

**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): **October 24, 2025**

**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 October 24, 2025, Booz Allen Hamilton Holding Corporation (the “Company”) issued a press release announcing its results of operations for the fiscal quarter ended September 30, 2025. A copy of the press release is attached hereto as Exhibit 99.1.

The information in this Item 2.02 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 that filing.

**Item 7.01 Regulation FD Disclosure.**

On October 24, 2025, 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 7.01 and Exhibit 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	<a href="#">Press Release dated October 24, 2025</a>
99.2	<a href="#">Earnings Conference Call Presentation</a>
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: October 24, 2025

# Booz Allen Hamilton Announces Second Quarter Fiscal 2026 Results

**McLean, Virginia - October 24, 2025** - Booz Allen Hamilton Holding Corporation (NYSE: BAH), the parent company of advanced technology company Booz Allen Hamilton Inc., today announced results for the second quarter of fiscal 2026.

- Top and bottom-line performance below forecast driven by continued funding slowdown
- Solid growth across national security portfolio; civil business experiencing delayed recovery
- Record Q2 backlog of \$40 billion and quarterly book-to-bill ratio of 1.7x
- 2.7 percent of outstanding shares repurchased in first half of fiscal year
- Full year outlook adjusted to reflect current environment

"Our second quarter results reflect a bifurcated market. We are winning work and demand is strong for our leading cyber, AI, and warfighting technologies," said Horacio Rozanski, Booz Allen Chairman, CEO and President. "We remain focused on accelerating future growth while building advanced tech that keeps America safe and strong."

## Q2 Summary

- Revenue declined 8.1 percent year-over-year to \$2.9 billion
  - Excluding prior year change to the provision for claimed costs, revenue declined 4.7 percent
- Net Income of \$175 million, a 55.1 percent decrease
- Adjusted Net Income<sup>1</sup> of \$183 million, a 21.5 percent decrease
- Adjusted EBITDA<sup>1</sup> of \$324 million, an 11.0 percent decrease
- Adjusted EBITDA Margin on Revenue<sup>1</sup> decreased by 40 basis points to 11.2%
- Adjusted Diluted EPS<sup>1</sup> of \$1.49, a 17.7 percent decrease
- Free cash flow<sup>1</sup> of \$395 million compared to \$563 million in the prior year
- \$279 million in capital deployment
- 1.7x quarterly book-to-bill ratio and 1.1x trailing twelve month book-to-bill ratio
- Total backlog of \$40 billion, a 2.9 percent increase

## First Half Summary

- Revenue declined 4.5 percent year-over-year to \$5.8 billion
  - Excluding prior year change to the provision for claimed costs, revenue declined 2.7 percent
- Net Income of \$446 million, a 19.6 percent decrease
- Adjusted Net Income<sup>1</sup> of \$367 million, an 11.1 percent decrease
- Adjusted EBITDA<sup>1</sup> of \$635 million, a 4.7 percent decrease
- Adjusted EBITDA Margin on Revenue<sup>1</sup> remained flat at 10.9%
- Adjusted Diluted EPS<sup>1</sup> of \$2.97, a 6.9 percent decrease
- Free cash flow<sup>1</sup> of \$491 million, compared to \$583 million in the prior year

A regular quarterly dividend of \$0.55 per share will be payable on December 2, 2025, to stockholders of record on November 14, 2025.

Due to the fiscal 2025 change in rounding presentation to millions, comparative period presentation within this release has been adjusted accordingly.

<sup>1</sup>Revenue, Excluding Billable Expenses, Adjusted Net Income, Adjusted EBITDA, Adjusted Diluted EPS, Adjusted EBITDA Margin on Revenue, and Free Cash Flow are non-GAAP financial measures. See "Non-GAAP Financial Information" below for additional details.

## FINANCIAL SUMMARY

	Three Months Ended September 30,			Six Months Ended September 30,		
	2025	2024	% Change	2025	2024	% Change
	(unaudited)			(unaudited)		
Revenue	\$2,890	\$3,146	(8.1)%	\$5,814	\$6,088	(4.5)%
Revenue Ex. Billable Expenses	\$1,972	\$2,178	(9.5)%	\$4,015	\$4,175	(3.8)%
Net Income	\$175	\$390	(55.1)%	\$446	\$555	(19.6)%
Adjusted Net Income	\$183	\$233	(21.5)%	\$367	\$413	(11.1)%
Diluted EPS	\$1.42	\$3.01	(52.8)%	\$3.58	\$4.27	(16.2)%
Adjusted Diluted EPS	\$1.49	\$1.81	(17.7)%	\$2.97	\$3.19	(6.9)%
EBITDA	\$324	\$591	(45.2)%	\$621	\$887	(30.0)%
Adjusted EBITDA	\$324	\$364	(11.0)%	\$635	\$666	(4.7)%
Adjusted EBITDA Margin on Revenue	11.2%	11.6%	-40 bps	10.9%	10.9%	—
Net Cash Provided by Operating Activities	\$421	\$587	(28.3)%	\$540	\$639	(15.5)%
Free Cash Flow	\$395	\$563	(29.8)%	\$491	\$583	(15.8)%

## OUTLOOK<sup>2</sup>

The Company is updating its fiscal year 2026 guidance as noted in the table below:

OPERATING PERFORMANCE	UPDATED FISCAL 2026 GUIDANCE	PRIOR FISCAL 2026 GUIDANCE
Revenue	\$11.3 - \$11.5 billion	\$12.0 - \$12.5 billion
Revenue Growth	(4.0 - 6.0)%	0 - 4.0%
Adjusted EBITDA	\$1,190 - \$1,220 million	\$1,315 - \$1,370 million
Adjusted EBITDA Margin on Revenue	Mid 10%	~11%
Adjusted Diluted EPS <sup>3</sup>	\$5.45 - \$5.65	\$6.20 - \$6.55
Free Cash Flow <sup>4</sup>	\$850 - \$950 million	\$900 - \$1,000 million

## EARNINGS WEBCAST

We will host a live conference call at 8 a.m. EDT on Friday, October 24, 2025, to discuss the financial results for our second quarter of fiscal year 2026. Analysts and institutional investors may participate on the call by registering online at [investors.boozallen.com](https://investors.boozallen.com).

