

S&P Quality Ranking: **B+** Standard & Poor's Fair Value Rank: **4+**

**Sector:** Industrials  
**Sub-Industry:** Research & Consulting Services

**Summary:** This consulting company has practices in the areas of forensic and litigation consulting, communications, technology, corporate finance/restructuring and economic consulting. FCN has an approximate 0.16% weighting in the **S&P MidCap**

**Quantitative Evaluations**

**S&P Quality Ranking : B+**



**S&P Fair Value Rank: 4+**



**Fair Value Calc: \$38.60** (Slightly Undervalued)

**S&P Investability Quotient Percentile**



FCN scored higher than 84% of all companies for which an S&P Report is available.

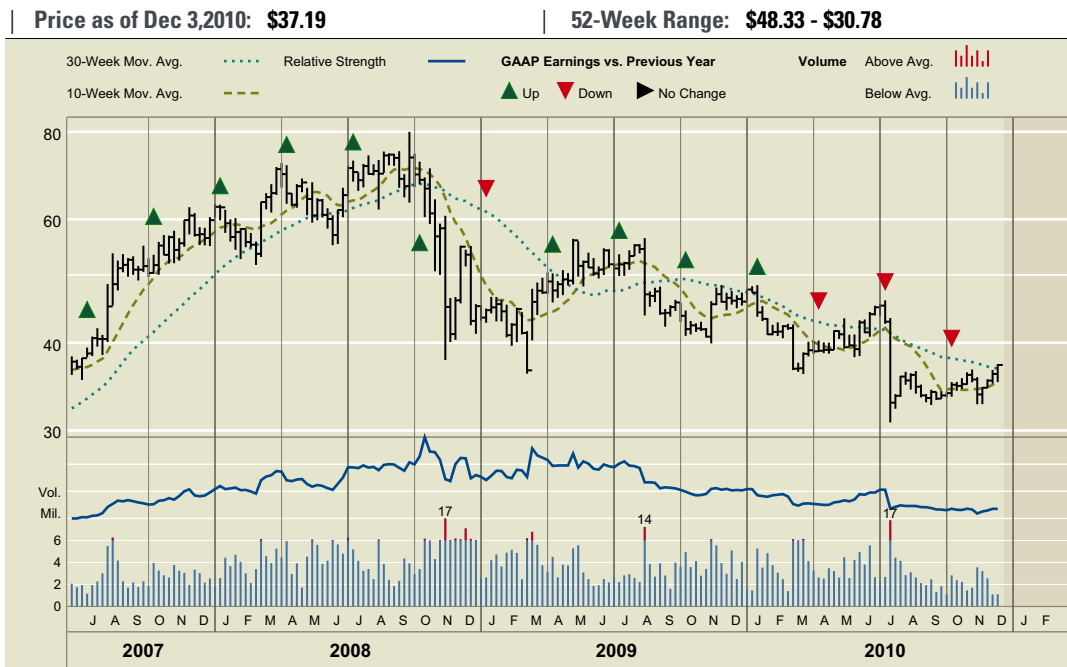
**Volatility: Average**



**Technical Evaluation: BULLISH**

Since November, 2010, the technical indicators for FCN have been BULLISH.

**Relative Strength Rank: Moderate**



**Investment Strategy**

Key financial variables to consider in assessing the investment merits of an industrial company are the following:

**Sales:** What is the trend? Is future sales growth expected to be greater than the past 5-year and 9-year growth average? Accelerating sales growth ultimately provides the fuel behind earnings growth.

**Net Margin:** As a key measure of company profitability, a rising net margin assesses management capability to wring out more net income from incremental sales.

**% LT Debt to Capitalization:** A rising percentage implies greater financial risk, all else being equal. Rising debt leverage without a concomitant rise in Return on Equity should raise warning signals of potential cash flow problems. Percentages above 40%-50% should also be considered a warning.

**% Return on Equity:** A key performance measurement of capital efficiency assesses what investment returns management can earn on a company's existing capital base. A sustained percentage above 20% is considered above average.

