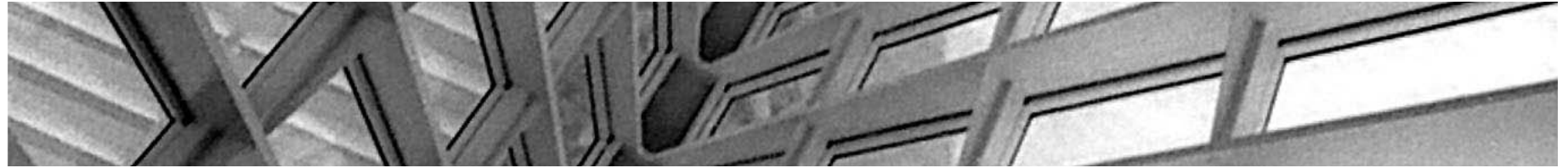




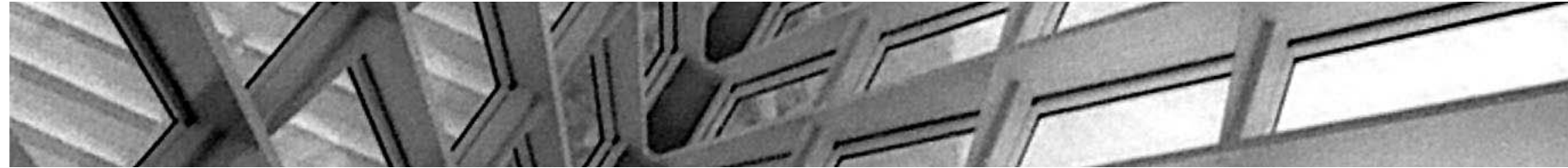
Corporate Finance
Opportunities for
University of Massachusetts
Undergraduates

Wednesday, September 26, 2007
8:00 PM



Tonight's Agenda

- ❑ What is FTI?
- ❑ What is FTI's Approach to Consulting?
- ❑ What is FTI Corporate Finance?
- ❑ What is life like as a Consultant at FTI?
- ❑ What is it like to work out of FTI's Boston Office?
- ❑ What is the Recruiting Process after Friday's Interview?
- ❑ When will I get My Offer?



What is FTI | Overview

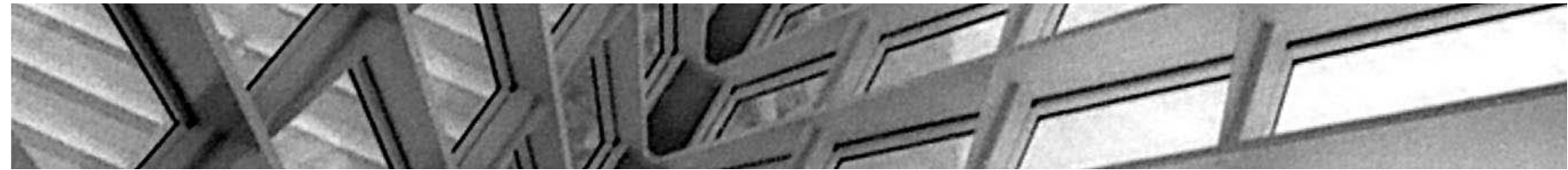
Founded in 1982, FTI Consulting is a multi-disciplined financial consulting firm. The Company, which trades on the New York Stock Exchange under the symbol FCN, currently employs a network of nearly 2,000 professionals in offices across the U.S., Europe, Asia, and Australia.

Our restructuring and corporate finance practice has more than 300 professionals, including nearly 70 Senior Managing Directors.

- ❑ The extensive restructuring experience of our results-oriented professionals brings the credibility necessary to successfully turnaround large and middle-market companies.
- ❑ FTI has over 50 professionals with their Certified Insolvency and Reorganization Advisor certification – more than any other organization.
- ❑ Our roster includes former Chief Operating and Financial Officers, treasurers, trustees, examiners, advisors, bankers, and board members, as well as Certified Turnaround Professionals.
- ❑ Many of our senior professionals came directly from industry positions, such as retail, healthcare, real estate, financial institutions and telecom.
- ❑ Our relationships and proven track record are often the catalyst to obtaining the necessary support of key interested stakeholders (e.g., Minority shareholders, bank, bondholder, vendor, and employees).



