UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 5, 2021

Booz Allen Hamilton Holding Corporation
(Exact name of Registrant as specified in its charter)

Delaware	**001-34972**	**26-2634160**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

8283 Greensboro Drive, McLean, Virginia	**22102**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (703) 902-5000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Class A Common Stock	BAH	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01 Regulation FD Disclosure.

Booz Allen Hamilton Holding Corporation (the “Company”) expects to present the attached materials to certain investors on February 8, 2021. The materials may be used by the Company in various other presentations to investors. A copy of the materials is attached as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

Exhibit No.	Description
99.1	Investor Presentation
104	Cover Page Interactive File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Booz Allen Hamilton Holding Corporation

BY: /s/ Lloyd W. Howell, Jr.

Lloyd W. Howell, Jr.
Executive Vice President, Chief Financial Officer and Treasurer

Date: February 5, 2021

Exhibit 99.1

Booz | Allen | Hamilton®

FISCAL YEAR 2021 THIRD QUARTER

Investor Presentation

February 2021

CONSULTING | ANALYTICS | DIGITAL SOLUTIONS | ENGINEERING | CYBER

DISCLAIMER

Forward Looking Safe Harbor Statement

Certain statements contained in this presentation and in related comments by our management include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include information concerning Booz Allen's preliminary financial results, financial outlook and guidance, including forecasted revenue, Diluted EPS, Adjusted Diluted EPS, free cash flow, future quarterly dividends, and future improvements in operating margins, as well as any other statement that does not directly relate to any historical or current fact. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "could," "should," "forecasts," "expects," "intends," "plans," "anticipates," "projects," "outlook," "believes," "estimates," "predicts," "potential," "continue," "preliminary," or the negative of these terms or other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give you no assurance these expectations will prove to have been correct.

These forward-looking statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. A number of important factors could cause actual results to differ materially from those contained in or implied by these forward-looking statements, including those factors discussed in our filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K for the fiscal year ended March 31, 2020, which can be found at the SEC's website at www.sec.gov. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date made and, except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Note Regarding Non-GAAP Financial Data Information

Booz Allen discloses in the following information Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, Adjusted Diluted EPS, and Free Cash Flow which are not recognized measurements under GAAP, and when analyzing Booz Allen's performance or liquidity as applicable, investors should (i) evaluate each adjustment in our reconciliation of revenue to Revenue, Excluding Billable Expenses, operating income to Adjusted Operating Income, net income to Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income and Adjusted Diluted Earnings Per Share, and net cash provided by operating activities to Free Cash Flow, and the explanatory footnotes regarding those adjustments, each as defined under GAAP, (ii) use Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue Excluding Billable Expenses, Adjusted Net Income, and Adjusted Diluted EPS in addition to, and not as an alternative to revenue, operating income, net income or diluted EPS as measures of operating results, and (iii) use Free Cash Flow in addition to and not as an alternative to net cash provided by operating activities as a measure of liquidity, each as defined under GAAP. The Financial Appendix includes a reconciliation of Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, Adjusted Diluted EPS, and Free Cash Flow to the most directly comparable financial measure calculated and presented in accordance with GAAP. Booz Allen presents these supplemental performance measures because it believes that these measures provide investors and securities analysts with important supplemental information with which to evaluate Booz Allen's performance, long term earnings potential, or liquidity, as applicable and to enable them to assess Booz Allen's performance on the same basis as management. These supplemental performance and liquidity measurements may vary from and may not be comparable to similarly titled measures by other companies in Booz Allen's industry. With respect to our expectations under "Investment Thesis," reconciliation of Adjusted Diluted EPS guidance to the closest corresponding GAAP measure is not available without unreasonable efforts on a forward-looking basis due to our inability to predict our stock price, equity grants and dividend declarations during the course of fiscal 2021. Projecting future stock price, equity grants and dividends to be declared would be necessary to accurately calculate the difference between Adjusted Diluted EPS and GAAP EPS as a result of the effects of the two-class method and related possible dilution used in the calculation of EPS. Consequently, any attempt to disclose such reconciliation would imply a degree of precision that could be confusing or misleading to investors. We expect the variability of the above charges to have an unpredictable, and potentially significant, impact on our future GAAP financial results. For the same reason, a reconciliation of Adjusted EBITDA Margin on Revenue guidance to the closest corresponding GAAP measure is not available without unreasonable efforts on a forward-looking basis due to our inability to predict specific quantifications of the amounts that would be required to reconcile such measures.

WHY INVEST IN BOOZ ALLEN HAMILTON

INVESTMENT THESIS

UNIQUE MARKET POSITION = **STRONG FINANCIAL RETURNS** + **OPTION VALUE**

UNIQUE MARKET POSITION

+ Investments in innovation, talent, and capabilities position us to help clients adopt current and new technologies
+ First mover advantage enhanced by our ability to combine mission knowledge, consulting heritage and technical depth, creating value for critical missions and top priorities

STRONG FINANCIAL RETURNS

FY18 - FY21 (1)

~80 - 90% ADEPS GROWTH BY FY21
+ ~2% Dividend Yield

4.8 - 6.0%	Mid to High 10%	~$1.4B
FY21 Revenue Growth	FY21 Adj. EBITDA Margins	FY18 - FY21 Capital Deployment