**Key Growth Rates and Averages**

Past Growth Rate (%)	1 Year	3 Year	5 Year	9 Year
Sales	8.26	25.88	28.98	31.39
Net Income	14.03	48.93	30.09	30.59

**Ratio Analysis (Average)**

Net Margin	10.22	9.71	9.10	10.92
%LT Debt to Capitalization	25.15	25.58	33.18	26.52
% Return on Equity	12.84	12.26	11.36	13.49

**Revenues/Earnings Data** Fiscal year ending Dec. 31

Revenues (Million \$)	2010	2009	2008	2007	2006	2005
1Q	350.0	347.9	307.1	227.7	169.3	116.6
2Q	349.0	360.5	337.7	239.7	159.8	123.9
3Q	346.1	348.6	325.5	253.3	162.1	133.2
4Q	--	342.9	322.9	280.5	216.8	165.8
Year	--	1,400	1,293	1,001	707.9	539.5

Earnings per Share (\$)	2010	2009	2008	2007	2006	2005
1Q	0.30	0.60	0.59	0.36	0.31	0.29
2Q	0.52	0.69	0.66	0.53	0.32	0.33
3Q	0.47	0.70	0.51	0.50	-0.01	0.27
4Q	--	0.71	0.58	0.60	0.42	0.46
Year	--	2.70	2.34	2.00	1.04	1.35

**Next earnings report expected: Early March**

Historical GAAP earnings are as reported.

**Key Stock Statistics**

Average Daily Volume	<b>0.495 mil.</b>	Beta	<b>0.54</b>
Market Capitalization	<b>\$1.727 Bil.</b>	Trailing 12 Month EPS	<b>\$2.01</b>
Institutional Holdings (%)	<b>96</b>	12 Month P/E	<b>18.5</b>
Shareholders of Record	<b>273</b>	Current Yield (%)	<b>Nil</b>

Value of \$10,000 Invested five yrs Ago : **\$12,793**

**Please read the required disclosures and Reg. AC certification on the last page of this report.**

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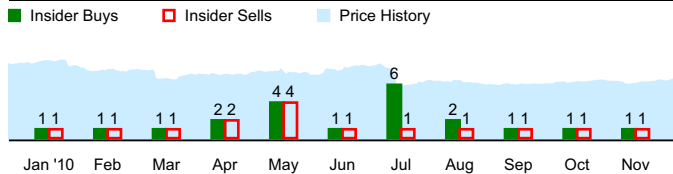
S&P Quality Ranking: **B+**

Standard & Poor's Fair Value Rank : **4+**

**Wall Street Opinions/Average (Mean) Opinion: Buy/Hold**

	No. of Ratings	% of Total	1 Mo. Prior	3 Mo. Prior
Buy	3	23	3	3
Buy/Hold	3	23	3	4
Hold	7	54	7	6
Weak Hold	0	0	0	0
Sell	0	0	0	0
No Opinion	0	0	0	0
<b>Total</b>	<b>13</b>	<b>100</b>	<b>13</b>	<b>13</b>

**Insider Moves**



**Dividend Data**

No Dividend Data Available

**Company Financials** Fiscal year ending Dec. 31

Per Share Data & Valuation Ratios (\$)	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Tangible Book Value	NM	NM	NM	NM	NM	NM	NM	NM	0.51	NM
Cash Flow	3.70	2.83	2.66	1.59	1.90	1.38	1.80	1.14	0.86	0.86
Earnings	2.70	2.34	2.00	1.04	1.35	1.01	1.54	1.02	0.56	0.44
Dividends	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Payout Ratio	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Prices:High	56.41	80.00	63.00	29.77	30.54	24.14	32.45	28.62	16.11	5.17
Prices:Low	36.14	37.80	25.95	19.82	17.01	13.55	16.79	13.92	3.78	2.11
P/E Ratio:High	21	34	31	29	23	24	21	28	29	12
P/E Ratio:Low	13	16	13	19	13	13	11	14	7	5