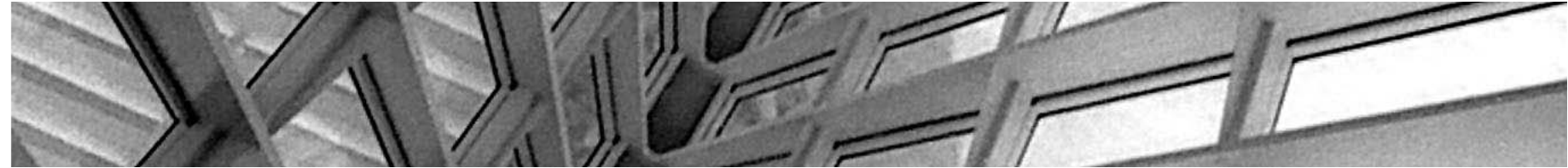
Domestic			International	
Annapolis	Detroit	Phoenix	Beijing	Manama
Atlanta	Houston	Pittsburgh	Buenos Aires	Melbourne
Baltimore	Indianapolis	Rockville	Cape Town	Mexico City
Boston	King of Prussia	Saddle Brook	Dubai	Moscow
Cambridge	Los Angeles	San Jose	Dublin	Paris
Charlotte	Miami	San Francisco	Frankfurt	Sao Paulo
Chicago	Nashville	Seattle	Hong Kong	Shanghai
Cleveland	New York	Tucson	Johannesburg	Singapore
Dallas	Orlando	Washington DC	London	Stockholm
Denver	Philadelphia		Madrid	Tokyo



FTI Corporate Finance: FTI Growth

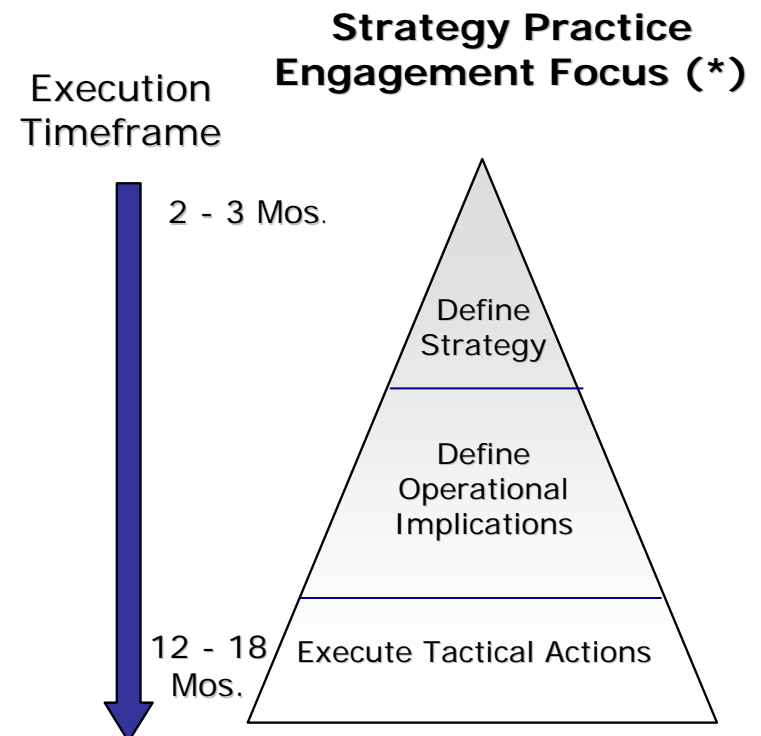
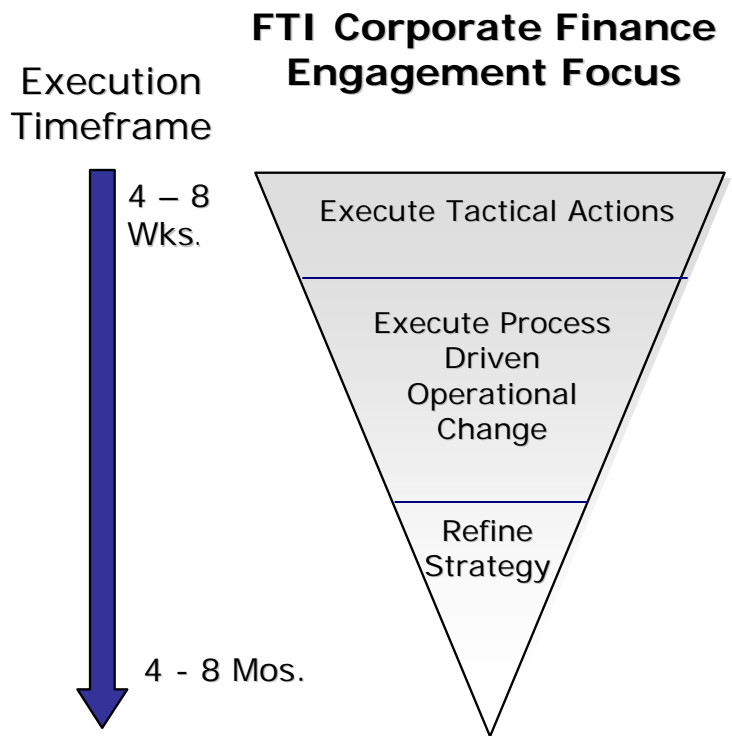
- FTI (ticker FCN) stock has more than doubled its price in the past year





