



# FTI Consulting, Inc.

*Current Investor Presentation*

*March 2018*



## 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 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.*



# Investment Thesis

---



Leading global business advisory firm with **strong people** and **strong positions**: corporations, law firms and governments come to us when there is a critical need




**Organic growth strategy** with an emphasis on profitable revenue growth



Committed to building a profitable business with **sustainable underlying growth**, regardless of economic conditions



**Willingness to invest EBITDA** in key growth areas where we have a right to win



**Healthy balance sheet** and **strong cash flows** with a commitment to return capital to our stockholders



Believe we are on a path toward **sustained double-digit year-over-year Adjusted EPS growth over time**

# FTI Consulting: Experts with Impact

FCN

Publicly Traded

\$1.8BLN

Equity Market Capitalization<sup>1</sup>

1982

Year Founded

4,600+

Total Employees Worldwide

450+

Senior Managing Directors

78

Offices in 78 Cities Around the Globe

9

9 Specialized Industry Practice Groups

2 Nobel Laureates

8/10

Advisor to 8 of the World's Top 10 Bank Holding Companies

96/100

Advisor to 96 of the World's Top 100 Law Firms

53/100

53 of Global 100 Corporations are Clients

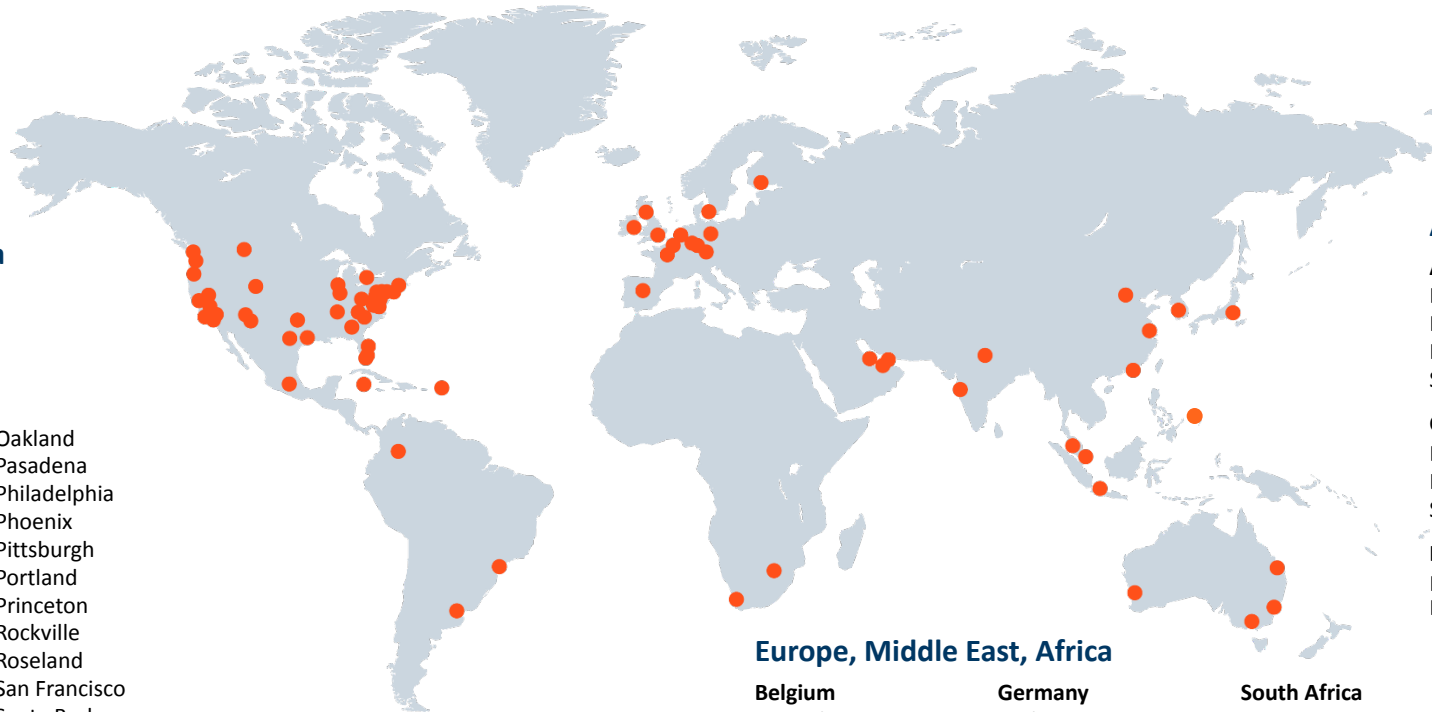


All statistics above are as of December 31, 2017.

<sup>1</sup>Number of total shares outstanding as of February 15, 2018, times the closing share price as of February 23, 2018.

# Our Global Reach

With offices in every major financial center and every corner of the globe, we successfully serve our clients wherever challenges and opportunities arise.



