SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A

CURRENT REPORT

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

Date of Report (Date of earliest event reported): November 3, 2003

FTI CONSULTING, INC.
(Exact Name of Registrant as Specified in Charter)

Maryland	001-14875	52-1261113
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

900 Bestgate Road, Suite 1000 **Annapolis, Maryland**	**21401**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (410) 224-8770

On November 4, 2003, FTI Consulting, Inc. ("FTI") filed a report on Form 8-K with the Securities and Exchange Commission stating that on November 3, 2004 FTI had completed the acquisition of assets and certain liabilities of the domestic Dispute Advisory Services Business of KPMG LLP (the "DAS Business") through its acquisition subsidiary, DAS Business LLC. On November 14, 2003, FTI filed its Form 8-K reporting financial statements and pro forma financial information would be filed within 60 days after the initial filing.

The DAS Business was not a separate reporting unit of KPMG. Accordingly, separate complete historical financial statements for the DAS Business are not available and, in FTI's opinion, the preparation of complete separate financial statements for the DAS Business would include financial information and require arbitrary allocations of expenses that would not be meaningful to investors. Accordingly, FTI requested that the Commission's Staff not object to the presentation of an audited statement of assets acquired and a statement of operating revenue and expenses directly related to the DAS Business for the year ended September 30, 2003 in satisfaction of Rule 3-05 of Regulation S-X, as required by Item 7(a) of Form 8-K. In a letter dated November 4, 2003 to Theodore I. Pincus, Executive Vice President and Chief Financial Officer of FTI, the Commission agreed not to object to this proposed financial statement presentation of the DAS Business in satisfaction of Rule 3-05 of Regulation S-X. This Form 8-K/A contains such financial statements and information and required pro forma financial information.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(a) Financial Statements of Business Acquired:

Statements of Revenues and Direct Expenses and Assets Acquired Associated with the DAS Business of KPMG LLP as of and for the fiscal year ended September 30, 2003 and Report of Independent Certified Public Accountants.

Notes to Statements of Revenues and Direct Costs and Assets Acquired Associated with the DAS Business of KPMG LLP.

(b) Pro Forma Financial Information:

Unaudited Pro Forma Condensed Combined Statement of Income for the year ended December 31, 2002, which includes FTI's historical results of operations for its fiscal year ended December 31, 2002 combined with the historical operating revenues and expenses directly related to the DAS Business for KPMG's fiscal year ended September 30, 2003.

Unaudited Pro Forma Condensed Combined Statement of Income for the nine months ended September 30, 2003, which includes FTI's historical results of operations for the nine months ended September 30, 2003 combined with the historical operating revenues and expenses directly related to the DAS Business for the nine months ended September 30, 2003.

Unaudited Pro Forma Condensed Combined Balance Sheet and Statement of Net Assets Acquired at September 30, 2003.

Notes to unaudited Pro Forma Condensed Combined Financial Statements.

(c) Exhibits:

Exhibit No.	Description
2.1	Asset Purchase Agreement dated October 22, 2003, by and among KPMG LLP, DAS Business LLC and FTI Consulting, Inc. (previously filed as Exhibit 2.1 to Form 8-K filed on October 22, 2003)
23.1	Consent of Grant Thornton LLP, Independent Auditors
99.1	Audited Financial Statements and Report of Independent Certified Public Accountants on the Statements of Revenues and Direct Expenses and Assets Acquired Associated with the DAS Business of KPMG LLP as of and for the fiscal year ended September 30, 2003, including notes thereto.
99.2	Unaudited Pro Forma Condensed Combined Statement of Income for the year ended December 31, 2002, which includes FTI's historical results of operations for its fiscal year ended December 31, 2002 combined with the historical operating revenues and expenses directly related to the DAS Business for KPMG's fiscal year ended September 30, 2003, Unaudited Pro Forma Condensed Combined Statement of Income for the nine months ended September 30, 2003, which includes FTI's historical results of operations for the nine months ended September 30, 2003 combined with the historical operating revenues and expenses directly related to the DAS Business for the nine months ended September 30, 2003, and Unaudited Pro Forma Condensed Combined Balance Sheet and Statement of Net Assets Acquired at September 30, 2003, including notes thereto.