OPTION VALUE

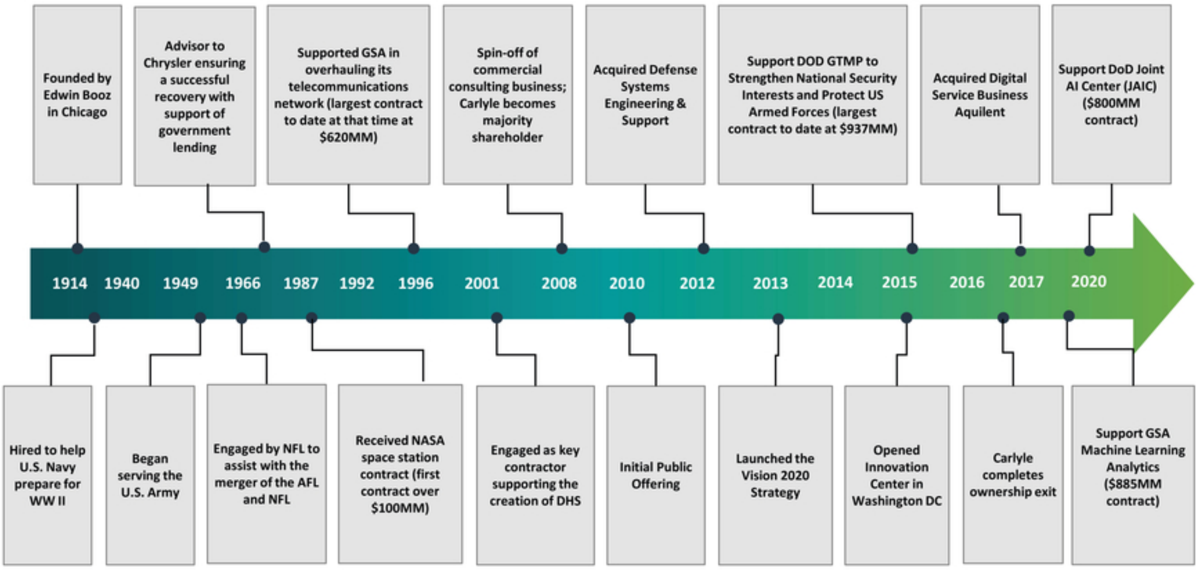
+ Continued investment in new business lines and solutions that will drive future growth

60% ADEPS GROWTH THROUGH FY20
to $3.18 + ~1.5% Dividend Yield

11.3%	10.1%	$333M For a 2-year total of $697M
FY20 Annual Revenue Growth	FY20 Adj. EBITDA Margin	FY20 Capital Deployment

(1) Guidance as provided on 1/29/21

COMPANY HISTORY



With over 100 years of industry leadership, Booz Allen is one of the most respected names in government contracting

BOOZ ALLEN'S LEADERSHIP TEAM

OUR PURPOSE, AS A FIRM, IS TO EMPOWER PEOPLE TO CHANGE THE WORLD

Horacio D. Rozanski
President and CEO

Lloyd W. Howell, Jr.
CFO and Treasurer

Nancy J. Laben
Chief Legal Officer

Elizabeth M. Thompson
Chief People Officer

Kristine Martin Anderson
Civilian Services Group Lead

Karen M. Dahut
Global Defense Group Lead

Gary D. Labovich
Management Systems Modernization Lead

Judi Dotson
National Security Group Lead

Susan L. Penfield
Chief Innovation Officer and Strategic Innovation Group Lead

Our employees work at
500+ LOCATIONS IN 25+ COUNTRIES

~27,600
Number of employees(1)

~29%(2) are Veterans

~66%(2) of staff with security clearances

~86%(2) hold bachelor's degrees

~40%(2) hold master's degrees

~3%(2) hold doctoral degrees

(1) As of 12/31/20
(2) As of 3/31/20

AN INDUSTRY LEADER

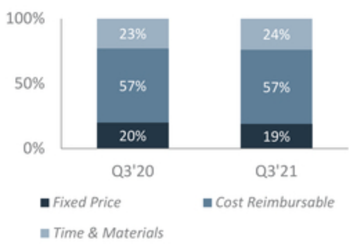
BOOZ ALLEN CONTINUES ITS 100+ YEAR HISTORY AS AN INDUSTRY LEADER

We bring bold thinking and a desire to be the best in our work in consulting, analytics, digital solutions, engineering, and cyber, focused on agencies ranging from defense to health, energy, and international development

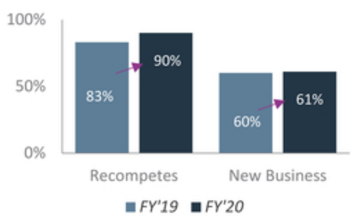
KEY HIGHLIGHTS

+ Founded in 1914 (100+ year history)
+ Headquartered in McLean, VA (close to core clients)
+ November 2010 IPO (NYSE listed under ticker BAH)
+ Single P&L (drives collaboration across leadership)
+ $7.8B in 12/31/20 LTM Revenue
+ $548 in 12/31/20 LTM Net Income (7.0% margin)
+ $819M in 12/31/20 LTM Adj. EBITDA (10.4% margin)
+ Pure-play services provider (97% U.S. Gov't Revenue – Q3'21)
+ Diversification insulates P&L (~4,600 total contracts & task orders) [(1)]

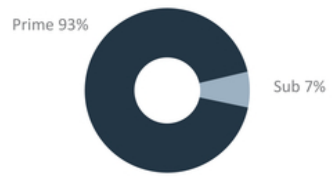
Q3'21 CONTRACT MIX



WIN RATE [(1)]



Q3'21 PRIME / SUB



(1) Contract information includes contracts and task orders as of March 31, 2020

COMPREHENSIVE SUITE OF SERVICE OFFERINGS

STRATEGICALLY ALIGNED WITH CUSTOMERS' CURRENT AND FUTURE PRIORITIES

Consulting

Focuses on the talent and expertise needed to solve client problems and develop mission-oriented solutions.

Analytics

Focuses on delivering transformational solutions in the areas of decision analytics, automation, and data science, as well as new or emerging areas.

Engineering

Delivers engineering services and solutions to define, develop, implement, sustain, and modernize complex physical systems.

