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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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

**Date of Report: July 9, 2018**

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**Booz Allen Hamilton Holding Corporation**

(Exact name of Registrant as specified in its charter)

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**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**

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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))

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. ☐

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**Item 7.01            Regulation FD Disclosure.**

Booz Allen Hamilton Holding Corporation (the “Company”) will provide the attached presentation, which contains financial and other information set forth in the Company’s presentation dated June 6, 2018, and previously filed with the SEC on June 6, 2018, to investors on July 10, 2018 and may be used by the Company in various other presentations to investors thereafter. A copy of the materials is attached as Exhibit 99.1 to this Current Report on Form 8-K.

**Item 9.01            Financial Statements and Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#"><u>Investor Presentation</u></a>

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**SIGNATURES**

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

Booz Allen Hamilton Holding Corporation

BY: /s/ Lloyd W. Howell, Jr.  
Lloyd W. Howell, Jr.  
Executive Vice President, Chief Financial  
Officer and Treasurer

Date: July 9, 2018

# FISCAL YEAR 2018 FULL YEAR AND FOURTH QUARTER

*Investor Presentation*

JULY 2018\*

\* The following presentation contains financial and other information set forth in the Company's presentation dated June 6, 2018, and previously filed with the SEC on June 6, 2018. Such information speaks only as of June 6, 2018 and is not being updated, revised or supplemented by virtue of the use of or disclosure of this presentation. The Company undertakes no duty to update, revise or supplement any of the financial or other information presented in the presentation.

CONSULTING | ANALYTICS | DIGITAL SOLUTIONS | ENGINEERING | CYBER



# DISCLAIMER

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## Forward Looking Safe Harbor Statement

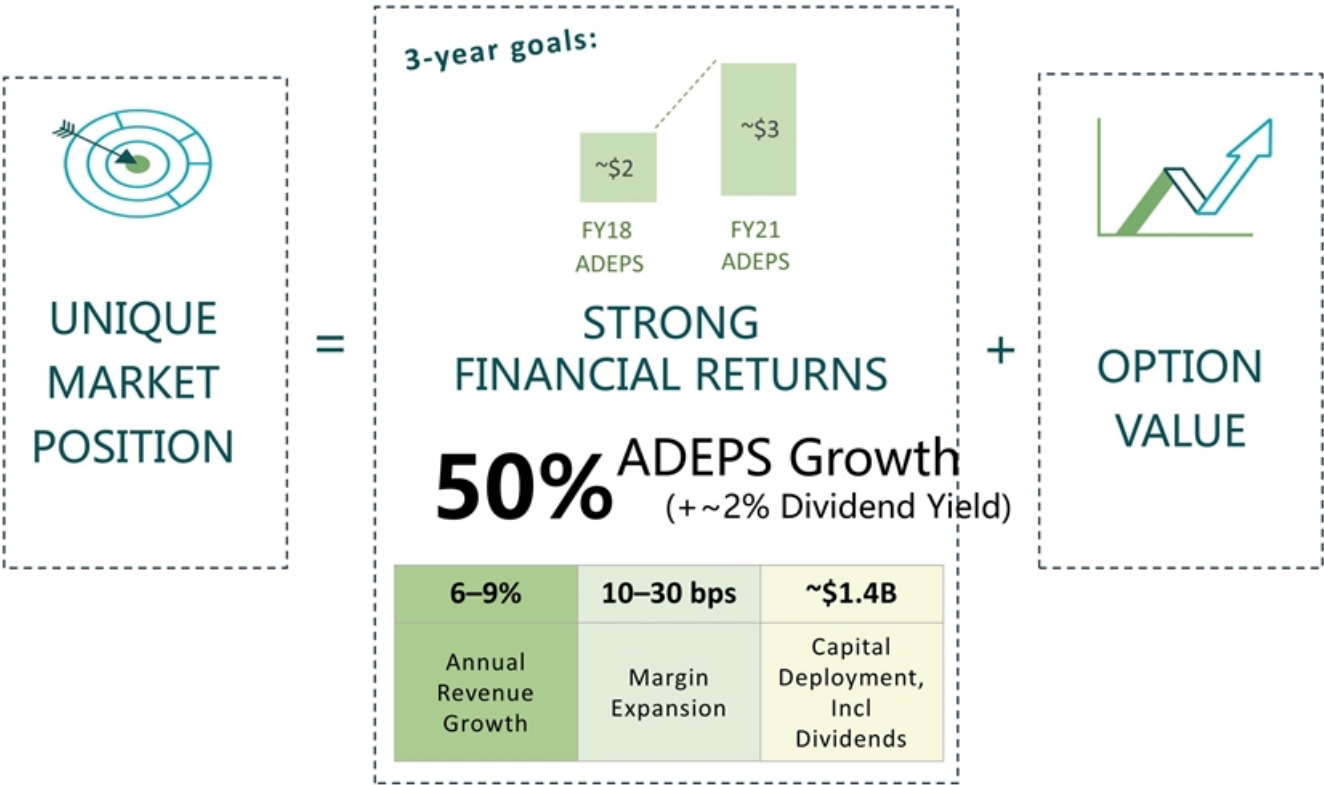
Certain statements contained in this presentation and in related comments by our management include “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include information concerning Booz Allen’s preliminary financial results, financial outlook and guidance, including forecasted revenue, Diluted EPS, Adjusted Diluted EPS, 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, 2018, 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.

## Note Regarding Non-GAAP Financial Data Information

Booz Allen discloses in the following information Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, and Adjusted Diluted Earnings Per Share, or Adjusted Diluted EPS, and Free Cash Flow which are not recognized measurements under GAAP, and when analyzing Booz Allen’s performance or liquidity as applicable, investors should (i) evaluate each adjustment in our reconciliation of revenue to Revenue, Excluding Billable Expenses, operating income to Adjusted Operating Income, net income to Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income and Adjusted Diluted Earnings Per Share, and net cash provided by operating activities to Free Cash Flow, (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 and (iii) use Free Cash Flow in addition to, and not as an alternative to, net cash provided by operating activities as a measure of liquidity, each as defined under GAAP. The Factsheet includes a reconciliation of Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, Adjusted Diluted EPS, and Free Cash Flow to the most directly comparable financial measure calculated and presented in accordance with GAAP. Booz Allen presents these supplemental performance measures because it believes that these measures provide investors and securities analysts with important supplemental information with which to evaluate Booz Allen’s performance, long term earnings potential, or liquidity, as applicable and to enable them to assess Booz Allen’s performance on the same basis as management. These supplemental performance and liquidity measurements may vary from and may not be comparable to similarly titled measures by other companies in Booz Allen’s industry.

# INVESTMENT THESIS



# A LEADER WITH A PROUD HISTORY

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## COMPANY OVERVIEW

*We are a global firm of approximately 24,600 diverse, passionate, and exceptional people driven to excel, do right, and realize positive change in everything we do. We bring bold thinking and a desire to be the best in our work in consulting, analytics, digital solutions, engineering, and cyber and with industries ranging from defense to health, energy, and international development.*

- Over 100 years in business
- HQ in McLean, VA
- 97% of FY18 revenue was derived from government agencies, including the Department of Defense, Department of Homeland Security, and U.S. Armed Forces
- Key client relationships at a high level of the U.S. Government
- 4,997 contracts and task orders; 91% of our FY18 revenue was derived from engagements on which we acted as the prime contractor



**24,600**

NUMBER OF EMPLOYEES  
As of March 31, 2018

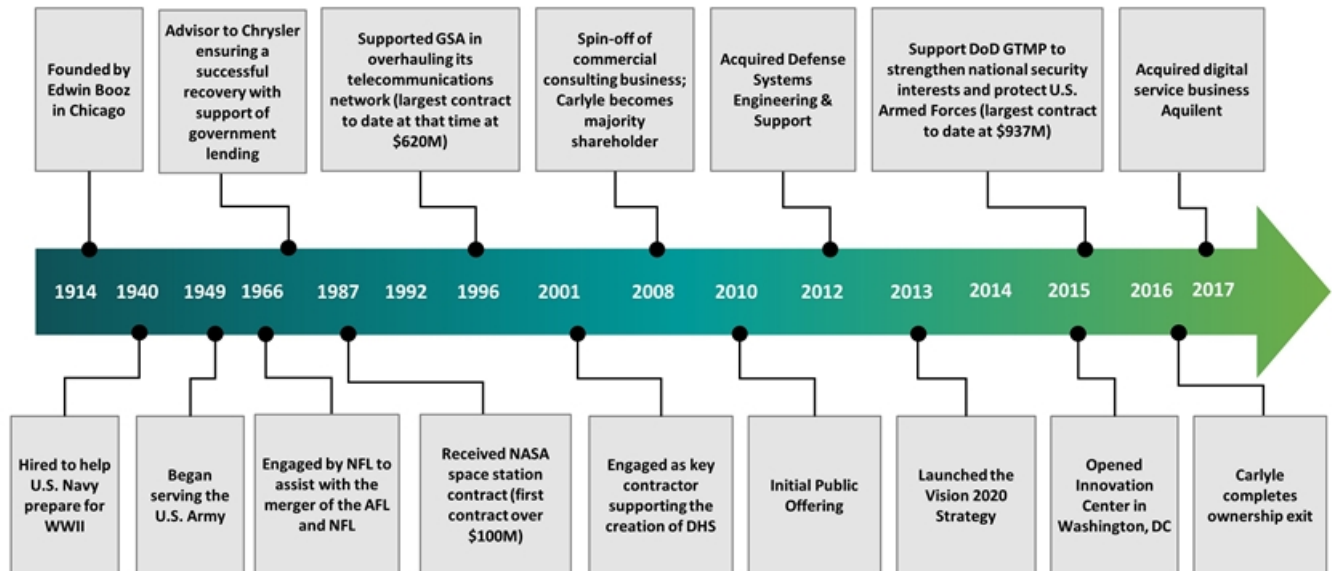
## UNIQUE ORGANIZATION AND CULTURE

- Built on collaboration
- One P&L and single bonus pool for partners, vice presidents, principals, and senior associates
- Equity incentives broadly distributed to leadership to ensure long-term success and alignment with shareholders
- Approximately 69%<sup>(1)</sup> of staff with security clearances

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1) Data as of 3/31/18

# COMPANY HISTORY



# SERVICE OFFERINGS

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## SERVICE OFFERINGS

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

Consulting

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

Analytics

**Digital Solutions** combines the power of modern systems development techniques and cloud platforms with machine learning to transform customer and mission experiences.