SIGNATURES

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

FTI CONSULTING, INC.

Dated: January 14, 2004

By: /s/ THEODORE I. PINCUS

Theodore I. Pincus
Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
23.1	Consent of Grant Thornton LLP, Independent Auditors
99.1	Audited Financial Statements and Report Independent Certified Public Accountants on the Statements of Revenues and Direct Expenses and Assets Acquired Associated with to the DAS Business of KPMG LLP as of and for the fiscal year ended September 30, 2003, including notes thereto.
99.2	Unaudited Pro Forma Condensed Combined Statement of Income for the year ended December 31, 2002, which includes FTI’s historical results of operations for its fiscal year ended December 31, 2002 combined with the historical operating revenues and expenses directly related to the DAS Business for KPMG’s fiscal year ended September 30, 2003, Unaudited Pro Forma Condensed Combined Statement of Income for the nine months ended September 30, 2003, which includes FTI’s historical results of operations for the nine months ended September 30, 2003 combined with the historical operating revenues and expenses directly related to the DAS Business for the nine months ended September 30, 2003, and Unaudited Pro Forma Condensed Combined Balance Sheet and Statement of Net Assets Acquired at September 30, 2003, including notes thereto.

Exhibit 23.1

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We have issued our report dated December 23, 2003, accompanying the Statements of Assets Acquired at September 30, 2003 and the Statement of Revenues and Direct Expenses associated with the Business Acquired for the year ended September 30, 2003 of the KPMG Dispute Advisory Services included in the Form 8-K/A of FTI Consulting, Inc. dated November 3, 2003. We hereby consent to the incorporation by reference of said report in the Registration Statements of FTI Consulting, Inc. on Forms S-8 (File No. 333-19251, effective January 3, 1997, File No. 333-30173, effective June 2, 1997, File No. 333-30357, effective June 30, 1997, File No. 333-32160, effective March 10, 2000, File No. 333-64050, effective June 28, 2001, File No. 333-92384, effective July 15, 2003 and File No. 333-105741, effective May 30, 2003).

GRANT THORNTON LLP

Edison, New Jersey
January 14, 2004

EXHIBIT 99.1

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
KPMG LLP

We have audited the accompanying Statement of Assets Acquired at September 30, 2003, and Statement of Revenues and Direct Expenses Associated with the Business Acquired for the year ended September 30, 2003 of the KPMG Dispute Advisory Services (the "Statements"). These Statements are the responsibility of the management of KPMG LLP. Our responsibility is to express an opinion on these Statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Statements. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Statements were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in the Form 8-K of FTI Consulting, Inc., the purchaser of the KPMG Dispute Advisory Services business) as described in Note 2 to the Statements, and do not purport to be a complete presentation of the assets acquired or revenues and expenses that would have resulted if the KPMG Dispute Advisory Services business had operated as an unaffiliated independent company.

In our opinion, the Statements referred to above present fairly, in all material respects, the Assets Acquired at September 30, 2003, and the Revenue and Direct Expenses Associated with the Business Acquired for the year ended September 30, 2003, as described in Note 2, of the KPMG Dispute Advisory Services in conformity with accounting principles generally accepted in the United States of America.

GRANT THORNTON LLP

Edison, New Jersey
December 23, 2003

KPMG DISPUTE ADVISORY SERVICES

Statement of Revenues and Direct Expenses Associated with the Business Acquired
For the Year Ended September 30, 2003

(In Thousands)

Revenues associated with the Business Acquired	$73,999
Direct Expenses:	
Billable professionals compensation and benefits:	
Partner compensation earned	$13,953
Non-Partner compensation	12,733
Fringe benefits and vacation provision	2,670
Reimbursable and subcontractor costs	6,946
Other expenses:	
Administrative employees salaries and benefits	799
Non-reimbursable costs	1,697
Bad debt expenses	2,064
Depreciation of computer equipment	116
Total direct expenses associated with the Business Acquired	$40,978

The accompanying notes are an integral part of this statement of revenues and direct expenses.