Digital Solutions

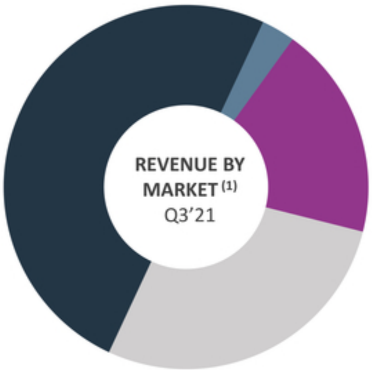
Combines the power of modern systems development techniques and cloud platforms with machine learning to transform customer and mission experiences.

Cyber

Focuses on active prevention, detection, and cost effectiveness for cybersecurity needs.

BROAD CUSTOMER BASE

SPANNING THE U.S. GOVERNMENT, INTERNATIONAL AND COMMERCIAL CLIENTS



DEFENSE (50%)

- Air Force
- Army
- Joint Combatant Commands
- Navy/Marine Corps

GLOBAL / COMMERCIAL (3%)

- **Commercial:** Aerospace, Financial Services, Health and Life Sciences, Energy, Transportation
- **International:** Middle East, North Africa Region, and Select Asian Markets

CIVIL (27%)

- Homeland Security
- Health & Human Services
- Veterans Affairs
- Treasury
- Justice

INTEL (20%)

- **U.S. Intelligence Agencies:** National Security Agency, National Geospatial-Intelligence Agency, National Reconnaissance Office
- **Military Intelligence Agencies**: Defense Intelligence Agency, Service Intelligence Centers, Intelligence Surveillance Reconnaissance Units

(1) Client listing includes significant clients based on revenue, but the lists are not all inclusive

VISION 2020 GROWTH STRATEGY

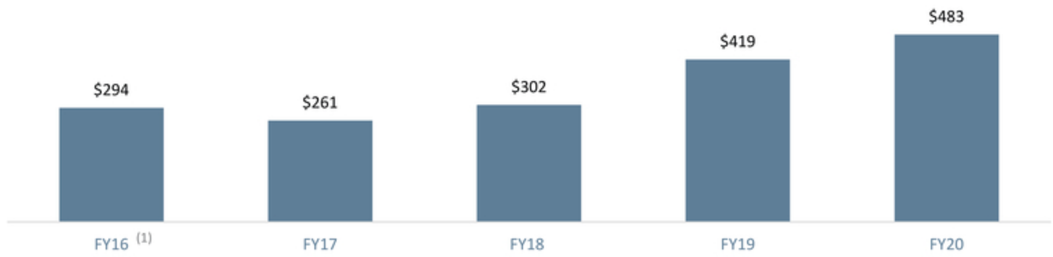
CURRENTLY IN ITS SEVENTH YEAR OF IMPLEMENTATION, WE'RE IN THE "PAYOFF PERIOD"

KEY ELEMENTS OF VISION 2020		IMPACT ON PERFORMANCE – "PAYOFF"
+ Moving closer to the center of our clients' core mission	▶	+ **Insulated operating performance** through budget / economic cycles
+ Increasing the technical content of our work	▶	+ **Higher barriers to entry**; supports margin
+ Attracting and retaining superior talent in diverse areas of expertise	▶	+ Superior technical execution; **stable hiring / retention drives backlog conversion**
+ Leveraging innovation to deliver complex, differentiated, end-to-end solutions	▶	+ Innovation a key component of investment thesis; **option value to enhance growth**
+ Creating a broad network of external partners and alliances	▶	+ **Partnerships to synthesize innovation** and create solutions (i.e. Dell / District Defend)
+ Expanding into commercial and international markets	▶	+ **Mix shift drives higher growth and margin**; to eventually pivot mature commercial solutions to government end markets

VISION 2020 RESULTS

BOOZ ALLEN ANTICIPATES OUR STRONG FINANCIAL PERFORMANCE WILL CONTINUE

NET INCOME (IN MILLIONS) GROWTH...



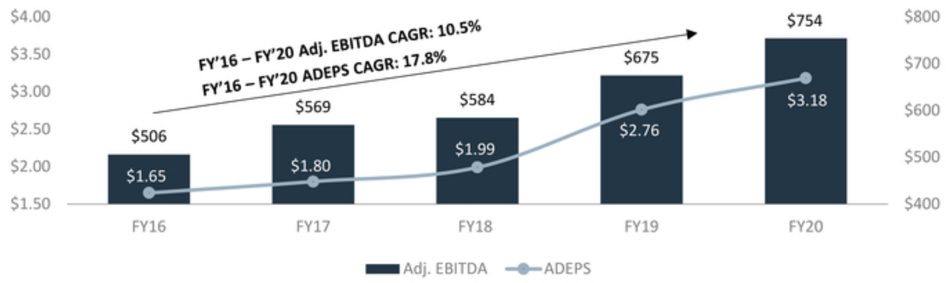
.... DRIVES STRONG DILUTED EARNINGS PER SHARE

(1) 2016 Net Income benefited from one time release of pre-acquisition income tax reserves assumed by the Company in connection with the acquisition of our Company by The Carlyle Group