## North America

**Canada**  
 Calgary  
 Toronto  
 Vancouver

### United States

Annapolis  
 Atlanta  
 Austin  
 Baltimore  
 Boston  
 Brentwood  
 Charlotte  
 Chicago  
 Dallas  
 Denver  
 Great Neck  
 Houston  
 Indianapolis  
 Los Angeles  
 McLean  
 Miami  
 Mountain View  
 New York  
 Oakland  
 Pasadena  
 Philadelphia  
 Phoenix  
 Pittsburgh  
 Portland  
 Princeton  
 Rockville  
 Roseland  
 San Francisco  
 Santa Barbara  
 Seattle  
 Tucson  
 Walnut Creek  
 Washington, D.C.  
 Wayne  
 Winston-Salem

## Latin America

**Argentina**  
 Buenos Aires

**Brazil**  
 São Paulo

**Caribbean**  
 British Virgin Islands  
 Cayman Islands

**Colombia**  
 Bogotá

**Mexico**  
 Mexico City

## Europe, Middle East, Africa

**Belgium**  
 Brussels

**Denmark**  
 Copenhagen

**Finland**  
 Helsinki

**France**  
 Paris

**Germany**  
 Berlin  
 Düsseldorf  
 Frankfurt  
 Munich

**Ireland**  
 Dublin

**Netherlands**  
 The Hague

**Qatar**  
 Doha

**South Africa**  
 Cape Town  
 Johannesburg

**Spain**  
 Madrid

**United Arab Emirates**  
 Abu Dhabi  
 Dubai

**United Kingdom**  
 London  
 Stirling

## Asia Pacific

**Australia**  
 Brisbane  
 Melbourne  
 Perth  
 Sydney

**China**  
 Beijing  
 Hong Kong  
 Shanghai

**India**  
 Mumbai  
 New Delhi

**Indonesia**  
 Jakarta

**Japan**  
 Tokyo

**Korea**  
 Seoul

**Malaysia**  
 Kuala Lumpur

**Philippines<sup>1</sup>**  
 Manila

**Singapore**

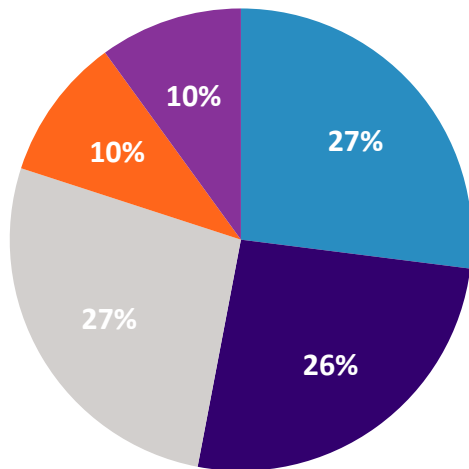
<sup>1</sup>Affiliate

# Business Snapshot: Five Segments, One Purpose

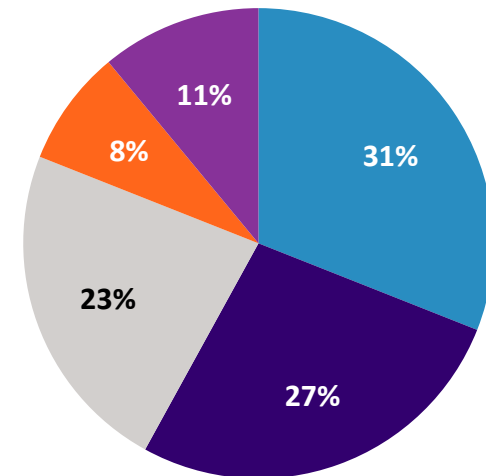


# Segment Snapshot: Revenues and Total Adjusted Segment EBITDA

### FY 2017 Segment Revenues



### FY 2017 Total Adjusted Segment EBITDA<sup>1</sup>



<sup>1</sup>See accompanying financial tables and "End Notes: FTI Consulting Non-GAAP Financial Measures" for the definition and reconciliations of Total Adjusted Segment EBITDA, which is a non-GAAP financial measure, to the most directly comparable GAAP financial measure.

# Corporate Finance & Restructuring

## Services

### Restructuring

- Company Advisory
- Creditor Advisory
- Interim Management
- Contentious Insolvency
- Dispute Advisory/  
Litigation Support

### Business Transformation

- Office of the CFO Solutions
- Performance Improvement
- Merger Integration
- Carve-outs

- Interim Management
- Transaction Services  
Executive Compensation

### Transactions

- Transaction Services
- Investment Banking &  
Transaction Opinions
- Lender Services
- Tax Advisory
- Valuation & Financial
- Advisory Services
- Structured Finance



	2013	2014	2015	2016	2017
<b>Segment Revenues</b>	\$382,526	\$391,115	\$440,398	\$483,269	\$482,041
<b>Segment Gross Profit Margin</b>	35.9%	32.6%	38.3%	36.5%	33.9%
<b>Segment SG&amp;A</b>	\$71,966	\$75,382	\$81,550	\$81,584	\$83,468
<b>Adjusted Segment EBITDA</b>	\$67,183	\$55,492	\$90,101	\$97,688	\$82,863
<b>Adjusted Segment EBITDA Margin</b>	17.6%	14.2%	20.5%	20.2%	17.2%
<b>Utilization</b>	65%	67%	69%	65%	61%
<b>Number of Revenue-Generating Professionals</b>	737	706	838	895	901



# Corporate Finance & Restructuring (continued)

## Segment Offering

The Corporate Finance & Restructuring segment focuses on strategic, operational, financial and capital needs of businesses by addressing the full spectrum of financial and transactional challenges faced by companies, boards, private equity sponsors, creditor constituencies and other stakeholders.