KPMG DISPUTE ADVISORY SERVICES
Statement of Assets Acquired
As of September 30, 2003
(In Thousands)

Computer Equipment --	
Original cost	$347
Less: Accumulated depreciation	($169)
Net book value of assets acquired	$178

The accompanying notes are an integral part of this statement of assets acquired.

KPMG DISPUTE ADVISORY SERVICES

Notes to Statements of Revenues and Direct Expenses and Assets Acquired

For the Year Ended September 30, 2003

1. NATURE OF OPERATIONS

Under its Forensic Services practice, KPMG LLP ("KPMG") provides a variety of professional service offerings designed to assist organizations respond to concerns related to fraud and misconduct, avert or successfully resolve regulatory actions and lawsuits, manage discovery, recover lost revenue, and maintain or restore their reputation and integrity. The Forensic Services Business Unit ("Forensic") is comprised of three integrated practices namely, investigative and integrity advisory; dispute advisory; and, technology. Services are provided to Forensic clients by cross-functional teams possessing certain skills and using certain tools common throughout Forensic. During the fiscal year ended September 30, 2003, approximately 46 partners, 480 client service professionals, and 54 administrative people constituted Forensic. The dispute advisory services comprise those professional service offerings designed to assist clients in the analysis and resolution of all phases of complex claims and disputes in a variety of forums, including litigation, arbitration, mediation, and other forms of dispute resolution.

The Dispute Advisory Services Business ("DAS") represents a definitive group of 24 partners and 140 client service professionals (supported by 13 administrative personnel) skilled in providing forensic services, including dispute advisory services. On October 22, 2003, KPMG and FTI Consulting, Inc. ("FTI") entered into an agreement for the purchase and sale of substantially all of KPMG's domestic dispute advisory services practice (the "Agreement"). The terms of the Agreement call for FTI to pay $89.1 million for the DAS business, consisting of the book-of-business of the 24 partners and 3 managing directors, and assets limited to laptop computers and peripherals used by the related partners, managing directors and other employees. Further, the Agreement provides for a preclusion of KPMG from providing DAS services except for immaterial amounts. Accounts receivable (billed and unbilled), accrued compensation costs, and other assets and liabilities are specifically retained by KPMG pursuant to the Agreement. This transaction was completed and effective October 31, 2003. The Statement of Revenues and Direct Expenses Associated with the Business Acquired reflects the revenues derived from the book-of-business of the specific 24 partners and 3 managing directors (the "Principals"), and costs and expenses directly attributable to the definitive group comprising DAS. See Note 2.

KPMG, registered as a Limited Liability Partnership in the State of Delaware, is a type of general partnership that limits the liabilities of partners for negligence, wrongful acts, or misconduct where the partners are neither involved nor have direct supervision and control of any person who was involved in any such activity.

2 BASIS OF PRESENTATION

The Statements were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in the Form 8-K of FTI Consulting, Inc., the purchaser of the KPMG Dispute Advisory Services business), and do not purport to be a complete presentation of the assets acquired or revenues and expenses that would have resulted if the KPMG Dispute Advisory Services business had operated as an unaffiliated independent company. The reported amounts may not be indicative of results for future periods.

Historically Prepared Financial Information for KPMG Forensic Services Business Unit

KPMG management routinely prepares and reviews a statement of operating income for the entire KPMG Forensic Services. This statement of operating income includes revenues, direct costs of revenue, and certain practice related costs. Direct costs of revenue include principally the compensation of assigned professional staff. Practice related costs include the overhead costs directly attributed to KPMG Forensic Services, and consist principally of practice specific marketing costs, bad debt expense, administrative support, depreciation, and allocated interest expense. The statement of operating income of the KPMG Forensic Services excludes any allocations of firm-wide expenses, such as rent, insurance, national marketing, data processing and accounting, and the cost of national support offices.

