

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): July 26, 2024

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 2.02 Results of Operations and Financial Condition.

On July 26, 2024, Booz Allen Hamilton Holding Corporation (the “Company”) issued a press release announcing its results of operations for the fiscal year ended June 30, 2024. A copy of the press release is attached hereto as Exhibit 99.1.

On July 26, 2024, the Company posted to the “Investor Relations” section of its website the presentation that accompanies the earnings conference call. A copy of the presentation is attached hereto as Exhibit 99.2.

The information in this Item 2.02 and Exhibits 99.1 and 99.2 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 that filing.

Item 9.01 Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated July 26, 2024
99.2	Earnings Conference Call Presentation
104	The cover page of this Current Report on Form 8-K, formatted as inline XBRL.

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/ Matthew A. Calderone

Matthew A. Calderone

Executive Vice President and Chief Financial Officer

Date: July 26, 2024

BOOZ ALLEN HAMILTON ANNOUNCES FIRST QUARTER FISCAL 2025 RESULTS

- + **Company Starts Fiscal Year with Strong Top Line Performance, Delivering Double-Digit Revenue Growth and Double-Digit Organic Revenue Growth¹**
- + **Quarterly Revenue Increase of 10.8 percent over the Prior Year Period to \$2.9 billion, 10.6 percent Organic Revenue Growth, and Revenue, Excluding Billable Expenses² Growth of 8.4 percent**
- + **Quarterly Diluted Earnings Per Share of \$1.27 and Adjusted Diluted Earnings Per Share² of \$1.38**
- + **7.7 percent Year-Over-Year Client Staff Headcount Growth**
- + **15.7 percent Increase in Quarterly Backlog to \$36.2 billion; Quarterly Book-to-Bill Ratio of 1.72x**
- + **Quarterly Dividend of \$0.51 per Share**

"Our first quarter performance demonstrates our strategic and operational momentum. We are on track to achieve our fiscal year guidance and our multi-year Investment Thesis. VoLT continues to fuel our growth as we accelerate our clients' national priority missions through transformative technology solutions."

— HORACIO ROZANSKI
Chairman, Chief Executive Officer and President

McLean, Virginia; July 26, 2024 - Booz Allen Hamilton Holding Corporation (NYSE: BAH), the parent company of management and technology consulting and engineering services firm Booz Allen Hamilton Inc., today announced results for the first quarter of fiscal year 2025.

In the first quarter, the Company delivered solid overall performance. The strategically aligned acquisition of PAR Government Systems Corporation (PGSC) closed in June 2024. Supported by double-digit organic revenue growth¹, record-high quarterly backlog, and strong hiring, the Company continues to successfully execute against its VoLT strategy and remains well-positioned for delivery at the high end of its three-year Investment Thesis ending fiscal year 2025.

The Company reported the following first quarter fiscal year 2025 results as compared to first quarter fiscal year 2024: quarterly revenue growth of 10.8 percent, a 10.6 percent quarterly increase in organic revenue, and an 8.4 percent quarterly increase in Revenue, Excluding Billable Expenses; Net Income increased by 2.4 percent to \$165.2 million, and Adjusted Net Income decreased by 7.0 percent to \$179.6 million. Operating income increased by 8.9 percent to \$255.2 million; Adjusted EBITDA decreased by 1.6 percent to \$302.0 million; Adjusted EBITDA Margin on Revenue decreased by 11.2 percent to 10.3 percent; and Diluted EPS was \$1.27, up \$0.05 or 4.1 percent, while Adjusted Diluted EPS was \$1.38, down \$0.09 or 6.1 percent.² Total backlog increased by 15.7 percent to \$36.2 billion and the quarterly book-to-bill ratio was 1.72x.

¹ Organic revenue as of June 30, 2024 is calculated as consolidated revenue adjusted for revenue attributable to acquisitions. Calculation excludes approximately \$5.0 million of revenue from PGSC.

² Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted Net Income, Adjusted EBITDA, Adjusted Diluted EPS, Adjusted EBITDA Margin on Revenue, Free Cash Flow and organic revenue are non-GAAP financial measures. See "Non-GAAP Financial Information" below for additional detail.

FINANCIAL SUMMARY

First quarter ended June 30, 2024

- A summary of Booz Allen's results for the first quarter of fiscal year 2025 is below. All comparisons are to the prior year period. A description of key drivers can be found in the Company's Earnings Call Presentation for the first quarter posted on investors.boozallen.com.

FIRST QUARTER FY25²

(Changes are compared to prior year period)

REVENUE:

\$2.94B +10.8 %

REVENUE EX. BILLABLE EXPENSES:

\$2.00B +8.4 %

OPERATING INCOME:

\$255.2M +8.9 %

ADJ. OPERATING INCOME:

\$273.5M (1.7)%

NET INCOME:

\$165.2M +2.4 %

ADJUSTED NET INCOME:

\$179.6M (7.0)%

EBITDA:

\$296.3M +7.2 %

ADJUSTED EBITDA:

\$302.0M (1.6)%

DILUTED EPS:

\$1.27 up from \$1.22

ADJUSTED DILUTED EPS:

\$1.38 down from \$1.47

As of June 30, 2024, client staff headcount was approximately 2,300 higher than at the end of the prior year period, an increase of 7.7 percent, and approximately 700 higher than at the end of the prior quarter. Total headcount, inclusive of the PGSC acquisition, was approximately 2,500 higher than at the end of the prior year period, an increase of 7.8 percent, and approximately 800 higher than at the end of the prior quarter.

Net cash provided by operating activities was \$52.1 million for fiscal year 2025, as compared to \$(71.5) million of net cash used in operating activities in the prior year. Free cash flow for the first quarter of fiscal year 2025 was \$19.7 million, as compared to \$(82.0) million in the prior year.

The Company declared a regular quarterly dividend of \$0.51 per share, which is payable on August 30, 2024 to stockholders of record on August 14, 2024.

FINANCIAL OUTLOOK³

OPERATING PERFORMANCE	FISCAL 2025 GUIDANCE
Revenue Growth ⁴	8.0% – 11.0%
Adjusted EBITDA	\$1,260 – \$1,300 million
Adjusted EBITDA Margin on Revenue	~11%
Adjusted Diluted EPS ⁵	\$5.80 – \$6.05
Net Cash Provided by Operating Activities ⁶	\$825 – \$925 million
Free Cash Flow ⁶	\$725 – \$825 million

CONFERENCE CALL INFORMATION

Booz Allen Hamilton will host a conference call at 8 a.m. EDT on Friday, July 26, 2024 to discuss the financial results for its first quarter fiscal year 2025. Analysts and institutional investors may participate on the call by registering online at investors.boozallen.com. Participants are requested to register a minimum 15 minutes before the start of the call.