Digital Solutions

**Engineering** delivers engineering services and solutions to define, develop, implement, sustain, and modernize complex physical systems.

Engineering

**Cyber** focuses on active prevention, detection, and cost effectiveness for cybersecurity needs.

Cyber

## INNOVATION AREAS

Machine Intelligence

**Machine Intelligence** applies and scales the use of machine learning and artificial intelligence to transform how clients perform their missions and run their organizations where people and increasingly intelligent machines collaborate to solve problems.

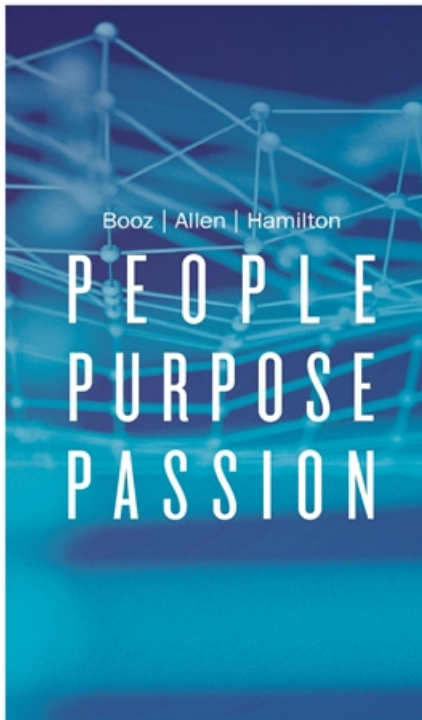
Directed Energy

**Directed Energy** technologies use high-energy lasers or high-powered microwaves to efficiently disrupt or damage targets with non-kinetic, speed-of-light engagement.

# GROWTH STRATEGY

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VISION 2020 STRATEGY IS IN ITS SIXTH YEAR OF IMPLEMENTATION



## Key Elements

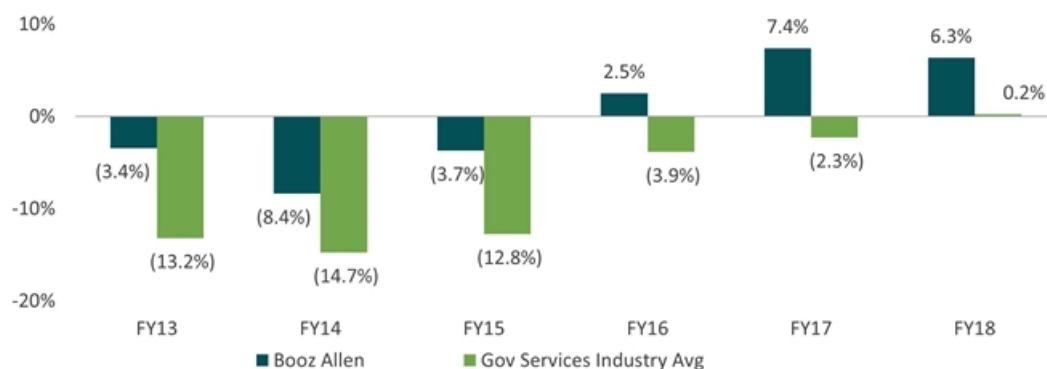
- Moving closer to the center of our clients' core mission
- Increasing the technical content of our work
- Attracting and retaining superior talent in diverse areas of expertise
- Leveraging innovation to deliver complex, differentiated, end-to-end solutions
- Creating a broad network of external partners and alliances
- Expanding into commercial and international markets

# SUCCESSFUL RESULTS FROM VISION 2020

## ACCELERATING ADJUSTED EBITDA, ADEPS GROWTH



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



1) Gov Services Industry comprised include Leidos, SAIC, ManTech, CACI, Engility, and CSRA

2) Organic growth encompasses any disclosed commentary (through SEC filing, presentation, or transcript) around organic growth performance

3) Source: Company presentations, SEC filings, and earnings transcripts



# KEY AREAS OF DIFFERENTIATION

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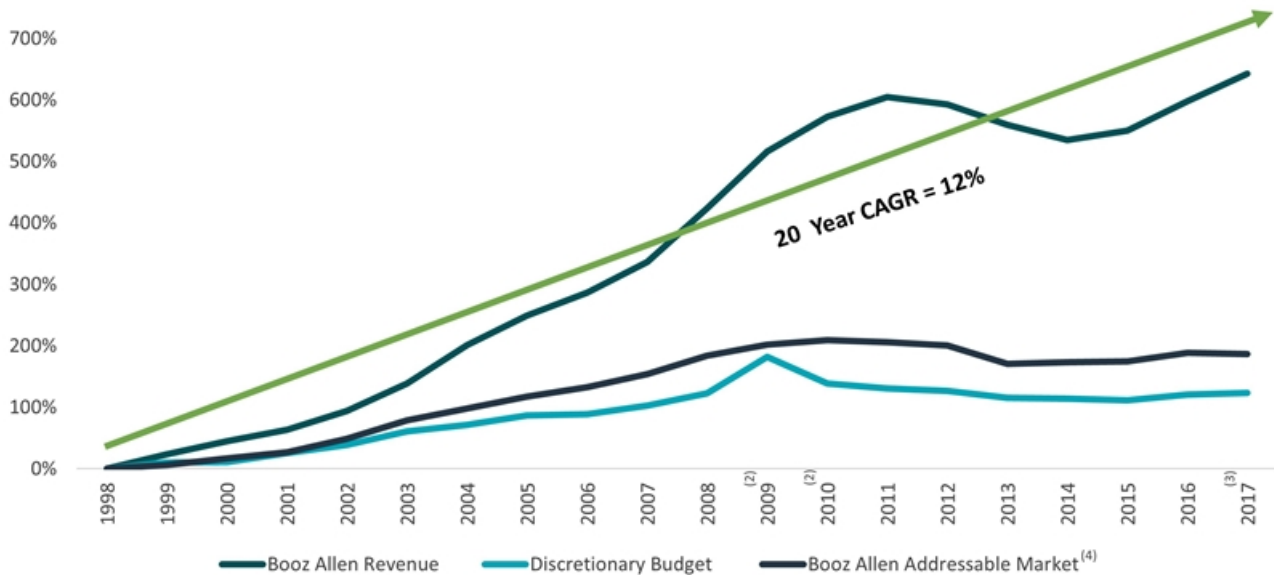
## WE ATTRIBUTE OUR BUSINESS AND FINANCIAL SUCCESS TO FIVE KEY FEATURES

- **Our culture**
    - Our purpose, as a firm, is to empower people to change the world, and we are committed to our employees
  - **Our strategy**
    - Successful execution of Vision 2020 reflects our ability to reinvent ourselves
  - **Our channels**
    - Our mature, large-scale channels enable us to shape future growth
  - **Our ability to integrate**
    - We merge our consulting expertise with advanced technical capabilities and mission knowledge to create integrated capabilities
  - **Our agility**
    - We anticipate the needs of the market and quickly move capabilities and talent to respond to client demands
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# HISTORY OF GROWING FASTER THAN MARKET

## CUMULATIVE GROWTH RATES OVER TIME SHOW SIGNIFICANT MARKET SHARE GAINS <sup>(1)</sup>



1) Source: Federal Procurement Data Systems (FPDS)

2) FY09 and FY10 discretionary government budget growth rates impacted by the American Reinvestment and Recovery Act (ARRA)

3) Based on government fiscal year; assumes government fiscal year 2017 aligns to Booz Allen fiscal year 2018

4) Addressable market defined as spending directed towards private contractors for management, technology, and engineering services

# HIGH-QUALITY AND DIVERSIFIED CONTRACT PORTFOLIO

## OUR DIVERSIFIED REVENUE BASE MINIMIZES VOLATILITY

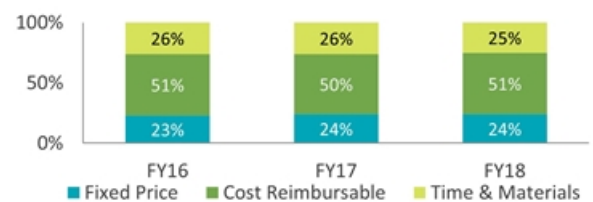
- Delivered on 4,997 U.S. government contracts and task orders <sup>(1)</sup>
  - Largest definite contract accounted for 2.2% of revenue
  - 75% of revenue was derived from over 3,900 active task orders under indefinite delivery, indefinite quantity (IDIQ) contract vehicles
  - Largest task order under an IDIQ contract represented 2.7% revenue
  - Largest IDIQ contract vehicle represented 6.2% of revenue

### PRIME/SUB



- High concentration as a prime contractor provides significant direct contact with our clients' senior leaders, which in turn allows us to develop unique insights in understanding their needs and serving as their strategic partner