## Medium-Term Growth Opportunities

Enhance **Business Transformation and Transaction** capabilities

**Grow restructuring** globally

**Deeper penetration of key industries** e.g., Retail, Healthcare, TMT, Automotive and Energy

## FY 2017 Key Financial Commentary

- **Revenues** decreased \$1.2 million, or 0.3%, from 2016 to 2017. Acquisition-related revenues contributed \$10.1 million, or 2.1%, compared with 2016. Excluding the acquisition, revenues decreased \$11.3 million, or 2.3%. This decrease was primarily driven by lower demand for restructuring practice offerings globally, which was partially offset by increased demand in the business transformation practice and higher success fees.
- **Gross profit** decreased \$12.9 million, or 7.3%, from 2016 to 2017. Gross profit margin decreased 2.6 percentage points from 2016 to 2017. This decrease was due to lower utilization driven by an increase in billable headcount, which was partially offset by higher success fees.
- **Adjusted Segment EBITDA** was \$82.9 million, or 17.2% of segment revenues, compared to \$97.7 million, or 20.2% of segment revenues, in the prior year.

# Forensic & Litigation Consulting

## Services

### Risk Advisory

- Anti-Corruption Investigations & Compliance
- Compliance, Monitoring & Receivership
- Data & Analytics

### Investigations

- Cybersecurity
- Forensic Accounting & Advisory Services
- Global Risk & Investigations Practice (“GRIP”)

### Disputes

- Construction Solutions
- Dispute Advisory Services
- Financial Services
- Global Insurance Services
- Health Solutions
- Trial Services



	2013	2014	2015	2016	2017
<b>Segment Revenues</b>	\$433,632	\$483,380	\$482,269	\$457,734	\$462,324
<b>Segment Gross Profit Margin</b>	35.9%	36.6%	32.2%	31.2%	33.9%
<b>Segment SG&amp;A</b>	\$84,616	\$90,707	\$94,717	\$89,526	\$88,056
<b>Adjusted Segment EBITDA</b>	\$74,481	\$90,468	\$64,267	\$57,882	\$72,705
<b>Adjusted Segment EBITDA Margin</b>	17.2%	18.7%	13.3%	12.6%	15.7%
<b>Utilization</b>	68%	69%	64%	59%	61%
<b>Number of Revenue-Generating Professionals</b>	1,061	1,154	1,131	1,110	1,067

(in thousands, except percentages and headcount data) (unaudited)

# Forensic & Litigation Consulting (continued)

## Segment Offering

The Forensic & Litigation Consulting segment provides a complete range of multidisciplinary, independent dispute advisory, investigative, data acquisition/analysis and forensic accounting services. Our professionals combine end-to-end capabilities when clients face high stakes litigation, arbitration and compliance investigations and regulatory scrutiny.

## Medium-Term Growth Opportunities

Enhance **Data & Analytics, Construction Solutions** and **Cybersecurity** capabilities

**Grow overseas businesses** e.g., London and Hong Kong

**Improve utilization** in Disputes, Investigations and Health Solutions practices

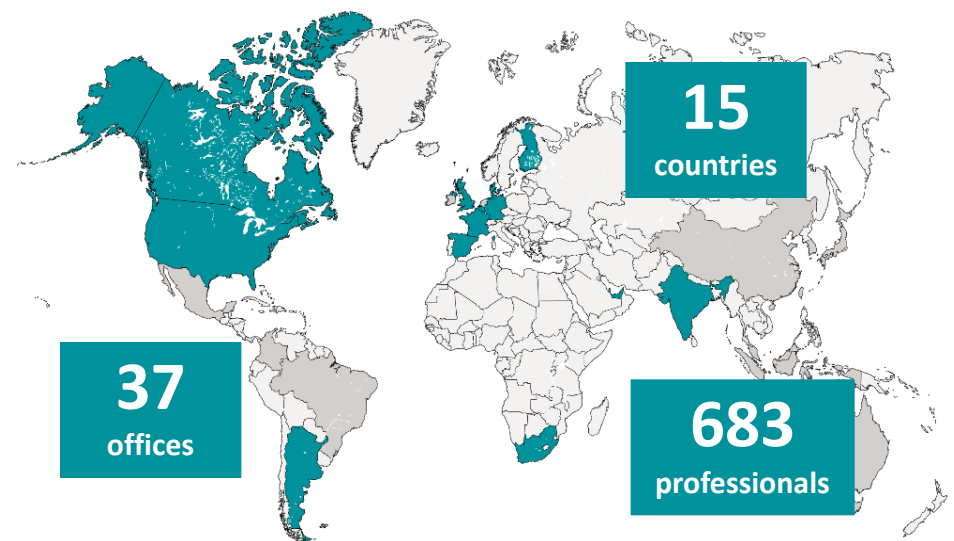
## FY 2017 Key Financial Commentary

- **Revenues** increased \$4.6 million, or 1.0%, from 2016 to 2017. This increase was driven by increased volume in the global construction solutions practice and investigations practice in EMEA, which was partially offset by lower demand in the health solutions practice.
- **Gross profit** increased \$13.6 million, or 9.5%, from 2016 to 2017. Gross profit margin increased 2.7 percentage points from 2016 to 2017. This increase in gross profit margin is related to higher utilization, largely in the construction solutions, disputes and investigations practices, partially offset by lower success fees in our health solutions practice.
- **Adjusted Segment EBITDA** was \$72.7 million, or 15.7% of segment revenues, compared to \$57.9 million, or 12.6% of segment revenues, in the prior year.