The conference call will be webcast simultaneously to the public through a link at [investors.boozallen.com](https://investors.boozallen.com). This press release, including the reconciliations of certain non-GAAP measures to their nearest comparable GAAP measures, is also available at [investors.boozallen.com](https://investors.boozallen.com). A replay of the conference call will also be available on the site beginning at 11 a.m. EDT on Friday, October 24, 2025, and continuing for 12 months.

<sup>2</sup> Reconciliations omitted in reliance on Item 10(e)(1)(i)(B) of Regulation S-K. See "Non-GAAP Financial Information."

<sup>3</sup> Fiscal 2026 Guidance assumes an adjusted effective tax rate of 23-25% and average diluted shares outstanding of 122-123 million.

<sup>4</sup> Fiscal 2026 Guidance assumes capital expenditures of approximately \$100 million and \$235 million cash tax benefit relative to initial guidance, due to new S174 rules under the One Big Beautiful Bill.

**ABOUT BOOZ ALLEN HAMILTON**

Booz Allen is an advanced technology company delivering outcomes with speed for America's most critical defense, civil, and national security priorities. We build technology solutions using AI, cyber, and other cutting-edge technologies to advance and protect the nation and its citizens. By focusing on outcomes, we enable our people, clients, and their missions to succeed—accelerating the nation to realize our purpose: Empower People to Change the World®.

With global headquarters in McLean, Virginia, our firm employs approximately 32,500 people globally as of September 30, 2025, and had revenue of \$12.0 billion for the 12 months ended March 31, 2025. To learn more, visit [www.boozallen.com](http://www.boozallen.com). (NYSE: BAH)

**CONTACT INFORMATION***Investor Relations*

Dustin Darensbourg

[Investor\\_Relations@bah.com](mailto:Investor_Relations@bah.com)

*Media Relations*

Jessica Klenk

[Klenk\\_Jessica@bah.com](mailto:Klenk_Jessica@bah.com)

## NON-GAAP FINANCIAL INFORMATION

Booz Allen utilizes and discusses in this release Revenue, Excluding Billable Expenses, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted Net Income, Adjusted Diluted EPS, and Free Cash Flow. While we believe that these non-GAAP financial measures may be useful in evaluating our financial information, they should be considered as supplemental in nature and not as a substitute for financial information prepared in accordance with GAAP. Reconciliations, definitions, and how we believe these measures are useful to management and investors are provided below. Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted Net Income, Adjusted Diluted EPS, and Free Cash Flow 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.

"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 such as subcontractor expenses, travel expenses, and other non-labor expenses incurred to perform on contracts. Billable expenses generally have lower margin and thus are less indicative of our profit generation capacity.

"EBITDA" represents net income before income taxes, interest expense, net and other income (expense), net, and depreciation and amortization.

"Adjusted EBITDA" represents net income before income tax expense (benefit), interest expense, net and other income (expense), net and depreciation and amortization and before certain other items, including the change in provision for claimed costs for historical rate years, certain other corporate expenses, DC tax assessment adjustment, and certain insurance recoveries. "Adjusted EBITDA Margin on Revenue" is calculated as Adjusted EBITDA divided by revenue. Booz Allen prepares Adjusted EBITDA and Adjusted EBITDA Margin on Revenue to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non-recurring nature or because they result from an event of a similar nature.

"Adjusted Net Income" represents net income before: (i) the change in provision for claimed costs for historical rate years (ii) certain other corporate expenses, (iii) acquisition amortization, (iv) certain insurance recoveries, and (v) 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. 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.

"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, 2025.

"Free Cash Flow" represents the net cash generated from operating activities less the impact of purchases of property, equipment and software. 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. These non-GAAP measurements may vary from and may not be comparable to similarly titled measures by other companies in Booz Allen's industry.

"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.

Revenue, Excluding Billable Expenses, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted Net Income, Adjusted Diluted EPS, Free Cash Flow, and Net Leverage Ratio 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, net income to Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted Net Income, and Adjusted Diluted Earnings Per Share, net cash provided by operating activities to Free Cash Flow, and net debt to Net Leverage Ratio, (ii) use Revenue, Excluding Billable Expenses, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted Net Income, and Adjusted Diluted EPS in addition to, and not as an alternative to, revenue, net income or diluted EPS as measures of operating results, each as defined under GAAP, (iii) use Free Cash Flow 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 EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted Net Income, Adjusted Diluted EPS, Free Cash Flow and Net Leverage Ratio to the most directly comparable financial measure calculated and presented in accordance with GAAP.

