

TIMELINESS 3 Lowered 8/21/09
SAFETY 3 New 3/14/03
TECHNICAL 2 Raised 2/19/10
BETA .70 (1.00 = Market)

LEGENDS
 --- 13.0 x "Cash Flow" p sh
 ... Relative Price Strength
 3-for-2 split 1/02
 3-for-2 split 6/03
 Options: Yes
 Shaded area: prior recession
 Latest recession began 12/07

2013-15 PROJECTIONS

Price	Gain	Ann'l Total Return
High 120	(+190%)	30%
Low 80	(+90%)	17%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	1	0	0	0	0	0	0	0
Options	0	3	3	1	1	2	1	1	1
to Sell	0	4	6	1	2	2	2	1	2

Institutional Decisions

	1Q2009	2Q2009	3Q2009	Percent shares traded
to Buy	153	166	158	30
to Sell	135	142	146	20
Hld's(000)	50609	50407	48975	10

	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	29.10	33.95	38.50		55.55
"Cash Flow" per sh	.65	.86	1.14	1.74	1.32	1.96	1.91	2.43	3.34	3.65	4.40	5.25		7.65
Earnings per sh ^A	.44	.56	1.02	1.58	1.10	1.40	1.37	1.95	2.34	2.70	3.30	4.00		6.25
Div'd's Decl'd per sh	--	--	--	--	--	--	--	--	--	--	Nil	Nil		Nil
Cap'l Spending per sh	.28	.15	.24	.25	.28	.46	.72	.74	.70	.50	.60	.70		.85
Book Value per sh ^B	2.89	3.58	7.44	10.77	11.68	11.65	13.49	19.85	22.06	27.55	33.00	38.25		50.00
Common Shs Outst'g ^C	23.78	29.39	36.01	42.25	42.49	39.01	41.89	48.98	50.93	49.00	47.00	46.00		45.00
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	17.4	17.4		16.0
Relative P/E Ratio	.53	.85	1.21	.91	.86	.88	1.05	1.17	1.59	1.14	1.14	1.14		1.05
Avg Ann'l Div'd Yield	--	--	--	--	--	--	--	--	--	--	--	--		Nil

CAPITAL STRUCTURE as of 9/30/09
Total Debt \$555.1 mill. Due in 5 Yrs \$350.0 mill.
LT Debt \$417.5 mill. LT Interest \$20.0 mill.
 (LT interest earned: 6.0x; total interest coverage: 6.0x)

Leases, Uncapitalized Annual rentals \$36.5 mill.
No Defined Benefit Pension Plan

Pfd Stock None
Common Stock 51,813,225 shs.
as of 10/28/09
MARKET CAP: \$2.2 billion (Mid Cap)

	2007	2008	9/30/09		
Cash Assets	360.5	191.8	313.6	Revenues (\$mill)	2500
Receivables	245.2	290.0	310.2	Operating Margin	23.5%
Other	55.8	70.7	73.6	Depreciation (\$mill)	65.0
Current Assets	661.5	552.5	697.4	Net Profit (\$mill)	280
Accts Payable	103.4	109.0	60.0	Income Tax Rate	38.5%
Debt Due	157.8	150.9	137.6	Net Profit Margin	11.2%
Other	119.9	164.0	178.1	Working Cap'l (\$mill)	400
Current Liab.	381.1	423.9	375.7	Long-Term Debt (\$mill)	400
				Shr. Equity (\$mill)	2250
				Return on Total Cap'l	11.0%
				Return on Shr. Equity	12.5%
				Retained to Com Eq	12.5%
				All Div'ds to Net Prof	Nil

BUSINESS: FTI Consulting, Inc., is a provider of corporate finance/restructuring, forensic and litigation consulting, and economic consulting. It assists companies and their advisors, lawyers, lenders, and investors to meet challenges by providing a range of professional services from a single source. Acquired U.S. Business Recovery Services division of PwC, 8/02; Ten Eyck Assoc., 10/03; Dispute Advisory Service business of KPMG LLP, 11/03; Lexecon, 12/03; Ringtail Solutions Group, 2/05. Sold LWG, 12/02; SEA, 9/03. Had about 3,380 employees, of which 2,520 are billable. Off./dir. own 4.8% of stock (4/09 proxy). President & CEO: Jack Dunn, IV. Inc.: MD. Addr.: 900 Bestgate Rd., Suite 100, Annapolis, MD 21401. Tel.: 410-224-8770. Internet: www.fticonsulting.com.

