

**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): August 8, 2022 (August 8, 2022)

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

Delaware
(State or other jurisdiction
of incorporation)

001-34972
(Commission
File Number)

26-2634160
(IRS Employer
Identification No.)

8283 Greensboro Drive, McLean, Virginia
(Address of principal executive offices)

22102
(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class
Class A Common Stock

Trading Symbol
BAH

Name of Each Exchange on Which Registered
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 or after August 8, 2022. 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.

The information in this Item 7.01 and Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| Exhibit No. | Description |
|----------------------|--|
| 99.1 | Investor Presentation |
| 104 | Cover Page Interactive Data 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 and Chief Financial Officer

Date: August 8, 2022

Investor Presentation Deck

August 2022

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, Adjusted EBITDA, Diluted EPS, Adjusted Diluted EPS, 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.

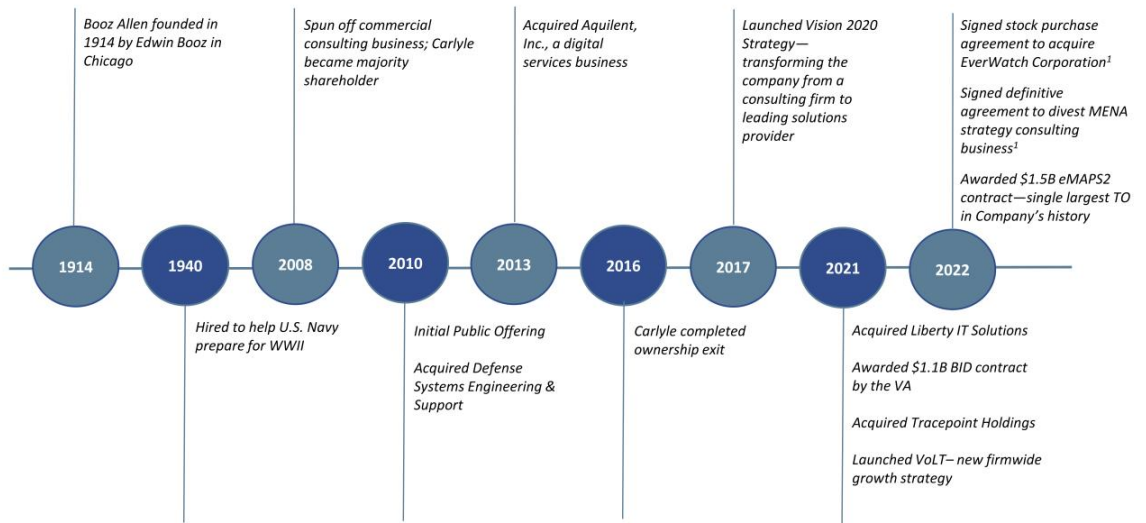
These forward-looking statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from any future results, levels of 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, 2022, 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 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, Free Cash Flow, and Free Cash Flow Conversion, which are not recognized measurements under accounting principles generally accepted in the United States, or 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 attributable to common stockholders to Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income and Adjusted Diluted EPS, and net cash used in operating activities to Free Cash Flow and Free Cash Flow Conversion, 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 attributable to common stockholders or diluted EPS as measures of operating results, each as defined under GAAP, and (iii) use Free Cash Flow and Free Cash Flow Conversion in addition to, and not as an alternative to, net cash used in operating activities as a measure of liquidity, each as defined under GAAP. The 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, Free Cash Flow, and Free Cash Flow Conversion 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 “Financial Outlook”, “Fiscal Year 2023 Operating Cash Bridge” and “Fiscal Year 2023 ADEPS Bridge”, reconciliation of Adjusted Diluted EPS guidance, Adjusted EBITDA, and Adjusted EBITDA Margin on Revenue 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 with respect to Adjusted Diluted EPS, and our net income, net interest and other expenses with respect to Adjusted EBITDA and Adjusted EBITDA Margin on Revenue, during the course of fiscal 2023. With respect to Adjusted Diluted EPS guidance, 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 and Adjusted EBITDA Margin on Revenue guidance for fiscal 2023 and 2025 and of Adjusted EBITDA guidance through fiscal 2025 to the closest corresponding GAAP measures are 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.