The conference call will be webcast simultaneously to the public through a link at investors.boozallen.com. A replay of the conference call will also be available on the site beginning at 11 a.m. EDT on Friday, July 26, 2024 and continuing for 12 months.

ABOUT BOOZ ALLEN HAMILTON

Trusted to transform missions with the power of tomorrow's technologies, Booz Allen Hamilton advances the nation's most critical civil, defense, and national security priorities. We lead, invest, and invent where it's needed most—at the forefront of complex missions, using innovation to define the future. We combine our in-depth expertise in AI and cybersecurity with leading-edge technology and engineering practices to deliver impactful solutions. Combining 110 years of strategic consulting expertise with the perspectives of diverse talent, we ensure results by integrating technology with an enduring focus on our clients. We're first to the future—moving missions forward to realize our purpose: Empower People to Change the World®.

With global headquarters in McLean, Virginia, our firm employs approximately 35,100 people globally as of June 30, 2024, and had revenue of \$10.7 billion for the 12 months ended March 31, 2024. To learn more, visit www.boozallen.com. (NYSE: BAH)

³ Reconciliations omitted in reliance on Item 10(e)(1)(i)(B) of Regulation S-K. See "Non-GAAP Financial Information."

⁴ Fiscal 2025 Guidance includes an approximately \$80-90 million inorganic revenue contribution from PGSC.

⁵ Fiscal 2025 Guidance assumes an adjusted effective tax rate of 23–25%; average diluted shares outstanding of 128–130 million, interest expense of \$180–190 million, and depreciation and amortization of \$160 million.

⁶ Fiscal 2025 Guidance assumes cash taxes in connection with Section 174 of approximately \$100 million and capital expenditures of approximately \$100 million.

NON-GAAP FINANCIAL INFORMATION

"Revenue, Excluding Billable Expenses" represents revenue less billable expenses. Booz Allen uses 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 its client staff headcount and its overall direct labor, which management believes provides useful information to its investors about its core operations.

"Adjusted Operating Income" represents operating income before acquisition and divestiture costs, significant acquisition amortization, and the reserve associated with the U.S. Department of Justice investigation disclosed in Note 20 to the Consolidated Financial Statements in the Company's Form 10-K for the fiscal year ended March 31, 2024. Booz Allen prepares Adjusted Operating Income 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 EBITDA" represents net income (loss) attributable to common stockholders before income taxes, net interest and other expense and depreciation and amortization and before certain other items, including the change in provision for claimed indirect costs, acquisition and divestiture costs, financing transaction costs, DC tax assessment adjustment, and the reserve associated with the U.S. Department of Justice investigation disclosed in Note 20 to the Consolidated Financial Statements in the Company's Form 10-K for the fiscal year ended March 31, 2024. "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. Booz Allen 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 (loss) attributable to common stockholders before: (i) acquisition and divestiture costs, (ii) significant acquisition amortization, (iii) the reserve associated with the U.S. Department of Justice investigation disclosed in Note 20 to the Consolidated Financial Statements in the Company's Form 10-K for the fiscal year ended March 31, 2024, and (iv) amortization and 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. Booz Allen prepares Adjusted Net Income to eliminate the impact of items, net of tax, 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. Booz Allen views 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 the consolidated financial statements of the Company's Form 10-K for the fiscal year ended March 31, 2024.

"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.

"Adjusted Effective Tax Rate" represents income tax expense (benefit) excluding the income tax effects of adjustments to net income, divided by adjusted earnings before income tax expense.

"Net Leverage Ratio" is calculated as net debt (total debt less cash) divided by Adjusted EBITDA over the prior twelve months.

"Organic Revenue" and "Organic Revenue Growth" represents growth in consolidated revenue adjusted for revenue from acquisitions and divestitures.

Booz Allen utilizes and discusses in this release 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 organic revenue because management uses these measures for business planning purposes, including managing its business against internal projected results of operations and measuring its performance. Management views 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 organic revenue as measures of the core operating business, which exclude the impact of the items detailed in the supplemental exhibits, as these items are generally not operational in nature.

These non-GAAP measures also provide another basis for comparing period to period results by excluding potential differences caused by non-operational and unusual or non-recurring items.

Management also utilizes 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 its client staff headcount and its overall direct labor, which management believes provides useful information to its investors about its core operations. Booz Allen also utilizes and discusses Free Cash Flow in this release because management uses this measure for business planning purposes, measuring the cash generating ability of the operating business and measuring liquidity generally. Booz Allen presents these supplemental 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 non-GAAP measurements may vary from and may not be comparable to similarly titled measures by other companies in Booz Allen's industry.

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, Free Cash Flow Conversion, Net Leverage Ratio, and organic revenue 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 Earnings Per Share, net cash provided by operating activities to Free Cash Flow and Free Cash Flow Conversion, and net debt to Net Leverage Ratio, (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, each as defined under GAAP, (iii) use Free Cash Flow, Free Cash Flow Conversion, and Net Leverage Ratio, 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, and (iv) use Net Leverage Ratio in addition to, and not as an alternative to, net debt as a measure of Booz Allen's debt leverage.

Exhibit 4 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, Free Cash Flow Conversion, and Net Leverage Ratio to the most directly comparable financial measure calculated and presented in accordance with GAAP.

With respect to our expectations under "Financial Outlook" above, a 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 2025. Projecting future stock price, equity grants, and the 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. Accordingly, Booz Allen is relying on the exception provided by Item 10(e)(1)(i)(B) of Regulation S-K to exclude the reconciliation.

In addition, our expectations for Adjusted EBITDA and Adjusted EBITDA Margin on Revenue for fiscal 2025 are presented under "Financial Outlook" above and management may discuss its expectation for Adjusted EBITDA and Adjusted EBITDA Margin on Revenue for fiscal 2025 from time to time. A reconciliation of Adjusted EBITDA and 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 quantification of the amounts that would be required to reconcile such measures. Consequently, any attempt to disclose such reconciliation would imply a degree of precision that could be confusing or misleading to investors. Accordingly, Booz Allen is relying on the exception provided by Item 10(e)(1)(i)(B) of Regulation S-K to exclude the reconciliation.