### CONTRACT MIX



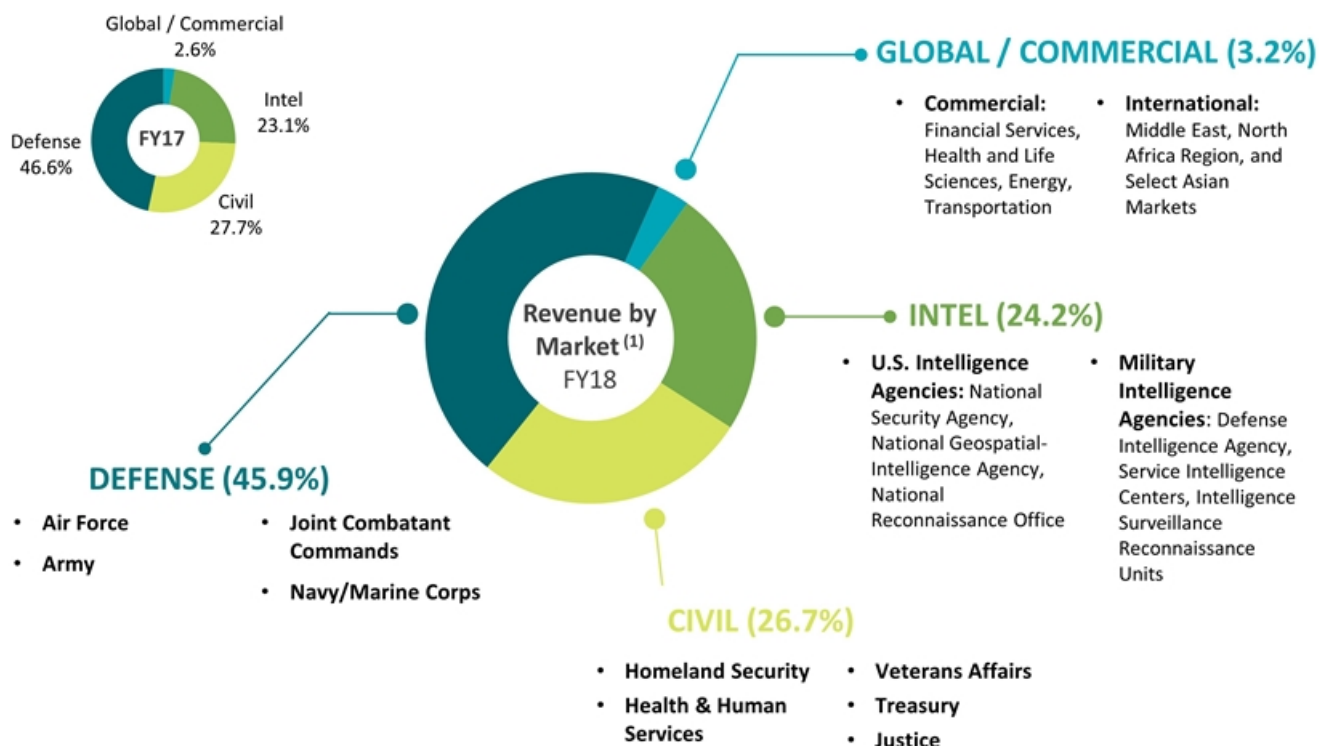
### WIN RATE <sup>(1)</sup>



1) Contract information is based on FY18 results

# DIVERSIFIED CLIENT BASE

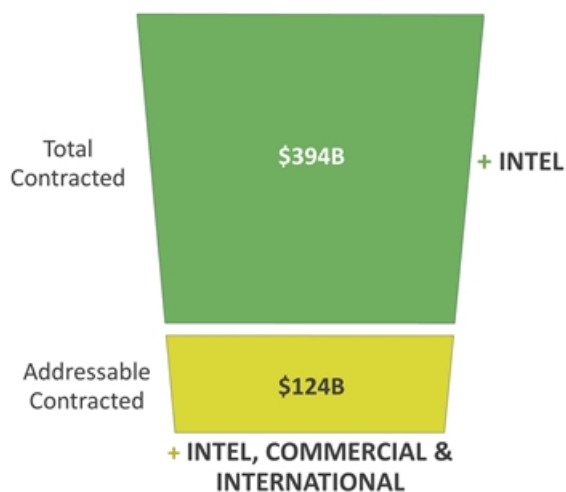
## WE PROVIDE SERVICES TO A BROAD CUSTOMER BASE



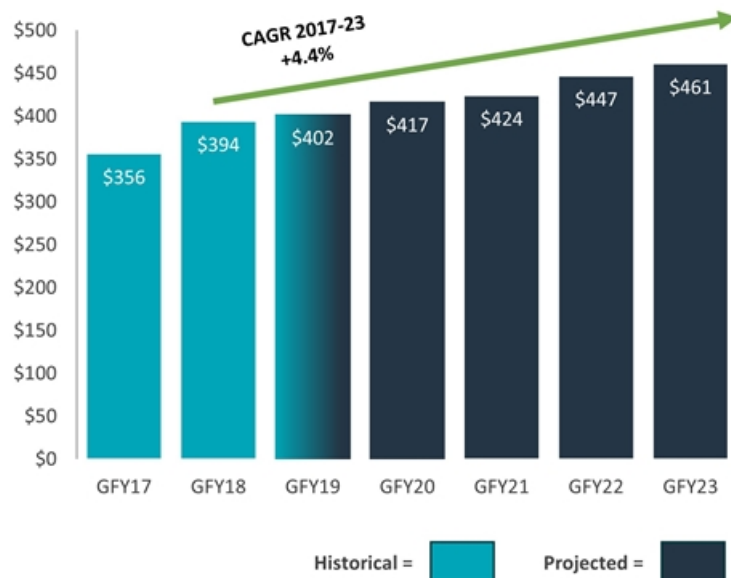
1) Client listing includes significant clients based on revenue, but the lists are not all inclusive

# LARGE AND GROWING ADDRESSABLE MARKET

U.S. GOVERNMENT  
2018 DISCRETIONARY BUDGET <sup>(1)</sup>



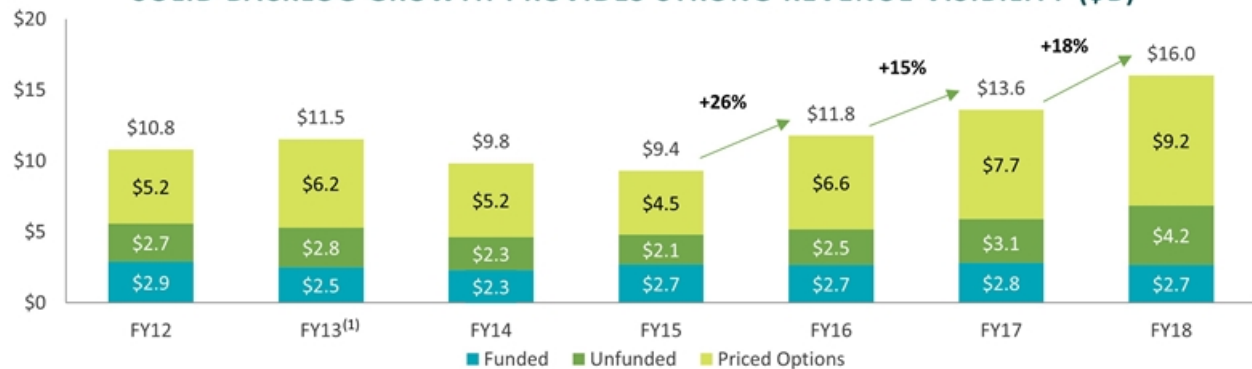
TOTAL CONTRACTOR-ADDRESSABLE SERVICES SPENDING  
(GFY17-GFY23) (\$B)



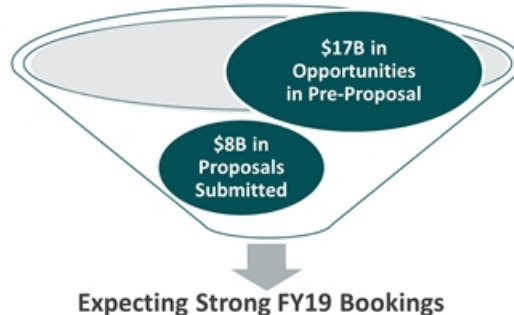
1) U.S. Office of Management and Budget. 2017 Budget U.S. Government

# STRONG BACKLOG GROWTH

## SOLID BACKLOG GROWTH PROVIDES STRONG REVENUE VISIBILITY (\$B)



## \$25B QUALIFIED PIPELINE, +10% YOY (60% New Work)



1) FY13 backlog excludes backlog gained in the BES acquisition.

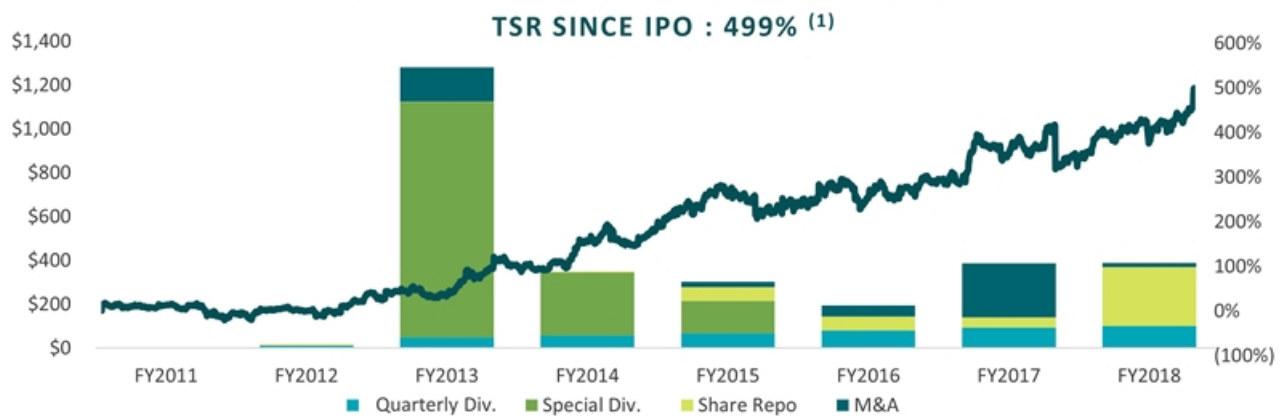
# LONG-TERM SHAREHOLDER VALUE

WE ARE CREATING VALUE FROM ACCELERATING GROWTH THROUGH A VIRTUOUS CYCLE



# TRACK RECORD OF DEPLOYING CAPITAL TO DELIVER SHAREHOLDER VALUE

## CAPITAL DEPLOYED AND TSR PERFORMANCE SINCE IPO



## CAPITAL DEPLOYED SINCE IPO: ~\$2.9B (\$B)



1) As of 5/31/2018; Assumes dividend reinvested

# QUARTERLY PERFORMANCE: Q4 FY18



# FY18 HIGHLIGHTS

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## KEY PERFORMANCE INDICATORS

- Delivered record earnings—with our highest Adjusted EBITDA since the firm went public
- Exceeded \$6 billion in revenue and \$2.00 in earnings per share for the first time
- Maintained industry-leading organic revenue growth
- Significantly accelerated growth in Revenue, Excluding Billable Expenses
- Largest headcount growth in seven years
- Record year-end backlog, up 18% compared to the prior year
- Second highest full year book-to-bill ratio since the firm went public of 1.39x
- Made a small acquisition that bolsters our commercial cyber capabilities
- Returned \$373 million to shareholders through dividends and share repurchases

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1) Industry consists of CACI International Inc., Engility Holdings Inc., Leidos Holdings Inc., ManTech International Corp., and Science Applications International Corp.