COMPANY HISTORY

OUR HERITAGE IS AT THE CORE OF EVERYTHING WE DO

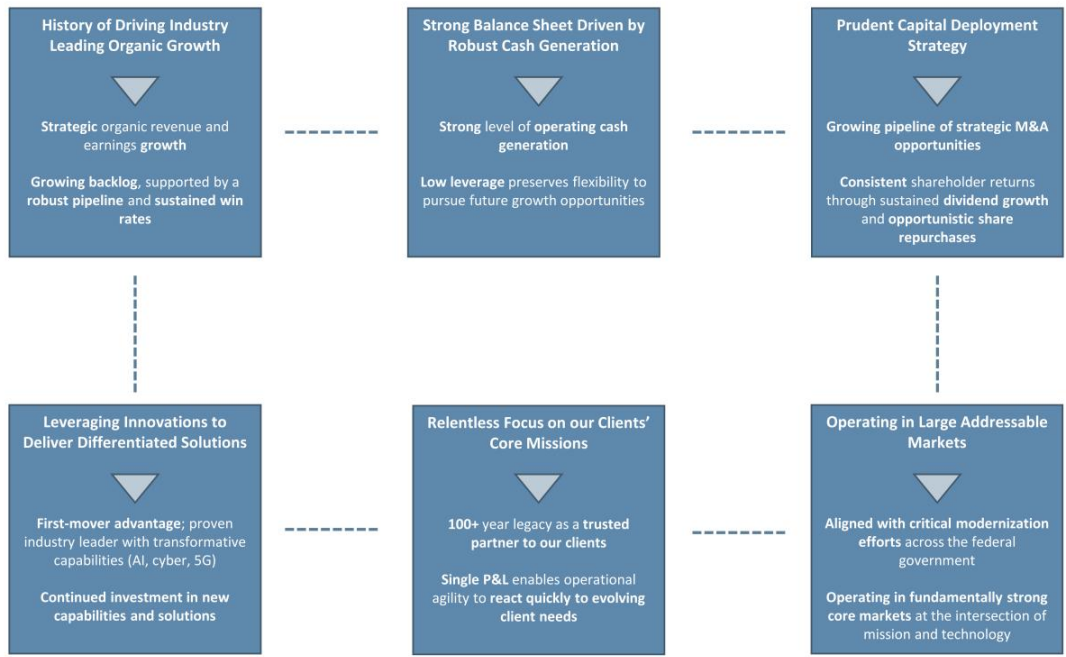


With over 100 years of industry leadership, Booz Allen is one of the most respected names in government contracting

¹⁾ Please refer to Booz Allen's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2022 for more information.

WHY INVEST IN BOOZ ALLEN

BOOZ ALLEN HAS A 100+ YEAR HISTORY AS AN INDUSTRY LEADER



LEADING FROM THE TOP

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



Horacio D. Rozanski
President and Chief
Executive Officer



Lloyd W. Howell, Jr.
Chief Financial Officer



Kristine Martin Anderson
Chief Operating Officer



Richard Crowe
President
Civil Sector



Judi Dotson
President
Global Defense Sector



Nancy Laben
Chief Legal Officer



Susan L. Penfield
Chief Technology Officer



Thomas Pfeifer
President
National Security Sector



Elizabeth M. Thompson
Chief People Officer



DIVERSITY MEASURES²

- 36% of global workforce identified as female, including 35% of senior management and 67% of executive leadership
- 32% of U.S. workforce identified as BIPOC, including 19% of senior management and 22% of executive leadership
- 32% of new employee hires globally identified as female and 38% of new employee hires in the U.S. identified as BIPOC
- 34% of employee departures globally identified as female and 36% of employee departures in the U.S. identified as BIPOC

CREDENTIALS²

- ~28% are Veterans
- ~67% have security clearances
- ~89% hold bachelor's degrees
- ~42% hold master's degrees
- ~4% hold doctoral degrees

(1) As reported in Booz Allen's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2022.
(2) As reported in Booz Allen's Annual Report on Form 10-K for the fiscal year ended March 31, 2022.

VoLT: OUR GROWTH STRATEGY

WE WILL OPERATE WITH INCREASED SPEED, AGILITY AND SCALE IN A RAPIDLY CHANGING, HIGHLY COMPETITIVE AND INCREASINGLY TECHNICAL ENVIRONMENT

BUILDING BLOCKS OF VoLT

VELOCITY: GET THERE FIRST

Leverage our mission knowledge to get to the future at speed and scale

ACHIEVED BY

- *Doubling-down on innovation*
- *Using strategic M&A and partnerships to build market positions*
- *Making decisions closer to the needs of clients*

LEADERSHIP: TRANSFORM WITH CONVICTION

Redefine mission leadership to stand apart in this new era

- *Identifying client needs ripe for hyper-growth*
- *Scaling businesses at the nexus of mission and technology*