FORWARD LOOKING STATEMENTS

Certain statements contained in this press release 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, and 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. These risks and other factors include:

- any issue that compromises our relationships with the U.S. government or damages our professional reputation, including negative publicity concerning government contractors in general or us in particular;
- changes in U.S. government spending, including a continuation of efforts by the U.S. government to decrease spending for management support service contracts, and mission priorities that shift expenditures away from agencies or programs that we support or as a result of the U.S. administration transition;
- efforts by Congress and other U.S. government bodies to reduce U.S. government spending and address budgetary constraints, and the U.S. deficit, as well as associated uncertainty around the timing, extent, nature, and effect of such efforts;
- delayed long-term funding of our contracts, including uncertainty relating to funding the U.S. government and increasing the debt ceiling;
- U.S. government shutdowns as a result of the failure by elected officials to fund the government;
- failure to comply with numerous laws and regulations, including, but not limited to, the Federal Acquisition Regulation (FAR), the False Claims Act, the Defense Federal Acquisition Regulation Supplement and FAR Cost Accounting Standards and Cost Principles;
- the effects of disease outbreaks, pandemics, or widespread health epidemics, including disruptions to our workforce and the impact on government spending and demand for our solutions;
- our ability to compete effectively in the competitive bidding process and delays or losses of contract awards caused by competitors' protests of major contract awards received by us;
- variable purchasing patterns under U.S. government General Services Administration Multiple Award schedule contracts, or GSA, schedules, blanket purchase agreements and indefinite delivery/indefinite quantity, or IDIQ, contracts;
- the loss of GSA schedules, or our position as prime contractor on government-wide acquisition contract vehicles, or GWACs;
- changes in the mix of our contracts and our ability to accurately estimate or otherwise recover expenses, time, and resources for our contracts;
- changes in estimates used in recognizing revenue;
- our ability to realize the full value of and replenish our backlog, generate revenue under certain of our contracts and the timing of our receipt of revenue under contracts included in backlog;
- internal system or service failures and security breaches, including, but not limited to, those resulting from external or internal threats, including cyber attacks, on our network and internal systems;
- risks related to the operation of financial management systems;
- an inability to attract, train, or retain employees with the requisite skills and experience;
- an inability to timely hire, assimilate and effectively utilize our employees, ensure that employees obtain and maintain necessary security clearances, and/or effectively manage our cost structure;
- risks related to inflation that could impact the cost of doing business and/or reduce customer buying power;
- the loss of members of senior management or failure to develop new leaders;
- misconduct or other improper activities from our employees, subcontractors or suppliers, including the improper access, use or release of our or our clients' sensitive or classified information;
- increased competition from other companies in our industry;
- failure to maintain strong relationships with other contractors or the failure of contractors with which we have entered into a sub- or prime- contractor relationship to meet their obligations to us or our clients;
- inherent uncertainties and potential adverse developments in legal or regulatory proceedings, including litigation, audits, reviews, and investigations, which may result in materially adverse judgments, settlements, withheld payments, penalties, or other unfavorable outcomes including debarment, as well as disputes over the availability of insurance or indemnification;

- failure to comply with special U.S. government laws and regulations relating to our international operations;
- risks associated with increased competition, new relationships, clients, capabilities, and service offerings in our U.S. and international businesses;
- risks related to changes to our operating structure, capabilities, or strategy intended to address client needs, grow our business, or respond to market developments;
- the adoption by the U.S. government of new laws, rules, and regulations, such as those relating to organizational conflicts of interest issues or limits;
- risks related to a possible recession and volatility or instability of the global financial system, including the failures of financial institutions and the resulting impact on counterparties and business conditions generally;
- risks related to a deterioration of economic conditions or weakening in credit or capital markets;
- risks related to pending, completed, and future acquisitions and dispositions, including the ability to satisfy specified closing conditions for pending transactions, such as those related to receipt of regulatory approval or lack of regulatory intervention, and to realize the expected benefits from completed acquisitions and dispositions;
- the incurrence of additional tax liabilities, including as a result of changes in tax laws or management judgments involving complex tax matters;
- risks inherent in the government contracting environment;
- continued efforts to change how the U.S. government reimburses compensation-related costs and other expenses or otherwise limits such reimbursements and an increased risk of compensation being deemed unreasonable and unallowable or payments being withheld as a result of U.S. government audit, review, or investigation;
- increased insourcing by various U.S. government agencies due to changes in the definition of "inherently governmental" work, including proposals to limit contractor access to sensitive or classified information and work assignments;
- the size of our addressable markets and the amount of U.S. government spending on private contractors;
- risks related to our indebtedness and credit facilities which contain financial and operating covenants;
- the impact of changes in accounting rules, and regulations, or interpretations thereof, that may affect the way we recognize and report our financial results, including changes in accounting rules governing recognition of revenue; and
- the impact of ESG-related risks and climate change generally on our and our clients' businesses and operations.

Additional information concerning these and other factors can be found in our filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K filed with the SEC on May 24, 2024. 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.

Exhibit 1

Booz Allen Hamilton Holding Corporation Condensed Consolidated Statements of Operations

	Three Months Ended June 30,	
	(unaudited)	
	2024	2023
(Amounts in thousands, except per share data)		
Revenue	\$ 2,941,797	\$ 2,654,486
Operating costs and expenses:		
Cost of revenue	1,371,234	1,251,916
Billable expenses	944,981	812,304
General and administrative expenses	329,289	314,001
Depreciation and amortization	41,129	41,847
Total operating costs and expenses	2,686,633	2,420,068
Operating income	255,164	234,418
Interest expense	(45,931)	(35,474)
Other income, net	5,128	1,924
Income before income taxes	214,361	200,868
Income tax expense	49,128	39,480
Net income	\$ 165,233	\$ 161,388
Earnings per common share:		
Basic	\$ 1.27	\$ 1.22
Diluted	\$ 1.27	\$ 1.22