# Economic Consulting

## Services

- Antitrust & Competition Economics
- Business Valuation
- Center for Healthcare Economics and Policy
- Economic Impact Analysis
- Intellectual Property
- International Arbitration
- Labor & Employment
- Network Analysis
- Public Policy
- Regulated Industries
- Securities Litigation & Risk Management



	2013	2014	2015	2016	2017
<b>Segment Revenues</b>	\$447,366	\$451,040	\$447,909	\$500,487	\$496,029
<b>Segment Gross Profit Margin</b>	32.9%	27.0%	26.8%	27.3%	25.9%
<b>Segment SG&amp;A</b>	\$58,282	\$66,159	\$61,213	\$67,330	\$71,832
<b>Adjusted Segment EBITDA</b>	\$92,204	\$59,282	\$62,330	\$74,102	\$61,964
<b>Adjusted Segment EBITDA Margin</b>	20.6%	13.1%	13.9%	14.8%	12.5%
<b>Utilization</b>	81%	75%	72%	73%	67%
<b>Number of Revenue-Generating Professionals</b>	530	574	599	656	683

# Economic Consulting (continued)

## Segment Offering

The Economic Consulting segment, including subsidiary Compass Lexecon, provides analysis of complex economic issues. We help our clients with legal, regulatory and international arbitration proceedings; strategic decision making; and public policy debates around the world. We deliver sophisticated economic analysis and modeling of issues arising in M&A transactions, complex antitrust litigation, commercial disputes, international arbitration, regulatory proceedings and a wide range of securities litigation. Our statistical and economic experts help clients analyze complex economic issues, such as the economic impact of deregulation on a particular industry or the amount of damages suffered by a business as a result of particular events.

## Medium-Term Growth Opportunities

**Maintain leading position** of Compass Lexecon in the U.S.

**Grow overseas businesses** e.g., EMEA, Australia and Asia

**Develop adjacent businesses in the U.S.** e.g., International Arbitration, Energy, Healthcare, TMT and Financial Services

## FY 2017 Key Financial Commentary

- **Revenues** decreased \$4.5 million, or 0.9%, from 2016 to 2017. This decrease was primarily driven by lower demand for financial economics services in North America, which was partially offset by higher demand for antitrust services in EMEA and international arbitration services in North America.
- **Gross profit** decreased \$8.6 million, or 6.2%, from 2016 to 2017. Gross profit margin decreased 1.4 percentage points from 2016 to 2017. This decrease was primarily due to a decline in utilization, resulting from both lower demand and an increase in billable headcount.
- **Adjusted Segment EBITDA** was \$62.0 million, or 12.5% of segment revenues, compared to \$74.1 million, or 14.8% of segment revenues, in the prior year.

# Technology

## Consulting & Services

### E-discovery Services & Expertise

- Managed Review
- Computer Forensics
- Authorized Provider of Ringtail®, Radiance and Relativity

### Information Governance, Privacy & Security Services

- Microsoft Office 365 Migrations
- Data Remediation
- General Data Protection Regulation Readiness
- Cybersecurity

### Contract Intelligence

## Software

### Ringtail® E-Discovery Software

- On-Premise Licensing
- SaaS Subscriptions



	2013	2014	2015	2016	2017
<b>Segment Revenues</b>	\$202,663	\$241,310	\$218,599	\$177,720	\$174,850
<b>Segment Gross Profit Margin</b>	52.2%	48.0%	43.3%	39.5%	41.9%
<b>Segment SG&amp;A</b>	\$59,890	\$68,162	\$71,120	\$64,135	\$62,858
<b>Adjusted Segment EBITDA</b>	\$60,655	\$63,545	\$39,010	\$25,814	\$22,171
<b>Adjusted Segment EBITDA Margin</b>	29.9%	26.3%	17.8%	14.5%	12.7%
<b>Number of Revenue-Generating Professionals</b>	306	344	349	288	292



# Technology (continued)

## Segment Offering

---

The Technology segment is a leading provider of software and consulting services for e-discovery and information management. We assist clients with internal, regulatory and global investigations, early case assessment, litigation and joint defense, antitrust and competition investigations, including pre-merger notification “Second Request”, and the secure management, analysis and use of critical corporate information. We also help clients locate, review and produce electronically stored information (“ESI”). Our proprietary Ringtail® software and Acuity® managed review are used for e-discovery and document review in litigation and secure information management.

## Medium-Term Growth Opportunities

---

**Expand addressable market through new distribution channels** for Consulting & Services and Software

---

**Invest in new and adjacent services** e.g., Information Governance and Contract Intelligence

---

## FY 2017 Key Financial Commentary

---

- **Revenues** decreased \$2.9 million, or 1.6%, from 2016 to 2017. This decrease was primarily driven by lower pricing for hosting services as a result of a decline in legacy hosting matters at the end of their cycle, coupled with lower demand for managed review offerings, partially offset by higher demand for hosting services as a result of new engagements. Additionally, higher demand for consulting was driven by growth in new engagements as well as growth in information governance engagements.
- **Gross profit** increased \$3.2 million, or 4.6%, from 2016 to 2017. Gross profit margin increased 2.4 percentage points to 41.9% from 2016 to 2017. This margin increase was due to higher pricing for consulting, higher demand for hosting and lower depreciation expense, which was partially offset by lower pricing for hosting services.
- **Adjusted Segment EBITDA** was \$22.2 million, or 12.7% of segment revenues, compared to \$25.8 million, or 14.5% of segment revenues, in the prior year.