# KEY FINANCIAL RESULTS

## FISCAL YEAR 2018 RESULTS

	FOURTH QUARTER <sup>(1)</sup>		FY18 <sup>(1)</sup>	
Revenue	\$1.6 billion	3.4% Increase	\$6.2 billion	6.3% Increase
Revenue, Excluding Billable Expenses	\$1.2 billion	4.7% Increase	\$4.3 billion	6.3% Increase
Net Income	\$84.9 million	28.1% Increase	\$305.1 million	20.8% Increase
Adjusted Net Income	\$76.2 million	13.3% Increase	\$297.7 million	13.5% Increase
Adjusted EBITDA	\$152.6 million	5.2% Increase	\$584.8 million	6.9% Increase
Diluted EPS	\$0.58	31.8% Increase	\$2.05	22.8% Increase
Adjusted Diluted EPS	\$0.52	15.6% Increase	\$2.01	14.9% Increase
Total Backlog	\$16.0 billion 17.9% Increase			

1) Comparisons are to prior fiscal period

# INCOME TAX DRIVERS

EFFECTIVE TAX RATE AND DRIVERS		NOTES: 1) The 21% federal statutory tax rate predominately applies to the last three months of our fiscal 2018, resulting in a lower blended federal statutory rate of ~31.5%. 2) Includes additional ~\$4 million of income tax benefit realized during the fourth quarter of fiscal 2018 due to the new accounting standard adopted early this year for treatment of stock-based compensation. The fourth quarter of fiscal 2018 also benefited from additional tax credits, predominantly in research and development, of ~\$4 million, and from the reduction of income tax expense realized from the Tax Cuts and Jobs Act (the "2017 Tax Act"). 3) The fiscal 2018 tax rate guidance used and the Company's fiscal 2018 tax rate reported for purposes of Adjusted Diluted Earnings Per Share excludes the non-cash impact of approximately \$9.1 million (\$0.06) due to the re-measurement of our deferred taxes, which was reported in the fourth quarter of our fiscal 2018. 4) Fiscal 2019 rate will reflect the 14% decline in federal statutory tax rate, offset by ~2-4% rate impact on state and local taxes and other qualifying credits due to the 2017 Tax Act. The fiscal year 2019 tax rate excludes any benefits we may realize from the completion of a tax accounting method change under the 2017 Tax Act, which will be recognized in fiscal 2019 pending approval by the Internal Revenue Service.
Previous Fiscal 2018 Effective Tax Rate Guidance	37% - 38%	
Puts and Takes:		
- Federal statutory tax rate <sup>(1)</sup>	- ~3.5%	
- State and local income taxes, net of federal tax	+ ~0.5%	
- Tax credits and other discrete items	- ~0.5%	
Revised Fiscal 2018 Annual Effective Tax Rate, as of Q3 FY2018 <sup>(3)</sup>	33% - 34%	
Additional Puts and Takes Realized in Q4 FY2018:		
- Tax credits and other discrete items <sup>(2)</sup>	- ~0.6%	
Fiscal 2018 Annual Effective Tax Rate on an Adjusted Diluted EPS Basis <sup>(3)</sup>	~32.4%	
Fiscal 2019 Expected Effective Tax Rate <sup>(4)</sup>	25% - 27%	

## Q4 TAX IMPACTS ON ADJUSTED DILUTED EPS

- \$0.03 benefit due to the reduction of income tax expense realized from the enactment of the 2017 Tax Act
- \$0.03 benefit due to additional tax credits realized predominantly in research and development
- \$0.02 excess tax benefit related to ASU 2016-09

# CAPITAL ALLOCATION

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## DELIVERING STRONG CAPITAL RETURNS THROUGH EFFICIENT CAPITAL DEPLOYMENT STRATEGY

- Exceeded Fiscal Year 2018 goal of returning 100% of FCF to investors
- Returned \$373 million to shareholders in Fiscal Year 2018 (~130% of FCF)
  - Paid \$269.6 million to repurchase 7.6 million shares <sup>(1)</sup>
  - Paid \$103.4 million of quarterly dividends
- Ended the year with a strong cash balance of \$287 million, representing a \$70 million increase over the end of Fiscal Year 2017
- Increased share repurchase authorization to approximately \$495 million
  - Board of Directors approved a \$300 million increase in repurchase authorization

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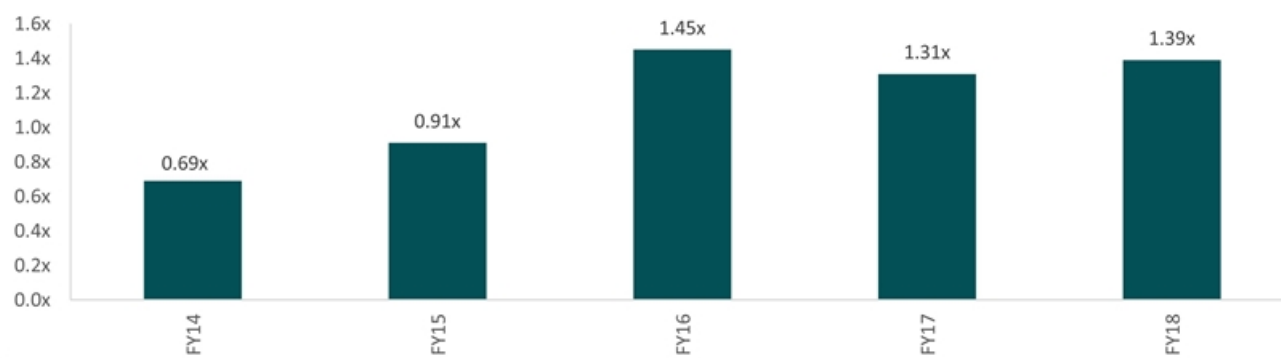
1) Includes ~ 0.3M withhold-to-cover shares and ~ 0.2M shares that traded in FY2018, but did not settle until FY2019