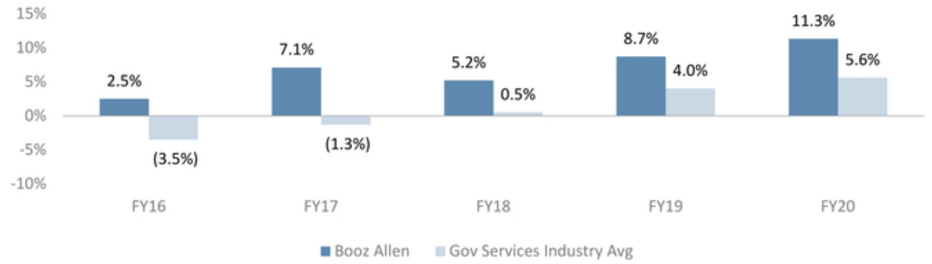
STRONG EARNINGS GROWTH

DERIVATIVE OF ROBUST, ABOVE-MARKET ORGANIC REVENUE GROWTH

ACCELERATING ADJUSTED EBITDA (IN MILLIONS), ADEPS GROWTH



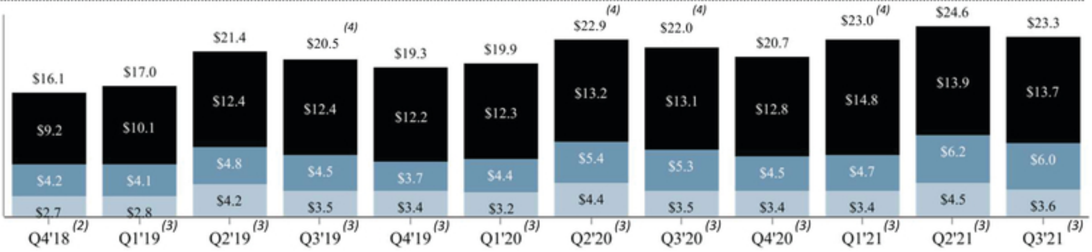
ORGANIC REVENUE GROWTH CONSISTENTLY ABOVE MARKET (1), (2), (3)



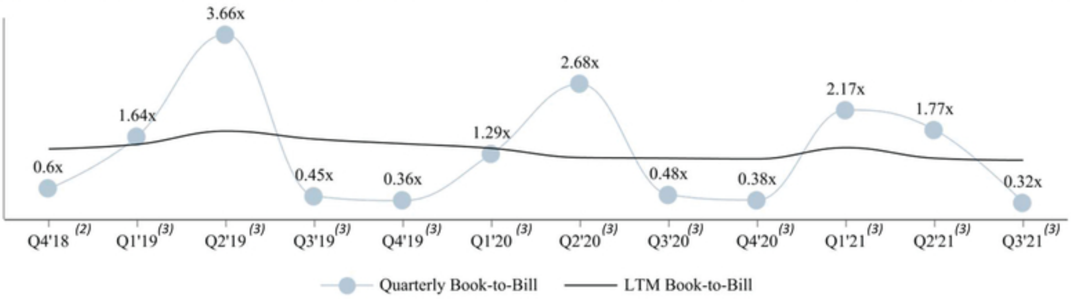
(1) *Gov Services Industry includes Leidos, SAIC, ManTech, CACI, and Engility (through FY20)*
(2) *Organic growth reflects disclosed commentary (through SEC filing, presentation, or transcript) around organic growth performance*
(3) *Source: Company presentations, SEC filings, and earnings transcripts*

HISTORICAL BACKLOG & BOOK-TO-BILL

BACKLOG ($ IN BILLIONS) (1)



BOOK-TO-BILL TRENDS



(1) For more information on the components of backlog, and the differences between backlog and remaining performance obligations, please see the Company's Form 10-K for the fiscal year ended 3/31/20

(2) Revenue as adjusted from previously reported to reflect ASC 606 and ASU 2017-07

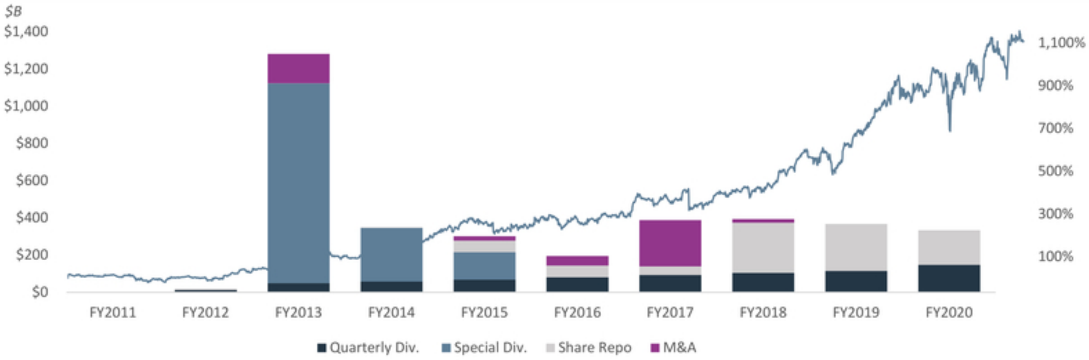
(3) Revenue as reported, reflecting ASC 606 and ASU 2017-07

(4) Totals round to $20.5 billion, $22.9 billion, $22.0 billion, and $23.0 billion, respectively

DELIVERING SHAREHOLDER VALUE

BOOZ ALLEN HAS ESTABLISHED A TRACK RECORD OF DEPLOYING CAPITAL

CAPITAL DEPLOYED AND TSR PERFORMANCE SINCE IPO : 1,108%(1)



CAPITAL DEPLOYED SINCE IPO(1): ~$3.6B

(1) TSR as of 12/31/2020 and assumes dividend reinvested – Capital Deployed as of 3/31/2020

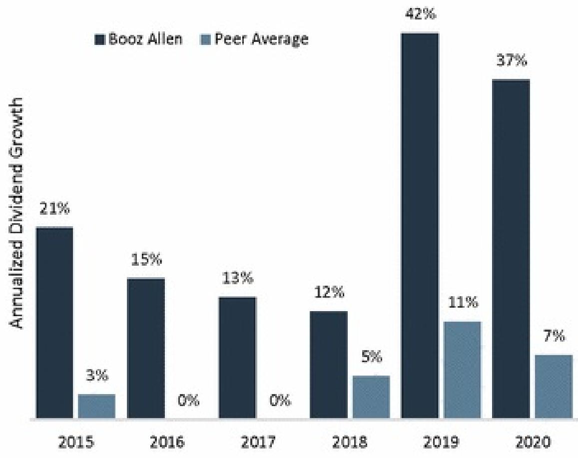
QUARTERLY DIVIDEND

BOOZ ALLEN HAS AND WILL CONTINUE TO MAKE OUR QUARTERLY DIVIDEND A FOCUS OF OUR INVESTMENT THESIS

BOOZ ALLEN QUARTERLY DIVIDEND

+ In FY19 we increased our quarterly dividend $0.04 per share (vs. prior increases of $0.02 per share)
+ In FY20, we announced an off-cycle $0.04 increase to our quarterly dividend during Q2, along with our traditional $0.04 increase during Q3 to $0.31 per share
+ In FY21, we announced a $0.06 increase to our quarterly dividend to $0.37 per share, reflecting:
  - Fundamental strength in our business and sector
  - Continued confidence in our earnings and cash flow generation
  - Commitment to our shareholders