Applicable Financial Information for DAS

Because DAS is not a separate reporting unit of KPMG, separate and complete historical financial statements are not available. Furthermore, separate bank accounts were not maintained for the DAS business. The statement of revenues and direct expenses of the business acquired and the statement of assets acquired were derived from the books and records of KPMG.

Revenues represent amounts associated with the book-of-business for the year ended September 30, 2003, of the Principals. Given the level of integration and commonality among the Forensic services, the associated book-of-business of the Principals includes revenues derived from non-DAS services, and excludes fees earned by KPMG in the delivery of dispute advisory services by other Forensic partners and managing directors that are not part of the Principals joining FTI.

Direct expenses associated with the DAS business acquired include the compensation costs of the people joining FTI, both professional and administrative, including partners and managing directors; fringe benefit costs associated with the non-partner employees (partners are personally responsible for financing their respective fringe benefits); engagement out-of-pocket expenses billed to and reimbursable from clients; expenses incurred by the DAS partner and employee group not billable to specific engagements; an estimate of client billings deemed uncollectible; and, annual depreciation expense of computer equipment acquired by FTI. These expenses do not necessarily reflect the direct cost in producing the revenues associated with the DAS business acquired.

The statement of revenue and direct expenses associated with the business acquired does not include allocations of firm-wide expenses, goodwill amortization expense or allocations of KPMG Forensic Services costs, and interest.

The statement of assets acquired includes only those assets specifically identified in the Agreement.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition --

Revenues include all amounts billable to third party clients for professional services provided thereto, and are recognized in the period in which services are rendered. Substantially all revenues are recognized on a time and materials basis. Reimbursable expenses, including those related to travel and other out-of-pocket expenses, as well as subcontractor fees and expenses, are also included in revenues.

Revenues are recognized using billing rates expected to be billed and collected from clients. A specific reserve requirement is performed on amounts due from clients, with adjustments to billed receivables being reflected in bad debt expense, and adjustments to unbilled amounts being reflected as a reduction of revenue. The adequacy of reserves and the timing of recording such adjustments is evaluated using several factors including the length of time the billed receivable is past due, changes in a client's creditworthiness, and recoverability of charged time to an engagement.

Compensation and Benefits -

Compensation and benefits costs include non-partner professional compensation (both salaries and incentive compensation) and related fringe benefits, as well as the applicable share of KPMG earnings for the fiscal year ended September 30, 2003 earned by the partners joining FTI.

KPMG LLP is a partnership where earnings are allocable to its partners and principals. Partnership distributions are not considered "executive compensation" in the customary sense of that term because partnership distributions are comprised of distributions of current earnings. Therefore, it is not practical to differentiate the ownership components of distributions to partners from the compensation components. Accordingly, such distributions are reflected as an expense in the statement of revenues and direct expenses associated with the business acquired with no differentiation made as to the type of partner distribution.

Employees participated in KPMG-sponsored medical, savings and retirement benefit plans through the effective date of the Agreement. The related costs are charged to the business units at a rate of $5 per-available-hour (2,088 annually), per employee. The hourly rate represents a firmwide allocation of health care, savings and retirement benefit costs to all business units, and may not necessarily reflect the actual expenses incurred and associated with a specific employee group such as DAS. A provision for earned vacation and other personal time amounting to $473,000 is included in the statement of revenues and direct expenses associated with the business acquired. The associated accrued liability was retained by KPMG and settled directly with the affected employees upon closing.

An incentive compensation plan provides for awards to be paid to employees for exceptional performance. Such amounts included in the statement of revenues and direct expenses associated with the business acquired total approximately $560,000, representing actual amounts earned for the fiscal year ended September 30, 2003, and subsequently paid by KPMG directly to the employees upon closing.