# SECOND HIGHEST FULL-YEAR BTB SINCE OUR IPO

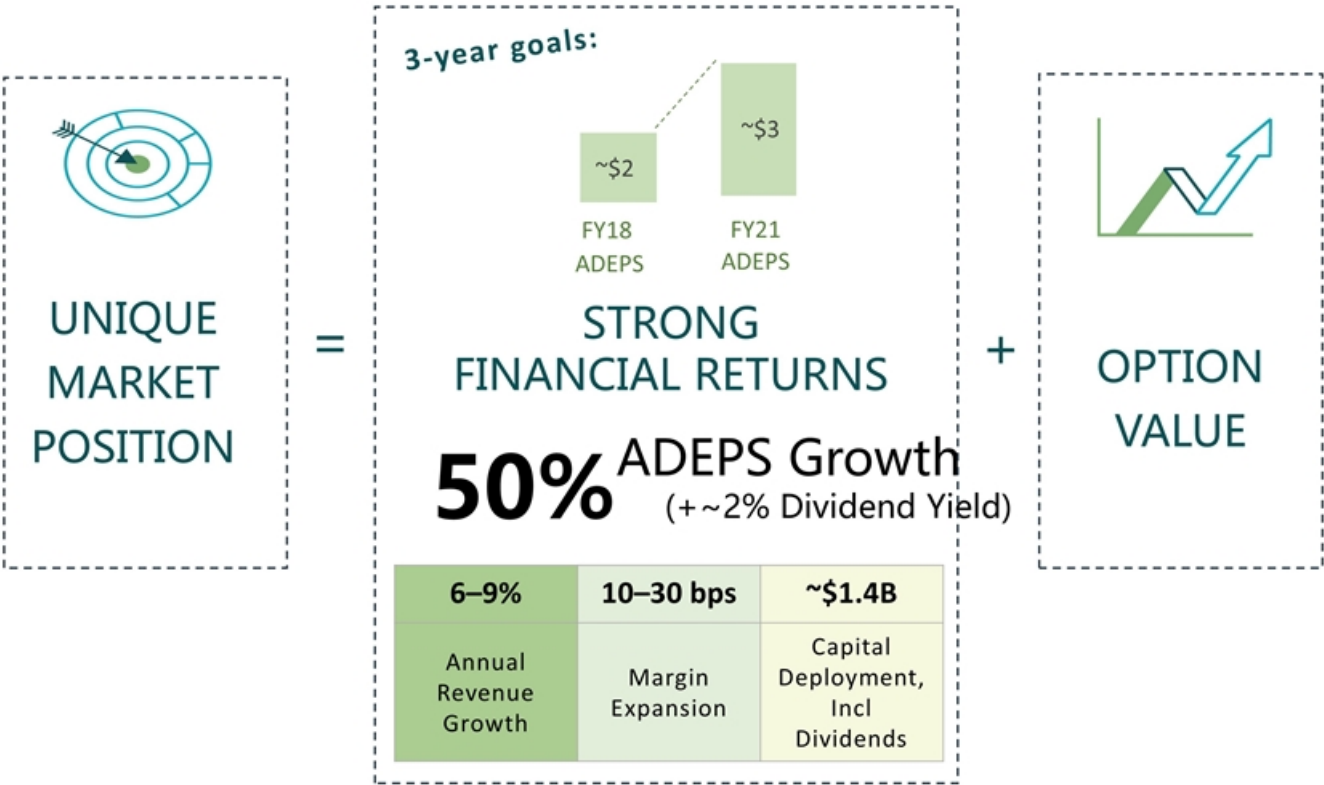
## QUARTERLY BOOK TO BILL TREND



## FISCAL YEAR BOOK TO BILL TREND



# INVESTMENT THESIS



# ADJUSTED EBITDA MARGIN OUTLOOK

GOAL OF 10-30 BPS ADJUSTED EBITDA MARGIN IMPROVEMENT OVER 3 YEARS



## MARGIN LEVERS

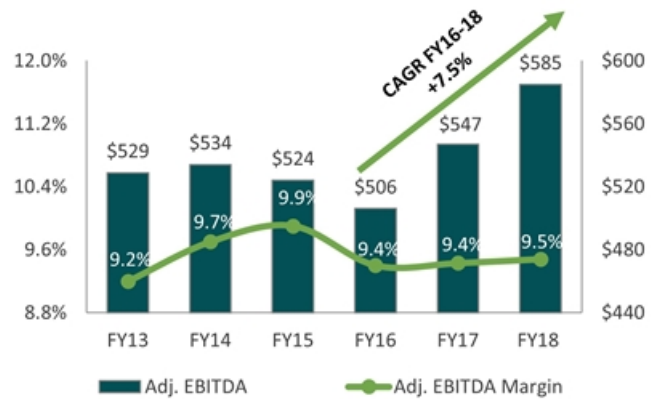
- Mix shift—commercial, international
- Fixed-price technology work
- Emerging businesses
- Operating scale



## Potential Limits on MARGIN EXPANSION

- Growth in defense and intelligence work – typically higher proportion of cost-plus work
- Pursuit of larger, more complex bids - can include higher billable expense ratio
- Continued investment in growth and hiring

## ACCELERATING ADJUSTED EBITDA AND ABILITY TO DRIVE MARGINS WHEN NEEDED (\$M)



# APPENDIX



# NON-GAAP FINANCIAL INFORMATION

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- "Revenue, Excluding Billable Expenses" represents revenue less billable expenses. We use Revenue, Excluding Billable Expenses because it provides management useful information about the Company's operating performance by excluding the impact of costs that are not indicative of the level of productivity of our consulting staff headcount and our overall direct labor, which management believes provides useful information to our investors about our core operations.
  - "Adjusted Operating Income" represents operating income before: (i) adjustments related to the amortization of intangible assets resulting from the acquisition of our Company by The Carlyle Group (the "Carlyle Acquisition"), and (ii) transaction costs, fees, losses, and expenses, including fees associated with debt prepayments. We prepare Adjusted Operating Income to eliminate the impact of items we do not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary, or non-recurring nature or because they result from an event of a similar nature.
  - "Adjusted EBITDA" represents net income before income taxes, net interest and other expense and depreciation and amortization and before certain other items, including transaction costs, fees, losses, and expenses, including fees associated with debt prepayments. "Adjusted EBITDA Margin on Revenue" is calculated as Adjusted EBITDA divided by revenue. Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses is calculated as Adjusted EBITDA divided by Revenue, Excluding Billable Expenses. The Company prepares Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, and Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non-recurring nature or because they result from an event of a similar nature.
  - "Adjusted Net Income" represents net income before: (i) adjustments related to the amortization of intangible assets resulting from the Carlyle Acquisition, (ii) transaction costs, fees, losses, and expenses, including fees associated with debt prepayments, (iii) amortization or write-off of debt issuance costs and write-off of original issue discount, (iv) release of income tax reserves, and (v) re-measurement of deferred tax assets and liabilities as a result of the 2017 Tax Act in each case net of the tax effect where appropriate calculated using an assumed effective tax rate. We prepare Adjusted Net Income to eliminate the impact of items, net of tax, we do not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary, or non-recurring nature or because they result from an event of a similar nature. We view net income excluding the impact of the re-measurement of the Company's deferred tax assets and liabilities as a result of the 2017 Tax Act 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.
  - "Free Cash Flow" represents the net cash generated from operating activities less the impact of purchases of property and equipment.
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# NON-GAAP FINANCIAL INFORMATION

(Amounts in thousands, except share and per share data)

	Three Months Ended March 31,		Fiscal Year Ended March 31,	
	2018	2017	2018	2017
	(Unaudited)		(Unaudited)	
<b>Revenue, Excluding Billable Expenses</b>				
Revenue	\$ 1,636,284	\$ 1,582,071	\$ 6,171,853	\$ 5,804,284
Billable expenses	483,077	480,136	1,861,312	1,751,077
Revenue, Excluding Billable Expenses	\$ 1,153,207	\$ 1,101,935	\$ 4,310,541	\$ 4,053,207
<b>Adjusted Operating Income</b>				
Operating Income	\$ 136,048	\$ 129,161	\$ 520,085	\$ 484,247
Amortization of intangible assets (a)	—	1,056	—	4,225
Transaction expenses (b)	—	—	—	3,354
Adjusted Operating Income	\$ 136,048	\$ 130,217	\$ 520,085	\$ 491,826
<b>EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue &amp; Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses</b>				
Net income	\$ 84,885	\$ 66,253	\$ 305,111	\$ 252,490
Income tax expense	27,537	41,921	132,893	159,410
Interest and other, net (c)	23,626	20,987	82,081	72,347
Depreciation and amortization	16,560	15,956	64,756	59,544
EBITDA	152,608	145,117	584,841	543,791
Transaction expenses (b)	—	—	—	3,354
Adjusted EBITDA	\$ 152,608	\$ 145,117	\$ 584,841	\$ 547,145
Adjusted EBITDA Margin on Revenue	9.3 %	9.2 %	9.5 %	9.4 %
Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses	13.2 %	13.2 %	13.6 %	13.5 %
<b>Adjusted Net Income</b>				
Net income	\$ 84,885	\$ 66,253	\$ 305,111	\$ 252,490
Amortization of intangible assets (a)	—	1,056	—	4,225
Transaction expenses (b)	—	—	—	3,354
Re-measurement of deferred tax assets/liabilities (d)	(9,107)	—	(9,107)	—
Amortization or write-off of debt issuance costs and write-off of original issue discount	662	630	2,655	8,866
Adjustments for tax effect (e)	(242)	(674)	(969)	(6,578)
Adjusted Net Income	\$ 76,198	\$ 67,265	\$ 297,690	\$ 262,357
<b>Adjusted Diluted Earnings Per Share</b>				
Weighted-average number of diluted shares outstanding	145,577,134	150,661,457	147,750,022	150,274,640
Adjusted Net Income Per Diluted Share (f)	\$ 0.52	\$ 0.45	\$ 2.01	\$ 1.75
<b>Free Cash Flow</b>				
Net cash provided by operating activities	\$ 122,223	\$ 99,235	\$ 369,143	\$ 382,277
Less: Purchases of property and equipment	(15,370)	(23,365)	(78,437)	(53,919)
Free Cash Flow	\$ 106,853	\$ 75,870	\$ 290,706	\$ 328,358

a Reflects amortization of intangible assets resulting from the acquisition of our Company by The Carlyle Group.

b Reflects debt refinancing costs incurred in connection with the refinancing transaction consummated on July 13, 2016.

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

d Reflects the provisional income tax benefit associated with the re-measurement of the Company's deferred tax assets and liabilities as a result of the 2017 Tax Act.

e Periods related to fiscal 2017 reflect the tax effect of adjustments at an assumed effective tax rate of 40%. Beginning in the third quarter of fiscal 2018 with the 2017 Tax Act, adjustments are reflected using an assumed effective tax rate of 36.5%, which approximates a blended federal and state tax rate for fiscal 2018, and consistently excludes the impact of other tax credits and incentive benefits realized.

f Excludes an adjustment of approximately \$0.5 million and \$1.9 million of net earnings for the three and twelve months ended March 31, 2018, respectively, and excludes an adjustment of approximately \$0.6 million and \$2.3 million of net earnings for the three and twelve months ended March 31, 2017, respectively, associated with the application of the two-class method for computing diluted earnings per share.

# SHAREHOLDER AND STOCK INFORMATION

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## **BOOZ ALLEN HAMILTON HOLDING CORPORATION'S CLASS A COMMON STOCK BEGAN TRADING ON THE NEW YORK STOCK EXCHANGE (NYSE) ON NOV 17, 2010**

- Fiscal Year – Booz Allen Hamilton Holding Corporation's fiscal year starts April 1 and ends March 31
- Share Price Information – Booz Allen Hamilton Holding Corporation's Class A common stock is listed on the NYSE under ticker symbol BAH. The weighted average number of diluted shares outstanding for the fiscal year ended March 31, 2018, was 147,750,022. Share price information can be found at [investors.boozallen.com](http://investors.boozallen.com)
- Company News – Information about Booz Allen Hamilton Holding Corporation and its principal operating subsidiary, Booz Allen Hamilton Inc., including archived news releases and SEC filings, is available from its website at [www.boozallen.com](http://www.boozallen.com). Booz Allen's earnings conference calls and other significant investor events are posted when they occur
- State of Incorporation – Booz Allen Hamilton Holding Corporation is incorporated in Delaware
- Employee Stock Plan
  - Equity Incentive Plans – Booz Allen believes that its executives should hold equity to align their interests to those of its stockholders, and, accordingly, long-term equity compensation is an important component of its compensation program
  - Employee Stock Purchase Plan (ESPP) – Booz Allen currently has an employer-sponsored program that allows employees to make planned periodic purchases of shares of Booz Allen's Class A common stock
- Annual Stockholder Meeting – Stockholders were invited to attend Booz Allen's FY17 annual meeting on August 3, 2017 at the McLean headquarters. At the annual meeting, stockholders voted upon the matters set forth in the notice of meeting: the election of certain directors; ratification of the appointment of E&Y as our independent registered public accounting firm for FY18; approval, in a non-binding advisory vote, of the Company's executive compensation; and determination, in a non-binding advisory vote, of the frequency of future advisory votes on the Company's executive compensation. Holders of Class A common stock on the record date were entitled to vote at the annual meeting.