**Income Statement Analysis (Million \$)**

Revenue	1,400	1,293	1,001	708	540	427	376	224	166	135
Operating Income	317	266	217	154	132	99	128	69.3	41.2	32.1
Depreciation	53.5	26.0	30.0	24.4	17.9	15.9	10.7	5.98	8.92	7.49
Interest Expense	44.9	41.1	43.5	29.4	15.1	6.40	5.39	4.87	4.52	11.0
Pretax Income	227	206	150	79.2	97.2	74.1	110	58.6	27.9	13.9
Effective Tax Rate	37%	39%	39%	47%	42%	42%	41%	40%	41%	43%
Net Income	143	125	92.1	42.0	56.4	42.9	64.8	34.9	16.5	7.95

**Balance Sheet & Other Financial Data (Million \$)**

Cash	119	192	360	91.9	153	25.7	5.77	9.91	12.9	3.24
Current Assets	500	552	662	295	298	151	99	91.4	50.9	39.8
Total Assets	2,077	2,088	1,859	1,391	959	709	661	431	154	146
Current Liabilities	406	424	381	178	105	90.3	84.3	77.6	22.2	19.7
Long Term Debt	417	418	416	563	348	83.8	107	77.8	23.8	56.2
Common Equity	1,104	1,124	972	565	454	496	455	268	105	68.6
Total Capital	1,660	1,692	1,546	1,186	836	605	576	352	131	126
Capital Expenditures	28.6	35.7	36.4	30.4	17.8	11.9	10.6	8.78	4.37	6.64
Cash Flow	196	151	122	66.4	74.3	58.8	75.5	40.9	25.4	15.4
Current Ratio	1.2	1.3	1.7	1.7	2.8	1.7	1.2	1.2	2.3	2.0
% Long Term Debt of Capitalization	25.2	25.9	26.9	47.5	41.7	13.8	18.5	22.1	18.2	44.6
% Net Income of Revenue	10.2	9.7	9.2	5.9	10.4	10.0	17.2	15.6	9.9	5.9
% Return on Assets	6.9	6.4	5.7	3.6	6.8	6.3	11.9	11.8	11.0	6.9
% Return on Equity	12.8	12.0	12.0	8.2	11.9	9.0	17.9	18.7	19.0	16.1

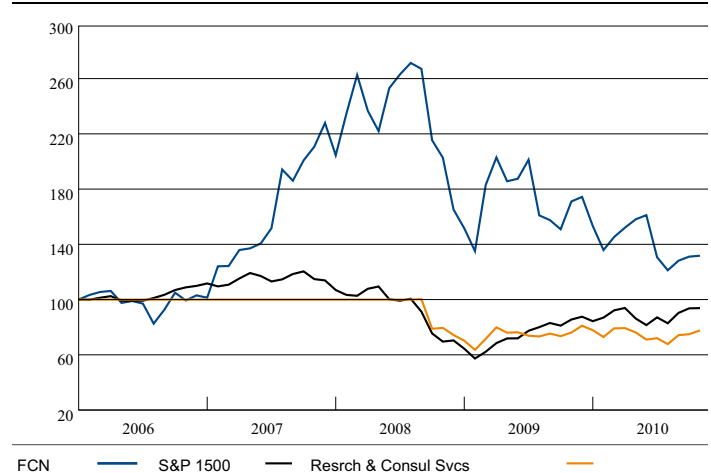
Data as orig. reptd; bef. results of disc opers/spec. items. Per share data adj. for stk. divs. as of ex-div date. NA-Not Available. NM-Not Meaningful. NR-Not Ranked.

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Website: <http://www.fticonsulting.com>  
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Pres & CEO: J. B. Dunn, IV

Dir: B. J. Bacon, M. H. Berey, D. J. Callaghan, J. W. Crownover, J. B. Dunn, IV, A. Fluhrer, G. Holthaus, M. F. McHugh, J. M. Pineiro, D. J. Shaughnessy, G. P. Stamas  
CFO & EVP: D. G. Bannister  
EVP & COO: D. DiNapoli

General Counsel & Secy: J. F. Catanese  
Investor Contact: Bob Joyce(617-747-3620)  
Founded: 1982  
Domicile: Maryland  
Employees: 3,472