# Strategic Communications

## Services

- M&A Crisis Communications & Special Situations
- Capital Markets Communications
- Corporate Reputation
- Public Affairs & Government Relations
- Employee Engagement & Change Communications
- Digital & Creative Communications
- Public Affairs
- Strategy Consulting & Research



	2013	2014	2015	2016	2017
<b>Segment Revenues</b>	\$186,245	\$189,367	\$189,974	\$191,184	\$192,488
<b>Segment Gross Profit Margin</b>	34.7%	36.7%	36.3%	38.4%	36.7%
<b>Segment SG&amp;A</b>	\$47,874	\$48,890	\$42,720	\$44,409	\$44,046
<b>Adjusted Segment EBITDA</b>	\$18,737	\$22,588	\$27,727	\$30,458	\$27,732
<b>Adjusted Segment EBITDA Margin</b>	10.1%	11.9%	14.6%	15.9%	14.4%
<b>Number of Revenue-Generating Professionals</b>	590	566	599	647	630



# Strategic Communications (continued)

## Segment Offering

The Strategic Communications segment provides a comprehensive view of strategic communications with an integrated suite of services, including financial communications, corporate reputation, transaction communications and public affairs in all the major markets around the world.

## Medium-Term Growth Opportunities

**Further develop large, complex client relationships**

**Enhance market share in highly regulated industries** e.g., Financial Services, Energy, Healthcare, Industrials and TMT

**Leverage FTI Consulting's services and platform** to enhance client results

## FY 2017 Key Financial Commentary

- **Revenues** increased \$1.3 million, or 0.7%, from 2016 to 2017. This increase was due to higher retainer-based revenues across all regions, which was partially offset by lower project income in North America, primarily in the financial communications practice.
- **Gross profit** decreased \$2.8 million, or 3.8%, from 2016 to 2017. Gross profit margin decreased 1.7 percentage points from 2016 to 2017. This decrease was primarily due to fewer large, high-margin engagements in North America, as well as higher compensation as a result of increased average billable headcount.
- **Adjusted Segment EBITDA** was \$27.7 million, or 14.4% of segment revenues, compared to \$30.5 million, or 15.9% of segment revenues, in the prior year.