FTI Corporate Finance | Approach to Consulting

FTI is uniquely positioned to successfully implement financial and operational restructurings versus strategy firms and other restructuring competitors



*Includes strategy and functional expertise consulting practices

FTI Corporate Finance | Range of Services to Underperforming Companies

FTI's 65 Senior Managing Directors bring credibility and proven track records to underperforming situations. Our roster includes former CEOs, COOs, CFOs and CIOs who often join directly from positions in the manufacturing, automotive, retail, healthcare, real estate, financial institution and telecom sectors.

Liquidity Management

- ❑ Diagnostic of current state
- ❑ Implement 13 week cash flow
- ❑ Assessment of Best Practices
- ❑ Implement "Dashboards"
- ❑ Short-Term Cash Management & Monitoring
- ❑ Liquidity Enhancement Initiatives
- ❑ Working Capital Management
- ❑ Vendor Management

Operational Improvement

- ❑ Program Management Office
- ❑ Merger Integration
- ❑ Strategic Assessment
- ❑ Asset Redeployment
- ❑ Cost Realignment
- ❑ Process Enhancement
- ❑ Performance Improvement
- ❑ Benchmarking

Restructuring

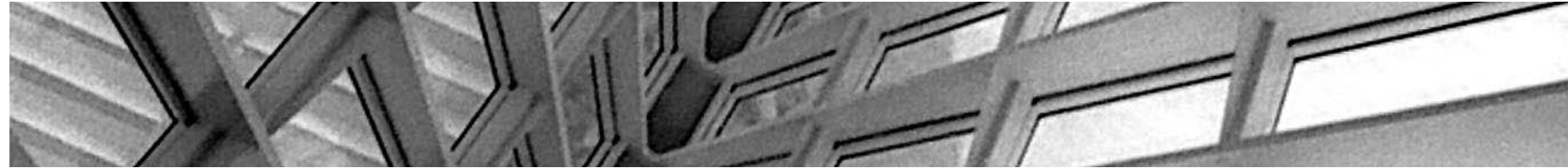
- ❑ Scenario Modeling
- ❑ Strategy Development and Execution
- ❑ Financial Statement Modeling
- ❑ Contingency Planning
- ❑ Bankruptcy-related Services
- ❑ Cross-border Insolvencies
- ❑ Business / Asset Divestiture
- ❑ Liquidating Trustee
- ❑ Examiner
- ❑ Receiver

Capital Solutions

- ❑ Investment Bank
- ❑ Transaction Advisory Services
- ❑ Raise Additional Financing
 - ❑ Structured Financing
 - ❑ Out-of-Court Financing
 - ❑ DIP Financing
 - ❑ Exit Financing
- ❑ De-Leveraging of Balance Sheet
- ❑ Optimizing Capital Structure
- ❑ Fairness Opinion
- ❑ Deal Structure