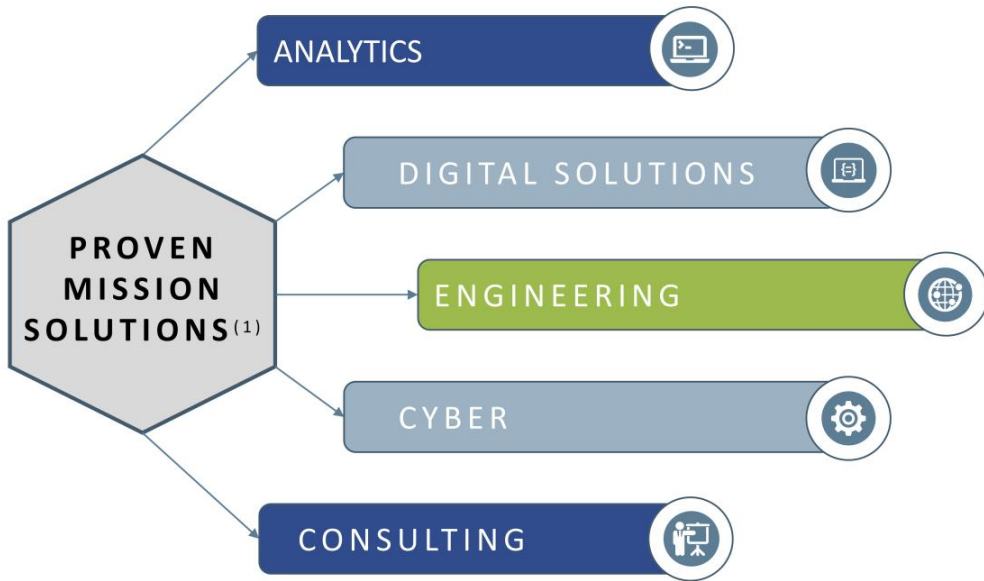
TECHNOLOGY: DIFFERENTIATE TO WIN

Put technology at the heart of the client mission to define the next generation of impact

- *Using mission insights to develop solutions*
- *Identifying, building and scaling next generation technology to transform mission*

ADVANCED SOLUTIONS & CAPABILITIES

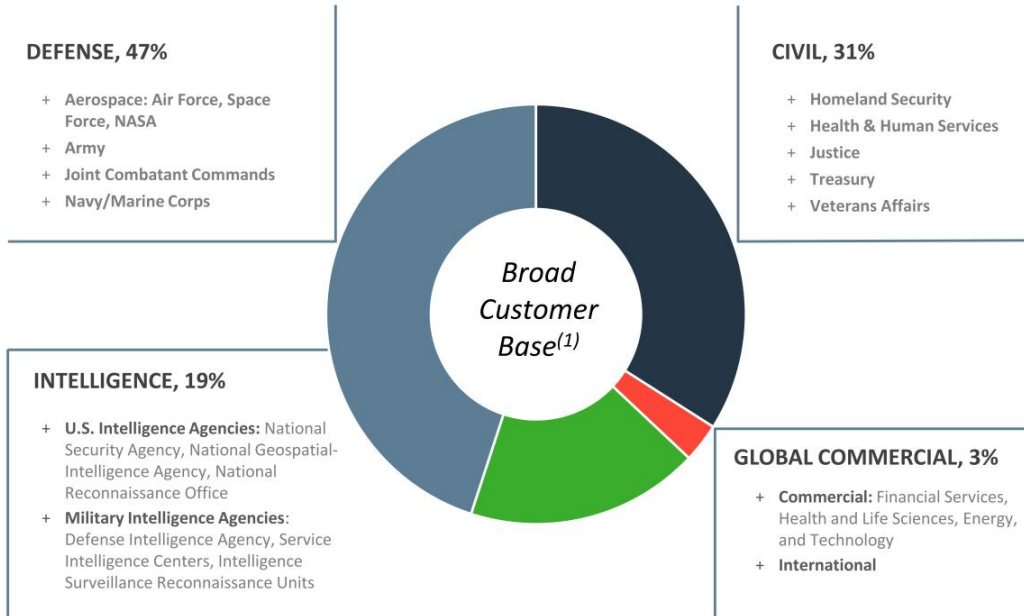
WE HAVE EXPANDED BEYOND OUR MANAGEMENT CONSULTING FOUNDATION TO DEVELOP DEEP EXPERTISE IN FIELDS THAT ADDRESS OUR CLIENTS' CORE MISSIONS



(1) For more information on our functional service offerings, please refer to our Form 10-K for the fiscal year ended March 31, 2022.

BROAD CUSTOMER BASE

WE SERVE A BROAD CUSTOMER BASE THAT SPANS ACROSS THE U.S. GOVERNMENT AND COMMERCIAL MARKETS



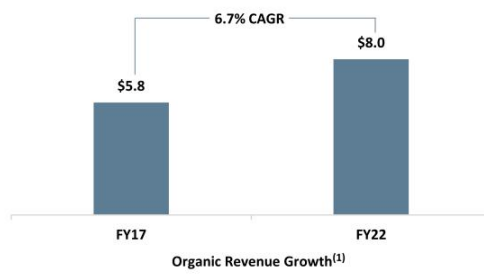
(1) All percentages of revenue are approximate; exact percentages of revenue are reported in our Form 10-K for the fiscal year ended March 31, 2022.