# SHAREHOLDER AND STOCK INFORMATION

## BOOZ ALLEN HAS UTILIZED DISTRIBUTIONS (RECURRING AND SPECIAL) AS PART OF ITS CAPITAL DEPLOYMENT STRATEGY

- Regular: The firm has issued regular dividends each quarter since FY12 and has increased the dividend periodically when deemed appropriate. A history of past dividend increases is below:

Action	Record Date	Payable Date	Amount Increase	Dividend Amount
Establish regular dividend	2/13/2012	2/29/2012	N/A	\$0.09
Increase	6/10/2013	6/28/2013	\$0.01	\$0.10
Increase	6/10/2014	6/30/2014	\$0.01	\$0.11
Increase	2/10/2015	2/27/2015	\$0.02	\$0.13
Increase	2/10/2016	2/29/2016	\$0.02	\$0.15
Increase	2/10/2017	2/28/2017	\$0.02	\$0.17
Increase	2/14/2018	2/28/2018	\$0.02	\$0.19

- Special: When deemed appropriate, the firm has also issued special dividends from time to time. The table below lists the details of declared special dividends since the IPO:

Record Date	Payable Date	Dividend Amount
6/11/2012	6/29/2012	\$1.50
8/15/2012	8/31/2012	\$6.50
11/11/2013	11/29/2013	\$1.00
2/10/2014	2/28/2014	\$1.00
8/11/2014	8/29/2014	\$1.00

- The actual declaration of any such future dividends and the establishment of the per share amount, record dates, and payment dates for any such future dividends are subject to the discretion of the Board, which will take into consideration future earnings, cash flows, financial requirements, and other factors. Please visit [investors.boozallen.com/dividends.cfm](http://investors.boozallen.com/dividends.cfm) for more information regarding prior distributions

# SHAREHOLDER AND STOCK INFORMATION

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- **Transfer Agent & Registrar**

- Computershare [www.computershare.com/investor/](http://www.computershare.com/investor/)
- P.O. Box 30170
- College Station, TX 77842-3170
- Phone: 866-390-3908
- Computershare maintains records for registered stockholders and provides stockholder services at no charge, including:
  - Change of name or address
  - Consolidation of accounts
  - Duplicate mailings
  - Lost stock certificates
  - Transfer of stock to another person
  - Additional administrative services

- **Independent Registered Public Accounting Firm** – Ernst & Young LP – McLean, VA

- **Leadership Team**

- |   |  |
|---|--|
| - Horacio D. Rozanski – President and CEO                                   | - Christopher Ling – Executive Vice President                              |
| - Lloyd Howell – Executive Vice President, CFO and Treasurer                | - Joseph Mahaffee – Executive Vice President, Chief Administrative Officer |
| - Kristine Martin Anderson – Executive Vice President                       | - Angela Messer – Executive Vice President, Chief Transformation Officer   |
| - Karen Dahut – Executive Vice President                                    | - Susan Penfield – Executive Vice President                                |
| - Nancy Laben – Executive Vice President, Chief Legal Officer and Secretary | - Elizabeth Thompson – Executive Vice President, Chief People Officer      |
| - Gary Labovich – Executive Vice President                                  |  |

- **Board of Directors**

- |  |   |
|--|---|
| - Dr. Ralph W. Shrader – Chairman, Independent | - Arthur E. Johnson – Independent         |
| - Joan Lordi C. Amble – Independent            | - Gretchen W. McClain – Independent       |
| - Melody Barnes – Independent                  | - Philip A. Odeen – Independent           |
| - Peter Clare – Independent                    | - Charles O. Rossotti – Independent       |
| - Ian Fujiyama – Independent                   | - Horacio D. Rozanski – President and CEO |
| - Mark Gaumond – Independent                   |   |



# SHAREHOLDER AND STOCK INFORMATION

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- Website: [investors.boozallen.com](http://investors.boozallen.com)

- Contact Information

- **Investor Relations**

Nick Veasey  
Director of Investor Relations  
703/377-2124  
[Veasey\\_Nicholas@bah.com](mailto:Veasey_Nicholas@bah.com)



- **Media**

James Fisher  
Principal, Media Relations  
703/377-7595  
[Fisher\\_James\\_W@bah.com](mailto:Fisher_James_W@bah.com)



- **Corporate Governance**

Nancy Laben  
Executive Vice President, Chief Legal Officer and Secretary  
703/377-9042  
[Laben\\_Nancy@bah.com](mailto:Laben_Nancy@bah.com)



# FINANCIAL AND OPERATIONAL HIGHLIGHTS

## CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (a)

	FY2016					FY2017					FY2018				
	Q1	Q2	Q3	Q4	FY2016	Q1	Q2	Q3	Q4	FY2017	Q1	Q2	Q3	Q4	FY2018
<i>\$ in thousands, except for shares and per share data</i>	6/30/2015	9/30/2015	12/31/2015	3/31/2016		6/30/2016	9/30/2016	12/31/2016	3/31/2017		6/30/2017	9/30/2017	12/31/2017	3/31/2018	
Revenue	\$ 1,351,604	\$ 1,322,154	\$ 1,307,663	\$ 1,424,317	\$ 5,405,738	\$ 1,422,722	\$ 1,394,853	\$ 1,404,638	\$ 1,582,071	\$ 5,804,284	\$ 1,493,570	\$ 1,542,085	\$ 1,499,914	\$ 1,636,284	\$6,171,853
Billable Expenses	\$ 378,650	\$ 363,690	\$ 355,401	\$ 415,342	\$ 1,513,083	\$ 432,265	\$ 409,991	\$ 428,665	\$ 480,136	\$ 1,751,077	\$ 451,664	\$ 483,556	\$ 443,015	\$ 483,077	\$1,861,312
Operating income	\$ 126,144	\$ 108,816	\$ 105,116	\$ 104,508	\$ 444,584	\$ 129,301	\$ 117,661	\$ 108,124	\$ 129,161	\$ 484,247	\$ 139,464	\$ 126,486	\$ 118,087	\$ 136,048	\$520,085
Income before income taxes	\$ 108,586	\$ 90,953	\$ 87,909	\$ 92,014	\$ 379,462	\$ 113,364	\$ 97,747	\$ 92,615	\$ 108,174	\$ 411,900	\$ 121,478	\$ 106,091	\$ 98,013	\$ 112,422	\$ 438,004
Net income	\$ 64,306	\$ 56,216	\$ 108,055	\$ 65,517	\$ 294,094	\$ 67,817	\$ 62,630	\$ 55,590	\$ 66,253	\$ 252,490	\$ 79,540	\$ 70,913	\$ 69,773	\$ 84,885	\$305,111
<b>Weighted Average Shares Outstanding <sup>(b)</sup></b>															
Basic	145,251,780	146,176,944	147,428,588	147,130,727	146,494,407	147,241,762	148,008,994	148,679,393	148,980,214	148,218,968	147,714,993	147,085,314	144,942,367	144,055,001	145,964,574
Diluted	149,271,321	149,388,556	149,900,925	149,559,119	149,719,137	149,634,592	150,200,454	150,607,259	150,661,457	150,274,640	149,868,273	148,887,497	146,570,617	145,577,134	147,750,022
<b>Earnings per Common Share <sup>(b)</sup></b>															
Basic	\$ 0.44	\$ 0.38	\$ 0.72	\$ 0.44	\$ 1.98	\$ 0.46	\$ 0.42	\$ 0.37	\$ 0.44	\$ 1.69	\$ 0.53	\$ 0.48	\$ 0.48	\$ 0.59	\$ 2.08
Diluted	\$ 0.43	\$ 0.37	\$ 0.71	\$ 0.43	\$ 1.94	\$ 0.45	\$ 0.41	\$ 0.37	\$ 0.44	\$ 1.67	\$ 0.53	\$ 0.47	\$ 0.47	\$ 0.58	\$ 2.05

a All interim periods reflect unaudited numbers while annual numbers are audited.

b Basic and diluted weighted average shares outstanding and earnings per common share amounts are calculated using the two-class method.