With respect to our expectations under "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 2026. 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 2026 are presented under "Outlook" above and management may discuss its expectation for Adjusted EBITDA and Adjusted EBITDA Margin on Revenue for fiscal 2026 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 reduce U.S. government spending, increased insourcing by certain U.S. government agencies, and shifts in expenditures away from agencies or programs that we support, as well as associated uncertainty around the timing, extent, nature and effect of such efforts;
  - U.S. government shutdowns as well as delayed long-term funding of our contracts;
  - failure to comply with new and existing U.S. and international laws and regulations;
  - 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;
  - the loss of U.S. government GSA Schedules or our position as prime contractor on government-wide acquisition contract vehicles (“GWACs”);
  - variable purchasing patterns under certain of our U.S. government contracts and changes in the mix of our contracts including our ability to accurately estimate or otherwise recover expenses, time, and resources for our contracts;
  - 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 or on our customers’ network or internal systems;
  - misconduct or other improper activities from our employees, subcontractors or suppliers, including the improper access, use or release of our or our customers’ sensitive or classified information;
  - 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 customers;
  - 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;
  - 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;
  - risks inherent in the government contracting environment; and
  - risks related to our indebtedness and credit facilities which contain financial and operating covenants.

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 23, 2025. 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

(Amounts in millions, except per share data)	Three Months Ended September 30,		Six Months Ended September 30,	
	(unaudited)		(unaudited)	
	2025	2024	2025	2024
<b>Revenue</b>	\$ 2,890	\$ 3,146	\$ 5,814	\$ 6,088
<b>Operating costs and expenses:</b>				
Cost of revenue	1,340	1,362	2,763	2,734
Billable expenses	918	968	1,799	1,913
General and administrative expenses	308	225	631	554
Depreciation and amortization	41	42	81	83
Total operating costs and expenses	2,607	2,597	5,274	5,284
<b>Operating income</b>	<b>283</b>	<b>549</b>	<b>540</b>	<b>804</b>
Interest expense, net	(48)	(46)	(92)	(84)
Other (expense) income	(2)	10	1	7
<b>Income before income taxes</b>	<b>233</b>	<b>513</b>	<b>449</b>	<b>727</b>
Income tax expense	58	123	3	172
Net income	\$ 175	\$ 390	\$ 446	\$ 555
<b>Earnings per common share:</b>				
Basic	\$ 1.42	\$ 3.02	\$ 3.59	\$ 4.29
Diluted	\$ 1.42	\$ 3.01	\$ 3.58	\$ 4.27

## EXHIBIT 2

### Booz Allen Hamilton Holding Corporation Condensed Consolidated Balance Sheets

(Amounts in millions, except share and per share data)	September 30, 2025	March 31, 2025
<b>Assets</b>	<b>(unaudited)</b>	
Current assets:		
Cash and cash equivalents	\$ 816	\$ 885
Accounts receivable, net	2,217	2,271
Prepaid expenses and other current assets	188	157
Total current assets	3,221	3,313
Property and equipment, net of accumulated depreciation	171	177
Operating lease right-of-use assets	160	178
Intangible assets, net of accumulated amortization	537	563
Goodwill	2,405	2,405
Deferred tax assets	244	332
Other long-term assets	415	344
Total assets	<u>\$ 7,153</u>	<u>\$ 7,312</u>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Current portion of long-term debt	\$ 83	\$ 83
Accounts payable and other accrued expenses	1,001	987
Accrued compensation and benefits	675	702
Operating lease liabilities	41	41
Other current liabilities	34	33
Total current liabilities	1,834	1,846
Long-term debt, net of current portion	3,877	3,915
Operating lease liabilities, net of current portion	160	180
Other long-term liabilities	286	368
Total liabilities	6,157	6,309
Stockholders' equity:		
Common stock, Class A — \$0.01 par value — authorized, 600,000,000 shares; issued, 169,111,128 shares at September 30, 2025 and 168,522,544 shares at March 31, 2025; outstanding, 122,025,314 shares at September 30, 2025 and 124,879,004 shares at March 31, 2025	2	2
Treasury stock, at cost — 47,085,814 shares at September 30, 2025 and 43,643,540 shares at March 31, 2025	(3,459)	(3,082)
Additional paid-in capital	1,105	1,042
Retained earnings	3,378	3,070
Accumulated other comprehensive (loss) income	(30)	(29)
Total stockholders' equity	996	1,003
Total liabilities and stockholders' equity	<u>\$ 7,153</u>	<u>\$ 7,312</u>

### EXHIBIT 3

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

(Amounts in millions)	Six Months Ended September 30,	
	2025	2024
<b>Cash flows from operating activities</b>		
Net income	\$ 446	\$ 555
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	81	83
Noncash lease expense	25	26
Stock-based compensation expense	36	46
Net gains on investments, dispositions, and other	(4)	(8)
Changes in operating assets and liabilities:		
Accounts receivable, net	54	(161)
Deferred income taxes and income taxes receivable / payable	78	(30)
Prepaid expenses and other current and long-term assets	(77)	(29)
Accrued compensation and benefits	(13)	195
Accounts payable and other accrued expenses	23	(24)
Other current and long-term liabilities	(109)	(14)
Net cash provided by operating activities	540	639
<b>Cash flows from investing activities</b>		
Purchases of property, equipment, and software	(49)	(56)
Payments for business acquisitions and dispositions, net of cash acquired	—	(93)
Net payments for investments	(12)	(4)
Net cash used in investing activities	(61)	(153)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of common stock	27	21
Repurchases of common stock	(395)	(348)
Cash dividends paid	(138)	(133)
Repayments on revolving credit facility, term loans, and Senior Notes	(42)	(21)
Net cash used in financing activities	(548)	(481)
Net (decrease) increase in cash and cash equivalents	(69)	5
Cash and cash equivalents—beginning of period	885	554
Cash and cash equivalents—end of period	\$ 816	\$ 559
<b>Supplemental disclosures of cash flow information</b>		
Net cash paid during the period for:		
Interest	\$ 87	\$ 97
Income taxes	\$ 41	\$ 190

