



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	© VALUE LINE PUB., INC.	13-15
Revenues per sh	5.67	5.66	6.22	8.89	10.05	13.83	16.90	20.44	25.39	29.80	30.55	34.10		50.00
"Cash Flow" per sh	.65	.86	1.14	1.74	1.32	1.96	1.91	2.43	3.34	4.18	3.80	4.50		7.40
Earnings per sh ^A	.44	.56	1.02	1.58	1.10	1.40	1.37	1.95	2.34	2.70	2.45	3.00		5.25
Div'ds Decl'd per sh	--	--	--	--	--	--	--	--	--	--	Nil	Nil		Nil
Cap'l Spending per sh	.28	.15	.24	.25	.28	.46	.72	.74	.70	.61	.65	.70		.90
Book Value per sh ^B	2.89	3.58	7.44	10.77	11.68	11.65	13.49	19.85	22.06	23.50	25.85	29.30		40.00
Common Shs Outst'g ^C	23.78	29.39	36.01	42.25	42.49	39.01	41.89	48.98	50.93	46.99	46.00	44.00		40.00
Avg Ann'l P/E Ratio	8.1	16.5	22.1	15.9	16.2	16.6	19.4	22.1	26.4	17.4	Bold figures are Value Line estimates			16.0
Relative P/E Ratio	.53	.85	1.21	.91	.86	.88	1.05	1.17	1.59	1.16				1.05
Avg Ann'l Div'd Yield	--	--	--	--	--	--	--	--	--	--				Nil

	2008	2009	9/30/10	
Revenues (\$mill)	134.8	166.4	224.1	375.7
Operating Margin	23.8%	24.8%	30.9%	33.0%
Depreciation (\$mill)	7.5	8.9	6.0	7.0
Net Profit (\$mill)	8.0	16.5	34.9	66.6
Income Tax Rate	42.7%	41.0%	40.4%	40.9%
Net Profit Margin	5.9%	9.9%	15.6%	17.7%
Working Cap'l (\$mill)	20.1	28.7	13.8	14.9
Long-Term Debt (\$mill)	56.2	23.8	77.8	105.0
Shr. Equity (\$mill)	68.6	105.1	268.0	455.2
Return on Total Cap'l	10.6%	14.3%	10.7%	12.3%
Return on Shr. Equity	11.6%	15.7%	13.0%	14.6%
Retained to Com Eq	11.6%	15.7%	13.0%	14.6%
All Div'ds to Net Prof	--	--	--	--

CAPITAL STRUCTURE as of 9/30/10
Total Debt \$810.7 mill. Due in 5 Yrs \$600.0 mill.
LT Debt \$644.4 mill. LT Interest \$30.0 mill.
 (LT interest earned: 6.1x; total interest coverage: 6.1x)
Leases, Uncapitalized Annual rentals \$38.6 mill.
No Defined Benefit Pension Plan
Pfd Stock None
Common Stock 46,441,755 shs. as of 10/28/10
MARKET CAP: \$1.6 billion (Mid Cap)

	2008	2009	9/30/10
Cash Assets	191.8	118.9	339.8
Receivables	290.0	287.5	346.3
Other	70.7	93.5	81.1
Current Assets	552.5	499.9	767.2
Accts Payable	109.0	81.2	69.4
Debt Due	150.9	138.1	166.3
Other	164.0	186.9	158.5
Current Liab.	423.9	406.2	394.2

	Past 10 Yrs.	Past 5 Yrs.	Est'd '07-'09 to '13-'15
Revenues	16.0%	24.5%	12.0%
"Cash Flow"	21.0%	19.0%	14.5%
Earnings	24.0%	13.5%	14.5%
Dividends	--	--	Nil
Book Value	24.5%	17.0%	10.5%

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2007	227.7	239.7	253.4	280.5	1001.3
2008	307.1	337.7	325.5	322.8	1293.1
2009	347.9	360.5	348.6	342.9	1399.9
2010	350.0	349.0	346.1	359.9	1405
2011	365	375	375	385	1500

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2007	.36	.46	.50	.60	1.95
2008	.59	.66	.51	.58	2.34
2009	.60	.69	.70	.71	2.70
2010	.67	.52	.54	.72	2.45
2011	.70	.75	.75	.80	3.00

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2006	NO CASH DIVIDENDS BEING PAID				
2007	NO CASH DIVIDENDS BEING PAID				
2008	NO CASH DIVIDENDS BEING PAID				
2009	NO CASH DIVIDENDS BEING PAID				
2010	NO CASH DIVIDENDS BEING PAID				

FTI Consulting is still contending with a challenging business environment. As 2010 draws to a close and the U.S. economy further heals, the company's results continue to be hampered by a sharp slowdown in demand for bankruptcy and restructuring services. In fact, revenues in the counter-cyclical Corporate Finance/Restructuring segment, which soared during the tumultuous 2008/2009 time frame, decreased by 14% in the third quarter, to \$110 million. This caused the bottom line to contract on a year-over-year basis, since the firm was unable to effectively leverage its overhead expenses, particularly the costs required to attract and retain qualified professionals. (FTI maintains an enviable roster of more than 2,500 revenue-generating professionals.) **We expect results to improve materially next year.** By then, the corporate restructuring market should have bottomed out. And the company's procyclical business lines ought to be growing at a healthy clip, barring another, surprising leg down in the broader economy. Specifically, we look for strong performances from the Technology, Strategic Communi-

cations, and Forensic and Litigation Consulting units to make 2011 a good, bounce-back year. Even the Economic Consulting division, which has been on the sluggish side lately (revenues were flat during the September interim), will likely rebound with a further pickup in M&A activity and antitrust-related work at home and abroad. All told, we think that share net can reach the \$3.00 mark next year, 20%-plus more than our \$2.45-a-share earnings estimate for 2010. **Stock buybacks remain high on the agenda,** thanks to FTI's robust free cash flow and sound balance sheet. Accretive deals for international consulting firms are also in the cards, in our opinion, considering the company's goal of diversifying its business and generating at least 25%-30% of its revenues overseas. Plus, FTI will probably need to expand geographically in order to keep pace with its large, globe-trotting corporate customers. **We like these untimely shares as a 3-to 5-year turnaround play.** The issue may be volatile in the near term, however, as the restructuring unit finds its footing. *Justin Hellman* December 3 2010