Exhibit 2

Booz Allen Hamilton Holding Corporation Condensed Consolidated Balance Sheets

(Amounts in thousands, except share and per share data)	June 30, 2024	March 31, 2024
Assets	(unaudited)	
Current assets:		
Cash and cash equivalents	\$ 297,664	\$ 554,257
Accounts receivable, net	2,281,581	2,047,342
Prepaid expenses and other current assets	121,440	137,310
Total current assets	2,700,685	2,738,909
Property and equipment, net of accumulated depreciation	185,529	188,279
Operating lease right-of-use assets	179,134	174,345
Intangible assets, net of accumulated amortization	621,942	601,043
Goodwill	2,394,109	2,343,789
Deferred tax assets	260,117	227,171
Other long-term assets	299,271	290,152
Total assets	<u>\$ 6,640,787</u>	<u>\$ 6,563,688</u>
Liabilities and stockholders' equity		
Current liabilities:		
Current portion of long-term debt	\$ 72,188	\$ 61,875
Accounts payable and other accrued expenses	1,138,961	1,050,670
Accrued compensation and benefits	407,427	506,130
Operating lease liabilities	47,340	43,187
Other current liabilities	71,022	30,328
Total current liabilities	1,736,938	1,692,190
Long-term debt, net of current portion	3,330,351	3,349,941
Operating lease liabilities, net of current portion	181,049	182,134
Income tax reserves	125,332	120,237
Other long-term liabilities	183,176	172,624
Total liabilities	5,556,846	5,517,126
Stockholders' equity:		
Common stock, Class A — \$0.01 par value — authorized, 600,000,000 shares; issued, 167,705,104 shares at June 30, 2024 and 167,402,268 shares at March 31, 2024; outstanding, 129,350,374 shares at June 30, 2024 and 129,643,123 shares at March 31, 2024	1,677	1,674
Treasury stock, at cost — 38,354,730 shares at June 30, 2024 and 37,759,145 shares at March 31, 2024	(2,367,452)	(2,277,546)
Additional paid-in capital	940,404	908,837
Retained earnings	2,501,909	2,404,065
Accumulated other comprehensive income	7,403	9,532
Total stockholders' equity	1,083,941	1,046,562
Total liabilities and stockholders' equity	<u>\$ 6,640,787</u>	<u>\$ 6,563,688</u>

Exhibit 3

Booz Allen Hamilton Holding Corporation
Condensed Consolidated Statements of Cash Flows
UNAUDITED

(Amounts in thousands)	Three Months Ended June 30,	
	2024	2023
Cash flows from operating activities		
Net income	\$ 165,233	\$ 161,388
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	41,129	41,847
Noncash lease expense	12,450	13,610
Stock-based compensation expense	19,928	17,685
Amortization of debt issuance costs	1,351	1,027
Net losses on dispositions, and other	1,169	1,208
Changes in operating assets and liabilities:		
Accounts receivable, net	(217,089)	(325,363)
Deferred income taxes and income taxes receivable / payable	44,086	31,509
Prepaid expenses and other current and long-term assets	(26,692)	(10,217)
Accrued compensation and benefits	(76,124)	(56,738)
Accounts payable and other accrued expenses	90,203	74,389
Other current and long-term liabilities	(3,516)	(21,877)
Net cash provided by (used in) operating activities	52,128	(71,532)
Cash flows from investing activities		
Purchases of property, equipment, and software	(32,442)	(10,488)
Payments for business acquisitions and dispositions, net of cash acquired	(92,541)	(406)
Payments for cost method investments	(2,344)	(4,160)
Net cash used in investing activities	(127,327)	(15,054)
Cash flows from financing activities		
Proceeds from issuance of common stock	8,613	6,925
Stock option exercises	3,029	11,176
Repurchases of common stock	(116,289)	(128,390)
Cash dividends paid	(66,434)	(63,034)
Proceeds from revolving credit facility	—	75,000
Repayments on revolving credit facility, term loans, and Senior Notes	(10,313)	(10,313)
Net cash used in financing activities	(181,394)	(108,636)
Net decrease in cash and cash equivalents	(256,593)	(195,222)
Cash and cash equivalents—beginning of period	554,257	404,862
Cash and cash equivalents—end of period	<u>\$ 297,664</u>	<u>\$ 209,640</u>
Supplemental disclosures of cash flow information		
Net cash paid during the period for:		
Interest	\$ 26,792	\$ 26,091
Income taxes	\$ (52)	\$ 2,868
Supplemental disclosures of non-cash investing activities:		
Unpaid property, equipment and software purchases	\$ 7,893	\$ —

Exhibit 4 - Booz Allen Hamilton Holding Corporation
Non-GAAP Financial Information
(UNAUDITED)

	Three Months Ended June 30,	
	2024	2023
<i>(In thousands, except share and per share data)</i>		
Revenue, Excluding Billable Expenses		
Revenue	\$ 2,941,797	\$ 2,654,486
Less: Billable expenses	944,981	812,304
Revenue, Excluding Billable Expenses	<u>\$ 1,996,816</u>	<u>\$ 1,842,182</u>
Adjusted Operating Income		
Operating Income	\$ 255,164	\$ 234,418
Acquisition and divestiture costs (a)	5,670	3,268
Significant acquisition amortization (b)	12,684	13,108
Legal matter reserve (c)	—	27,453
Adjusted Operating Income	<u>\$ 273,518</u>	<u>\$ 278,247</u>
EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue & Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses		
Net income	\$ 165,233	\$ 161,388
Income tax expense	49,128	39,480
Interest and other, net (d)	40,803	33,550
Depreciation and amortization	41,129	41,847
EBITDA	<u>\$ 296,293</u>	<u>\$ 276,265</u>
Acquisition and divestiture costs (a)	5,670	3,268
Legal matter reserve (c)	—	27,453
Adjusted EBITDA	<u>\$ 301,963</u>	<u>\$ 306,986</u>
Net income margin	5.6 %	6.1 %
Adjusted EBITDA Margin on Revenue	10.3 %	11.6 %
Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses	15.1 %	16.7 %
Adjusted Net Income		
Net income	\$ 165,233	\$ 161,388
Acquisition and divestiture costs (a)	5,670	3,268
Significant acquisition amortization (b)	12,684	13,108
Legal matter reserve (c)	—	27,453
Amortization or write-off of debt issuance costs and debt discount	1,076	782
Adjustments for tax effect (e)	(5,052)	(12,942)
Adjusted Net Income	<u>\$ 179,611</u>	<u>\$ 193,057</u>
Adjusted Diluted Earnings Per Share		
Weighted-average number of diluted shares outstanding	129,917,263	131,530,633
Diluted earnings per share	\$ 1.27	\$ 1.22
Adjusted Net Income Per Diluted Share (f)	\$ 1.38	\$ 1.47
Free Cash Flow		
Net cash provided by (used in) operating activities	\$ 52,128	\$ (71,532)
Less: Purchases of property, equipment and software	(32,442)	(10,488)
Free Cash Flow	<u>\$ 19,686</u>	<u>\$ (82,020)</u>
Operating cash flow conversion	32%	(44)%
Free cash flow conversion	11%	(42)%

- (a) Represents costs associated with the acquisition efforts of the Company related to transactions for which the Company has entered into a letter of intent to acquire a controlling financial interest in the target entity. Transactions primarily include the acquisitions of EverWatch Corp. ("EverWatch") in fiscal 2023 and PAR Government Systems Corporation ("PGSC") in fiscal 2025. See Note 5, "Acquisition, Goodwill, and Intangible Assets," to the condensed consolidated financial statements in the Company's Form 10-Q for the fiscal quarter ended June 30, 2024 for further information.
- (b) Amortization expense associated with acquired intangibles from significant acquisitions.
- (c) Reserve associated with the U.S. Department of Justice's investigation of the Company. See Note 20, "Commitments and Contingencies," in the Annual Report on Form 10-K for the fiscal year ended March 31, 2024 for further information about this item.
- (d) Reflects the combination of Interest expense and Other income, 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. The tax effect of certain discrete items is calculated specifically and may vary from the general 26% rate.
- (f) Excludes adjustments of approximately \$0.8 million and \$1.2 million of net earnings for the three months ended June 30, 2024 and June 30, 2023, respectively, associated with the application of the two-class method for computing diluted earnings per share.