## EXHIBIT 4

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

(In millions, except share and per share data)	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
<b>Revenue, Excluding Billable Expenses</b>				
Revenue	\$ 2,890	\$ 3,146	\$ 5,814	\$ 6,088
Less: Billable expenses	918	968	1,799	1,913
Revenue, Excluding Billable Expenses*	<u>\$ 1,972</u>	<u>\$ 2,178</u>	<u>\$ 4,015</u>	<u>\$ 4,175</u>
<b>EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue</b>				
Net income	\$ 175	\$ 390	\$ 446	\$ 555
Income tax expense	58	123	3	172
Interest expense, net and other income (expense), net	50	36	91	77
Depreciation and amortization	41	42	81	83
EBITDA	<u>\$ 324</u>	<u>\$ 591</u>	<u>\$ 621</u>	<u>\$ 887</u>
Change in provision for claimed costs (a)	—	(113)	—	(113)
Other corporate expenses (b)	—	1	14	7
Insurance recoveries (c)	—	(115)	—	(115)
Adjusted EBITDA	<u>\$ 324</u>	<u>\$ 364</u>	<u>\$ 635</u>	<u>\$ 666</u>
Net income margin	6.1 %	12.4 %	7.7 %	9.1 %
Adjusted EBITDA Margin on Revenue	11.2 %	11.6 %	10.9 %	10.9 %
<b>Adjusted Net Income</b>				
Net income	\$ 175	\$ 390	\$ 446	\$ 555
Change in provision for claimed costs (a)	—	(113)	—	(113)
Other corporate expenses (b)	—	1	14	7
Acquisition amortization (d)	12	13	24	26
Insurance recoveries (c)	—	(115)	—	(115)
Amortization or write-off of debt issuance costs and debt discount	—	2	—	3
Adjustments for tax effect (e)	(4)	55	(117)	50
Adjusted Net Income	<u>\$ 183</u>	<u>\$ 233</u>	<u>\$ 367</u>	<u>\$ 413</u>
<b>Adjusted Diluted Earnings Per Share</b>				
Weighted-average number of diluted shares outstanding	122,881,563	128,848,077	123,677,992	129,387,722
Diluted earnings per share	\$ 1.42	\$ 3.01	\$ 3.58	\$ 4.27
Adjusted Net Income Per Diluted Share	\$ 1.49	\$ 1.81	\$ 2.97	\$ 3.19
<b>Free Cash Flow</b>				
Net cash provided by operating activities	\$ 421	\$ 587	\$ 540	\$ 639
Less: Purchases of property, equipment and software	(26)	(24)	(49)	(56)
Free Cash Flow	<u>\$ 395</u>	<u>\$ 563</u>	<u>\$ 491</u>	<u>\$ 583</u>

\* Revenue, Excluding Billable Expenses includes \$113 million of revenue for the three and six months ending September 30, 2024 resulting from the reduction to our provision for claimed costs as noted below.

- Represents the reduction to our provision for claimed costs for years prior to fiscal 2025 recorded during the second quarter of fiscal 2025, which resulted in a corresponding increase to revenue, as a result of the Defense Contract Audit Agency's findings related to its audits of our claimed costs for multiple fiscal years. See Note 19, "Commitments and Contingencies," to the consolidated financial statements in the Company's Form 10-K for the fiscal year ended March 31, 2025 for further information.
- In fiscal 2026, other corporate expenses consist primarily of nonrecoverable costs associated with employee severance from a cost management initiative and restructuring of the Civil business. See Note 13, "Supplemental Condensed Consolidated Financial Information," to the condensed consolidated financial statements for further information. In fiscal 2025, other corporate expenses consist primarily of acquisition related costs from the acquisition of PAR Government Systems Corporation ("PGSC").
- Reflects insurance recoveries from claims related to the Company's fiscal 2024 settlement as described in Note 20, "Commitments and Contingencies," to the consolidated financial statements contained within the Annual Report on Form 10-K for the fiscal year ended March 31, 2024.
- Amortization expense associated with acquired intangibles from acquisitions.
- 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. The year to date tax effect also includes the one-time benefit stemming from the favorable agreement reached with the IRS, resulting in \$86 million in release of tax reserves and \$20 million (net of tax effect) for the accrual of interest income on the income tax receivable. See Note 9, "Income Taxes," to the condensed consolidated financial statements for further information.

## EXHIBIT 4

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

	Three Months Ended September 30, 2025	Three Months Ended June 30, 2025	Three Months Ended March 31, 2025	Three Months Ended December 31, 2024
(In millions, except share and per share data)				
Net income	\$ 175	\$ 271	\$ 193	\$ 187
Income tax expense (benefit)	58	(55)	49	61
Interest expense, net and other income (expense)	50	41	32	43
Depreciation and amortization	41	40	42	40
EBITDA	\$ 324	\$ 297	\$ 316	\$ 331
Other corporate expenses (a)	—	14	—	1
<b>Adjusted EBITDA</b>	<b>\$ 324</b>	<b>\$ 311</b>	<b>\$ 316</b>	<b>\$ 332</b>
Last 12 months Adjusted EBITDA	\$ 1,283			
Total Debt	\$ 3,960			
Less: Cash	816			
Net Debt	\$ 3,144			
<b>Net Leverage Ratio (e)</b>	<b>2.5</b>			