HISTORICAL QUARTERLY DIVIDEND GROWTH RATE[(1)(2)]



1. Quarterly dividend initiated in 2012
2. Proven Annual Dividend Growth Since 2013

Investment Thesis:
~2% Dividend Yield

(1) Calendar Year Annualized Dividend Growth Rate; December 2020 period reflects annualized figure for most recently announced quarterly dividend
(2) Peers include: CACI, SAIC, LDOS, MANT, PRSP

QUARTERLY PERFORMANCE: Q3 FY21

KEY FINANCIAL RESULTS

THIRD QUARTER FISCAL YEAR 2021 RESULTS

	THIRD QUARTER (1)		YEAR TO DATE (12/31/20) (1)	
Revenue	$1.9 billion	3.0% Increase	$5.9 billion	7.0% Increase
Revenue, Excluding Billable Expenses	$1.3 billion	6.2% Increase	$4.1 billion	9.1% Increase
Adjusted EBITDA	$205 million	7.7% Increase	$647 million	11.2% Increase
Adjusted EBITDA Margin on Revenue	10.8%	4.7% Increase	11.0%	4.0% Increase
Net Income	$144 million	28.9% Increase	$410 million	19.2% Increase
Adjusted Net Income	$145 million	27.7% Increase	$418 million	20.9% Increase
Diluted EPS	$1.03	30.4% Increase	$2.93	21.1% Increase
Adjusted Diluted EPS	$1.04	30.0% Increase	$3.01	22.9% Increase
Net Cash Provided by Operating Activities	$233 million	133.4% Increase	$799 million	118.0% Increase

(1) Comparisons are to prior fiscal year period

Q3 FY'21 PERFORMANCE

ALIGNED WITH INVESTMENT THESIS

INVESTMENT THESIS

Unique Market Position = **Strong Financial Returns** + **Option Value**

Unique Market Position

- Investments in innovation, talent, and capabilities position us to help clients adopt current and new technologies
- First mover advantage enhanced by our ability to combine mission knowledge, consulting heritage and technical depth, creating value for critical missions and top priorities

Strong Financial Returns

FY18 - FY21

~80% - 90% ADEPS GROWTH BY FY'21

+ ~2% DIVIDEND YIELD

4.8 - 6.0%	Mid to High 10%	~$1.4B
FY21 Revenue Growth	FY21 Adj. EBITDA Margins	FY18-FY21 Capital Deployment

Option Value

- Continued investment in new business lines and solutions that will drive future growth

INDUSTRY LEADING ORGANIC REVENUE GROWTH (1)	– Organic revenue growth of 3.0% year-over-year; headcount and backlog growth of 1.4% and 6.1% year-over-year, respectively – FY21 guidance midpoint implies an annualized organic revenue CAGR of ~8.5% over FY18-FY21
CONTRACT PERFORMANCE DRIVES MARGIN EXPANSION	– Adj. EBITDA Margin on Revenue of 10.8%; Adj. EBITDA of $205.4 million (7.7% growth year-over-year) – Organic growth and strong contract-level execution continue to drive profitability – Updated FY21 guidance of Adj. EBITDA Margin on Revenue in the mid to high 10% range
PRUDENT CAPITAL DEPLOYMENT	– Deployed $142 million in the third quarter (inclusive of the $72 million minority investment) – Announced a quarterly dividend increase of $0.06 to $0.37 per share

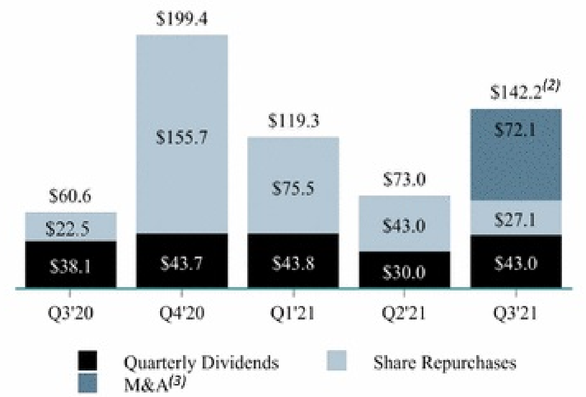
(1) As measured over the three-year Investment Thesis period

CAPITAL ALLOCATION

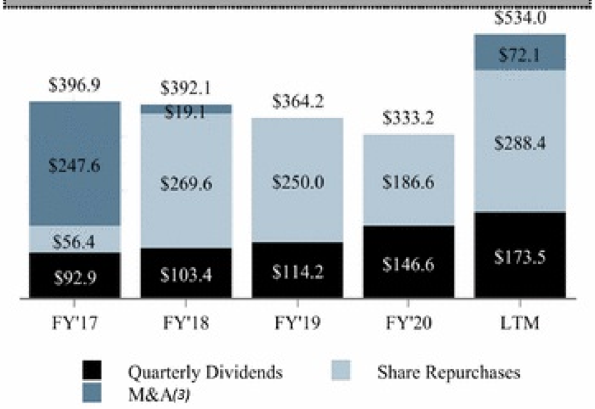
DELIVERING STRONG CAPITAL RETURNS THROUGH EFFICIENT CAPITAL DEPLOYMENT STRATEGY

- Our multi-year capital deployment plan is to follow a disciplined and opportunistic approach, subject to market conditions
  - Deployed $142 million during the third quarter through dividends, share repurchases and a minority investment
  - ~$370 million remaining in our three-year target to deploy ~$1.4 billion through fiscal year 2021
- In January, our Board approved a $400 million increase in our share repurchase authorization (remaining capacity: ~$746.5 million[1])
- The Board authorized a dividend increase to 37 cents per share payable on March 2nd to stockholders of record on February 12th
- Our capital allocation priorities remain unchanged: working capital needs, quarterly dividend, required capex, strategic acquisitions, share repurchases, special dividends, and debt repayment (in order)

