558	\$ 8,401	\$ (25,275)	\$ 30,344



⁽¹⁾ See "End Notes: FTI Consulting Non-GAAP Financial Measures" for the definition of Adjusted EBITDA, which is a non-GAAP financial measure.

Reconciliation of Net Income and Operating Income (Loss) to Adjusted EBITDA: Years Ended December 31, 2017 and 2016

All numbers in \$000s

Year Ended December 31, 2017

	Corporate Finance & Restructuring	Forensic and Litigation Consulting	Economic Consulting	Technology	Strategic Communications	Unallocated Corporate	Total
Net income							\$ 107,962
Interest income and other							(3,752)
Interest expense							25,358
Income tax benefit							(20,857)
Operating income	\$ 70,234	\$ 54,520	\$ 49,154	\$ 4,795	\$ 13,148	\$ (83,140)	\$ 108,711
Depreciation and amortization	3,175	4,259	5,589	11,684	2,405	4,065	31,177
Amortization of other intangible assets	4,014	1,592	597	635	3,725	—	10,563
Special Charges	5,440	12,334	6,624	5,057	7,752	3,678	40,885
Remeasurement of acquisition-related contingent consideration	—	—	—	—	702	—	702
Adjusted EBITDA ⁽¹⁾	\$ 82,863	\$ 72,705	\$ 61,964	\$ 22,171	\$ 27,732	\$ (75,397)	\$ 192,038

Year Ended December 31, 2016

	Corporate Finance & Restructuring	Forensic and Litigation Consulting	Economic Consulting	Technology	Strategic Communications	Unallocated Corporate	Total
Net income							\$ 85,520
Interest income and other							(10,466)
Interest expense							24,819
Income tax provision							42,283
Operating income (loss)	\$ 91,481	\$ 49,088	\$ 68,842	\$ (2,183)	\$ 23,110	\$ (88,182)	\$ 142,156
Depreciation and amortization	2,897	4,490	4,614	19,820	2,243	4,636	38,700
Amortization of other intangible assets	3,310	2,000	646	648	3,702	—	10,306
Special Charges	—	2,304	—	7,529	—	612	10,445
Remeasurement of acquisition-related contingent consideration	—	—	—	—	1,403	—	1,403
Adjusted EBITDA ⁽¹⁾	\$ 97,688	\$ 57,882	\$ 74,102	\$ 25,814	\$ 30,458	\$ (82,934)	\$ 203,010



⁽¹⁾ See "End Notes: FTI Consulting Non-GAAP Financial Measures" for the definition of Adjusted EBITDA, which is a non-GAAP financial measure.

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow: Twelve Months Ended December 31, 2017 and 2016; Three Months Ended December 31, 2017 and December 31, 2016

All numbers in \$000s

	Twelve Months Ended December 31, 2017	Three Months Ended December 31, 2017	Twelve Months Ended December 31, 2016	Three Months Ended December 31, 2016
Net cash provided by operating activities	\$ 147,625	\$ 123,592	\$ 233,488	\$ 121,913
Purchases of property and equipment	(32,004)	(11,983)	(28,935)	(6,080)
Free Cash Flow ⁽¹⁾	\$ 115,621	\$ 111,609	\$ 204,553	\$ 115,833

End Notes

FTI Consulting Non-GAAP Financial Measures

In this presentation, we sometimes use information derived from consolidated and segment financial information that may not be presented in our financial statements or prepared in accordance with generally accepted accounting principles ("GAAP"). Certain of these measures are considered "non-GAAP financial measures" under the Securities and Exchange Commission ("SEC") rules. Specifically, we have referred to the following non-GAAP financial measures in this presentation:

- Total Segment Operating Income (Loss)
- Adjusted EBITDA
- Total Adjusted Segment EBITDA
- Adjusted EBITDA Margin
- Adjusted Net Income
- Adjusted Earnings per Diluted Share
- Free Cash Flow

We have included the definitions of Segment Operating Income (Loss) and Adjusted Segment EBITDA below in order to more fully define the components of certain non-GAAP financial measures in this presentation. We define Segment Operating Income (Loss) as a segment's share of Consolidated Operating Income (Loss). We define Total Segment Operating Income (Loss), which is a non-GAAP financial measure, 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. 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 use Adjusted Segment EBITDA as a basis to internally evaluate the financial performance of our segments because we believe it reflects current core operating performance and provides an indicator of the segment's ability to generate cash. We define Adjusted EBITDA Margin as Adjusted EBITDA as a percentage of total revenues.

We define Total Adjusted Segment EBITDA, which is a non-GAAP financial measure, as the total of Adjusted Segment EBITDA for all segments, which excludes unallocated corporate expenses. We define Adjusted EBITDA, which is a non-GAAP financial measure, as consolidated net income 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 believe that the non-GAAP financial measures, which exclude the effects of remeasurement of acquisition-related contingent consideration, special charges and goodwill impairment charges, when considered together with our GAAP financial results and GAAP measures, provide management and investors with a more complete understanding of our operating results, including underlying trends. In addition, EBITDA is a common alternative measure 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 with the operating results of other companies.

We define Adjusted Net Income and Adjusted Earnings per Diluted Share ("Adjusted EPS"), which are non-GAAP financial measures, as net income and earnings per diluted share, respectively, excluding the impact of remeasurement of acquisition-related contingent consideration, special charges, goodwill impairment charges, losses on early extinguishment of debt and the impact of adopting the 2017 U.S. Tax Cuts and Jobs Act (the "2017 Tax Act"). 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 non-GAAP financial measure, which excludes the effects of the remeasurement of acquisition-related contingent consideration, special charges, goodwill impairment charges, losses on early extinguishment of debt and the 2017 Tax Act, when considered together with our GAAP financial results, provides management and investors with an additional understanding of our business operating results, including underlying trends.

We define Free Cash Flow as net cash provided by operating activities less cash payments for purchases of property and equipment. We believe this non-GAAP financial measure, when considered together with our GAAP financial results, provides management and investors with an additional understanding of the Company's ability to generate cash for ongoing business operations and other capital deployment.

Non-GAAP financial measures are not defined in the same manner by all companies and may not be comparable with 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 Condensed Consolidated Statements of Comprehensive Income.

Appendix

Fourth Quarter and Full Year 2017 Select Geographic Review

Region	Percentage of Consolidated Revenues		Revenue Growth	
	Q4 2017	FY 2017	Q4 2017 vs. Q4 2016	FY 2017 vs. FY 2016
North America	69.5%	71.4%	0.7%	(2.1)%
EMEA	21.9%	20.2%	25.1%	6.9%
Asia Pacific	7.1%	7.1%	12.0%	6.9%
Latin America	1.5%	1.3%	(6.0)%	(22.3)%

Full Year 2017 Awards & Accolades

FTI Consulting named to *Forbes* magazine list of **America's Best Management Consulting Firms** for the second consecutive year — recognized in 20 sectors and functional areas

Corporate Finance & Restructuring ranked the **#1 U.S. Restructuring Advisor** according to *The Deal* for the last ten years

Forensic and Litigation Consulting recognized as the **#1 Global Risk & Investigations Services Provider** by the *National Law Journal*

FTI Consulting and Compass Lexecon had the **most experts (129) recognized** in the *Who's Who Legal Consulting Experts Guide* for the second consecutive year

FTI Technology named a **Leader in Worldwide E-Discovery Services Vendor** by *IDC MarketScape's* Vendor Assessment Report

Strategic Communications named **EMEA PR Consultancy of the Year** by *The Holmes Report*

Forbes

The Deal

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