Other Expenses - Other expenses include out-of-pocket costs incurred by DAS professionals that are not specific to the delivery of professional services to clients. Such costs are recognized in the period during which the related partners and employees submit their expense reports, which correlates to the time during which the expenses were incurred. Also included is compensation and benefits for non-client service and practice support personnel directly assigned to DAS (and whom are joining FTI), depreciation expense applicable to the computer equipment acquired by FTI, and receivables resulting from the book-of-business of the Principals deemed uncollectible.

Computer Equipment - Computer equipment is reported at cost. Depreciation is provided on the straight-line method over three years.

Provision for Taxes - No provision for income taxes is recorded as the obligation (for income taxes) accrues directly to the partners and not the business.

Use of Estimates -- Management of the business is required to make certain estimates and assumptions during the preparation of the statement of revenues and direct expenses associated with the business acquired that affect the reported amount of revenues and direct expenses during the reporting period. Actual results could differ from those estimates.

4 SUPPLEMENTAL CASH FLOW

Actual receipts and disbursements approximated respective reported amounts included in the statement of revenues and direct expenses associated with the business acquired. Purchases of computer equipment totaled approximately $14,000 during the fiscal year ended September 30, 2003.

5 CONCENTRATION

Two clients accounted for approximately 12% and 10% of the DAS revenues for the year ended September 30, 2003.

Exhibit 99.2

Pro Forma Financial Information.

On November 3, 2003, we acquired, through our acquisition subsidiary, DAS Business LLC, certain assets and liabilities of the dispute advisory services, or DAS, business of KPMG LLP, a U.S. accounting and tax firm, in exchange for $89.125 million in cash. We also incurred acquisition-related expenses of about $1.0 million, and we incurred a liability due to KPMG primarily for computer equipment KPMG purchased on our behalf. The dispute advisory services business assists clients in the analysis and resolution of all phases of complex disputes in a variety of forums, including litigation, arbitration, mediation and other forms of dispute resolution. We primarily acquired client backlog, goodwill and a nominal amount of computer equipment. We did not acquire the accounts receivable or any other working capital related to KPMG's DAS business. Accordingly, we will be required to fund the initial operations of the acquired DAS business out of our existing cash balances or our revolving line of credit until we begin to receive sufficient cash collections from billing and collection efforts for services provided.

KPMG, LLP has a fiscal year end of September 30, while we have a fiscal year end of December 31. The accompanying unaudited pro forma combined statements of income for the year ended December 31, 2002 and the nine months ended September 30, 2003 give effect to the acquisition of the DAS business as if the acquisition had occurred on January 1, 2002. The pro forma combined statement of income for the year ended December 31, 2002 includes our historical results of operations for the year ended December 31, 2002 combined with the historical revenues and expenses directly related to the DAS business for its fiscal year ended September 30, 2003. The pro forma combined statement of income for the nine months ended September 30, 2003 includes our historical results of operations for the nine months ended September 30, 2003 combined with the unaudited operating revenues and expenses directly related to the DAS business for the nine months ended September 30, 2003.

It was not practicable for us to obtain the historical operating revenues and direct expenses of DAS for the year ended September 30, 2002. In addition, because a large portion of the former DAS partners and employees were hired by DAS in May 2002, the operating results of DAS for the year ended September 30, 2002 would have been substantially different than the operating results of the business we acquired. Accordingly, we believe we have presented a more meaningful pro forma presentation of our historical results of operations by combining our historical statement of income for the year ended December 31, 2002 with the DAS statement of revenues and direct expenses for the year ended September 30, 2003.

The DAS business was not a separate reporting unit of KPMG. Accordingly, separate complete historical financial statements for KPMG's DAS business are not available and, in management's opinion, the preparation of complete separate financial statements for the DAS business would require arbitrary allocations of expenses that would not be meaningful. The DAS statement of revenues and direct costs associated with the business acquired, presented in our pro forma statements of income, includes revenues from the book-of-business of the 24 partners and 3 directors who joined FTI, direct expenses including billable professional employees compensation and benefits of personnel joining FTI, reimbursable and subcontractor costs and some practice related costs. Practice related costs consist principally of non-reimbursable costs, bad debt expense, administrative support, and depreciation.