STRONG FINANCIAL RETURNS

WE HAVE A PROVEN TRACK RECORD OF STRONG FINANCIAL PERFORMANCE

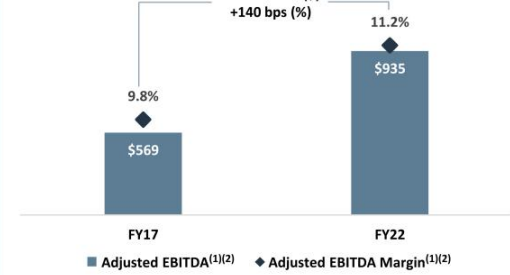
Returning to Industry-Leading Organic Growth

(\$ in billions)



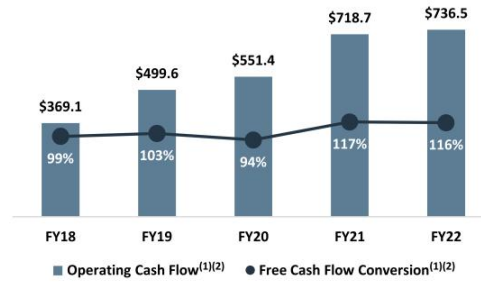
Sustained Adjusted EBITDA & Margin Expansion

(\$ in millions)



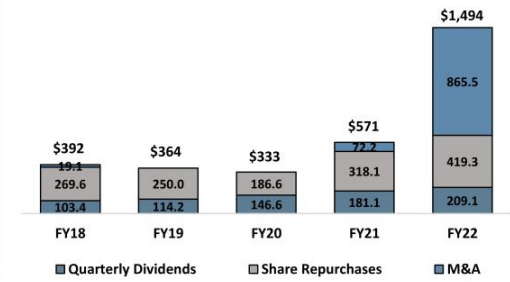
Strong Cash Flow Generation

(\$ in millions)



Significant Capital Deployment

(\$ in millions)⁽¹⁾⁽³⁾

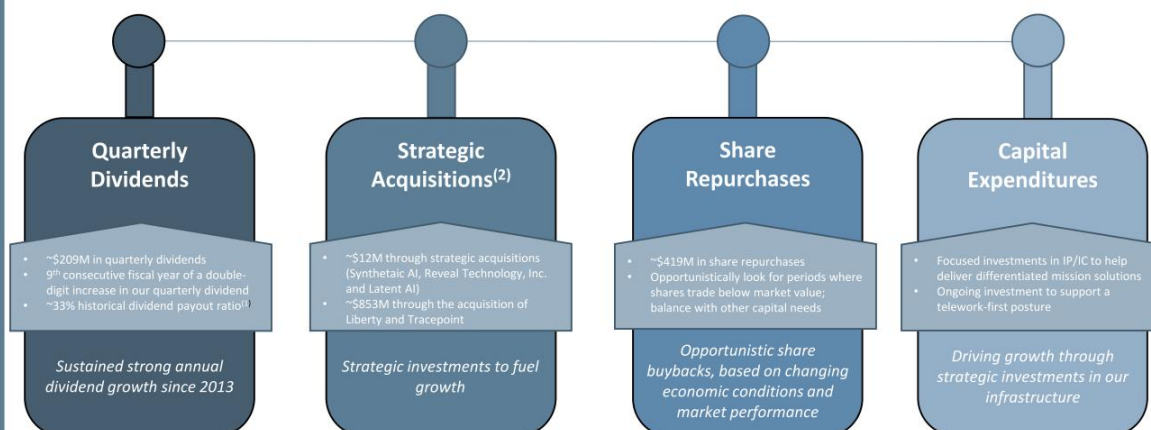


(1) As reported in our Forms 10-K for fiscal years ended March 31, 2018, 2019, 2020, 2021 and 2022; totals may not sum due to rounding.
 (2) A reconciliation of non-GAAP financial measures can be found in the Appendix.
 (3) Total amount of capital deployed for fiscal 2022 does not include ~\$2 million in applicable fees related to our acquisition of Tracepoint.

CAPITAL DEPLOYMENT: FY22 IN REVIEW

OUR DEPLOYMENT PRIORITIES FOLLOW A DISCIPLINED, OPPORTUNISTIC APPROACH THAT MAXIMIZES NEAR- AND LONG-TERM SHAREHOLDER VALUE

In FY22, we deployed ~\$1.49B⁽¹⁾ through a mix of quarterly dividends, strategic M&A, share repurchases and reinvestments in required CapEx



We remain committed to a balanced capital allocation strategy to maximize long-term shareholder value

(1) As measured over a five-year period.