# FINANCIAL AND OPERATIONAL HIGHLIGHTS

## UNAUDITED NON-GAAP FINANCIAL INFORMATION (a)

	FY 2016					FY 2017					FY 2018				
	Q1	Q2	Q3	Q4	FY 2016	Q1	Q2	Q3	Q4	FY 2017	Q1	Q2	Q3	Q4	FY 2018
\$ in thousands, except for shares and per share data	6/30/2015	9/30/2015	12/31/2015	3/31/2016		6/30/2016	9/30/2016	12/31/2016	3/31/2017		6/30/2017	9/30/2017	12/31/2017	3/31/2018	
<b>Revenue, Excluding Billable Expenses</b>															
Revenue	\$ 1,351,604	\$ 1,322,154	\$ 1,307,663	\$ 1,424,317	\$ 5,405,738	\$ 1,422,722	\$ 1,394,853	\$ 1,404,638	\$ 1,582,071	\$ 5,804,284	\$ 1,493,570	\$ 1,542,085	\$ 1,499,914	\$ 1,636,284	\$ 6,171,853
Billable Expenses	\$ 378,690	\$ 363,690	\$ 355,401	\$ 415,342	\$ 1,513,083	\$ 432,265	\$ 409,991	\$ 428,685	\$ 480,136	\$ 1,751,077	\$ 451,664	\$ 483,556	\$ 443,015	\$ 483,077	\$ 1,861,312
Revenue, Excluding Billable Expenses	\$ 972,954	\$ 958,464	\$ 952,262	\$ 1,008,975	\$ 3,892,655	\$ 990,457	\$ 984,862	\$ 975,953	\$ 1,101,935	\$ 4,053,207	\$ 1,041,906	\$ 1,058,529	\$ 1,056,899	\$ 1,153,207	\$ 4,310,541
<b>Adjusted Operating Income</b>															
Operating income	\$ 126,144	\$ 108,816	\$ 105,116	\$ 104,508	\$ 444,584	\$ 129,301	\$ 117,861	\$ 108,124	\$ 129,161	\$ 484,247	\$ 139,464	\$ 126,486	\$ 118,087	\$ 136,048	\$ 520,085
Amortization of intangible assets (b)	1,056	1,056	1,056	1,057	4,225	1,126	987	1,056	1,056	4,225	—	—	—	—	—
Transaction expenses (c)	—	—	—	—	—	—	3,354	—	—	3,354	—	—	—	—	—
Adjusted Operating Income	\$ 127,200	\$ 109,872	\$ 106,172	\$ 105,565	\$ 448,809	\$ 130,427	\$ 122,002	\$ 109,180	\$ 130,217	\$ 491,826	\$ 139,464	\$ 126,486	\$ 118,087	\$ 136,048	\$ 520,085
<b>EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses</b>															
Net income	\$ 64,306	\$ 56,216	\$ 108,055	\$ 65,517	\$ 294,094	\$ 67,817	\$ 62,830	\$ 55,590	\$ 66,253	\$ 252,490	\$ 79,540	\$ 70,913	\$ 69,773	\$ 84,885	\$ 305,111
Income tax expense (benefit)	44,280	34,737	(20,146)	26,497	85,368	45,547	34,917	37,025	41,921	159,410	41,938	35,178	28,240	27,537	132,893
Interest and other, net (d)	17,558	17,863	17,207	12,486	65,132	15,937	19,814	15,509	20,987	72,347	17,886	20,386	20,074	23,426	82,081
Depreciation and amortization	15,117	15,352	16,148	14,919	61,536	14,501	14,677	14,410	15,956	59,544	15,449	16,046	16,701	16,560	64,736
EBITDA	141,261	124,168	121,264	119,427	506,120	143,802	132,338	122,534	145,117	543,791	154,913	142,532	134,788	152,608	584,841
Transaction expenses (c)	—	—	—	—	—	—	3,354	—	—	3,354	—	—	—	—	—
Adjusted EBITDA	\$ 141,261	\$ 124,168	\$ 121,264	\$ 119,427	\$ 506,120	\$ 143,802	\$ 135,692	\$ 122,534	\$ 145,117	\$ 547,145	\$ 154,913	\$ 142,532	\$ 134,788	\$ 152,608	\$ 584,841
Adjusted EBITDA Margin on Revenue (%)	10.5 %	9.4 %	9.3 %	8.4 %	9.4 %	10.1 %	9.7 %	8.7 %	9.2 %	9.4 %	10.4 %	9.2 %	9.0 %	9.3 %	9.3 %
Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses (%)	14.5 %	13.0 %	12.7 %	11.8 %	13.0 %	14.5 %	13.8 %	12.6 %	13.2 %	13.5 %	14.9 %	13.5 %	12.8 %	13.2 %	13.6 %
<b>Adjusted Net Income</b>															
Net income	\$ 64,306	\$ 56,216	\$ 108,055	\$ 65,517	\$ 294,094	\$ 67,817	\$ 62,830	\$ 55,590	\$ 66,253	\$ 252,490	\$ 79,540	\$ 70,913	\$ 69,773	\$ 84,885	\$ 305,111
Transaction expenses (c)	—	—	—	—	—	—	3,354	—	—	3,354	—	—	—	—	—
Release of income tax reserves (e)	—	—	(47,667)	(5,834)	(53,301)	—	—	—	—	—	—	—	—	—	—
Amortization of intangible assets (b)	1,056	1,056	1,056	1,057	4,225	1,126	987	1,056	1,056	4,225	—	—	—	—	—
assets/liabilities (f)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Amortization or write-off of debt issuance costs and write-off of original issue discount	1,294	1,309	1,307	1,291	5,201	1,289	6,278	669	630	8,866	668	663	672	662	2,655
Adjustments for tax effect (g)	(942)	(945)	(945)	(939)	(3,720)	(995)	(4,248)	(860)	(874)	(6,176)	(263)	(265)	(199)	(242)	(959)
Adjusted Net Income	\$ 65,716	\$ 57,635	\$ 61,806	\$ 61,292	\$ 248,449	\$ 69,260	\$ 69,201	\$ 56,625	\$ 67,265	\$ 262,357	\$ 79,935	\$ 71,311	\$ 70,246	\$ 76,198	\$ 297,690
<b>Adjusted Diluted Earnings per Share</b>															
Weighted-average number of diluted shares outstanding	149,271,321	149,388,556	149,900,825	149,558,119	149,719,137	149,634,992	150,200,454	150,607,259	150,861,457	150,274,640	149,868,273	148,887,497	148,570,617	145,577,134	147,750,022
Adjusted Net Income per Diluted Share (h)	\$ 0.44	\$ 0.39	\$ 0.41	\$ 0.41	\$ 1.65	\$ 0.46	\$ 0.46	\$ 0.38	\$ 0.45	\$ 1.75	\$ 0.53	\$ 0.48	\$ 0.48	\$ 0.52	\$ 2.01
<b>Free Cash Flow</b>															
Net cash provided by operating activities	\$ 19,096	\$ 69,591	\$ 92,310	\$ 68,237	\$ 249,234	\$ 11,647	\$ 205,436	\$ 65,959	\$ 99,235	\$ 382,277	\$ 3,966	\$ 174,067	\$ 68,858	\$ 122,223	\$ 389,143
Less: Purchases of property and equipment	(13,145)	(16,422)	(16,267)	(20,806)	(66,635)	(6,171)	(8,922)	(15,411)	(23,365)	(53,919)	(11,536)	(25,453)	(26,078)	(15,370)	(78,437)
Free Cash Flow	\$ 5,956	\$ 53,169	\$ 76,043	\$ 47,431	\$ 182,599	\$ 5,476	\$ 196,514	\$ 50,548	\$ 75,870	\$ 328,358	\$ (7,570)	\$ 148,614	\$ 42,780	\$ 106,853	\$ 310,706
Free Cash Flow to Adjusted Net Income															
Conversion Ratio	0.1	0.9	1.2	0.8	0.7	0.1	2.8	0.9	1.1	1.3	(0.1)	2.1	0.6	1.4	1.0

a The use and definition of Non-GAAP financial measurements can be found in the Company's public filings.

b Reflects amortization of intangible assets resulting from the acquisition of our Company by The Carlyle Group.

c Reflects debt refinancing costs incurred in connection with the refinancing transaction consummated on July 13, 2016.

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

e Release of pre-acquisition income tax reserves assumed by the Company in connection with the acquisition of our Company by The Carlyle Group.

f Reflects the provisional income tax benefit associated with the re-measurement of the Company's deferred tax assets and liabilities as a result of the Tax Cuts and Jobs Act (the "2017 Tax Act").

g Periods prior to the third quarter in fiscal 2018 reflect the tax effect of adjustments at an assumed effective tax rate of 40%. Beginning in the third quarter of fiscal 2018 with the enactment of the Tax Cuts and Jobs Act, adjustments are reflected using an assumed effective tax rate of 36.5%, which approximates a blended federal and state tax rate for fiscal 2018, and consistently excludes the impact of other tax credits and incentive benefits realized.

h Excludes adjustments to net earnings associated with the application of the two-class method for computing diluted earnings per share.