The direct expenses of DAS do not include an allocation of KPMG firm wide expenses, such as rent, insurance, national marketing, data processing, accounting, the cost of national support offices and other similar corporate expenses. The DAS business could not operate on a stand-alone basis without incurring some or all of these expenses. As a result, the unaudited pro forma combined statements of income are not indicative of what the actual results would have been had the DAS acquisition been completed on the date indicated nor do they purport to indicate the results of our future operations or the future operations of the DAS business.

The accompanying unaudited pro forma combined balance sheet and statement of net assets acquired at September 30, 2003 gives effect to the acquisition of DAS as if the acquisition had occurred on September 30, 2003. We will allocate the cost of the acquisition of the DAS assets to identifiable assets and liabilities based on their estimated relative fair values. We have not completed our allocation process, and therefore the allocation of the purchase price for the DAS assets included in the accompanying pro forma combined financial statements is preliminary. We are performing a valuation of the intangible assets that we acquired from DAS. The estimated valuation of these intangible assets for purposes of preparing the accompanying unaudited pro form a combined financial statements is based on the data that we have developed to date, and we will complete our valuation in 2004. The final purchase price allocation is not expected to vary significantly from the preliminary allocation included in the accompanying unaudited pro forma combined financial statements.

The pro forma adjustments are described in the accompanying notes and are based upon available information and various assumptions that management believes are reasonable. These adjustments give effect to events directly attributable to the acquisition and do not reflect any restructuring or integration costs, or any potential cost savings or other synergies that management expects to realize as a result of the transaction. The unaudited pro forma combined financial statements do not purport to represent what our financial position and results of operations would have actually been had the acquisition occurred on the dates indicated, and as previously stated, cannot be considered indicative of actual results because the DAS information is not complete. You should read the unaudited pro forma combined financial statements in conjunction with our historical consolidated financial statements and notes contained in our annual report on Form 10-K for the year ended December 31, 2002 and our subsequent quarterly reports on Form 10-Q for the quarters ended March 31, 2003, June 30, 2003 and September 30, 2003. You should also read the historical financial statements of DAS, which are included elsewhere in this Form 8-K/A.

Unaudited Pro Forma Condensed Combined Statements of Income

	Year Ended December 31, 2002				
	Historical FTI	Historical DAS(2)	Subtotal	Pro Forma Adjustments	Pro Forma Total
			(in thousands)		
Revenues	$ 224,113	$ 73,999	$298,112	$ --	$298,112
Operating expenses					
Direct cost of revenues/(1)/	108,104	36,302	144,406	1,536 (a)	145,942
Selling, general and administrative expense/(1)/	51,647	4,676	56,323	32 (b)	56,355
Amortization of other intangible assets	1,033	--	1,033	2,000 (c)	3,033
	160,784	40,978	201,762	3,568	205,330
Operating income/(1)/	63,329	33,021	96,350	(3,568)	92,782
Interest expense, net	(4,717)	--	(4,717)	--	(4,717)
Income from continuing operations before income taxes/(1)/	58,612	33,021	91,633	(3,568)	88,065
Income taxes/(1)/	23,704	--	23,704	11,911 (d)	35,615
Income from continuing operations/(1)/	$ 34,908	$ 33,021	$ 67,929	$(15,479)	$ 52,450
Earnings per common share from continuing operations/(1)/					
Basic	$ 1.09				$ 1.64
Diluted	$ 1.02				$ 1.53
Weighted average number of common shares outstanding					
Basic	32,031				32,031
Diluted	34,197			-- (e)	34,197

/(1)/ The DAS business was not a separate reporting unit of KPMG and separate complete historical financial statements are not available. The information included in this statement consists of the revenue from the book-of-business of the 24 partners and 3 directors who joined FTI and direct expenses of the DAS business (compensation and benefits of the professionals and administrative personnel joining FTI, reimbursable and subcontractor costs, bad debts and some other practice related expenses), but do not include any allocation of KPMG firm wide expenses such as rent, insurance, national marketing, data processing, accounting, the cost of national support offices and other similar corporate expenses. Accordingly, these statements are not indicative nor do they purport to indicate the results of our future operations or the future operations of the DAS business.