**Stock Performance**



	Company(%)	Industry(%)	S&P 1500(%)
YTD Return	-21.1	-0.9	11.2
One Year Return	-18.5	4.4	13.3
Three Year Return (% Annualized)	-12.4	--	-5.2
Five Year Return (% Annualized)	5.1	--	-0.2
Value of \$10,000 Invested 5 Years Ago	\$12,793	--	\$9,896

**Sub-Industry Outlook**

Our fundamental outlook for the Research & Consulting Services industry is neutral. We see mixed operating performances throughout this sub-industry over the next 12 months. In one regard, we see a number of companies in this area benefiting from the general need for information and guidance in light of improving global economic conditions. However, at the same time, the recent economic recession has caused a good number of the sub-industry's customers to undertake aggressive actions to reduce spending.

Research & Consulting Services companies include firms involved in management consulting services, architectural design, business information, scientific research, marketing, and testing and certification services.

Companies in the Research & Consulting Services business area are sought out by clients who typically are in need of information and guidance to improve their business decisions. We believe there will be an on-going need for the consumer and commercial credit information, decision support services, and risk management and fraud prevention information that companies in this sub-industry provide. Although clients might be in even greater need of the information and services provided by this sub-industry during the currently challenging economic times, many of its potential customers have also reined in spending because of the difficult business environment that they have faced. We see this continuing for a while longer, but also believe that what appears to be a global economic recovery will bring some additional spending over the next few quarters.

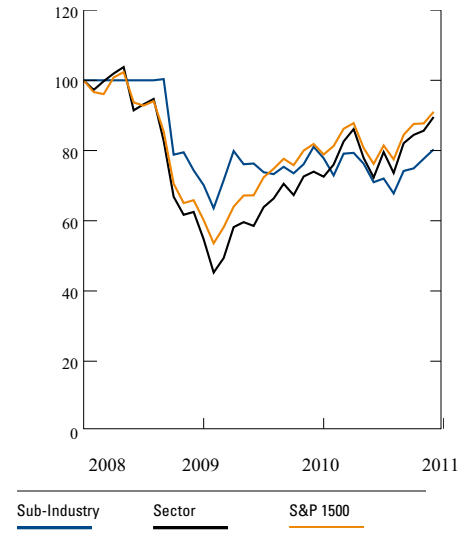
Year to date through November 12, the S&P Research & Consulting Services Index was down 5.0%, compared with 8.5% appreciation for the S&P 1500. The Research & Consulting Services Index increased 9.0% in 2009, versus a 24.3% rise for the S&P 1500. Based on our calculations, companies in the sub-industry are trading at an average of 14.9X consensus EPS estimates for 2011, a premium to the S&P 1500 (12.8X). We believe the overall sub-industry is near a fair valuation, as we think the operating performances of companies in the Research & Consulting Services area will trail the gains of the broader market (as defined by the S&P 1500) over the next year, but will also likely become poised for stronger results in subsequent years. As such, we have a neutral investment outlook for the Research & Consulting Services sub-industry.

--Richard Tortoriello

**Stock Performance**

**GICS Sector: Industrials**  
**Sub-Industry: Research & Consulting Services**

Based on S&P 1500 Indexes  
Month-end Price Performance as of 11/30/10



**NOTE:** All Sector & Sub-Industry information is based on the Global Industry Classification Standard (GICS)

The Sub-Industry was created recently; therefore no historical index data exists yet to display a performance line.