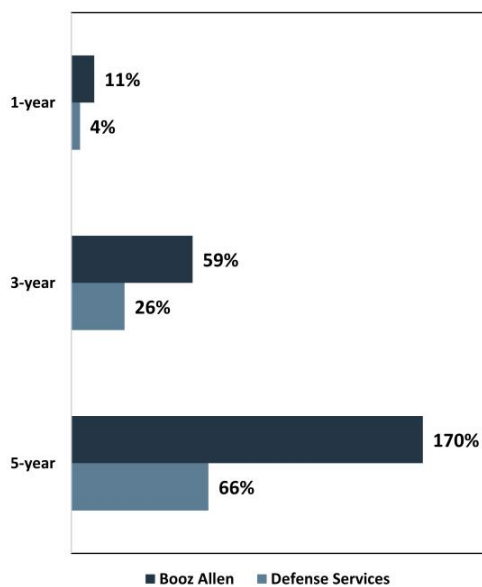
(2) Total amount of capital deployed in FY22 does not include ~\$2M in applicable fees related to our acquisition of Tracepoint.

OUTPERFORMING THE MARKET

DRIVING LONG-TERM SHAREHOLDER VALUE THROUGH STRONG FINANCIAL PERFORMANCE AND PRUDENT CAPITAL MANAGEMENT

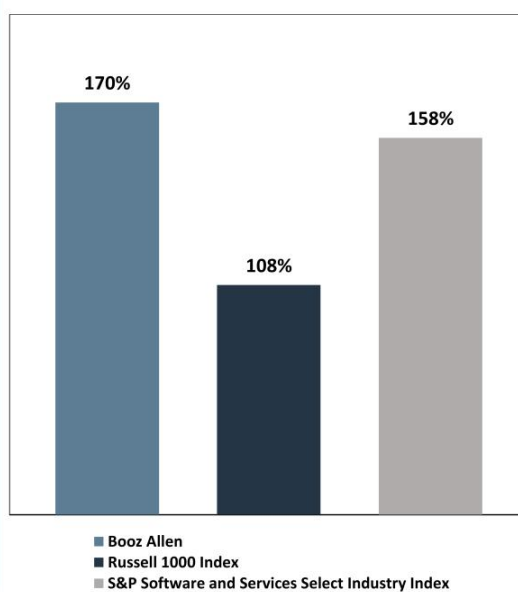
Total Shareholder Returns vs. Core Peers

One-, Three- and Five-Year Periods⁽¹⁾



Total Shareholder Returns vs. Broader Indexes

Five-Year Period⁽¹⁾

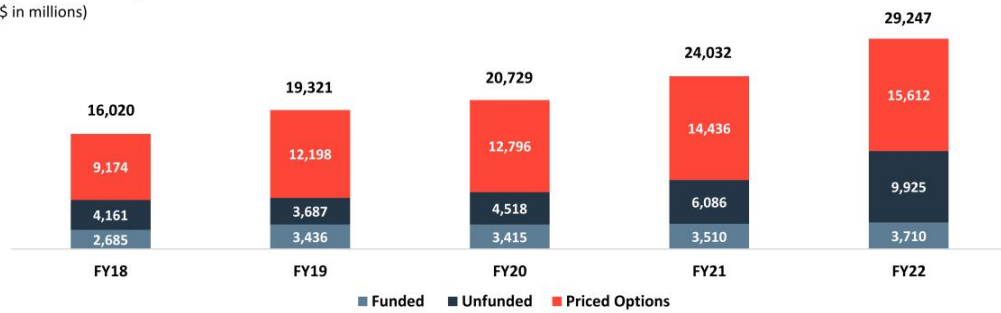


⁽¹⁾ As of March 31, 2022. Core peers include: CACI, LDOS, MANT, and SAIC.

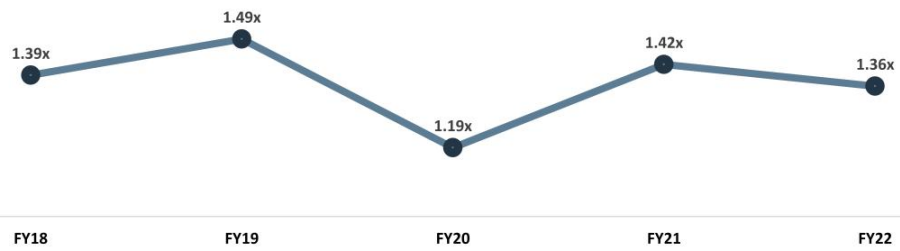
STRONG BACKLOG AND CONTRACT-LEVEL PERFORMANCE

DEMONSTRATES THE STRENGTH OF OUR VALUE PROPOSITION AND CORE CAPABILITIES

Historical Backlog⁽¹⁾⁽²⁾
(\$ in millions)



Historical Book-to-Bill
LTM Book-to-Bill Ratios



(1) As reported in our Forms 10-K for the fiscal years ended March 31, 2018, 2019, 2020, 2021 and 2022.

(2) Backlog presented as of March 31, 2022, includes backlog acquired from acquisitions made during fiscal 2022, which was approximately \$2.6 billion as of March 31, 2022.