	Three Months Ended September 30, 2024	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	Three Months Ended December 31, 2023
(In millions, except share and per share data)				
Net income	\$ 390	\$ 165	\$ 128	\$ 146
Income tax expense	123	49	91	62
Interest expense, net and other income (expense)	36	41	45	40
Depreciation and amortization	42	41	40	41
EBITDA	\$ 591	\$ 296	\$ 304	\$ 289
Change in provision for claimed costs (b)	(113)	—	—	—
Insurance recoveries (c)	(115)	—	—	—
Other corporate expenses (a)	1	6	2	2
DC tax assessment adjustment (d)	—	—	(20)	—
<b>Adjusted EBITDA</b>	<b>\$ 364</b>	<b>\$ 302</b>	<b>\$ 286</b>	<b>\$ 291</b>
Last 12 months Adjusted EBITDA	\$ 1,243			
Total Debt	\$ 3,393			
Less: Cash	559			
Net Debt	\$ 2,834			
<b>Net Leverage Ratio (e)</b>	<b>2.3</b>			

- (a) In fiscal 2026, other corporate expenses consist primarily of nonrecoverable costs associated with employee severance from a cost management initiative and restructuring of the Civil business. See Note 13, "Supplemental Condensed Consolidated Financial Information," to the condensed consolidated financial statements for further information. In fiscal 2025, other corporate expenses consist primarily of acquisition related costs from the acquisition of PAR Government Systems Corporation ("PGSC").
- (b) Represents the reduction to our provision for claimed costs for years prior to fiscal 2025 recorded during the second quarter of fiscal 2025, which resulted in a corresponding increase to revenue, as a result of the Defense Contract Audit Agency's findings related to its audits of our claimed costs for multiple fiscal years. See Note 19, "Commitments and Contingencies," to the consolidated financial statements in the Company's Form 10-K for the fiscal year ended March 31, 2025 for further information.
- (c) Reflects insurance recoveries from claims related to the Company's fiscal 2024 settlement as described in Note 20, "Commitments and Contingencies," to the consolidated financial statements contained within the Annual Report on Form 10-K for the fiscal year ended March 31, 2024.
- (d) 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 contained within the Annual Report on Form 10-K for the fiscal year ended March 31, 2024 for further information.
- (e) "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)**

**Backlog <sup>(1)</sup>:**

(Amounts in millions)	As of September 30,	
	2025	2024
Funded	\$ 5,440	\$ 5,794
Unfunded	10,668	8,946
Priced options	24,080	24,326
Total backlog	\$ 40,188	\$ 39,066

(1) Amounts reflect the Company's change in policy during the fourth quarter of fiscal 2025 to exclude contracts for which the period of performance has expired.

**Book-to-Bill <sup>(1)</sup>:**

	Three Months Ended September 30,		Trailing Twelve Months Ended June 30,	
	2025	2024	2025	2024
	1.7x	2.4x	1.1x	1.5x

(1) 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 reflect the Company's change in policy during the fourth quarter of fiscal 2025 to exclude contracts for which the period of performance has expired.

**Headcount**

(Amounts are rounded)	As of September 30,	
	2025	2024
Total Headcount	32,500	35,800
Customer Staff Headcount	29,600	32,700

**Revenue by Customer Type**

	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Defense	\$ 1,580	\$ 1,547	\$ 3,097	\$ 2,968
Intelligence	483	494	967	951
Civil	827	1,105	1,750	2,169
Total Revenue	\$ 2,890	\$ 3,146	\$ 5,814	\$ 6,088

**Percentage of Total Revenue by Contract Type**

	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Cost-Reimbursable	59%	57%	60%	56%
Time-and-Materials	22%	23%	22%	23%
Fixed-Price	19%	20%	18%	21%



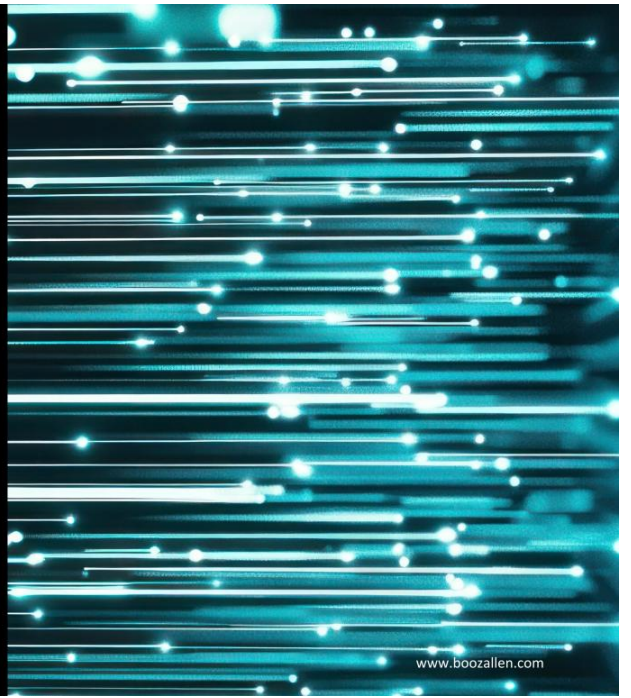
# Booz Allen®

Q2 FY26 EARNINGS  
CALL PRESENTATION

OCTOBER 24, 2025

Copyright © Booz Allen Hamilton Inc. 2025

[www.boozallen.com](http://www.boozallen.com)



 PARTICIPANTS

**EARNINGS  
CALL  
PARTICIPANTS**

**HORACIO ROZANSKI**

*Chairman, Chief Executive Officer & President*

**MATT CALDERONE**

*Executive Vice President, Chief Financial Officer*

**KRISTINE MARTIN ANDERSON**

*Executive Vice President, Chief Operating Officer*

**DUSTIN DARENSBOURG**

*Head of 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, 2025, which can be found at the SEC's website at [www.sec.gov](http://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.

Booz Allen's fiscal year ends on March 31 and unless otherwise noted, references to fiscal year, fiscal or FY are for fiscal years ended March 31.