FTI Palladium Partners (Interim Management)

- ❑ Interim Management
- ❑ Experience as Chief Restructuring Officer, Chief Executive Officer, and Chief Financial Officer
- ❑ Executive Suite with experienced resources to augment / fill critical needs
- ❑ "Program Management Office Leader"



Role of a Consultant | Sample Questions to Management Starting an Engagement – Operating Issues

Business Plan

- ❑ Have core strengths and weaknesses been identified? Have key risk factors been identified through sensitivity analysis?
- ❑ Does the Company have a Business Plan it would be comfortable sharing with the Bank Group?
- ❑ Is there an action-oriented game plan designed to ensure that milestones in the Business Plan are met?
- ❑ How viable is the current business model? Have available options been compiled and ranked?

Capital Structure

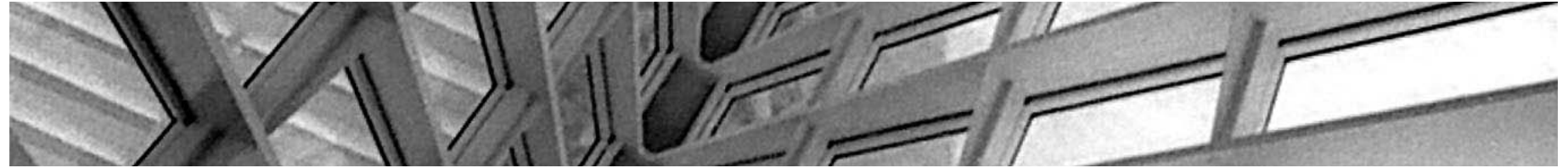
- ❑ What analysis has been done relative to the identification of the appropriate capital structure?
- ❑ What is the capital required to fund the Business Plan? What is the expected credit rating once the Plan has been fully implemented?
- ❑ Have alternative sources of capital been identified?

Cost Realignment

- ❑ What process is in place to identify and realize on available cost reductions? Who is responsible?
- ❑ Is there a process to evaluate commitments and disbursements for capital expenditures? Are the amounts and timing of capital expenditures being critically reviewed?
- ❑ Who is responsible for reducing and/or eliminating overhead expenses?
- ❑ Do operating managers and regional controllers have revised budgets that reflect cost reductions goals? What was their involvement in the establishment of such goals? How is compliance monitored?

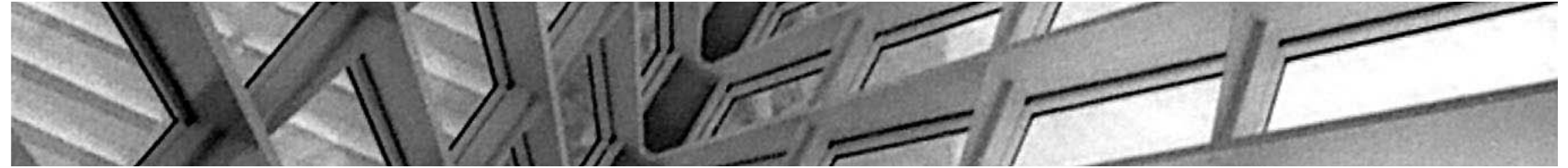
Asset Sales

- ❑ Have underutilized assets been identified?
- ❑ Is there a process to manage and accelerate sales of assets that are underutilized? Who is responsible?



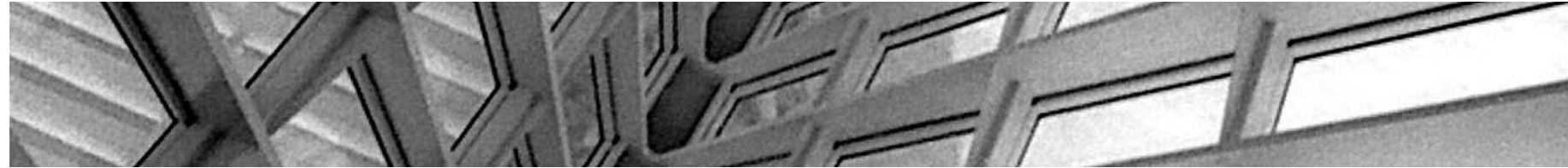
Role of a Consultant | **Daily Life of a Consultant**