Exhibit 4 - Booz Allen Hamilton Holding Corporation
Non-GAAP Financial Information (Continued)
(UNAUDITED)

	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	Three Months Ended December 31, 2023	Three Months Ended September 30, 2023
<i>(In thousands, except share and per share data)</i>				
Net income	\$ 165,233	\$ 127,955	\$ 145,644	\$ 170,718
Income tax expense	49,128	91,323	61,740	55,071
Interest and other, net (a)	40,803	45,161	40,174	41,200
Depreciation and amortization	41,129	40,335	41,113	40,907
EBITDA	\$ 296,293	\$ 304,774	\$ 288,671	\$ 307,896
Change in provision for claimed indirect costs (b)	—	—	—	(18,345)
Acquisition and divestiture costs (c)	5,670	2,100	1,952	260
Financing transaction costs (d)	—	—	—	820
DC tax assessment adjustment (e)	—	(20,050)	—	—
Adjusted EBITDA	\$ 301,963	\$ 286,824	\$ 290,623	\$ 290,631
Last 12 months Adjusted EBITDA	\$ 1,170,041			
Total Debt	\$ 3,402,539			
Less: Cash	297,664			
Net Debt	\$ 3,104,875			
Net Leverage Ratio (g)		2.7		

	Three Months Ended June 30, 2023	Three Months Ended March 31, 2023	Three Months Ended December 31, 2022	Three Months Ended September 30, 2022
<i>(In thousands, except share and per share data)</i>				
Net income (loss) attributable to common stockholders	\$ 161,388	\$ (68,422)	\$ 30,997	\$ 170,932
Income tax (benefit) expense	39,480	(6,552)	10,539	51,258
Interest and other, net (a)	33,550	31,992	17,412	1,882
Depreciation and amortization	41,847	44,284	42,046	39,052
EBITDA	\$ 276,265	\$ 1,302	\$ 100,994	\$ 263,124
Acquisition and divestiture costs (c)	3,268	4,148	19,096	15,932
Financing transaction costs (d)	—	—	—	6,888
Legal matter reserve (f)	27,453	226,000	124,000	—
Adjusted EBITDA	\$ 306,986	\$ 231,450	\$ 244,090	\$ 285,944
Last 12 months Adjusted EBITDA	\$ 1,068,470			
Total Debt	\$ 2,877,583			
Less: Cash	209,640			
Net Debt	\$ 2,667,943			
Net Leverage Ratio (g)		2.5		

- (a) Reflects the combination of Interest expense and Other income, net from the condensed consolidated statement of operations.
- (b) Represents the reduction to our provision for claimed indirect costs recorded during the second quarter of fiscal 2024, which resulted in a corresponding increase to revenue, as a result of the Defense Contract Audit Agency's findings related to its audit of our claimed indirect costs for fiscal 2022. See Note 15, "Commitments and Contingencies," to the consolidated financial statements in the Company's Form 10-Q for the quarter ended June 30, 2024 for further information.
- (c) Represents costs associated with the acquisition efforts of the Company related to transactions for which the Company has entered into a letter of intent to acquire a controlling financial interest in the target entity. Transactions primarily include the acquisitions of EverWatch Corp. ("EverWatch") in fiscal 2023 and PAR Government Systems Corporation ("PGSC") in fiscal 2025. See Note 5, "Acquisition, Goodwill, and Intangible Assets," to the consolidated financial statements in the Company's Form 10-Q for the quarter ended June 30, 2024 for further information.
- (d) Reflects expenses associated with debt financing activities incurred during the second quarter of fiscal 2024.
- (e) Reflects the impact (specifically the revenue from recoverable expenses) of the Company's unfavorable ruling from the District of Columbia Court of Appeals related to contested tax assessments from the District of Columbia Office of Tax and Revenue ("DC OTR"). See Note 13, "Income Taxes," to the consolidated financial statements in the Company's Form 10-Q for the quarter ended June 30, 2024 for further information.
- (f) Reserve associated with the U.S. Department of Justice's investigation of the Company. See Note 20, "Commitments and Contingencies," in the Annual Report on Form 10-K for the fiscal year ended March 31, 2024 for further information about this item.
- (g) "Net Leverage Ratio" is calculated as net debt (total debt less cash) divided by Adjusted EBITDA over the prior twelve months.

Exhibit 5

Booz Allen Hamilton Holding Corporation Operating Data (UNAUDITED)

(Amounts in millions)	As of June 30,	
	2024	2023
Backlog (1):		
Funded	\$ 5,136	\$ 4,903
Unfunded	10,119	9,045
Priced options	20,923	17,329
Total backlog	\$ 36,178	\$ 31,277

(1) Backlog presented as of June 30, 2024 includes approximately \$230.5 million of backlog acquired from the Company's acquisition of PAR Government Systems Corporation ("PGSC").

	Three Months Ended June 30,	
	2024	2023
Book-to-Bill *	1.72	1.03

* Book-to-bill is calculated as net bookings, which represents the change in total backlog during the relevant fiscal period plus the relevant fiscal period revenue, divided by the relevant fiscal period revenue.

(Amounts are rounded)	As of June 30,	
	2024	2023
Headcount		
Total Headcount	35,100	32,600
Client Staff Headcount	32,000	29,700

	Three Months Ended June 30,	
	2024	2023
Percentage of Total Revenue by Contract Type		
Cost-Reimbursable	56%	55%
Time-and-Materials	23%	24%
Fixed-Price	21%	21%

EARNINGS CALL PRESENTATION

Fiscal Year 2025, First Quarter

July 26, 2024

CALL PARTICIPANTS

HORACIO ROZANSKI

Chairman, Chief Executive Officer & President

MATT CALDERONE

Chief Financial Officer

LINDSAY JOYCE

Vice President, Financial Planning & Analysis and Investor Relations

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, 2024, 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, Free Cash Flow Conversion, Net Leverage Ratio and organic revenue, 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 provided by operating activities to Free Cash Flow and Free Cash Flow Conversion, and net debt to Net Leverage Ratio 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, (iii) use Free Cash Flow, Free Cash Flow Conversion, and Net Leverage Ratio, 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, and (iv) use Net Leverage Ratio in addition to, and not as an alternative to, net debt as a measure of Booz Allen's debt leverage. 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, Free Cash Flow Conversion, and Net Leverage Ratio 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", 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 2025. 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 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. Accordingly, Booz Allen is relying on the exception provided by Item 10(e)(1)(i)(B) of Regulation S-K to exclude these reconciliations.