### Note Regarding Non-GAAP Financial Data Information

Booz Allen discloses Revenue, Excluding Billable Expenses, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted Net Income, Adjusted Diluted EPS, Free Cash Flow, and Net Leverage Ratio, 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, net income attributable to common stockholders to Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted Net Income and Adjusted Diluted EPS, net cash used in operating activities to Free Cash Flow, 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 EBITDA, Adjusted EBITDA Margin on Revenue, 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 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, 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 EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted Net Income, Adjusted Diluted EPS, Free Cash Flow 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, and Adjusted Effective Tax Rate 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, Adjusted EBITDA Margin on Revenue, and Adjusted Effective Tax Rate, during the course of fiscal 2026. 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 2026, of Adjusted EBITDA guidance through fiscal 2026, and of Adjusted Effective Tax Rate guidance through fiscal 2026 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(c)(1)(i)(B) of Regulation S-K to exclude these reconciliations.

➤ KEY TAKEAWAYS

***"I am deeply committed to ensuring Booz Allen is an essential player in driving America's technological superiority. I remain very optimistic about the future of our company."***

— **Horacio Rozanski**  
Chairman & Chief Executive Officer

Copyright © Booz Allen Hamilton Inc. 2025

- ***Operating in a bifurcated market and funding levels have not normalized***
- ***Winning high-value work, particularly in National Security missions***
- ***Taking significant actions to reaccelerate growth and profitability***
- ***Doubling down on proven growth vectors, including building cyber, AI, and warfighting tech***
- ***Strong balance sheet providing strategic and financial flexibility***

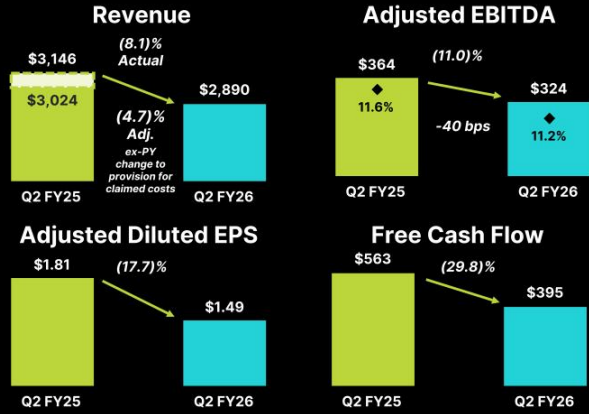
[www.boozallen.com](http://www.boozallen.com)

4

KEY FINANCIAL RESULTS

# Q2 Summary Financial Results


- Revenue down 4.7%, excluding prior year change to the provision for claimed costs
- Strength across National Security (Defense & Intel) portfolio, up 4.8% year-over-year, excluding prior year change to the provision for claimed costs
- Civil portfolio stabilized, but ongoing procurement challenges delay return to growth
- Solid EBITDA margins of 11.2%
- 1.7x quarterly book-to-bill, 1.1x LTM book-to-bill<sup>(1)</sup>
- Backlog up 3% YoY to \$40B<sup>(1)</sup>, a Q2 record
- Strong free cash flow generation




➤ CAPITAL DEPLOYMENT

# Committed to a Balanced Capital Allocation Strategy

## Quarterly Dividends

 Board approved quarterly dividend of \$0.55/ share

 **Track Record of Growth**  
Earnings growth driving strong, sustained dividend growth since 2013

**25 - 35%**  
Historical Dividend Payout Ratio

## Strategic Capital



Continued Investment in Tech Ecosystem



\$3M deployed in strategic investment in Shift5 in the second quarter

**Booz  
Allen Ventures**

## Share Repurchases



Deployed \$208M in share repurchases in the second quarter



Increased Repurchase Authorization by \$500M

**2.7%**  
Outstanding shares repurchased in first half of fiscal year

**Capital Deployment Optionality Supported by Strong Balance Sheet with 2.5x Net Leverage<sup>(1)</sup>**

## Updated FY 2026 Guidance

	Updated Fiscal 2026 Guidance	Prior Fiscal 2026 Guidance
<b>Revenue</b>	\$11.3 - \$11.5 billion	\$12.0 - \$12.5 billion
<b>Revenue Growth</b>	(4.0 - 6.0)%	0 - 4.0%
<b>Adjusted EBITDA</b>	\$1,190 - \$1,220 million	\$1,315 - \$1,370 million
<b>Adjusted EBITDA Margin on Revenue</b>	Mid 10%	~11%
<b>Adjusted Diluted EPS</b>	\$5.45 - \$5.65	\$6.20 - \$6.55
<b>Free Cash Flow</b>	\$850 - \$950 million	\$900 - \$1,000 million

### Assumptions

- **Adjusted Effective Tax Rate: 23 - 25%**
- **Capital Expenditures: \$100 million**
- **Average Diluted Share Count: 122M - 123M**
- **\$235 million cash tax benefit relative to initial guidance, due to new S174 rules under the One Big Beautiful Bill**

# ➤ APPENDIX

 KEY FINANCIAL RESULTS

# Q2 and First Half Fiscal 2026 Results

	SECOND QUARTER <sup>(1)</sup>		FIRST HALF <sup>(1)</sup>	
Revenue	<b>\$2.9 billion</b>	(8.1)%	<b>\$5.8 billion</b>	(4.5)%
Revenue, Excluding Billable Expenses	<b>\$2.0 billion</b>	(9.5)%	<b>\$4.0 billion</b>	(3.8)%
Net Income	<b>\$175 million</b>	(55.1)%	<b>\$446 million</b>	(19.6)%
Adjusted EBITDA <sup>(2)</sup>	<b>\$324 million</b>	(11.0)%	<b>\$635 million</b>	(4.7)%
Adjusted EBITDA Margin on Revenue <sup>(2)</sup>	<b>11.2%</b>	-40 bps	<b>10.9%</b>	—
Adjusted Net Income	<b>\$183 million</b>	(21.5)%	<b>\$367 million</b>	(11.1)%
Diluted EPS	<b>\$1.42</b>	(52.8)%	<b>\$3.58</b>	(16.2)%
Adjusted Diluted EPS	<b>\$1.49</b>	(17.7)%	<b>\$2.97</b>	(6.9)%
Net Cash Provided by Operating Activities	<b>\$421 million</b>	(28.3)%	<b>\$540 million</b>	(15.5)%