# Our Clients: We Serve the World's Leading Corporations and Law Firms



TOYOTA

ZeekRewards  
save money - make money

# 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 10 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®

THE NATIONAL  
LAW JOURNAL

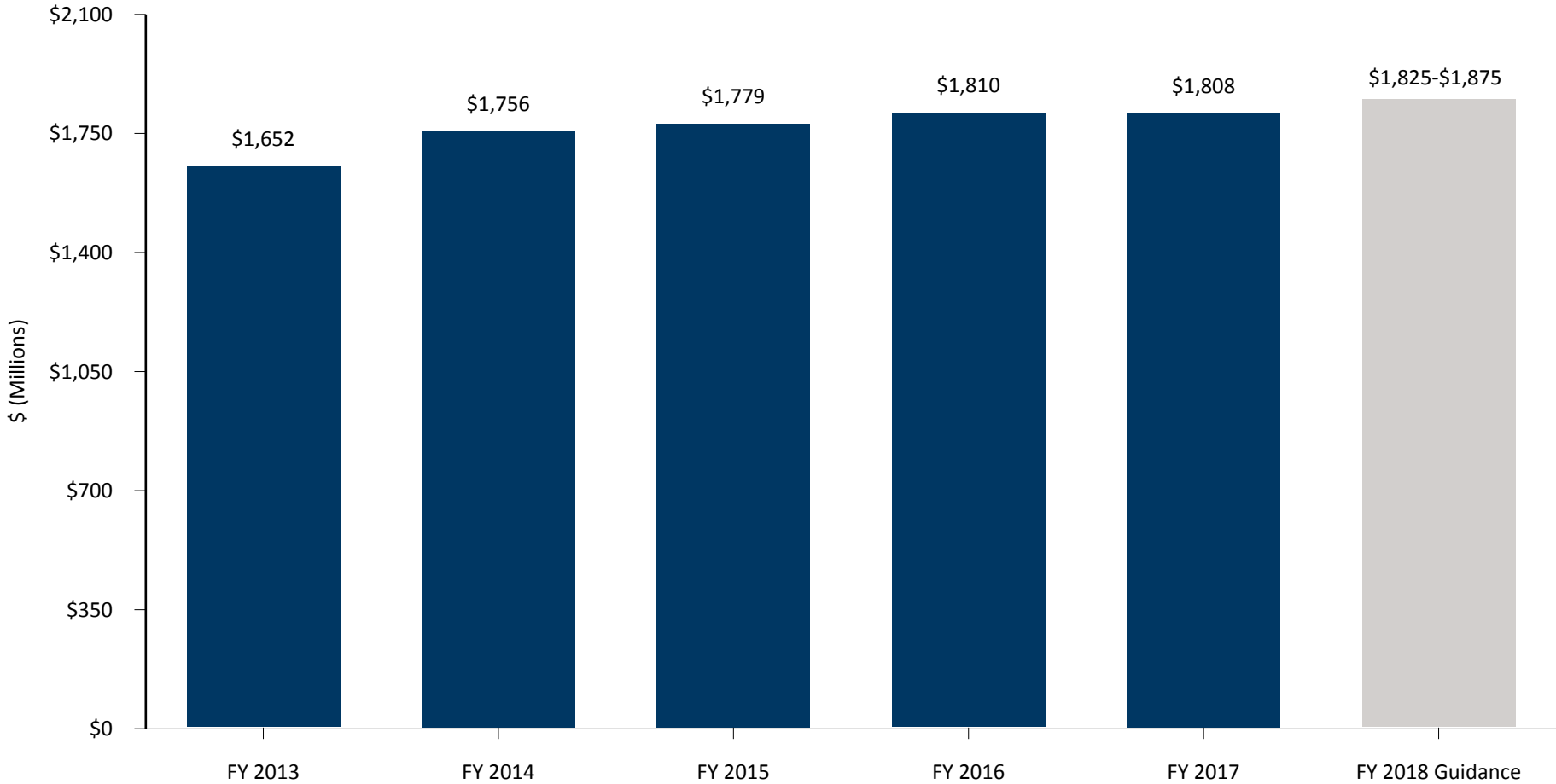
WHO'S WHO LEGAL  
WWL

IDC  
Analyze the Future

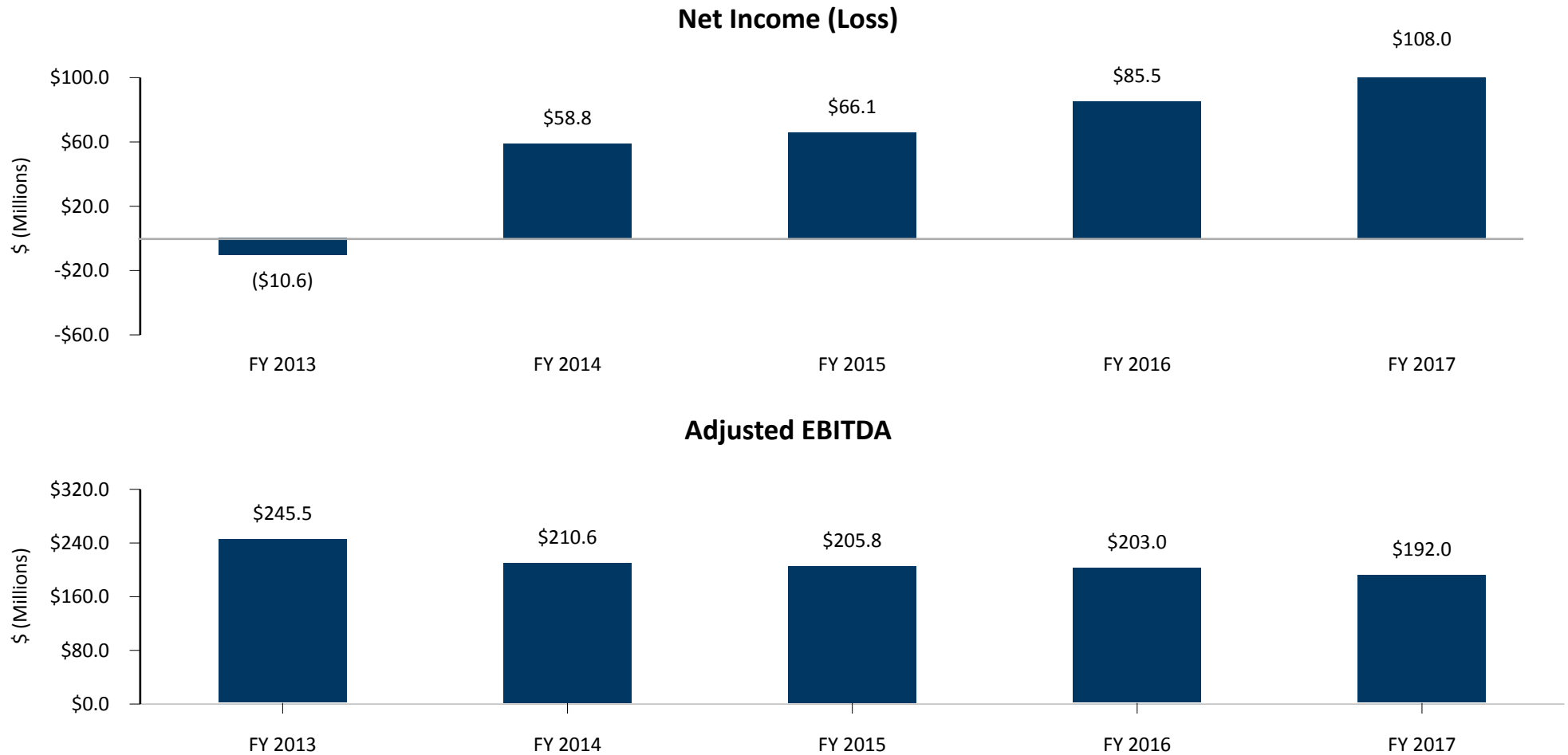
THE  
HOLMES  
REPORT

# Financial Overview

# FY 2013 – FY 2018 Guidance: Revenues



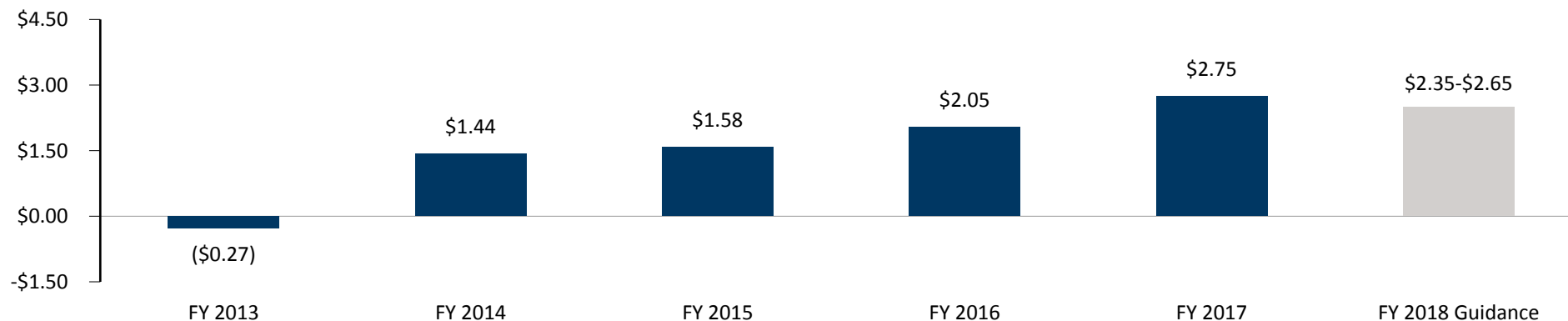
# FY 2013 – FY 2017: Net Income (Loss) and Adjusted EBITDA



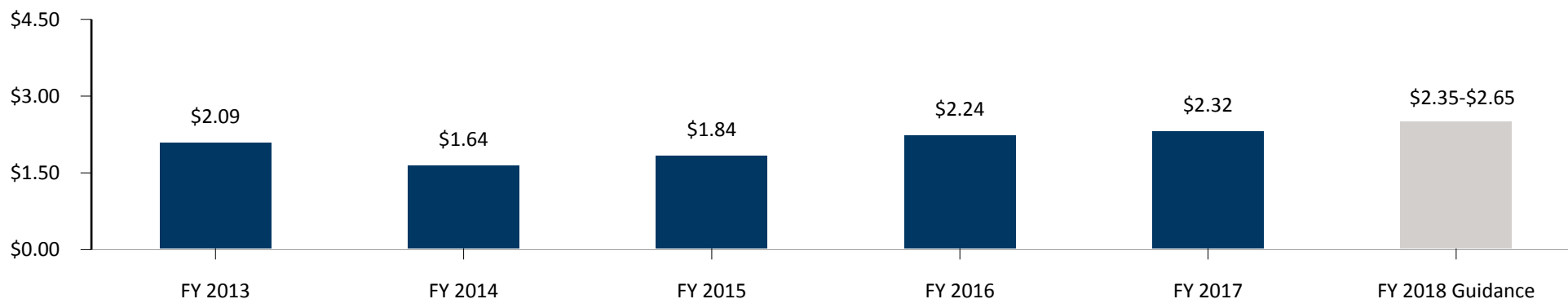
\*See accompanying financial tables and "End Notes: FTI Consulting Non-GAAP Financial Measures" for the definition and reconciliations of Adjusted EBITDA, which is a non-GAAP financial measure, to the most directly comparable GAAP financial measure.

# FY 2013 – FY 2018 Guidance: Earnings (Loss) Per Diluted Share and Adjusted Earnings Per Diluted Share

### Earnings (Loss) Per Diluted Share



### Adjusted Earnings Per Diluted Share



# Full Year 2017, 2016 and 2015: Select Cash Position and Capital Allocation

All numbers in thousands, except for DSOs