BOOZ ALLEN ESG AT A GLANCE

ENVIRONMENTAL, SOCIAL, GOVERNANCE IMPACT SUPPORTS LONG-TERM RESILIENCE



ENVIRONMENT

| | | | |
|--|---|--|--|
| 23,700 metric tons CO ₂ e in total greenhouse gas emissions (down from 96,400 in FY20) ⁽¹⁾ | Achieved goals set in 2015 to reduce Scope 2 emissions by 15% well ahead of schedule | Committed to set science-based targets through the Science Based Targets initiative | Joined Business Ambition for 1.5°C Campaign , committing to set targets aligned with a net-zero future |
|--|---|--|--|

SOCIAL

| | | | |
|--|---|--|---|
| 67% of our executive leadership are women and 22% are BIPOC ⁽²⁾ | 67% of our employees hold security clearances ⁽²⁾ | Engaged communities with >\$3M in charitable contributions and >\$1.7M in pro bono client service ⁽¹⁾ | Employees engaged in our culture of feedback with >180,000 performance-related discussions ⁽¹⁾ |
|--|---|--|---|

GOVERNANCE

| | | | |
|---|---|--|--|
| 73% of the members of our Board of Directors are women and/or people of color ⁽³⁾ | Board Diversity policy ensures diverse candidates among new director pools | ESG and cybersecurity are each subject to chartered oversight by Board of Directors | ESG/Sustainability performance is considered as a factor in executive compensation |
|---|---|--|--|

(1) As reported in our 2021 ESG Impact Report.
 (2) As reported in our 10-K for the fiscal year ended March 31, 2022.
 (3) As of March 31, 2022.

**FIRST QUARTER FISCAL 2023
FINANCIAL RESULTS**

&

FISCAL 2023 OUTLOOK

KEY FINANCIAL RESULTS

FIRST QUARTER FISCAL YEAR 2023 RESULTS

| | FIRST QUARTER ⁽¹⁾ | |
|---|------------------------------|----------|
| Revenue | \$2.2 billion | +13.1% |
| Revenue, Excluding Billable Expenses | \$1.6 billion | +9.9% |
| Adjusted EBITDA | \$253 million | +6.1% |
| Adjusted EBITDA Margin on Revenue | 11.2% | (6.2)% |
| Net Income | \$138 million | +49.9% |
| Adjusted Net Income | \$151 million | +3.4% |
| Diluted EPS | \$1.03 | +53.7% |
| Adjusted Diluted EPS | \$1.13 | +5.6% |
| Net Cash (Used In) Operating Activities | \$(46) million | (328.0)% |

(1) Comparisons are to prior fiscal year period.

FINANCIAL OUTLOOK

REAFFIRMING FULL YEAR FISCAL 2023 GUIDANCE

OPERATING PERFORMANCE

| | |
|--|-------------------------|
| Total Revenue Growth ⁽¹⁾ | 5.0 - 9.0% |
| Adjusted EBITDA | \$950 - \$1,000 million |
| Adjusted EBITDA Margin on Revenue | Mid-to-High 10% |
| Adjusted Diluted EPS ⁽²⁾ | \$4.15 - \$4.45 |
| Net Cash Provided by Operating Activities ⁽³⁾ | \$850 - \$950 million |

(1) Approximately 1% of the targeted growth in revenue is from Tracepoint and Liberty.

(2) Assumes an effective tax rate of 23-25%; average diluted shares outstanding of 131-133 million, and interest expense of \$108-117 million.

(3) Excludes approximately \$550 million of cash taxes we expect to pay in fiscal 2023, as detailed on Slide 17.

FISCAL YEAR 2023 OPERATING CASH BRIDGE

| OPERATING CASH BRIDGE FROM FISCAL 2022 TO FISCAL 2023 ¹ | |
|--|------------------------|
| FY22 Operating Cash | \$737 million |
| FY22 Net Cash Paid for Income Taxes ² | \$(127) million |
| Adjusted EBITDA Growth ³ | ~\$15 – \$65 million |
| Interest Expense ³ | ~\$(16) million |
| Net Changes in Working Capital | ~\$(14) – \$37 million |
| FY23 Operating Cash Excluding Net Cash to be Paid for Income Taxes | \$850 - \$950 million |
| Effective Tax Rate ³ | ~\$(200) million |
| Tax Law Changes & Strategic Planning ⁴ | ~\$(200) million |
| Section 174 ⁵ | ~\$(150) million |
| FY23 Operating Cash | \$300 - \$400 million |

⁽¹⁾ Totals may not sum due to rounding.

⁽²⁾ Adding back fiscal year 2022 cash tax payments to show an equal comparison to fiscal year 2023 Operating Cash Flow before cash tax payments.

⁽³⁾ Reflects the expected impact of the midpoints of fiscal 2023 Adjusted EBITDA range of \$950-1,000 million, interest expense range of \$108-117 million, and effective tax rate range of 23-25 percent.