KEY FINANCIAL RESULTS

FIRST QUARTER FISCAL YEAR 2025 RESULTS

	FIRST QUARTER ⁽¹⁾	
Revenue	\$2.9 billion	+10.8%
Revenue, Excluding Billable Expenses	\$2.0 billion	+8.4%
Net Income	\$165 million	+2.4%
Adjusted EBITDA ⁽²⁾	\$302 million	(1.6)%
Adjusted EBITDA Margin on Revenue ⁽²⁾	10.3%	(11.2)%
Adjusted Net Income	\$180 million	(7.0)%
Diluted EPS	\$1.27	+4.1%
Adjusted Diluted EPS	\$1.38	(6.1)%
Net Cash Provided by Operating Activities	\$52 million	NM*

*NM = not meaningful.

⁽¹⁾ Comparisons are to prior fiscal year period.

⁽²⁾ Reconciliations of Adjusted EBITDA and Adjusted EBITDA Margin on Revenue can be found on Slide 12. Net income margin was 5.6% for the three months ended June 30, 2024.

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
\$2.0–3.5B

KEY FINANCIAL RESULTS

FIRST QUARTER FISCAL YEAR 2025 RESULTS

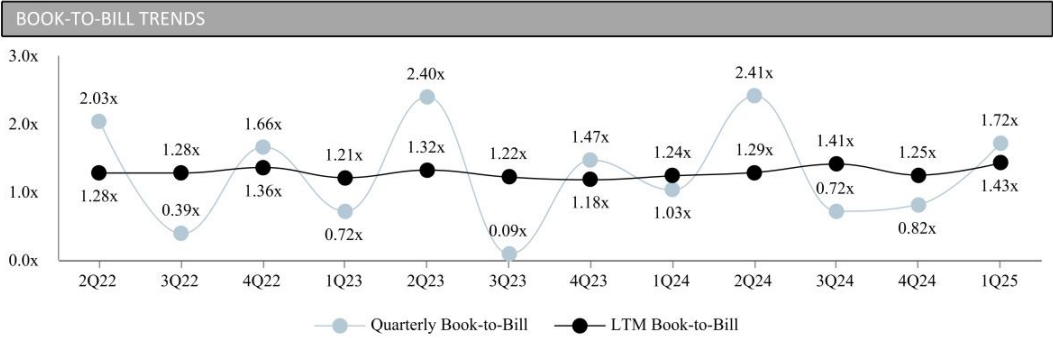
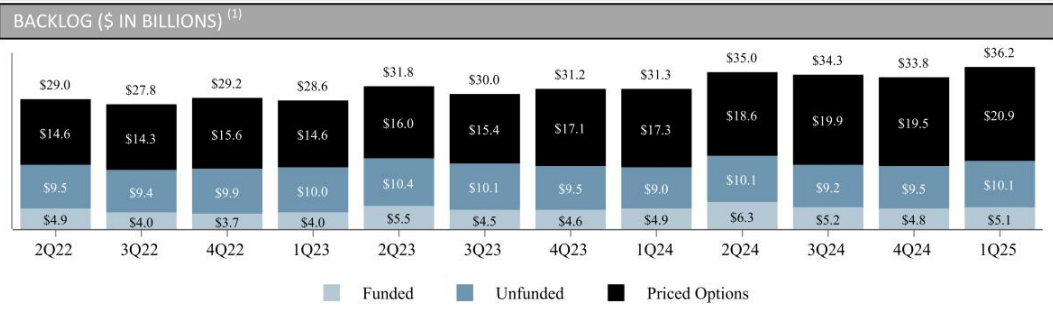
	FIRST QUARTER ⁽¹⁾	
Revenue	\$2.9 billion	+10.8%
Revenue, Excluding Billable Expenses	\$2.0 billion	+8.4%
Net Income	\$165 million	+2.4%
Adjusted EBITDA ⁽²⁾	\$302 million	(1.6)%
Adjusted EBITDA Margin on Revenue ²	10.3%	(11.2)%
Adjusted Net Income	\$180 million	(7.0)%
Diluted EPS	\$1.27	+4.1%
Adjusted Diluted EPS	\$1.38	(6.1)%
Net Cash Provided by Operating Activities	\$52 million	NM*

*NM = not meaningful.

⁽¹⁾ Comparisons are to prior fiscal year period.

⁽²⁾ Reconciliations of Adjusted EBITDA and Adjusted EBITDA Margin on Revenue can be found on Slide 12. Net income margin was 5.6% for the three months ended June 30, 2024.

HISTORICAL BACKLOG & BOOK-TO-BILL



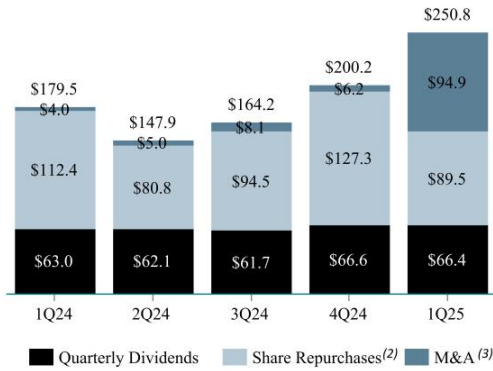
⁽¹⁾ For information on the components of backlog, and the differences between backlog and remaining performance obligations, please see the Company's Form 10-Q for the fiscal quarter ended June 30, 2024. Totals may not sum due to rounding.