**Sub-Industry : Research & Consulting Services Peer Group\***: Based on market capitalizations within GICS Sub-Industry

Peer Group	Stock Symbol	Stk.Mkt. Cap. (Mil. \$)	Recent Stock Price(\$)	52 Week High/Low(\$)	Beta	Yield (%)	P/E Ratio	Fair Value Calc.(\$)	Quality Ranking	S&P IQ %ile	Return on Revenue (%)	LTD to Cap (%)
<b>FTI Consulting</b>	<b>FCN</b>	<b>1,727</b>	<b>37.19</b>	<b>48.33/30.78</b>	<b>0.54</b>	<b>Nil</b>	<b>19</b>	<b>38.60</b>	<b>B+</b>	<b>84</b>	<b>10.2</b>	<b>25.2</b>
Acacia Research	ACTG	992	28.47	28.53/7.76	1.27	Nil	27	NA	C	77	NA	Nil
Advisory Board	ABCO	765	48.57	50.68/25.83	0.80	Nil	41	43.00	NR	19	4.8	NA
CBIZ Inc	CBZ	310	6.27	7.84/5.20	0.54	Nil	14	6.50	B	35	4.3	43.0
CoStar Group	CSGP	1,132	54.58	55.02/37.45	1.29	Nil	85	40.30	B-	82	8.9	NA
Corporate Executive Board	EXBD	1,255	36.60	36.70/19.58	0.89	1.2	29	28.50	B+	91	10.3	NA
Dolan Co	DM	427	13.98	14.07/8.95	1.91	Nil	12	18.70	NR	12	11.7	31.7
Exponent Inc	EXPO	515	37.10	37.25/25.13	0.60	Nil	22	NA	B+	94	9.7	NA
Huron Consulting Group	HURN	525	23.97	26.00/17.30	0.85	Nil	18	NA	NR	5	NA	40.2
ICF International	ICFI	494	25.41	28.13/20.86	0.42	Nil	18	24.40	NR	68	3.3	31.4
Mistras Group	MG	320	12.01	15.29/9.02	NA	Nil	28	NA	NR	74	3.7	9.6
Navigant Consulting	NCI	437	8.74	15.59/8.30	0.28	Nil	16	11.40	B-	23	3.1	32.4
Resources Connection	RECN	804	17.47	21.89/11.00	1.08	0.9	NM	16.20	B-	65	NA	NA
School Specialty	SCHS	237	12.57	25.06/12.16	1.27	Nil	NM	NA	B	23	2.9	22.5
Stantec Inc	STN	1,219	26.81	29.53/20.80	1.47	Nil	53	NA	NR	42	2.6	25.6

NA-Not Available NM-Not Meaningful NR-Not Rated. \*For Peer Groups with more than 15 companies or stocks, selection of issues is based on market capitalization.

**S&P Analyst Research Notes and other Company News****November 23, 2010**

FTI Consulting, Inc. announced the appointment of David Appolonia to its Corporate Finance/Restructuring business segment. Mr. Appolonia is joining the Transaction Advisory Services practice as a Senior Managing Director where he will be responsible for building new relationships with private equity groups and strategic investors. David Appolonia has 13 years of experience in transaction services. Most recently, Mr. Appolonia was a partner at KPMG LLP, where he was a founder of the Transaction Services Group. While at KPMG LLP, Mr. Appolonia led more than 300 domestic and international financial due diligence engagements for private equity funds and corporate clients.