QUARTERLY CAPITAL DEPLOYMENT ($ IN MILLIONS)



HISTORICAL CAPITAL DEPLOYMENT ($ IN MILLIONS)



(1) As of 1/27/21
(2) Includes ~$0.1M of withhold to cover shares
(3) Represents Payments for Business Acquisitions, Net of Cash Acquired

APPENDIX

NON-GAAP FINANCIAL INFORMATION

- "Revenue, Excluding Billable Expenses" represents revenue less billable expenses. We use Revenue, Excluding Billable Expenses because it provides management useful information about the Company's operating performance by excluding the impact of costs that are not indicative of the level of productivity of our consulting staff headcount and our overall direct labor, which management believes provides useful information to our investors about our core operations.
- "Adjusted Operating Income" represents operating income before transaction costs, fees, losses, and expenses, including fees associated with debt prepayments and supplemental employee benefits due to the COVID-19 outbreak. We prepare Adjusted Operating Income to eliminate the impact of items we do not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary, or non-recurring nature or because they result from an event of a similar nature.
- "Adjusted EBITDA" represents net income before income taxes, net interest and other expense and depreciation and amortization and before certain other items, including transaction costs, fees, losses, and expenses, including fees associated with debt prepayments and supplemental employee benefits due to the COVID-19 outbreak. "Adjusted EBITDA Margin on Revenue" is calculated as Adjusted EBITDA divided by revenue. Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses is calculated as Adjusted EBITDA divided by Revenue, Excluding Billable Expenses. The Company prepares Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, and Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non-recurring nature or because they result from an event of a similar nature.
- "Adjusted Net Income" represents net income before: (i) transaction costs, fees, losses, and expenses, including fees associated with debt, (ii) supplemental employee benefits due to the COVID-19 outbreak, (iii) research and development tax credit, (iv) release of income tax reserves, (v) loss on debt extinguishment and (vi) amortization of debt issuance costs, in each case net of the tax effect where appropriate calculated using an assumed effective tax rate. We prepare Adjusted Net Income to eliminate the impact of items, net of tax, we do not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary, or non-recurring nature or because they result from an event of a similar nature.
- "Adjusted Diluted EPS" represents diluted EPS calculated using Adjusted Net Income as opposed to net income. Additionally, Adjusted Diluted EPS does not contemplate any adjustments to net income as required under the two-class method of calculating EPS as required in accordance with accounting principles generally accepted in the United States, or GAAP.
- "Free Cash Flow" represents the net cash generated from operating activities less the impact of purchases of property, equipment, and software.

NON-GAAP FINANCIAL INFORMATION

(In thousands, except share and per share data)	Three Months Ended December 31, 2020 (Unaudited)	Three Months Ended December 31, 2019 (Unaudited)	Nine Months Ended December 31, 2020 (Unaudited)	Nine Months Ended December 31, 2019 (Unaudited)
Revenue, Excluding Billable Expenses				
Revenue	$ 1,904,020	$ 1,849,441	$ 5,879,658	$ 5,494,194
Billable expenses	577,059	600,522	1,729,788	1,691,543
Revenue, Excluding Billable Expenses	$ 1,326,961	$ 1,248,919	$ 4,149,870	$ 3,802,651
Adjusted Operating Income				
Operating Income	$ 184,257	$ 169,045	$ 583,365	$ 520,126
Transaction expenses (a)	—	1,069	—	1,069
COVID-19 supplemental employee benefits (b)	68	—	577	—
Adjusted Operating Income	$ 184,325	$ 170,114	$ 583,942	$ 521,195
EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue & Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses				
Net income	$ 144,371	$ 112,026	$ 409,781	$ 343,737
Income tax expense	21,612	34,697	102,418	106,993
Interest and other, net (c)	18,274	22,322	71,166	69,396
Depreciation and amortization	21,113	20,655	62,860	60,308
EBITDA	205,370	189,700	$ 646,225	$ 580,434
Transaction expenses (a)	—	1,069	—	1,069
COVID-19 supplemental employee benefits (b)	68	—	577	—
Adjusted EBITDA	$ 205,438	$ 190,769	$ 646,802	$ 581,503
Adjusted EBITDA Margin on Revenue	10.8 %	10.3 %	11.0 %	10.6 %
Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses	15.5 %	15.3 %	15.6 %	15.3 %
Adjusted Net Income				
Net income	$ 144,371	$ 112,026	$ 409,781	$ 343,737
Transaction expenses (a)	—	1,069	—	1,069
COVID-19 supplemental employee benefits (b)	68	—	577	—
Research and development tax credit (d)	—	—	(2,928)	—
Release of income tax reserves (e)	—	—	(29)	—
Loss on debt extinguishment (f)	—	—	13,239	—
Amortization and write-off of debt issuance costs and debt discount	705	886	1,722	1,945
Adjustments for tax effect (g)	(201)	(509)	(4,040)	(784)
Adjusted Net Income	$ 144,943	$ 113,472	$ 418,322	$ 345,967
Adjusted Diluted Earnings Per Share				
Weighted-average number of diluted shares outstanding	138,886,119	141,558,427	138,932,125	141,348,635
Adjusted Net Income Per Diluted Share (h)	$ 1.04	$ 0.80	$ 3.01	$ 2.45
Free Cash Flow				
Net cash provided by operating activities	$ 232,935	$ 99,780	$ 798,959	$ 366,459
Less: Purchases of property, equipment, and software	(15,949)	(30,734)	(54,033)	(90,712)
Free Cash Flow	$ 216,986	$ 69,046	$ 744,926	$ 275,747

(a) Fiscal 2020 debt refinancing costs incurred in connection with the refinancing transactions consummated on November 26, 2019.