- ❑ Develop skills through new hire training sessions and on-the-job training
- ❑ Perform sensitivity analysis on business plans and business segments
- ❑ Critique and/or develop complex financial models
- ❑ Prepare and update 13 week cash flow models
- ❑ Assist with identifying cost reductions and working capital improvements
- ❑ Write reports or sections of reports for presentation to clients
- ❑ Attend client meetings and presentations
- ❑ Assist Companies prepare for bankruptcy filings
- ❑ Perform research to identify new client opportunities



Role of a Consultant | **Benefits**

- ❑ Competitive Starting Salary with Bonus Potential in the First 3 Months
- ❑ Opportunity for Rapid Advancement with Significant Upside for Top Performers
- ❑ 2- Pronged Bonus Program
 - ❑ Utilization Bonus
 - ❑ Drives current profitability
 - ❑ Provides rewards to staff every three months
 - ❑ Performance Bonus
 - ❑ Rewards high-quality work and recognizes outstanding client service
 - ❑ Fosters practice building activities
- ❑ “In Lieu of” Travel Program
- ❑ Attractive Paid Time Off Policy; 4 weeks to start, 5 weeks after Year 2
- ❑ 401K Program, Stock Purchase Program at Discount to Market
- ❑ Excellent Springboard for MBA School



FTI Boston | Professionals

- FTI's Boston office has 17 professionals.
- Senior leadership averages more than 15 years experience in restructuring

Robert Duffy
Northeast Regional Leader
 Senior Managing Director
 Boston
 (617) 897-1501

Gabriel Bresler
 Senior Managing Director
 Boston
 (617) 897-1502

Stephen Coulombe
 Senior Managing Director
 Boston
 (617) 897-1515

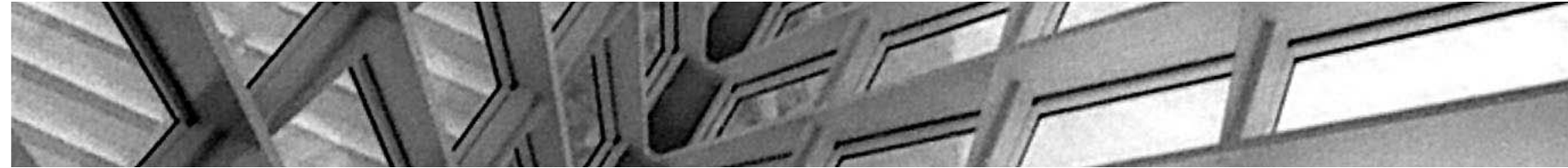
Mark Weinsten
 Senior Managing Director
 Boston
 (617) 897-1522

Managing Directors & Directors

Jonathan Nighswander	Boston	Managing Director	(617) 897-1524
Michael Nowlan	Boston	Managing Director	(617) 897-1505
Mark Renzi	Boston	Managing Director	(617) 897-1528
Mike Flynn	Boston	Director	(617) 897-1509
Mike Laznik	Boston	Director	(617) 897-1521

Sr. Consultants & Consultants

Chris Rimpel	Boston	Sr. Consultant	(617) 897-1535
Mark Waiting	Boston	Sr. Consultant	(617) 897-1543
Jon Barron	Boston	Consultant	(617) 897-1538
Katie Chew	Boston	Consultant	(617) 897-1537
Nicole Hoyniak	Boston	Consultant	(617) 897-1539
Stephanie Lai	Boston	Consultant	(617) 897-1516
Kara McKee	Boston	Consultant	(617) 897-1529
Liz Smith	Boston	Consultant	(617) 897-1540



FTI Boston | Client Locations Requiring Travel (Last 3 Years)