/(2)/ Amounts for the year ended September 30, 2003.

Unaudited Pro Forma Condensed Combined Statements of Income

	Nine Months Ended September 30, 2003				
	Historical FTI	Historical DAS	Subtotal	Pro Forma Adjustments	Pro Forma Total
	(in thousands)				
Revenues	$279,470	$ 49,257	$328,727	$ --	$328,727
Operating expenses					
Direct cost of revenues/(1)/	126,998	26,703	153,701	1,266 (a)	154,967
Selling, general and administrative expense/(1)/	59,119	3,477	62,596	16 (b)	62,612
Amortization of other intangible assets	2,325	--	2,325	1,000 (c)	3,325
	188,442	30,180	218,622	2,282	220,904
Operating income/(1)/	91,028	19,077	110,105	(2,282)	107,823
Interest expense, net	(3,416)	--	(3,416)	--	(3,416)
Income from continuing operations before income taxes/(1)/	87,612	19,077	106,689	(2,282)	104,407
Income taxes	35,485	--	35,485	6,802 (d)	42,287
Income from continuing operations/(1)/	$ 52,127	$ 19,077	$ 71,204	$ (9,084)	$ 62,120
Earnings per common share from continuing operations/(1)/					
Basic	$ 1.28				$ 1.53
Diluted	$ 1.25				$ 1.49
Weighted average number of common shares outstanding					
Basic	40,597				40,597
Diluted	41,806			20 (e)	41,826

/(1)/ The DAS business was not a separate reporting unit of KPMG and separate complete historical financial statements are not available. The information included in this statement consists of the revenue from the book-of-business of the 24 partners and 3 directors who joined FTI and direct expenses of the DAS business (compensation and benefits of the professionals and administrative personnel joining FTI, reimbursable and subcontractor costs, bad debts and some other practice related expenses), but do not include any allocation of KPMG firm wide expenses such as rent, insurance, national marketing, data processing, accounting, the cost of national support offices and other similar corporate expenses. Accordingly, these statements are not indicative nor do they purport to indicate the results of our future operations or the future operations of the DAS business.

Unaudited Pro Forma Combined Balance Sheet and Statement of Net Assets Acquired

	At September 30, 2003					
	Historical FTI	Historical DAS	Subtotal	Pro Forma Adjustments		Pro Forma Total
Assets			(in thousands)			
Current assets						
Cash and cash equivalents	$ 133,418	$ --	$ 133,418	$ (90,125)	(1)	$ 43,293
Accounts receivable, net of allowance	36,919	--	36,919	--		36,919
Unbilled receivables, net of allowance	21,159	--	21,159	--		21,159
Prepaid expenses and other current assets	6,105	--	6,105	--		6,105
Total current assets	197,601	--	197,601	(90,125)		107,476
Property and equipment, net	18,188	178	18,366	48	(2)	18,414
Goodwill	298,315	--	298,315	87,120	(3)	385,435
Other intangible assets, net	1,742	--	1,742	3,000	(3)	4,742
Notes receivable and other assets	12,691	--	12,691	--		12,691
Total assets	$ 528,537	$ 178	$ 528,715	$ 43		$ 528,758
Liabilities and Stockholders' Equity						
Current liabilities						
Accounts payable and other current liabilities	$ 35,153	$ --	$ 35,153	$ --		$ 35,153
Due to seller	--	--	--	65	(2)	65
Current portion of long-term debt	9,504	--	9,504	--		9,504
Billings in excess of services provided	18,361	--	18,361	156		18,517
Total current liabilities	63,018	--	63,018	221		63,239
Long-term debt, net of current portion	11,375	--	11,375	--		11,375
Deferred income taxes and other liabilities	13,300	--	13,300	--		13,300
Stockholders' equity						
Common stock	418	--	418	2	(4)	420
Additional paid-in capital	325,684	--	325,684	4,077	(4)	329,761
Net assets acquired	--	178	178	(178)	(5)	--
Unearned compensation	(79)	--	(79)	(4,079)	(4)	(4,158)
Retained earnings	115,003	--	115,003	--		115,003
Accumulated other comprehensive loss	(182)	--	(182)	--		(182)
Total stockholders' equity	440,844	178	441,022	(178)		440,844
Total liabilities and stockholders' equity	$ 528,537	$ 178	$ 528,715	$ 43		$ 528,758