## DISCLAIMER

# 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 such as subcontractor expenses, travel expenses, and other non-labor expenses incurred to perform on contracts. Billable expenses generally have lower margin and thus are less indicative of our profit generation capacity.
- "EBITDA" represents net income before income taxes, interest expense, net and other income (expense), net, and depreciation and amortization.
- "Adjusted EBITDA" represents net income before income tax expense (benefit), interest expense, net and other income (expense), net and depreciation and amortization and before certain other items, including the change in provision for claimed costs for historical rate years, certain other corporate expenses, DC tax assessment adjustment, and certain insurance recoveries. "Adjusted EBITDA Margin on Revenue" is calculated as Adjusted EBITDA divided by revenue. Booz Allen prepares Adjusted EBITDA and Adjusted EBITDA Margin on Revenue to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non-recurring nature or because they result from an event of a similar nature.
- "Adjusted Net Income" represents net income before: (i) the change in provision for claimed costs for historical rate years (ii) certain other corporate expenses, (iii) acquisition amortization, (iv) certain insurance recoveries, and (v) 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. 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.
- "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, 2025.
- "Free Cash Flow" represents the net cash generated from operating activities less the impact of purchases of property, equipment and software.
- "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.

# Non-GAAP Financial Information (Unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
<i>(In millions, except share and per share data)</i>				
<b>Revenue, Excluding Billable Expenses</b>				
Revenue	\$ 2,890	\$ 3,146	\$ 5,814	\$ 6,088
Less: Billable expenses	918	988	1,799	1,913
Revenue, Excluding Billable Expenses*	\$ 1,972	\$ 2,178	\$ 4,015	\$ 4,175
<b>EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin on Revenue</b>				
Net income	\$ 175	\$ 390	\$ 446	\$ 555
Income tax expense	58	123	3	172
Interest expense, net and other income (expense)	50	36	91	77
Depreciation and amortization	41	42	81	83
EBITDA	\$ 324	\$ 591	\$ 621	\$ 887
Change in provision for claimed costs (a)	—	(113)	—	(113)
Other corporate expenses (b)	—	1	14	7
Insurance recoveries (c)	—	(115)	—	(115)
Adjusted EBITDA	\$ 324	\$ 364	\$ 635	\$ 666
Net income margin	6.1 %	12.4 %	7.7 %	9.1 %
Adjusted EBITDA Margin on Revenue	11.2 %	11.6 %	10.9 %	10.9 %

\* Revenue, Excluding Billable Expenses includes \$113 million of revenue for the three and six months ending September 30, 2024 resulting from the reduction to our provision for claimed costs as noted below.

Due to the fiscal 2025 change in rounding presentation to millions, comparative period presentation within this presentation has been adjusted accordingly.

# Non-GAAP Financial Information (Unaudited)

(In millions, except share and per share data)	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
<b>Adjusted Net Income</b>				
Net income	\$ 175	\$ 390	\$ 446	\$ 555
Change in provision for claimed costs (a)	—	(113)	—	(113)
Other corporate expenses (b)	—	1	14	7
Acquisition amortization (d)	12	13	24	26
Insurance recoveries (c)	—	(115)	—	(115)
Amortization or write-off of debt issuance costs and debt discount	—	2	—	3
Adjustments for tax effect (e)	(4)	55	(117)	50
Adjusted Net Income	\$ 183	\$ 233	\$ 367	\$ 413
<b>Adjusted Diluted Earnings per Share</b>				
Weighted-average number of diluted shares outstanding	122,881,563	128,848,077	123,677,992	129,387,722
Diluted earnings per share	\$ 1.42	\$ 3.01	\$ 3.58	\$ 4.27
Adjusted Net Income Per Diluted Share	\$ 1.49	\$ 1.81	\$ 2.97	\$ 3.19
<b>Free Cash flow</b>				
Net cash provided by operating activities	\$ 421	\$ 587	\$ 540	\$ 639
Less: Purchases of property, equipment and software	(26)	(24)	(49)	(56)
Free Cash Flow	\$ 395	\$ 563	\$ 491	\$ 583

DISCLAIMER

# Non-GAAP Financial Information

(a) Represents the reduction to our provision for claimed costs for years prior to fiscal 2025 recorded during the second quarter of fiscal 2025, which resulted in a corresponding increase to revenue, as a result of the Defense Contract Audit Agency's findings related to its audits of our claimed costs for multiple fiscal years. See Note 19, "Commitments and Contingencies," to the consolidated financial statements in the Company's Form 10-K for the fiscal year ended March 31, 2025 for further information.

(b) In fiscal 2026, other corporate expenses consist primarily of nonrecoverable costs associated with employee severance from a cost management initiative and restructuring of the Civil business. See Note 13, "Supplemental Condensed Consolidated Financial Information," to the condensed consolidated financial statements for further information. In fiscal 2025, other corporate expenses consist primarily of acquisition related costs from the acquisition of PAR Government Systems Corporation ("PGSC").