CAPITAL ALLOCATION

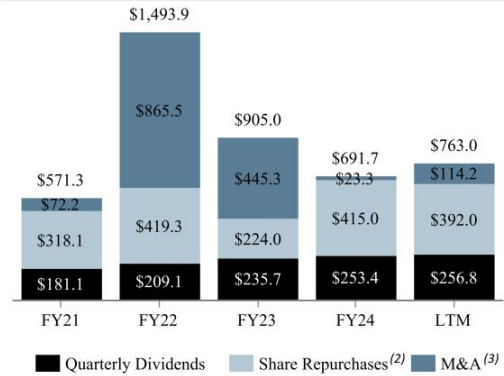
DELIVERING STRONG CAPITAL RETURNS THROUGH EFFICIENT CAPITAL DEPLOYMENT STRATEGY

- Our multi-year capital deployment plan follows a disciplined and opportunistic approach, subject to market conditions
- In Q1 FY25, we deployed approximately \$250.8 million:
 - \$66.4 million through quarterly dividends;
 - \$89.5 million through share repurchases⁽²⁾;
 - \$94.9 million through acquisitions⁽³⁾; and \$2.3 million through strategic investments⁽³⁾
- The Board authorized a dividend of \$0.51 per share payable on August 30, 2024 to stockholders of record on August 14, 2024
- Share repurchase authorization capacity is \$929.9 million as of June 30, 2024
- Our capital allocation priorities remain: operating needs, quarterly dividend, strategic M&A, share repurchases, and debt repayment

QUARTERLY CAPITAL DEPLOYMENT (\$ IN MILLIONS) ⁽¹⁾



HISTORICAL CAPITAL DEPLOYMENT (\$ IN MILLIONS) ⁽¹⁾



⁽¹⁾ Totals may not sum due to rounding.
⁽²⁾ Includes share repurchases transacted but not settled and paid.
⁽³⁾ Represents payments for acquisitions, net of cash acquired, and strategic investments.

FINANCIAL OUTLOOK

FULL YEAR FISCAL 2025 GUIDANCE ⁽¹⁾

OPERATING PERFORMANCE	Fiscal Year 2025
Revenue Growth	8.0% – 11.0%
Adjusted EBITDA	\$1,260 – \$1,300 million
Adjusted EBITDA Margin on Revenue	~11%
Adjusted Diluted EPS	\$5.80 – \$6.05
Net Cash Provided by Operating Activities	\$825 – \$925 million
Free Cash Flow	\$725 – \$825 million
KEY ASSUMPTIONS	Fiscal Year 2025
Inorganic Revenue Contributions ⁽²⁾	\$80 – \$90 million
Adjusted Effective Tax Rate	23% – 25%
Average Diluted Shares Outstanding	128 – 130 million
Interest Expense	\$180 – \$190 million
Depreciation and Amortization	~\$160 million
Cash Taxes Related to Section 174	~\$100 million
Capital Expenditures	~\$100 million

(1) Reconciliations omitted in reliance on Item 10(e)(1)(i)(B) of Regulation S-K. See "Disclaimer".
(2) Inorganic revenue contributions are from PAR Government Systems Corporation, which was acquired in June 2024.

APPENDIX

NON-GAAP FINANCIAL INFORMATION

- "Revenue, Excluding Billable Expenses" represents revenue less billable expenses. Booz Allen uses 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 its client staff headcount and its overall direct labor, which management believes provides useful information to its investors about its core operations.
- "Adjusted Operating Income" represents operating income before acquisition and divestiture costs, significant acquisition amortization, and the reserve associated with the U.S. Department of Justice investigation disclosed in Note 20 to the Consolidated Financial Statements in the Company's Form 10-K for the fiscal year ended March 31, 2024. Booz Allen prepares Adjusted Operating Income 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 EBITDA" represents net income (loss) attributable to common stockholders before income taxes, net interest and other expense and depreciation and amortization and before certain other items, including the change in provision for claimed indirect costs, acquisition and divestiture costs, financing transaction costs, DC tax assessment adjustment, and the reserve associated with the U.S. Department of Justice investigation disclosed in Note 20 to the Consolidated Financial Statements in the Company's Form 10-K for the fiscal year ended March 31, 2024. "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. Booz Allen 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 (loss) attributable to common stockholders before: (i) acquisition and divestiture costs, (ii) significant acquisition amortization, (iii) the reserve associated with the U.S. Department of Justice investigation disclosed in Note 20 to the Consolidated Financial Statements in the Company's Form 10-K for the fiscal year ended March 31, 2024, and (iv) amortization and 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. Booz Allen prepares Adjusted Net Income to eliminate the impact of items, net of tax, 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. Booz Allen views 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 the consolidated financial statements of the Company's Form 10-K for the fiscal year ended March 31, 2024.
- "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.
- "Adjusted Effective Tax Rate" represents income tax expense (benefit) excluding the income tax effects of adjustments to net income, divided by adjusted earnings before income tax expense.
- "Net Leverage Ratio" is calculated as net debt (total debt less cash) divided by Adjusted EBITDA over the prior twelve months.
- "Organic Revenue" and "Organic Revenue Growth" represents growth in consolidated revenue adjusted for revenue from acquisitions and divestitures.

NON-GAAP FINANCIAL INFORMATION (Unaudited)

	Three Months Ended June 30,	
	2024	2023
(In thousands, except share and per share data)		
Revenue, Excluding Billable Expenses		
Revenue	\$ 2,941,797	\$ 2,654,486
Less: Billable expenses	944,981	812,304
Revenue, Excluding Billable Expenses	<u>\$ 1,996,816</u>	<u>\$ 1,842,182</u>
Adjusted Operating Income		
Operating Income	\$ 255,164	\$ 234,418
Acquisition and divestiture costs (a)	5,670	3,268
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Net income	\$ 165,233	\$ 161,388
Income tax expense	49,128	39,480
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Depreciation and amortization	41,129	41,847
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Adjusted Diluted Earnings Per Share		
Weighted-average number of diluted shares outstanding	\$ 129,917,263	\$ 131,530,633
Diluted earnings per share	\$ 1.27	\$ 1.22
Adjusted Net Income Per Diluted Share (f)	<u>\$ 1.38</u>	<u>\$ 1.47</u>
Free Cash Flow		
Net cash provided by operating activities	52,128	(71,532)
Less: Purchases of property, equipment and software	(32,442)	(10,488)
Free Cash Flow	<u>\$ 19,686</u>	<u>\$ (82,020)</u>
Operating cash flow conversion	32 %	(44)%
Free cash flow conversion	11 %	(42)%

(a) Represents costs associated with the acquisition efforts of the Company related to transactions for which the Company has entered into a letter of intent to acquire a controlling financial interest in the target entity. Transactions primarily include the acquisitions of EverWatch Corp. ("EverWatch") in fiscal 2023 and PAR Government Systems Corporation ("PGSC") in fiscal 2025. See Note 5, "Acquisition, Goodwill, and Intangible Assets," to the condensed consolidated financial statements in the Company's Form 10-Q for the quarter ended June 30, 2024 for further information.

(b) Amortization expense associated with acquired intangibles from significant acquisitions.

(c) Reserve associated with the U.S. Department of Justice's investigation of the Company. See Note 20, "Commitments and Contingencies," in the Annual Report on Form 10-K for the fiscal year ended March 31, 2024 for further information about this item.