Notes to Unaudited Pro Forma Condensed Combined Financial Statements
(dollar amounts in tables expressed in thousands)

1. The DAS Acquisition

On November 3, 2003, we acquired, through our acquisition subsidiary, DAS Business LLC, certain assets and liabilities of the dispute advisory services, or DAS, business of KPMG, LLP in a purchase business combination. The purchase price primarily includes cash paid at closing and the estimated acquisition-related costs. The purchase price is summarized as follows.

Cash	$ 89,125
Estimated amounts due to seller	65
Estimated acquisition related costs	1,000
	$ 90,190

2. Adjustments to Unaudited Pro Forma Condensed Combined Statements of Income

Adjustments to the unaudited pro forma condensed combined statements of income for the year ended December 31, 2002 and the nine-month period ended September 30, 2003 in connection with the DAS acquisition are presented below.

(a) Adjustment to record pro forma retirement and other benefits for the former partners and non-partner employees of DAS. Historically, partners of DAS were personally responsible for their respective fringe benefits. Therefore, the historical operating results for DAS did not include partner benefit related expenses. In addition, historical benefits expenses for former non-partner employees of DAS were charged to the business units at a rate of $5.00 per available hour per employee. The adjustment reflects an estimate of what the employee benefit compensation expense would have been under FTI's benefit plans. The adjustment also includes equity related compensation expense attributable to restricted shares of FTI common stock issued to former partners of DAS pursuant to employment arrangements we entered into at the time of the acquisition.

(b) Adjustment to record additional depreciation expense attributable to computer equipment acquired by the seller on our behalf using a remaining estimated useful life of 18 months.

(c) Adjustment to record pro forma amortization expense for the $3.0 million of estimated other intangible assets recorded when we acquired DAS. These intangible assets consist primarily of engagement backlog and will be amortized over three years.

(d) Adjustment to record pro forma income tax expense for

- the operations of DAS for which no taxes were provided in the historical financial statements because DAS was a component of a partnership, and

- the estimated tax effects of pro forma adjustments, all at our combined effective income tax rate of 40.4% in 2002 and 40.5% in 2003.

(e) Adjustment to increase the diluted weighted average shares outstanding for the 205,000 restricted shares of our common stock that we issued to former partners of DAS pursuant to employment arrangements we entered into at the time of the acquisition. The issuance of these shares had an antidilutive effect on the pro forma calculation of diluted earnings per share for the year ended December 31, 2002.

3. Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet

The adjustments we made to the unaudited pro forma condensed combined balance sheet at September 30, 2003 in connection with the DAS acquisition are presented below.

(1) Adjustment to record the use of cash to purchase DAS. Upon the closing of the acquisition, we paid KPMG, LLP $89.125 million and incurred transaction costs of about $1.0 million.

(2) Adjustment to reflect estimated liability to seller in the amount of $65,000 primarily for additional computer equipment acquired by the seller on our behalf.

(3) Adjustment to record the allocation of the purchase price to goodwill and other intangible assets acquired in the transaction. The estimated purchase price of $90.2 million has been assigned to the tangible and intangible assets acquired and liabilities assumed as discussed above.

(4) Adjustment to record restricted shares of our common stock that we issued to former partners of DAS pursuant to employment arrangements we entered into at the time of the acquisition.

(5) Adjustment to eliminate the value of net assets acquired.