(c) Reflects insurance recoveries from claims related to the Company's fiscal 2024 settlement as described in Note 20, "Commitments and Contingencies," to the consolidated financial statements contained within the Annual Report on Form 10-K for the fiscal year ended March 31, 2024.

(d) Amortization expense associated with acquired intangibles from acquisitions.

(e) Reflects the tax effect of adjustments at an assumed effective tax rate of 28%, 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 28% rate. The year to date tax effect also includes the one-time benefit stemming from the favorable agreement reached with the IRS, resulting in \$86 million in release of tax reserves and \$20 million (net of tax effect) for the accrual of interest income on the income tax receivable. See Note 9, "Income Taxes," to the condensed consolidated financial statements for further information.

# Non-GAAP Financial Information (Unaudited)

	Three Months Ended			
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
(In millions, except share and per share data)				
Net income	\$ 175	\$ 271	\$ 193	\$ 187
Income tax expense (benefit)	58	(55)	49	61
Interest expense, net and other income (expense)	50	41	32	43
Depreciation and amortization	41	40	42	40
EBITDA	\$ 324	\$ 297	\$ 316	\$ 331
Other corporate expenses (a)	—	14	—	1
<b>Adjusted EBITDA</b>	<b>\$ 324</b>	<b>\$ 311</b>	<b>\$ 316</b>	<b>\$ 332</b>
Last 12 months Adjusted EBITDA	\$ 1,283			
Total Debt	\$ 3,960			
Less: Cash	816			
Net Debt	\$ 3,144			
Net Leverage Ratio (b)	2.5			

(a) In fiscal 2026, other corporate expenses consist primarily of nonrecoverable costs associated with employee severance from a cost management initiative and restructuring of the Civil business. See Note 13, "Supplemental Condensed Consolidated Financial Information," to the condensed consolidated financial statements for further information. In fiscal 2025, other corporate expenses consist primarily of acquisition related costs from the acquisition of PAR Government Systems Corporation ("PGSC").

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

# Non-GAAP Financial Information (Unaudited)

(In millions, except share and per share data)	Three Months Ended			
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
Net income	\$ 390	\$ 165	\$ 128	\$ 146
Income tax expense	123	49	91	62
Interest expense, net and other income (expense)	36	41	45	40
Depreciation and amortization	42	41	40	41
EBITDA	\$ 591	\$ 296	\$ 304	\$ 289
Change in provision for claimed costs (a)	(113)	—	—	—
Insurance recoveries (b)	(115)	—	—	—
Other corporate expenses (c)	1	6	2	2
DC tax assessment adjustment (d)	—	—	(20)	—
<b>Adjusted EBITDA</b>	<b>\$ 364</b>	<b>\$ 302</b>	<b>\$ 286</b>	<b>\$ 291</b>
Last 12 months Adjusted EBITDA	\$ 1,243			
Total Debt	\$ 3,393			
Less: Cash	559			
Net Debt	\$ 2,834			
Net Leverage Ratio (e)	2.3			

(a) Represents the reduction to our provision for claimed costs for years prior to fiscal 2025 recorded during the second quarter of fiscal 2025, which resulted in a corresponding increase to revenue, as a result of the Defense Contract Audit Agency's findings related to its audits of our claimed costs for multiple fiscal years. See Note 19, "Commitments and Contingencies," to the consolidated financial statements in the Company's Form 10-K for the fiscal year ended March 31, 2025 for further information.

(b) Reflects insurance recoveries from claims related to the Company's fiscal 2024 settlement as described in Note 20, "Commitments and Contingencies," to the consolidated financial statements contained within the Annual Report on Form 10-K for the fiscal year ended March 31, 2024.

(c) In fiscal 2026, other corporate expenses consist primarily of nonrecoverable costs associated with employee severance from a cost management initiative and restructuring of the civil business. See Note 13, "Supplemental Condensed Consolidated Financial Information," to the condensed consolidated financial statements for further information. In fiscal 2025, other corporate expenses consist primarily of acquisition related costs from the acquisition of PAR Government Systems Corporation ("PGSC").

(d) 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 contained within the Annual Report on Form 10-K for the fiscal year ended March 31, 2024 for further information.

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

## Financial Results – Key Drivers

**Second Quarter Fiscal 2026** – Below is a summary of the key factors driving results for the fiscal 2026 second quarter ended September 30, 2025 as compared to the prior year period:

- Revenue decreased 8.1% to \$2.9 billion, primarily driven by a decrease in headcount due to the impact of a slowed procurement environment and continued uncertainty in the US government and regulatory environment. In addition, revenue was positively impacted in the prior year by \$122 million representing the reduction to our provision for claimed costs recorded during the second quarter of fiscal 2025.
- EBITDA decreased to \$324 million from \$591 million. These changes were primarily due to the factors described impacting revenue and an additional \$115 million of insurance recoveries recognized in the second quarter of fiscal 2025 from the Company's fiscal 2024 legal settlement.
- Net income decreased to \$175 million from \$390 million, primarily driven by the factors noted above as well as higher net interest expense and an \$11 million fair value adjustment to strategic investments through our corporate venture capital program that benefitted the prior year period, partially offset by lower income tax expense.
- Diluted EPS decreased to \$1.42 from \$3.01, driven by the same factors noted above in net income, partially offset by a reduction in share count.
- Net cash provided by operating activities was \$421 million for the quarter ended September 30, 2025, as compared to \$587 million in the prior year. Fiscal 2025 operating cash reflects the \$115 million in insurance recoveries noted above as well as the change to the Company's payroll cadence during the second quarter of fiscal 2025, both resulting in a positive operating cash flow impact for fiscal 2025. The overall decrease in operating cash flow was partially offset by lower cash taxes paid in fiscal 2026 as compared to fiscal 2025.