(b) Represents the supplemental contribution to employees' dependent care FSA accounts in response to the COVID-19 outbreak.

(c) Reflects the combination of Interest expense and Other (expense) income, net from the condensed consolidated statement of operations.

(d) Reflects tax credits, net of reserves for uncertain tax positions, recognized in fiscal 2021 related to an increase in research and development credits available for fiscal years 2016 to 2019.

(e) Release of pre-acquisition income tax reserves assumed by the Company in connection with the Carlyle acquisition.

(f) Reflects the loss on debt extinguishment resulting from the redemption of Booz Allen Hamilton Inc.'s 5.125% senior notes due 2025, including $9.0 million of the premium paid at redemption, and write-off of the unamortized debt issuance cost.

(g) Reflects the tax effect of adjustments at an assumed effective tax rate of 26%, which approximates the blended federal and state tax rates, and consistently excludes the impact of other tax credits and incentive benefits realized.

(h) Excludes adjustments of approximately $0.9 million and $2.3 million of net earnings for the three and nine months ended December 31, 2020, respectively, and excludes adjustments of approximately $0.6 million and $1.8 million of net earnings for the three and nine months ended December 31, 2019, associated with the application of the two-class method for computing diluted earnings per share.

NON-GAAP FINANCIAL INFORMATION

Unaudited Non-GAAP Financial Information [a]

$ in thousands, except for shares and per share data	FY2016	FY2017	FY2018	FY2019	FY2020
Revenue, Excluding Billable Expenses					
Revenue	$ 5,405,738	$ 5,809,491	$ 6,167,600	$ 6,704,037	$ 7,463,841
Billable Expenses	1,513,083	1,751,077	1,861,312	2,004,664	2,298,413
Revenue, Excluding Billable Expenses	$ 3,892,655	$ 4,058,414	$ 4,306,288	$ 4,699,373	$ 5,165,428
EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue					
Net income	$ 294,094	$ 260,825	$ 301,692	$ 418,529	$ 482,603
Income tax expense	85,368	164,832	128,344	96,874	96,831
Interest and other, net [b]	65,122	80,357	89,687	86,991	89,768
Depreciation and amortization	61,536	59,544	64,756	68,575	81,081
EBITDA	506,120	565,558	584,479	670,969	750,283
Transaction expenses [d]	—	3,354	—	3,660	1,069
COVID-19 supplemental employee benefits [e]	—	—	—	—	2,722
Adjusted EBITDA	$ 506,120	$ 568,912	$ 584,479	$ 674,629	$ 754,074
Adjusted EBITDA Margin on Revenue (%)	*9.4 %*	*9.8 %*	*9.5 %*	*10.1 %*	*10.1 %*
Adjusted Net Income					
Net income	$ 294,094	$ 260,825	$ 301,692	$ 418,529	$ 482,603
Transaction expenses [d]	—	3,354	—	3,660	1,069
COVID-19 supplemental employee benefits [e]	—	—	—	—	2,722
Amortization of intangible assets [c]	4,225	4,225	—	—	—
Amortization or write-off of debt issuance costs and write-off of original issue discount	5,201	8,866	2,655	2,920	2,395
Research and development tax credits [f]	—	—	—	—	(38,395)
Release of income tax reserves [g]	(53,301)	—	—	(462)	(68)
Remeasurement of deferred tax assets/liabilities [j]	—	—	(9,107)	(27,908)	—
Adjustments for tax effect [h]	(3,770)	(6,578)	(969)	(1,711)	(1,608)
Adjusted Net Income	$ 246,449	$ 270,692	$ 294,271	$ 395,028	$ 448,718
Adjusted Diluted Earnings per Share					
Weighted-average number of diluted shares outstanding	149,719,137	150,274,640	147,750,022	143,156,176	141,238,135
Adjusted Net Income per Diluted Share [i]	$ 1.65	$ 1.80	$ 1.99	$ 2.76	$ 3.18

a The use and definition of Non-GAAP financial measurements can be found in the company's public filings.
b Reflects the combination of Interest expense and Other income (expense), net from the consolidated statement of operations.
c Reflects amortization of intangible assets resulting from the acquisition of our Company by The Carlyle Group.
d Fiscal 2017 reflects debt refinancing costs associated with the refinancing transaction consummated on July 13, 2016. Fiscal 2019 reflects debt refinancing costs associated with the refinancing transaction consummated on July 23, 2018. Fiscal 2020 reflects debt refinancing costs incurred in connection with the refinancing transactions consummated on November 26, 2019.
e Represents the supplemental contribution to employees' dependent care FSA accounts in response to the COVID-19 outbreak.
f Reflects tax credits, net of reserves for uncertain tax positions, recognized in fiscal 2020 related to an increase in research and development credits available for fiscal years 2016 to 2020.
g Release of pre-acquisition income tax reserves assumed by the Company in connection with the Carlyle Acquisition.
h Fiscal 2016 and 2017 reflect the tax effect of adjustments at an assumed effective tax rate of 40%. With the enactment of the 2017 Tax Act, fiscal 2018 adjustment is reflected using an assumed effective tax rate of 36.5%, and fiscal 2019 and 2020 adjustments are reflected using an assumed effective tax rate of 26%, which approximate the blended federal and state tax rates for fiscal 2018, 2019, and 2020 respectively, and consistently exclude the impact of other tax credits and incentive benefits realized.
i Excludes adjustments associated with the application of the two-class method for computing diluted earnings per share.
j Reflects the adjustments made to the provisional income tax benefit associated with the re-measurement of the Company's deferred tax assets and liabilities as a result of the 2017 Tax Act.