FTI Consulting is poised to perform well through 2010 and into next year. Shares of this leading consulting firm have been under moderate pressure lately, due, we think, to investor concerns that the restructuring operations (now accounting for about 25% of the revenue mix) will slow down as the global economy recovers from its deep slump. But while growth may indeed decelerate a bit in this important area, favorable market-share trends (the company seems to be widening its lead over smaller rival Huron Consulting Group) and a still-chilly lending environment for small and medium-sized businesses suggest that lucrative restructuring/bankruptcy engagements will remain at healthy levels for some time to come. Moreover . . .

The firm has many cyclical business units that ought to flourish as macro-economic conditions improve at home and abroad. In particular, we look for a gradual strengthening of the Economic Consulting, Forensic and Litigation Consulting, and Strategic Communications divisions to buoy results in the coming periods, together with steady pricing increases and a hard-won uptick in the employee utilization rate. All told, even if restructuring activities cool off somewhat, we think that share earnings will climb at a 20%-plus clip in both 2010 and 2011. Longer term, FTI will likely benefit from its good positioning (thanks partly to acquisitions) in the eDiscovery market. This booming technology segment, currently estimated at more than \$5 billion, is expected to grow at an annual pace of 35% through the 2013-2015 period.

Free cash flow remains very strong. This, coupled with a sound balance sheet, should enable the company to stay active on the stock-buyback front. (In a show of confidence, the firm recently bought back 5.5 million shares for \$250 million via an accelerated repurchase plan.) It should also give FTI flexibility to pursue further accretive acquisitions as it endeavors to broaden its geographic reach overseas.

FTI shares do not stand out for the year ahead (Timeliness: 3). We like them for the long haul, however, and encourage patient investors to take advantage of the current entry point.

Justin Hellman
March 5, 2010

Cal-endar	QUARTERLY REVENUES (\$ mill.)	Full Year			
Mar.31	Jun.30	Sep.30	Dec.31		
2007	227.7	239.7	253.4	280.5	1001.3
2008	307.1	337.7	325.5	322.8	1293.1
2009	347.8	360.5	348.6	368.1	1425
2010	385	395	405	410	1595
2011	425	440	450	455	1770

Cal-endar	EARNINGS PER SHARE ^A	Full Year			
Mar.31	Jun.30	Sep.30	Dec.31		
2007	.36	.46	.50	.60	1.95
2008	.59	.66	.51	.58	2.34
2009	.60	.69	.70	.71	2.70
2010	.75	.83	.85	.87	3.30
2011	.91	1.00	1.03	1.06	4.00

Cal-endar	QUARTERLY DIVIDENDS PAID	Full Year		
Mar.31	Jun.30	Sep.30	Dec.31	
2006				
2007				
2008				
2009				
2010				

NO CASH DIVIDENDS BEING PAID

(A) Diluted earnings. Excluding nonrecurring losses: '03, 4¢; '04, 9¢; '05, 5¢; '06, 33¢. Next earnings report due in late April.
 (B) Includes intangibles. In 2008: \$1340.7 mill., \$26.32/sh.
 (C) In millions, adjusted for stock splits.
 (D) 2007 quarterly share net does not sum to yearend total due to rounding/changes in the share base.

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Company's Financial Strength B++
Stock's Price Stability 60
Price Growth Persistence 75
Earnings Predictability 75

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