	FY 2017	FY 2016	FY 2015
<b>Cash and cash equivalents</b>	\$ 189,961	\$ 216,158	\$ 149,760
<b>Accounts receivable, net</b>	\$ 522,878	\$ 474,897	\$ 499,784
<b>Days sales outstanding ("DSO")</b>	91	91	97
<b>Net cash provided by operating activities</b>	\$ 147,625	\$ 233,488	\$ 139,920
<b>Purchases of property and equipment</b>	\$ (32,004)	\$ (28,935)	\$ (31,399)
<b>Purchase and retirement of common stock</b>	\$ (168,094)	\$ (21,489)	\$ (26,532)
<b>Total Debt<sup>1</sup></b>	\$ 400,000	\$ 370,000	\$ 500,000
<b>Free Cash Flow<sup>2</sup></b>	\$ 115,621	\$ 204,553	\$ 108,521

<sup>1</sup>Total debt excludes the reduction for deferred debt issue costs of \$3.7 million, \$4.5 million, and \$5.2 million as of December 31, 2017, 2016 and 2015, respectively.

<sup>2</sup>See accompanying financial tables and "End Notes: FTI Consulting Non-GAAP Financial Measures" for the definition and reconciliations of Free Cash Flow, which is a non-GAAP financial measure, to the most directly comparable GAAP financial measure.