⁽⁴⁾ We expect to receive offsetting refunds associated with these strategic tax planning initiatives in the future.

⁽⁵⁾ Reflects the company's estimate of cash to be paid in fiscal 2023 based upon current tax obligations relating to research and development expenditures.

FISCAL YEAR 2023 ADEPS BRIDGE

| ADEPS BRIDGE FROM FY22 TO FY23 | |
|--|----------------------|
| FY22 ADEPS | \$4.21 |
| 5 – 9% Revenue Growth | ~\$0.28 – \$0.48 |
| Mid-to-High 10% Adjusted EBITDA Margin | ~\$(0.20) – \$(0.10) |
| FY23 Operational ADEPS | \$4.29 – \$4.59 |
| Depreciation and Amortization ¹ | ~\$(0.02) |
| Interest Expense ² | ~\$(0.10) |
| Income Tax Expense ³ | ~\$(0.05) |
| Other Below-the-Line Items ⁴ | ~\$0.05 |
| FY23 ADEPS | \$4.15 – \$4.45 |

⁽¹⁾ Reflects the incremental increase in depreciation and amortization related to investments in infrastructure and technology.

⁽²⁾ Reflects the midpoint of the fiscal 2023 estimated interest expense range as compared to fiscal 2022 results.

⁽³⁾ Reflects the midpoint of the fiscal 2023 estimated effective tax rate range as compared to fiscal 2022 results.

⁽⁴⁾ Reflects the estimated interest income and lower average diluted shares outstanding from fiscal 2022 to fiscal 2023.

FY2023 - FY2025 INVESTMENT THESIS

INVESTMENT THESIS
EXCEPTIONAL SHAREHOLDER VALUE CREATION
FY2023 – FY2025 GOALS

Competitive
Edge at the
Mission-
Innovation
Intersection

ADJUSTED EBITDA
GROWTH TO \$1.2 – 1.3B

Organic Revenue 5–8% + Strategic Acquisitions & Investments + Strong Mid 10% Adjusted EBITDA Margin

Disciplined
Capital
Deployment
\$3.5 – 4.5B

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 client 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 acquisition and divestiture costs, financing transaction costs, and significant acquisition amortization. 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 attributable to common stockholders before income taxes, net interest and other expense and depreciation and amortization and before certain other items, including acquisition and divestiture costs, restructuring costs, financing transaction costs, and supplemental employee benefits due to COVID-19. "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. We prepare 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 attributable to common stockholders before: (i) acquisition and divestiture costs, (ii) financing transaction costs, (iii) significant acquisition amortization, and (iv) amortization or write-off of debt issuance costs and debt discount, 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. We view Adjusted Net Income as an important indicator of performance consistent with the manner in which management measures and forecasts the Company's performance and the way in which management is incentivized to perform.
- "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 as disclosed in the footnotes to our consolidated financial statements in our Form 10-K for the fiscal year ended March 31, 2022.
- "Free Cash Flow" represents the net cash generated from operating activities less the impact of purchases of property, equipment and software. "Free Cash Flow Conversion" is calculated as Free Cash Flow divided by Adjusted Net Income.

NON-GAAP FINANCIAL INFORMATION (Unaudited)

| (In thousands, except share and per share data) | Three Months Ended June 30, | |
|--|--------------------------------|--------------|
| | 2022 | 2021 |
| Revenue, Excluding Billable Expenses | | |
| Revenue | \$ 2,249,600 | \$ 1,989,066 |
| Less: Billable expenses | 674,266 | 555,545 |
| Revenue, Excluding Billable Expenses | \$ 1,575,334 | \$ 1,433,521 |
| Adjusted Operating Income | | |
| Operating Income | \$ 207,195 | \$ 141,257 |
| Acquisition and divestiture costs (a) | 5,093 | 66,789 |
| Financing transaction costs (b) | — | 2,348 |
| Significant acquisition amortization (c) | 11,087 | 2,658 |
| Adjusted Operating Income | \$ 223,375 | \$ 213,052 |
| EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue & Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses | | |
| Adjusted Operating Income | \$ 223,375 | \$ 213,052 |
| Net income attributable to common stockholders | \$ 138,284 | \$ 92,102 |
| Income tax expense | 41,489 | 27,352 |
| Interest and other, net (d) | 27,613 | 21,803 |
| Depreciation and amortization | 40,102 | 27,745 |
| EBITDA | 247,488 | 169,002 |
| Acquisition and divestiture costs (a) | 5,093 | 66,789 |
| Financing transaction costs (b) | — | 2,348 |
| Adjusted EBITDA | \$ 252,581 | \$ 238,139 |
| Adjusted EBITDA Margin on Revenue | 11.2 % | 12.0 % |
| Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses | 16.0 % | 16.6 % |
| Adjusted Net Income | | |
| Net income attributable to common stockholders | \$ 138,284 | \$ 92,102 |
| Acquisition and divestiture costs (a) | 5,093 | 66,789 |
| Financing transaction costs (b) | — | 2,348 |
| Significant acquisition amortization (c) | 11,087 | 2,658 |
| Amortization and write-off of debt issuance costs and debt discount | 823 | 887 |
| Adjustments for tax effect (e) | (4,421) | (18,897) |
| Adjusted Net Income | \$ 150,866 | \$ 145,887 |
| Adjusted Diluted Earnings Per Share | | |
| Weighted-average number of diluted shares outstanding | 133,011,088 | 136,392,343 |
| Adjusted Net Income Per Diluted Share (f) | \$ 1.13 | \$ 1.07 |
| Free Cash Flow | | |
| Net cash provided used in operating activities | \$ (45,634) | \$ (10,662) |
| Less: Purchases of property, equipment, and software | (13,734) | (9,008) |
| Free Cash Flow | \$ (59,368) | \$ (19,670) |
| Free Cash Flow Conversion | (39)% | (13)% |