(d) Reflects the combination of Interest expense and Other income, 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. The tax effect of certain discrete items is calculated specifically and may vary from the general 26% rate.

(f) Excludes adjustments of approximately \$0.8 million and \$1.2 million of net earnings for the three months ended June 30, 2024 and June 30, 2023, respectively, associated with the application of the two-class method for computing diluted earnings per share.

NON-GAAP FINANCIAL INFORMATION (Unaudited)

(In thousands, except share and per share data)	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	Three Months Ended December 31, 2023	Three Months Ended September 30, 2023	
Net income	\$ 165,233	\$ 127,955	\$ 145,644	\$ 170,718	(a) Reflects the combination of Interest expense and Other income, net from the condensed consolidated statement of operations.
Income tax expense	49,128	91,323	61,740	55,071	(b) Represents the reduction to our provision for claimed indirect costs recorded during the second quarter of fiscal 2024, which resulted in a corresponding increase to revenue, as a result of the Defense Contract Audit Agency's findings related to its audit of our claimed indirect costs for fiscal 2022. See Note 15, "Commitments and Contingencies," to the condensed consolidated financial statements in the Company's Form 10-Q for the quarter ended June 30, 2024 for further information.
Interest and other, net (a)	40,803	45,161	40,174	41,200	
Depreciation and amortization	41,129	40,335	41,113	40,907	
EBITDA	\$ 296,293	\$ 304,774	\$ 288,671	\$ 307,896	
Change in provision for claimed indirect costs (b)	—	—	—	(18,345)	
Acquisition and divestiture costs (c)	5,670	2,100	1,952	260	(c) Represents costs associated with the acquisition efforts of the Company related to transactions for which the Company has entered into a letter of intent to acquire a controlling financial interest in the target entity. Transactions primarily include the acquisitions of EverWatch Corp. ("EverWatch") in fiscal 2023 and PAR Government Systems Corporation ("PGSC") in fiscal 2025. See Note 5, "Acquisition, Goodwill, and Intangible Assets," to the condensed consolidated financial statements in the Company's Form 10-Q for the quarter ended June 30, 2024 for further information.
Financing transaction costs (d)	—	—	—	820	
DC tax assessment adjustment (e)	—	(20,050)	—	—	(d) Reflects expenses associated with debt financing activities incurred during the second quarter of fiscal 2024.
Adjusted EBITDA	\$ 301,963	\$ 286,824	\$ 290,623	\$ 290,631	(e) Reflects the impact (specifically the revenue from recoverable expenses) of the Company's unfavorable ruling from the District of Columbia Court of Appeals related to contested tax assessments from the District of Columbia Office of Tax and Revenue ("DC OTR"). See Note 13, "Income Taxes," to the condensed consolidated financial statements in the Company's Form 10-Q for the quarter ended June 30, 2024 for further information.
Last 12 months Adjusted EBITDA	\$ 1,170,041				(f) Reserve associated with the U.S. Department of Justice's investigation of the Company. See Note 20, "Commitments and Contingencies," in the Annual Report on Form 10-K for the fiscal year ended March 31, 2024 for further information about this item.
Total Debt	\$ 3,402,539				(g) "Net Leverage Ratio" is calculated as net debt (total debt less cash) divided by Adjusted EBITDA over the prior twelve months.
Less: Cash	297,664				
Net Debt	\$ 3,104,875				
Net Leverage Ratio (g)	2.7				
	Three Months Ended June 30, 2023	Three Months Ended March 31, 2023	Three Months Ended December 31, 2022	Three Months Ended September 30, 2022	
Net income (loss) attributable to common stockholders	\$ 161,388	\$ (68,422)	\$ 30,997	\$ 170,932	
Income tax (benefit) expense	39,480	(6,552)	10,539	51,258	
Interest and other, net (a)	33,550	31,992	17,412	1,882	
Depreciation and amortization	41,847	44,284	42,046	39,052	
EBITDA	\$ 276,265	\$ 1,302	\$ 100,994	\$ 263,124	
Acquisition and divestiture costs (c)	3,268	4,148	19,096	15,932	
Financing transaction costs (d)	—	—	—	6,888	
Legal matter reserve (f)	27,453	—	—	—	
Adjusted EBITDA	\$ 306,986	\$ 231,450	\$ 244,090	\$ 285,944	
Last 12 months Adjusted EBITDA	\$ 1,068,470				
Total Debt	\$ 2,877,583				
Less: Cash	209,640				
Net Debt	\$ 2,667,943				
Net Leverage Ratio (g)	2.5				

FINANCIAL RESULTS – KEY DRIVERS

First Quarter Fiscal 2025 – Below is a summary of the key factors driving results for the fiscal 2025 first quarter ended June 30, 2024 as compared to the prior year period:

- Revenue increased 10.8% to \$2.9 billion and Revenue, Excluding Billable Expenses increased 8.4% to \$2.0 billion. Revenue growth was primarily driven by strong demand for our services and solutions as well as an increase in headcount to meet that demand.
- Operating income increased to \$255.2 million from \$234.4 million, and Adjusted Operating Income decreased to \$273.5 million from \$278.2 million. The increase in operating income was primarily driven by the same drivers benefiting revenue growth but negatively impacted by higher than anticipated expenses. Fiscal 2024 operating income was negatively impacted by a \$27.5 million reserve associated with the U.S. Department of Justice's investigation of the Company recorded in the first quarter. The decrease in Adjusted Operating Income was driven by the same factors impacting operating income with the exception of the aforementioned legal matter reserve, which did not impact Adjusted Operating Income.
- Net income increased to \$165.2 million from \$161.4 million, and Adjusted Net Income decreased to \$179.6 million from \$193.1 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 higher interest expense and higher income tax expense.
- EBITDA increased to \$296.3 million from \$276.3 million and Adjusted EBITDA decreased to \$302.0 million from \$307.0 million. These changes were due to the same factors as operating income and Adjusted Operating Income, respectively.
- Diluted EPS increased to \$1.27 from \$1.22 and Adjusted Diluted EPS decreased to \$1.38 from \$1.47. The changes were primarily driven by the same factors as net income and Adjusted Net Income, respectively, as well as a lower share count in the first quarter of fiscal 2025.
- Net cash provided by operating activities was \$52.1 million for the quarter ended June 30, 2024, as compared to \$(71.5) million of net cash used in operating activities in the prior year. Free Cash Flow was \$19.7 million for the quarter ended June 30, 2024, as compared to \$(82.0) million in the prior year. Operating cash was primarily driven by strong collections and overall revenue growth, partially offset by increased disbursements.