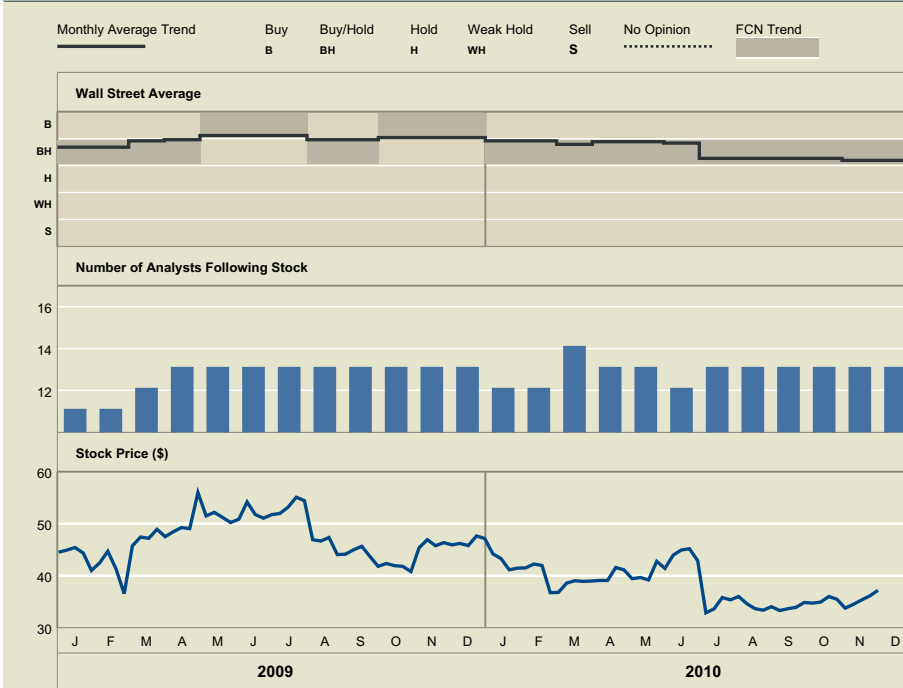
**November 8, 2010**

FTI Consulting, Inc. reported consolidated unaudited earnings results for the third quarter and nine months ended September 30, 2010. For the quarter, the company reported revenue of \$346,140,000 against \$348,637,000 for the same period of previous year. Operating income was \$49,963,000 against \$64,286,000 a year ago. Income before income tax provision was \$35,425,000 against \$56,182,000 a year ago. Net income was \$21,963,000 or \$0.47 per diluted share against \$37,556,000 or \$0.70 per diluted share a year ago. Adjusted net income was \$25,163,000 or \$0.54 per diluted share against \$37,556,000 or \$0.70 per diluted share a year ago. Adjusted EBITDA was \$65.0 million, or 18.8% of revenues, compared to \$77.9 million, or 22.3% of revenues, in the prior year period. For the nine months, the company reported revenue of \$1,045,213,000 against \$1,057,008,000 for the same period of previous year. Operating income was \$133,754,000 against \$196,270,000 a year ago. Income before income tax provision was \$98,733,000 against \$169,128,000 a year ago. Net income was \$61,214,000 or \$1.28 per diluted share against \$106,453,000 or \$1.99 per diluted share a year ago. Adjusted net income was \$82,483,000 or \$1.73 per diluted share against \$106,453,000 or \$1.99 per diluted share a year ago. Net cash provided by operating activities was \$95,866,000 against \$163,544,000 a year ago. Purchases of property and equipment was \$14,833,000 against \$17,975,000 a year ago.

**November 5, 2010**

DOWN 1.14 to 33.81... FCN posts \$0.54 vs. \$0.70 Q3 adj. EPS on slight revenue drop.

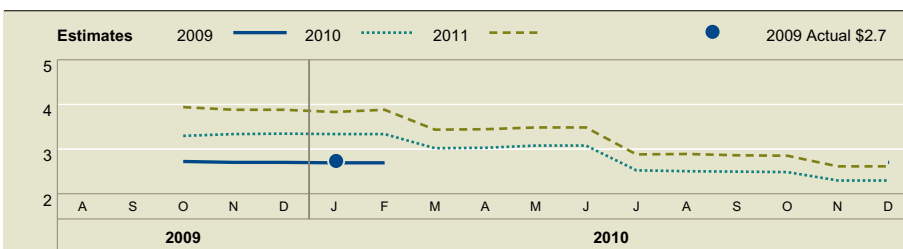
**Analysts' Recommendations**



Of the total 13 companies following FCN, 13 analysts currently publish recommendations.

	No. of Ratings	% of Total	1 Mo. Prior	3 Mos. Prior
Buy	3	23	3	3
Buy/Hold	3	23	3	4
Hold	7	54	7	6
Weak Hold	0	0	0	0
Sell	0	0	0	0
No Opinion	0	0	0	0
<b>Total</b>	<b>13</b>	<b>100</b>	<b>13</b>	<b>13</b>

**Wall Street Consensus Estimates**



Fiscal Years	Avg Est.	High Est.	Low Est.	# of Est.	Est. P/E
2011	2.62	2.94	2.40	13	14.2
2010	2.30	2.56	2.22	13	16.2
<b>2011 vs. 2010</b>	<b>▲ 14%</b>	<b>▲ 15%</b>	<b>▲ 8%</b>	<b>0%</b>	<b>▼ -12%</b>
Q4'11	0.70	0.76	0.61	11	53.1
Q4'10	0.55	0.62	0.50	12	67.6
<b>Q4'11 vs. Q4'10</b>	<b>▲ 27%</b>	<b>▲ 23%</b>	<b>▲ 22%</b>	<b>▼ -8%</b>	<b>▼ -21%</b>

A company's earnings outlook plays a major part in any investment decision. Standard & Poor's organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years. This graph shows the trend in analyst estimates over the past 15 months.