(a) Represents costs associated with the acquisition and divestiture efforts of the Company related to transactions for which the Company has entered into a letter of intent to either acquire a controlling financial interest in the target entity or divest a portion of our business. Acquisition and divestiture costs primarily include costs associated with (i) buy-side and sell-side due diligence activities, (ii) compensation expenses associated with employee retention, and (iii) legal and advisory fees primarily associated with the acquisitions of Liberty IT Solutions, LLC, Tracepoint Holdings, LLC, and EverWatch Corp., as well as the planned divestiture of our management consulting business serving the Middle East and North Africa.

(b) Reflects expenses associated with debt financing activities incurred during the first quarter of fiscal 2022.

(c) Amortization expense associated with acquired intangibles from significant acquisitions. Significant acquisitions include acquisitions which the Company considers to be beyond the scope of our normal operations. Significant acquisition amortization includes amortization expense associated with the acquisition of Liberty in the first quarter of fiscal 2022.

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

(e) 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.

(f) Excludes adjustments of approximately \$0.9 million and \$0.5 million of net earnings for the three months ended June 30, 2022 and June 30, 2021, respectively, associated with the application of the two-class method for computing diluted earnings per share.

FINANCIAL RESULTS – KEY DRIVERS

First Quarter Fiscal 2023 – Below is a summary of the key factors driving results for the fiscal 2023 first quarter ended June 30, 2022 as compared to the prior year period:

- Revenue increased 13.1% to \$2.2 billion and Revenue, Excluding Billable Expenses increased 9.9% to \$1.6 billion. Revenue growth was primarily driven by a combination of headcount and salary increases and higher billable expenses, partially offset by lower staff utilization. The increase in revenue also includes approximately \$103.0 million of inorganic contributions related to fiscal 2022 acquisitions.
- Operating income increased 46.7% to \$207.2 million and Adjusted Operating Income increased 4.8% to \$223.4 million. The increase was primarily driven by the same drivers benefiting revenue growth, partially offset by higher unallowable spend. The increase in Adjusted Operating Income was primarily driven by the same factors driving revenue growth.
- Net income increased 49.9% to \$138.1 million, Adjusted Net income increased 3.4% to \$150.9 million and Net income attributable to common stockholders increased 50.1% to \$138.3 million. These changes were primarily driven by the same factors as operating income and Adjusted Operating Income. Net income, Adjusted Net income and Net income attributable to common stockholders were also affected by higher interest expense, a higher effective tax rate, and higher depreciation and amortization expense due to investments in our business, technology, and infrastructure.
- EBITDA increased 46.4% to \$247.5 million and Adjusted EBITDA increased 6.1% to \$252.6 million. These changes were due to the same factors as operating income and Adjusted Operating Income, respectively.
- Diluted EPS increased to \$1.03 from \$0.67 and Adjusted Diluted EPS increased to \$1.13 from \$1.07. The changes were primarily driven by the same factors as Net Income and Adjusted Net Income, respectively, partially offset by a lower share count in the first quarter of fiscal 2023.
- Net cash used in operating activities was \$45.6 million for the quarter ended June 30, 2022, as compared to \$10.7 million in the prior year period. Strong collections in line with revenue growth were partially offset by higher disbursements and one time payroll items associated with administrative staffing changes completed last quarter and other business transactions. Free Cash Flow was \$(59.4) million for the three months ended June 30, 2022, as compared to \$(19.7) million in the prior year period. Free Cash Flow was affected by the same factors affecting cash used in operating activities, as well as an increase in capital expenditures over the prior year.

BOOZ ALLEN INVESTOR & MEDIA RELATIONS CONTACTS

- Website: investors.boozallen.com

- Contact Information:

- **Investor Relations**

- Nathan P Rutledge
Director & Head of Investor Relations
202-440-3943
Rutledge_Nathan@BAH.com

- **Media**

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