# Financial Tables

## Reconciliations of Non-GAAP Financial Measures

## Reconciliation of Net Income (Loss) to Adjusted EBITDA

(in thousands)	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
<b>Net Income (Loss)</b>	<b>\$ 107,962</b>	<b>\$ 85,520</b>	<b>\$ 66,053</b>	<b>\$ 58,807</b>	<b>\$ (10,594)</b>
Interest income and other	(3,752)	(10,466)	(3,232)	(4,670)	(1,748)
Interest expense	25,358	24,819	42,768	50,685	51,376
Income tax provision (benefit)	(20,857)	42,283	39,333	42,604	42,405
Loss on early extinguishment of debt	—	—	19,589	—	—
Depreciation and amortization	31,177	38,700	31,392	33,989	32,541
Amortization of other intangible assets	10,563	10,306	11,726	15,521	22,954
Special charges	40,885	10,445	—	16,339	38,414
Remeasurement of acquisition-related contingent consideration	702	1,403	(1,867)	(2,723)	(13,555)
Goodwill impairment charge	—	—	—	—	83,752
<b>Adjusted EBITDA<sup>1</sup></b>	<b>\$ 192,038</b>	<b>\$ 203,010</b>	<b>\$ 205,762</b>	<b>\$ 210,552</b>	<b>\$ 245,545</b>

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

# Reconciliations of Net Income (Loss) to Adjusted Net Income and Earnings (Loss) Per Diluted Share to Adjusted Earnings Per Diluted Share

(in thousands, except for per share data)

	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
<b>Net income (loss)</b>	<b>\$107,962</b>	<b>\$85,520</b>	<b>\$66,053</b>	<b>\$58,807</b>	<b>\$(10,594)</b>
Add back:					
Special charges	40,885	10,445	—	16,339	38,414
Tax impact of special charges	(13,570)	(3,595)	—	(6,702)	(15,147)
Goodwill impairment charges <sup>1</sup>	—	—	—	—	83,752
Loss on early extinguishment of debt	—	—	19,589	—	—
Tax impact of loss on early extinguishment of debt	—	—	(7,708)	—	—
Remeasurement of acquisition-related contingent consideration	702	1,403	(1,867)	(2,722)	(13,555)
Tax impact of remeasurement of acquisition-related contingent consideration, net of tax	(269)	(546)	747	1,004	1,501
Impact of 2017 Tax Act	(44,870)	—	—	—	—
<b>Adjusted Net Income<sup>2</sup></b>	<b>\$90,840</b>	<b>\$93,227</b>	<b>\$76,814</b>	<b>\$66,726</b>	<b>\$84,371</b>
<b>Earnings (loss) per common share – diluted</b>	<b>\$2.75</b>	<b>\$2.05</b>	<b>\$1.58</b>	<b>\$1.44</b>	<b>\$(0.27)</b>
Add back:					
Special charges	1.04	0.25	—	0.40	0.98
Tax impact of special charges	(0.34)	(0.08)	—	(0.16)	(0.39)
Goodwill impairment charge <sup>1</sup>	—	—	—	—	2.14
Loss on early extinguishment of debt	—	—	0.47	—	—
Tax impact of loss on early extinguishment of debt	—	—	(0.19)	—	—
Remeasurement of acquisition-related contingent consideration, net of tax	0.02	0.03	(0.04)	(0.06)	(0.35)
Tax impact of remeasurement of acquisition-related contingent consideration, net of tax	(0.01)	(0.01)	0.02	0.02	0.05
Impact of 2017 Tax Act	(1.14)	—	—	—	—
Impact of denominator for diluted adjusted earnings per common share	—	—	—	—	(0.07)
<b>Adjusted earnings per common share – diluted<sup>2</sup></b>	<b>\$2.32</b>	<b>\$2.24</b>	<b>\$1.84</b>	<b>\$1.64</b>	<b>\$2.09</b>
Weighted average number of common shares outstanding – diluted	39,192	41,709	41,729	40,729	40,421

<sup>1</sup>The goodwill impairment charges are non-deductible for income tax purposes and resulted in no tax benefit for 2013.

<sup>2</sup>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.

## Reconciliation of Net Income to Total Adjusted Segment EBITDA

(in thousands)	FY 2017
<b>Net Income</b>	\$107,962
Add back:	
Income tax provision (benefit)	(20,857)
Interest income and other	(3,752)
Interest expense	25,358
Unallocated corporate expenses	83,140
Segment depreciation expense	27,112
Amortization of other intangible assets	10,563
Segment special charges	37,207
Remeasurement of acquisition-related contingent consideration	702
<b>Total Adjusted Segment EBITDA<sup>1</sup></b>	<b>\$267,435</b>

<sup>1</sup>See "End Notes: FTI Consulting Non-GAAP Financial Measures" for the definition of Total Adjusted Segment EBITDA, which is a non-GAAP financial measure.

# Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow

(in thousands)	FY 2017	FY 2016	FY 2015
<b>Net cash provided by operating activities</b>	<b>\$147,625</b>	<b>\$233,488</b>	<b>\$139,920</b>
Purchases of property and equipment	(32,004)	(28,935)	(31,399)
<b>Free Cash Flow<sup>1</sup></b>	<b>\$115,621</b>	<b>\$204,553</b>	<b>\$108,521</b>

<sup>1</sup>See "End Notes: FTI Consulting Non-GAAP Financial Measures" for the definition of Free Cash Flow, which is a non-GAAP financial measure.

# 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.*

**EXPERTS WITH IMPACT™**