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## Booz Allen Hamilton Acquires Software Services Business of SPARC, LLC

*Charleston, S.C. Company Provides Agile Development Services to U.S. Government and Commercial Clients*

MCLEAN, Va.--(BUSINESS WIRE)-- Booz Allen Hamilton today announced that it has acquired the software services unit of the Charleston, S.C. technology firm SPARC, a move that further strengthens and complements the firm's growing capabilities in Agile software development, a key component in its approach to solving complex technology and mission-critical systems challenges.

Booz Allen has acquired the unit, its assets, and about 270 staff who currently provide software development services for the U.S. Department of Veterans Affairs and additional public and private sector clients. This acquisition will expand and enhance the firm's ability to integrate technical and mission-related requirements to deliver technologies like cloud, mobile and modular services using contemporary methodologies such as Agile, DevOps and open source.

The services group, which grew its revenue by 26 percent in 2014, will operate from its Charleston facility, where 65 Booz Allen employees are currently co-located. In Booz Allen's fiscal year 2017, the transaction is expected to be accretive to earnings and add approximately \$50 million of incremental annual revenue. SPARC's products unit will continue to operate separately under different ownership.

"The SPARC team is a great addition to Booz Allen, bolstering our ability to deliver the large, highly integrated systems that clients are demanding," said Horacio Rozanski, President and Chief Executive Officer of Booz Allen. "This acquisition advances the firm's long-term strategy, which is focused on ensuring we have the specialized talent and technical capabilities we need to drive growth across our client base."

"The SPARC team is known for its deep expertise in modern Agile and DevOps methods, as well as its creativity in delivering solutions integrating cloud computing, UI/UX design, mobile technologies, cyber security, and production operations," said Gary Labovich, Executive Vice President for Booz Allen's systems delivery business. "We see this acquisition as an excellent fit for both companies."

"The opportunity to join a firm like Booz Allen that so strongly values our expertise, shares our focus on culture, and offers the chance to expand into new areas of client work is an exciting development for the SPARC team, and we look forward to accomplishing great things together," said SPARC Chief Executive Officer Marc Murphy.

In 2013, SPARC was ranked by Inc. 500 as the 14th fastest-growing private company in the U.S., and it has been named a South Carolina Best Places to Work winner four times.

Booz Allen has continued to invest in building its systems delivery business in recent years as part of the firm's long-term growth strategy, called Vision 2020. The firm sees growth opportunities driven by client demand for rapid technology innovation in areas such as cloud, big data and mobility; advanced development methodologies and a demand for faster deployments.

"The addition of SPARC expands our portfolio of technical skillsets which are essential for mission-critical systems delivery, furthering our ability to offer our clients cutting-edge solutions and take advantage of growth opportunities in the market for large highly-integrated IT projects," said Labovich.

The firm's differentiator in systems delivery is the combination of its broad range of technology capabilities, an intimate understanding of a client's mission, and an awareness and sensitivity to the management challenges of organizational adaptation and adoption.

In recent months, Booz Allen has won several large high-profile systems delivery contracts, including:

- A contract valued at \$202 million from the Centers for Medicare and Medicaid Services (CMS) to become the Marketplace System Integrator, an essential role in the implementation of the Affordable Care Act. Booz Allen is leading governance and technical coordination for a complex, interoperable set of systems, while ensuring compliance and alignment with continuing Congressional mandates and evolving regulatory requirements.
- A task order valued at \$83 million over three years to help U.S. Federal agencies stay ahead of evolving Cyber security

threats. The U.S. Department of Homeland Security (DHS) and the General Services Administration's Federal Systems Integration and Management Center (GSA FEDSIM) selected Booz Allen Hamilton to fulfill Task Order 2D of the Continuous Diagnostics and Mitigation program. This contract is the [second CDM Task Order award for Booz Allen under the DHS CDM Program](#).

- A task order valued at \$87 million from the U.S. Department of Veterans Affairs' (VA) Office of Information and Technology (OI&T) for Booz Allen, along with teaming partners, to manage the overall operations and delivery of a VA Mobile Infrastructure Services solution. This includes a public and private cloud Infrastructure that is the foundation for VA mobile capabilities being developed and released to enhance the way VA delivers care to Veterans.

### **About Booz Allen Hamilton**

Booz Allen Hamilton has been at the forefront of strategy and technology for more than 100 years. Today, the firm provides management and technology consulting and engineering services to governments in the civil, defense, and intelligence markets, global corporations, and not-for-profit organizations. Booz Allen partners with private and public sector clients to solve their most difficult challenges. Headquartered in McLean, Virginia, the firm employs more than 22,200 people globally, and had revenue of \$5.27 billion for the 12 months ended March 31, 2015. To learn more, visit [www.boozallen.com](http://www.boozallen.com). (NYSE: BAH)

### **About SPARC**

SPARC is a software company creating engaging, forward-thinking technology while keeping Team Members at the core of everything we do. With offices in Charleston, South Carolina, SPARC provides software development services for the government and commercial sectors, and develops commercial software products for employee engagement, human resources, big data analytics, and mobile markets.

The McLean Group, LLC represented SPARC, LLC as their investment bankers for this transaction.

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