

May 16, 2008

## Booz Allen To Separate US Government and Global Commercial Business

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**McLean, Virginia** — Booz Allen Hamilton Inc. (“Booz Allen”) today announced that it will separate its US government and global commercial businesses, selling a majority stake in the US government business to The Carlyle Group for \$2.54 billion. This strategic realignment will enable Booz Allen’s two businesses to refocus on their distinct end markets. Simultaneous with Carlyle’s investment, Booz Allen’s commercial business will form a stand-alone company, which will be owned and operated by the commercial officers. The transaction is expected to close in mid-late 2008, subject to shareholder and regulatory approvals and other customary closing conditions.

Booz Allen is a leading provider of management consulting, engineering, information technology, and systems development and integration services supporting mission-critical programs for the US government. Headquartered in McLean, Virginia, Booz Allen’s US government business has more than 18,000 employees in 80 offices worldwide, generating annual net revenues in excess of \$2.7 billion.

“This separation of our core businesses marks a dynamic new chapter in our history,” stated Dr. Ralph W. Shrader, Chairman & Chief Executive Officer of Booz Allen Hamilton. “For 94 years, Booz Allen has adapted and evolved as market realities have changed and our areas of expertise have grown. We continually evaluate whether we have in place the best strategy and structure to succeed and deliver the highest quality service to our government and commercial clients, which is our top priority.”

Upon completion of the strategic realignment, Booz Allen, led by current Chairman & CEO Ralph Shrader, will focus on serving its US government clients. “Booz Allen is proud of the important work we do to help government clients meet their critical missions in national defense, health care, telecommunications, and other vital areas. We bring specialized expertise to solve tough problems, and have a track record of delivering results that are practical, effective, and of significant value,” said Dr. Shrader.

Peter Clare, Carlyle Managing Director and Head of the Global Aerospace, Defense and Government Services sector team, said, “The partners of Booz Allen have built a world-class business and brand focused on providing critical services to government clients. We are excited about partnering with the firm and supporting the continued growth of the business and will maintain the unique culture that has made Booz Allen so successful.”

Ian Fujiyama, the Carlyle Managing Director who led the transaction, added, “Booz Allen provides its clients with an unparalleled breadth of domain expertise and technical capabilities. With a strong, diverse portfolio of customer relationships, we believe that Booz Allen is well positioned to continue its market leadership.”

Through the strategic realignment, the commercial and international business will become an independent company focused on global management consulting. “Booz Allen is already a clear leader in the management consulting industry, with a powerful reputation, enviable client base, strong financial position, and unwavering commitment to serving the senior agenda of the world’s leading institutions. As a stand-alone company, the new commercial and international business will have greater agility to meet the needs of its client base, maximize its potential, and realize significant growth across the globe,” said Dr. Shrader.

The strategic realignment has been unanimously recommended by Booz Allen’s Board of Directors.

Booz Allen was advised by Credit Suisse and Latham & Watkins. Carlyle was advised by Debevoise & Plimpton LLP.

### Booz Allen Hamilton Inc. (current)

Booz Allen Hamilton has been at the forefront of management consulting for businesses and governments for more than 90 years. Providing consulting services in strategy, operations, organization and change, and information technology to the world’s major corporations, government agencies, and institutions, Booz Allen helps clients solve their toughest problems and achieve their missions. Booz Allen is committed to delivering results that endure. Booz Allen has been recognized as a consultant and an employer of choice. In 2008, for the fourth consecutive year, Fortune magazine

named Booz Allen one of “The 100 Best Companies to Work For,” and for the past nine years, Working Mother has ranked the firm among its “100 Best Companies for Working Mothers.”

### **The Carlyle Group**

The Carlyle Group is a global private equity firm with \$81.1 billion under management with 60 funds. Carlyle invests in buyouts, venture and growth capital, real estate and leveraged finance in Africa, Asia, Australia, Europe, North America and South America, focusing on aerospace & defense, automotive & transportation, consumer & retail, energy & power, financial services, healthcare, industrial, infrastructure, technology & business services and telecommunications & media. Since 1987, the firm has invested \$43.0 billion of equity in 774 transactions for a total purchase price of \$229.3 billion. The Carlyle Group employs more than 1,000 people in 21 countries. In aggregate, Carlyle portfolio companies have more than \$87.0 billion in revenue and employ more than 286,000 people around the world. [www.carlyle.com](http://www.carlyle.com)