**Wall Street Consensus Opinion**

**BUY/HOLD**

**Companies Offering Coverage**

- Boenning & Scattergood INC
- CJS Securities
- Deutsche Bank North America
- JMP Securities
- Janney Montgomery Scott LLC
- Macquarie Research
- Morningstar, Inc.
- Oppenheimer & Co.
- Robert W. Baird & Co., Inc.
- Sidoti & Company LLC
- Signal Hill Group LLC
- Suntrust Robinson Humphrey
- William Blair & Company, L.L.C.

**Wall Street Consensus vs. Performance**

For fiscal year 2010, analysts estimate that FCN will earn \$2.30. For the 3rd quarter of fiscal year 2010, FCN announced earnings per share of \$0.47, representing 20% of the total annual estimate. For fiscal year 2011, analysts estimate that FCN's earnings per share will grow by 14% to \$2.62.

**Glossary**

**S&P Quality Ranking** - Growth and stability of earnings and dividends are deemed key elements in establishing S&P's quality ranking for common stocks, which are designed to capsule the nature of this record in a single symbol. It should be noted that, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings. The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

A+	Highest	B	Lower
A	High	B-	Below Average
A-	Above Average	C	Lowest
B+	Average	D	In Reorganization
NR	Not Ranked		

**S&P Fair Value Rank** - Using S&P's exclusive proprietary quantitative model, stocks are ranked in one of five groups, ranging from Group 5, listing the most undervalued stocks, to Group 1, the most overvalued issues. Group 5 stocks are expected to generally outperform all others. A positive (+) or negative (-) Timing Index is placed next to the Fair Value ranking to further aid the selection process. A stock with a (+) added to the Fair Value Rank simply means that this stock has a somewhat better chance to outperform other stock with the same Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; 4-Stock is moderately undervalued; 3-Stock is fairly valued; 2-Stock is modestly overvalued; 1-Stock is significantly overvalued.

**Funds From Operations (FFO)** - FFO is Funds from Operations and equal to a REIT's net income, excluding gains or losses from sales of property, plus real estate depreciation.

**Fair Value Calculation** - The current price at which a stock should sell today as calculated by S&P's computers using our quantitative model based on the company's earnings, growth potential, return on equity relative to the S&P 500 and its industry group, price to book ratio history, current yield relative to the S&P 500, and other factors.

**Investability Quotient (IQ)** - The IQ is a measure of investment desirability. It serves as an indicator of potential medium-to-long-term return and as a caution against downside risk. The measure takes into account variables such as technical indicators, earnings estimates, liquidity, financial ratios and selected S&P proprietary measures.

**Standard & Poor's IQ Rationale:****FTI Consulting**

	Raw Score	Max Value
Proprietary S&P Measures	56	115
Technical Indicators	23	40
Liquidity/Volatility Measures	17	20
Quantitative Measures	26	75
<b>IQ Total</b>	<b>122</b>	<b>250</b>

**Volatility** - Rates the volatility of the stock's price over the past year.

**Technical Evaluation** - In researching the past market history of prices and trading volume for each company, S&P's computer models apply special technical methods and formulas to identify and project price trends for the stock.

**Relative Strength Rank** - Shows, on a scale of 1 to 99, how the stock has performed versus all other companies in S&P's universe on a rolling 13-week basis.

**Global Industry Classification Standard (GICS)** - An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). GICS is currently comprised of 10 Sectors, 24 Industry Groups, 67 Industries, and 147 Sub-Industries.

**Dividends on American Depositary Receipts (ADRs) and American Depositary Shares (ADSs) are net of taxes (paid in the country of origin).**

**Required Disclosures**

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