

# Business Economics Advisory Services

## Economic & Financial Consulting

Businesses seek to drive value for shareholders by growing revenue, minimising costs and improving asset efficiency within the constraints of an increasingly complex economic environment. Our team has deep technical expertise and a strong track record in delivering commercial advice to help clients navigate the financial, organisational, market and environmental opportunities and challenges now and into the future.

### WHY FTI CONSULTING

#### One global team

We seamlessly combine our global resources to support you where you need us most, adapting and diversifying our team based on your needs.

#### Hands-on experience

Our Australian professionals have senior level government, regulator and public service experience. Our global team includes former chief economists at the SEC, EU Commission and Hong Kong Competition Commission.

#### Comprehensive services

Whether it's proactive risk management or responding to unexpected events, we deliver comprehensive solutions to support you right across the business cycle.

#### Definitive expertise

From valuation experts and communication professionals to forensic technology specialists - we are unmatched in our depth and breadth of expertise.

#### Industry specialist

Our industry teams possess sector specific hands-on management and operational experience across 16 core industries.

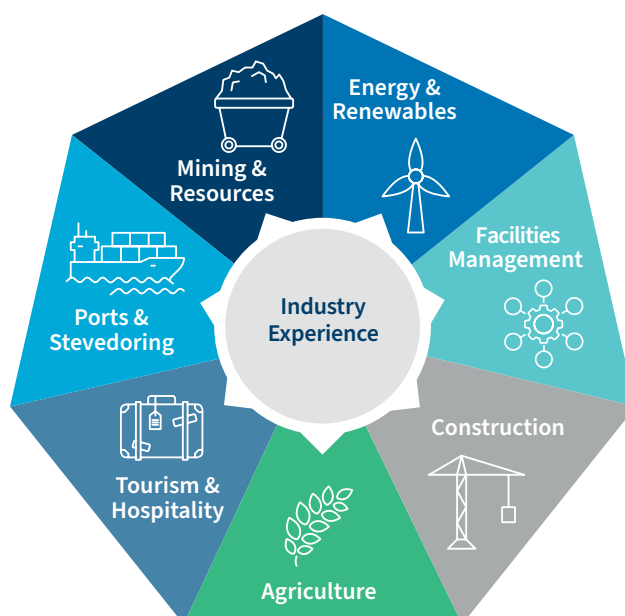
### LEADING BUSINESS ECONOMICS EXPERTISE

Our business economics offering provides clients with nuanced economic insight and practical commercial advice in a comprehensible manner.

Our experts apply their statistical expertise and capability with state-of-the-art techniques to uncover new insights and communicate these findings in an accessible and practical way.

We combine economic expertise with sophisticated quantitative methods to provide comprehensive insight on evolving market conditions. For example, our team can develop a bespoke composite price index to measure and benchmark a business's cost to support dispute resolution, or forecast future cost increases to support contract negotiations or inform strategy.

Our team has extensive experience assisting businesses and regulators across a range of industries, including:



## OUR SERVICES



### Growing revenue

- Financial modelling
- Market analysis and forecasting
- Price measurement and forecasting
- Market and environmental scanning



### Minimising costs

- Labour forecasting
- Cost forecasting
- Cost measurement



### Advocacy and disputes

- Economic loss & damage assessments
- Expert evidence



### Improving asset efficiency

- Asset productivity and efficiency benchmarking
- Efficiency & effectiveness reviews
- Business optimisation & value chain analysis



### General economic advisory

- Statistical and data analysis
- Cost benefit analysis
- Economic modelling
- Transaction advisory
- Cost benefit analysis
- Market assessment & due diligence
- Macroeconomic and industry risk assessments
- Economic impact analysis

## CASE STUDIES

### Advocacy and disputes: Mid-term contract negotiation

FTI Consulting undertook a mid-contract review on behalf of a major provider of services to the mining industry. The contract involved providing services to remote mining locations and set rates for services including catering, building and grounds maintenance and transport. Largely, the existing escalators in the contract were based on forecasts of CPI.

Our role involved reviewing the service providers' historical cost escalation against contracted escalation, and found that the escalators in the contract were inappropriate, based on a number of issues. This included the remote location (with specific cost drivers), the high wage component that drove most service costs, and the specific nature of the services themselves.

Our in-house model enabled the service provider to claw back significant (multi-million dollar) losses from earlier periods and build out a forecast for the next five years, based on service specific forecasts of costs.

### Bespoke forecasting tool

FTI Consulting has been engaged to undertake a range of economic impact studies to assess the economic contribution of different industries, specific firms and how policy/regulatory change would impact this contribution. Our team have applied these tools across a number of industries including tourism, construction, and mining. FTI builds models to fit the needs of the specific engagement – for example, where FTI builds input-output models and multipliers, inputs and outputs can be targeted to the specific regions in which the business operates. Frameworks are often employed to assess direct and indirect implications, spanning the full supply chain as well as flow-on impacts.

### Economic impact assessments

FTI Consulting undertook an economic impact assessment of a large minerals processing plant. Our team assisted the proponent to make a case for government support by demonstrating not only the traditional economic impacts (impacts on the regional economy and job creation), but assessed the environmental impacts (reduction in GHG emissions), social impacts (regional and indigenous opportunities), and undertook a deep dive on the value chain to determine the longer term impacts of processing battery minerals on shore.

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