New York	Southeast	Northeast
NYC, NY Buffalo, NY Jamestown, NY Nyack, NY Rochester, NY Long Island, NY	Atlanta, GA Charlotte, NC Miami, FL Richmond, VA Greensboro, NC Dallas, TX	Pittsfield, MA Pawtucket, RI Meriden, CT New Britain, CT Bar Harbor, ME Hampton, NH
Midwest	West	International
Akron, OH Chicago, IL Columbus, OH Overland Park, KS Minneapolis, MN St Louis, MO Detroit, MI	Denver, CO Honolulu, HI Logan, UT Phoenix, AZ Tulsa, OK Los Angeles, CA	Czech Republic Toronto, Canada Dominican R. France Germany Italy Mexico Spain

FTI Boston | Select Private Equity Engagements



DDJ/ Silverpoint

Background / Issues	FTI's Role	Outcome
<p>\$900M manufacturer of health and fitness equipment</p> <ul style="list-style-type: none"> ❑ Significant EBITDA drop ❑ Past-due payables ❑ Liquidity requirement ❑ Potential for defaults 	<p>Financial advisor</p> <ul style="list-style-type: none"> ❑ Negotiated and closed new \$250M revolving credit facility ❑ Identified alternative sources of short-term liquidity ❑ Helped Company quantify and explain significant margin initiatives 	<p>Company secured refinancing</p> <ul style="list-style-type: none"> ❑ \$55M of incremental liquidity ❑ Reduced trade payables to normal levels ❑ Stabilized relationships with key customers
<p>\$1.3B toy retailer with 1,000+ locations</p> <ul style="list-style-type: none"> ❑ Underperforming stores ❑ Competitive pressure from WalMart and Target ❑ Liquidity crunch ❑ Chapter 11 filing 	<p>Financial advisor</p> <ul style="list-style-type: none"> ❑ Evaluated strategic options ❑ Evaluated store performance and store closure decisions ❑ Assisted with all aspects of Ch11 ❑ Evaluated sale and reorganization alternatives 	<p>Company reorganized and recapitalized</p> <ul style="list-style-type: none"> ❑ Return to creditors included equity ownership ❑ Significant operations remain ❑ Significant preservation of jobs
<p>\$350M manufacturer of ready to assemble furniture</p> <ul style="list-style-type: none"> ❑ Highly levered with rapidly declining EBITDA ❑ Tightening liquidity, decreasing revenue and margin pressure ❑ Unable to refinance with existing lending group 	<p>Interim CEO and financial advisor</p> <ul style="list-style-type: none"> ❑ Expanded import program from \$3M to \$50M ❑ Implemented expense reductions and plant consolidations ❑ Evaluated refinancing alternatives ❑ Led efforts to recapitalize business 	<p>Company restructured and recapitalized</p> <ul style="list-style-type: none"> ❑ Emerged from bankruptcy in 7 months ❑ Improved EBITDA by 250% ❑ Unsecured creditors received 100% ❑ Saved over 2,500 manufacturing jobs ❑ No loss of customers, suppliers or retail floor space

FTI Boston | Select Retail Engagements



Background / Issues

\$700M furniture retailer

- Equity sponsor purchased assets
- Rationalization of operations required
- Rebuilding of vendor relationships and inventory position

FTI's Role

CRO, CFO and financial advisor

- Evaluated store performance and liquidity
- Identified logistics channels to sell \$27M of outdated inventory
- Honored \$48M of OldCo orders
- Negotiated better terms with vendors

Outcome

Company completed a refinancing

- Refinanced the Company
- GOB liquidation of 23 stores and non-core assets to improve liquidity
- Several hundred jobs likely preserved



\$30M Dual-Branded Luxury Jewelry Retailer

- Death of CEO in 2002 precipitated financial decline
- New merchandising strategy alienated customer base and led to declining comparable store sales
- C-level management left the Company in April 2006, prompting the fatigued equity sponsor to explore the necessity of a sale process

Sell-Side Investment Banker / Interim Management

- Assisted the Company with day-to-day operations
- Created an Information Memorandum and conducted extensive due diligence with 12 parties in a 6 week time period
- Negotiated all aspects of the transaction and conducted a successful auction with 4 bidding parties