FINANCIAL RESULTS – KEY DRIVERS

Third Quarter Fiscal 2021 – Below is a summary of the key factors driving results for the fiscal 2021 third quarter ended December 31, 2020 as compared to the prior year period:

- Revenue increased by 3.0% to $1.9 billion and Revenue, Excluding Billable Expenses increased 6.2% to $1.3 billion, with both increases primarily driven by growth in client demand and headcount to meet that demand. The Company also benefited from higher staff utilization over the prior year period driven by fewer PTO days taken by our employees which resulted in increases in our direct labor and corresponding generation of revenue growth. Revenue growth for the quarter was also negatively impacted by lower billable expenses primarily due to lower subcontractor costs driven by client demand and timing of client needs and lower direct cost purchases for clients, including travel. The impact of COVID-19, including on travel, drove volatility in the timing and magnitude of billable expenses.
- Operating Income increased 9.0% to $184.3 million and Adjusted Operating Income increased 8.4% to $184.3 million. Increases in both were primarily driven by the same factors driving revenue growth as well as strong contract level performance, ongoing cost management efforts, and reductions in certain types of expenses, like travel and meetings. These were partially offset by the inability to recognize revenue on, or bill for, fee on certain contracts involving a ready workforce of approximately $2.0 million.
- Net income increased 28.9% to $144.4 million and Adjusted Net Income increased 27.7% to $144.9 million. These changes were primarily driven by the same factors as Operating Income and Adjusted Operating Income. Net income and Adjusted Net Income were also affected by the release of $10.2 million in reserves for uncertain tax positions related to the acquisition of eGov Holdings, Inc. (d/b/a Aquilent), established in the fourth quarter of fiscal 2017, due to the expiration of the statute of limitations, and a $3.1 million gain from the sale of certain Company assets.
- EBITDA increased 8.3% to $205.4 million and Adjusted EBITDA increased 7.7% to $205.4 million. These increases were due to the same factors as Operating Income and Adjusted Operating Income.
- Diluted EPS increased to $1.03 from $0.79 and Adjusted Diluted EPS increased to $1.04 from $0.80. The changes were primarily driven by the same factors as Net Income and Adjusted Net Income, respectively, as well as decreased interest expense and a lower share count in the third quarter of fiscal 2021.
- As of December 31, 2020, total backlog was $23.3 billion, an increase of 6.1%. Funded backlog was $3.6 billion, an increase of 2.8%.

FINANCIAL RESULTS – KEY DRIVERS

Nine Months Ended December 31, 2020 – Below is a summary of the key factors driving results for the fiscal 2021 nine months ended December 31, 2020 as compared to the prior year period:

- Net cash provided by operating activities was $799.0 million for the nine months ended December 31, 2020 as compared to $366.5 million in the prior year period. The increase in operating cash flows was primarily due to strong cash collections of our revenue growth, working capital management, and lower cash taxes due to the carryover of research and development credits claimed in fiscal 2020. Lower cash disbursements also contributed to third quarter performance, driven by cost management and lower expenses attributable to COVID-19. Free Cash Flow was $744.9 million for the nine months ended December 31, 2020 as compared to $275.7 million in the prior year period. Free Cash Flow was affected by the same factors affecting cash provided by operating activities, as well as a decrease in capital expenditures reflecting a shift away from facilities investment towards technology and tools needed to support the virtual work environment. Additionally, we continue to modernize our corporate information technology infrastructure and are in the rigorous testing phase prior to the implementation of a new financial management system. We believe we are on track for a successful implementation in the next fiscal year, which will support the Company's growth into the future.

COVID UPDATE

In response to the COVID-19 pandemic, Booz Allen implemented a response based on three guiding priorities:

1. To protect the health and safety of our people, their families, and communities
2. To continue supporting the critical missions of our clients
3. To ensure the financial and institutional resilience of the firm.

The firm's multi-layered response to the COVID-19 pandemic has been driven by a cross-functional team of health experts and operations leaders. This team works seamlessly with executive and business leaders to design and implement a robust response strategy that addresses both business and employee impacts. Our response has evolved to meet the needs of our clients, and productivity remains at or above pre-pandemic levels. Most importantly, we have kept our employees healthy; the impact of the virus on our employees being significantly lower than comparative averages.

We think of our COVID-19 response in three phases:

- **Phase 1 was the immediate response to the crisis from January to May of 2020.** In mid-March 2020, we moved to mandatory telework, shifting 90% of our more than 27,000 employees to telework and implementing health safeguards for employees whose work required an on-site presence. In April 2020, we set aside $100 million in our budget through cost-containment measures and reprioritizations to provide greater support to our employees. This support included a commitment to job security, expanded benefits (such as greater flexibility for leave programs), and increased funding for our resilience program.

- **Phase 2 will last until COVID-19 is mitigated.** We will remain in a telework-first posture and our offices will remain closed through at least March 2021. Where client missions demand on-site presence, we have partnered with clients to create safer worksites through Safe Return Plans. We have continued to test new ideas and pilot programs that keep our people safe and healthy, including two diagnostic testing programs and nationwide antibody testing. In response to feedback collected via employee surveys we have enhanced employee benefit programs, increasing dependent care options and telework support. We will continue to plan for future work strategies and safe return implications upon availability of a vaccine.

- **Phase 3 will begin once the virus is controlled.** We continue to prepare and plan for the uncertainties of this phase and, as a new normal emerges, expect that several of the changes we have instituted will be made permanent.

SHAREHOLDER AND STOCK INFORMATION

- Website: investors.boozallen.com
- Contact Information:

  - **Investor Relations**
    Rubun Dey
    Investor Relations
    703-377-5332
    Dey_Rubun@bah.com

  - **Media**
    Jessica Klenk
    Media Relations
    703-377-4296
    Klenk_Jessica@bah.com

  - **Corporate Governance**
    Nancy Laben
    Chief Legal Officer
    703-377-9042
    Laben_Nancy@bah.com