Company Sold in Chapter 11 through a 363 Sale

- Certain liabilities prevented interested buyers from acquiring the Company outside of a Chapter 11 filing
- Markedly improved valuation at the auction from a \$10M stalking horse bid to \$13M at final sale
- Sold the Company to a joint venture comprised of private equity, liquidators and strategic acquirers



\$800M regional, high-end consumer electronics retailer with 153 locations

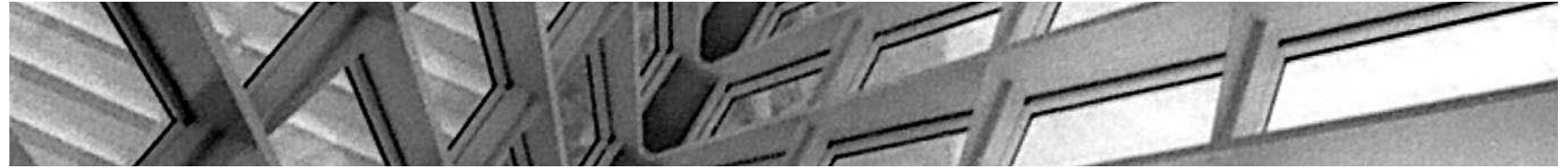
- Price competition from big box retailers eroded margins and reduced profitability
- Oversized \$55M corporate infrastructure compromised financial viability
- Custom home theater installation strategy not implemented until spiraling financial decline
- Chapter 11 filing in June 2007

Financial advisor to the Company

- Helped Management identify underperforming stores and assisted day-to-day cash and operations management
- Negotiated out-of-court Financing, DIP Financing and additional Junior DIP Financing providing incremental liquidity of \$18M
- Organized and led process to sell substantially all of the Company's assets within five weeks after filing Chapter 11.

Company sold all as a going concern in July 2007 after closing 49 underperforming stores

- 2,200 plus jobs and 104 stores likely preserved
- GOB liquidation of 49 stores which produced just \$8M of the Company's \$72M of 4-wall EBITDA
- Maximized value to estate by expediting auction to July 2007 and stemming continuing operating losses
- Sold to going concern bidder for \$38M in cash plus \$8M of assumed liabilities



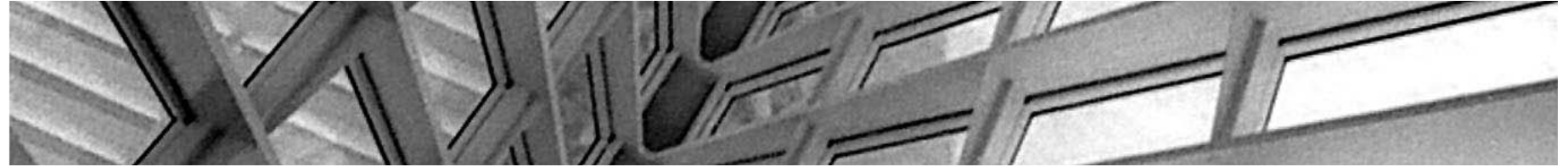
Recruiting Process | **Timeline**

- ❑ On-Campus Interviews on Friday, October 12th
 - ❑ Interviews will consist of 1-2, 30 to 45 minute interviews

- ❑ On-site Interviews at FTI's Boston and New York Offices will take place in mid-November
 - ❑ 4 to 6 Candidates will be invited to FTI's offices
 - ❑ 45-minute interviews will be with senior members of FTI's team

- ❑ Employment Offers
 - ❑ FTI Anticipates Making Employment Offers before Thanksgiving
 - ❑ Employment Offers will Expire within 30 Days of Issuance
 - ❑ Start Dates, while Flexible, can range from mid-May to late July

- ❑ Other Matters
 - ❑ Wait Lists



Summary

- ❑ FTI Corporate Finance solves problems critical to our client's success
- ❑ FTI Corporate Finance offers its clients a depth of knowledge and experience that few organizations can match
- ❑ FTI Corporate Finance provides the opportunity to engage with real-life business models, work with senior level management, get exposure to a wide variety of industries and build a strong skill set
- ❑ The work is challenging, dynamic, with ample opportunities for growth and career development
- ❑ FTI's Boston Office has a "Work Hard, Play Hard" mentality