# FINANCIAL AND OPERATIONAL HIGHLIGHTS

## UNAUDITED NON-GAAP FINANCIAL INFORMATION (a)

\$ in thousands, except for shares and per share data

	FY2008	Proforma FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
<b>Revenue, Excluding Billable Expenses</b>											
Revenue			\$ 5,122,833	\$ 5,581,296	\$ 5,859,218	\$ 5,758,059	\$ 5,478,693	\$ 5,274,770	\$ 5,405,738	\$ 5,804,284	\$ 6,171,853
Billable Expenses			229,100	1,559,170	1,320,992	1,532,560	1,487,115	1,406,527	1,513,083	1,751,077	1,981,312
Revenue, Excluding Billable Expenses			\$ 4,793,333	\$ 4,082,126	\$ 4,338,126	\$ 4,225,499	\$ 3,991,578	\$ 3,868,243	\$ 3,892,655	\$ 4,053,207	\$ 4,310,541
<b>Adjusted Operating Income</b>											
Operating income			\$ 66,401	\$ 199,554	\$ 319,444	\$ 387,432	\$ 448,234	\$ 480,611	\$ 458,822	\$ 444,584	\$ 484,247
Certain stock-based compensation expense <sup>(b)</sup>			82,019	68,517	39,947	14,241	5,868	1,094	—	—	—
Amortization of intangible assets <sup>(c)</sup>			57,833	40,587	28,641	16,364	12,510	8,450	4,225	4,225	—
Net restructuring charge <sup>(d)</sup>			—	—	—	11,182	—	—	—	—	—
Purchase accounting adjustments			3,077	1,074	—	—	—	—	—	—	—
Transaction expenses			—	3,415	4,448	—	2,725	—	2,039	—	3,354
Adjusted Operating Income			\$ 209,330	\$ 313,157	\$ 392,480	\$ 429,219	\$ 467,337	\$ 470,155	\$ 465,086	\$ 448,809	\$ 520,085
<b>EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue &amp; Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses</b>											
Net income			\$ 17,874	\$ (49,441)	\$ 25,419	\$ 84,694	\$ 239,955	\$ 219,058	\$ 232,188	\$ 232,569	\$ 294,094
Income tax expense (benefit)			62,693	(25,831)	23,575	43,370	149,253	148,599	153,349	85,368	159,410
Interest and other, net			1,808	141,673	150,580	191,380	43,558	77,923	79,824	85,122	72,347
Depreciation and amortization			33,079	106,335	95,763	80,603	75,205	74,009	72,327	82,660	61,536
EBITDA			115,454	172,736	295,317	400,047	462,637	520,243	532,938	521,482	506,120
Certain stock-based compensation expense <sup>(b)</sup>			35,013	82,019	68,517	39,947	14,241	5,868	1,094	—	—
Net restructuring charge <sup>(d)</sup>			—	—	—	—	—	—	—	—	—
Purchase accounting adjustments			—	—	—	—	—	—	—	—	—
Transaction expenses			5,301	19,512	3,415	4,448	—	2,725	—	2,039	—
Non-recurring items (loss for discontinued operations)			71,106	—	—	—	—	—	—	—	—
Adjusted EBITDA			\$ 226,874	\$ 277,344	\$ 368,323	\$ 444,442	\$ 488,090	\$ 534,032	\$ 523,521	\$ 506,120	\$ 547,145
Adjusted EBITDA Margin on Revenue (%)			7.2 %	7.2 %	7.9 %	8.3 %	9.2 %	9.7 %	9.9 %	9.4 %	9.5 %
Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses (%)			—	—	10.9 %	11.3 %	12.5 %	13.4 %	13.5 %	13.0 %	13.5 %
<b>Adjusted Net Income</b>											
Net income			\$ (49,441)	\$ 25,419	\$ 84,694	\$ 239,955	\$ 219,058	\$ 232,188	\$ 232,569	\$ 294,094	\$ 305,111
Certain stock-based compensation expense <sup>(b)</sup>			82,019	68,517	39,947	14,241	5,868	1,094	—	—	—
Net restructuring charge <sup>(d)</sup>			—	—	—	11,182	—	—	—	—	—
Purchase accounting adjustments			3,077	1,074	—	—	—	—	—	—	—
Transaction expenses			—	—	—	—	—	—	—	—	—
Amortization of intangible assets <sup>(c)</sup>			57,833	40,587	28,641	16,364	12,510	8,450	4,225	4,225	—
Amortization or write-off of debt issuance costs and write-off of original issue discount			3,106	5,700	50,102	4,783	13,018	6,719	6,545	5,201	8,866
Net gain on sale of state and local transportation business <sup>(e)</sup>			—	—	—	(5,881)	—	—	—	—	—
Release of income tax reserves <sup>(f)</sup>			—	—	(10,966)	(35,022)	—	—	—	(53,301)	—
Re-measurement of deferred tax assets/liabilities <sup>(g)</sup>			—	—	—	—	—	—	—	—	(8,107)
Adjustments for tax effect <sup>(h)</sup>			(58,414)	(47,721)	(55,855)	(18,628)	(13,649)	(6,505)	(5,124)	(3,770)	(6,578)
Adjusted Net Income			\$ 38,180	\$ 97,001	\$ 157,511	\$ 227,184	\$ 239,530	\$ 241,946	\$ 240,254	\$ 246,449	\$ 262,357
<b>Adjusted Diluted Earnings per Share</b>											
Weighted-average number of diluted shares outstanding			105,695,340	116,228,380	127,448,700	140,812,012	144,854,724	148,681,074	150,375,531	149,719,137	150,274,640
Adjusted Net Income per Diluted Share <sup>(i)</sup>			\$ 0.36	\$ 0.83	\$ 1.24	\$ 1.61	\$ 1.65	\$ 1.63	\$ 1.60	\$ 1.65	\$ 1.75
<b>Free Cash Flow</b>											
Net cash provided by operating activities			\$ (6,217)	\$ 270,484	\$ 296,339	\$ 360,048	\$ 464,654	\$ 332,718	\$ 309,958	\$ 249,234	\$ 382,277
Less: Purchases of property and equipment			(46,149)	(49,271)	(88,784)	(76,925)	(33,113)	(20,905)	(36,041)	(86,635)	(53,919)
Free Cash Flow			\$ (52,366)	\$ 221,213	\$ 207,555	\$ 283,121	\$ 431,541	\$ 311,813	\$ 273,917	\$ 162,599	\$ 328,358
Free Cash Flow to Adjusted Net Income Conversion Ratio			(1.4)	2.3	1.3	1.2	1.8	1.3	1.1	0.7	1.3

a The use and definition of Non-GAAP financial measurements can be found in the company's public filings.

b Reflects amortization of intangible assets resulting from the acquisition of our Company by The Carlyle Group.

c Reflects the gain on sale of our state and local transportation business, net of the associated tax benefit of \$1.6 million.

d Release of pre-acquisition income tax reserves assumed by the Company in connection with the acquisition of our Company by The Carlyle Group.

e Periods before Fiscal 2018 reflect the tax effect of adjustments at an assumed effective tax rate of 40%. Beginning in the third quarter of fiscal 2018 with the enactment of the Tax Cuts and Jobs Act, adjustments are reflected using an assumed effective tax rate of 36.5%, which approximates a blended federal and state tax rate for fiscal 2018, and consistently excludes the impact of other tax credits and incentive benefits realized.

f Reflects the provisional income tax benefit associated with the re-measurement of the Company's deferred tax assets and liabilities as a result of the Tax Cuts and Jobs Act.

g Excludes adjustments associated with the application of the two-class method for computing diluted earnings per share.

h Fiscal 2012 reflects restructuring charges of approximately \$15.7 million incurred during the three months ended March 31, 2012, net of approximately \$4.5 million of revenue recognized on recoverable expenses, associated with the cost of a restructuring plan to reduce certain personnel and infrastructure costs.

i Reflects stock-based compensation expense for options for Class A Common Stock and restricted shares, in each case, issued in connection with the acquisition of our Company by the Carlyle Group under the Officers' Rollover Stock Plan. Also reflects stock-based compensation expense for Equity Incentive Plan Class A Common Stock options issued in connection with the acquisition of our Company by the Carlyle Group under the Equity Incentive Plan.

# FINANCIAL AND OPERATIONAL HIGHLIGHTS

## ADDITIONAL OPERATING DATA <sup>(a)</sup>

	FY2016				FY2017				FY2018			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<i>\$ in millions except where otherwise noted</i>	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	3/31/2017	6/30/2017	9/30/2017	12/31/2017	3/31/2018
<b>Backlog</b>												
Funded	\$ 2,388	\$ 3,243	\$ 2,693	\$ 2,673	\$ 2,639	\$ 3,332	\$ 2,787	\$ 2,815	\$ 2,517	\$ 3,590	\$ 2,893	\$ 2,685
Unfunded	2,493	2,906	2,825	2,546	2,873	3,297	3,229	3,098	3,243	3,861	4,220	4,161
Priced Options	4,377	6,401	6,556	6,595	6,504	7,015	7,511	7,679	8,309	9,234	9,558	9,174
Total Backlog	\$ 9,258	\$ 12,550	\$ 12,074	\$ 11,814	\$ 12,016	\$ 13,644	\$ 13,527	\$ 13,592	\$ 14,069	\$ 16,685	\$ 16,671	\$ 16,020
<b>Book to Bill <sup>(b)</sup></b>	0.92	3.49	0.64	0.82	1.14	2.17	0.92	1.04	1.32	2.70	0.99	0.60
<b>Annual Book to Bill <sup>(b)</sup></b>				1.45				1.31				1.39
<b>Headcount</b>												
Total Headcount	22,544	22,226	22,604	22,583	22,524	22,758	23,044	23,300	23,454	24,225	24,747	24,639
Consulting Staff Headcount	20,325	20,006	20,345	20,329	20,249	20,542	20,818	21,032	21,081	21,825	22,261	22,145
<b>Percentage of Total Revenue by Contract Type</b>												
Cost-Reimbursable	55 %	50 %	49 %	50 %	49 %	50 %	49 %	51 %	50 %	52 %	51 %	52 %
Time-and-Materials	24 %	26 %	27 %	26 %	27 %	27 %	26 %	24 %	26 %	25 %	25 %	25 %
Fixed-Price	21 %	24 %	24 %	24 %	24 %	23 %	25 %	25 %	24 %	23 %	24 %	23 %
Days Sales Outstanding (Days)	61	62	62	60	65	62	64	60	69	65	68	65

<sup>a</sup> All interim periods reflect unaudited numbers while annual numbers are audited.

<sup>b</sup> Calculated as the change in total backlog during the relevant fiscal period plus the relevant fiscal period revenue, all divided by the relevant fiscal period revenue.

# FINANCIAL AND OPERATIONAL HIGHLIGHTS

## OTHER KEY FINANCIAL METRICS <sup>(a)</sup>

	FY2016				FY2017				FY2018			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<i>\$ in thousands, except per share amounts</i>	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	3/31/2017	6/30/2017	9/30/2017	12/31/2017	3/31/2018
Cash and Cash Equivalents	\$ 151,476	\$ 187,401	\$ 167,104	\$ 187,529	\$ 179,974	\$ 307,223	\$ 349,624	\$ 217,417	\$ 337,487	\$ 330,043	\$ 289,495	\$ 286,958
Working Capital	312,538	359,422	340,706	249,858	314,865	381,666	437,761	193,079	561,709	479,770	469,348	452,553
Total Assets	2,853,179	2,874,625	2,966,508	3,010,171	3,041,680	3,093,619	3,166,535	3,373,105	3,575,525	3,529,635	3,539,296	3,603,366
Total Debt	1,616,738	1,601,969	1,587,201	1,597,261	1,608,319	1,563,117	1,563,990	1,663,324	1,861,805	1,847,047	1,832,315	1,818,579
Total Liabilities	2,645,525	2,605,641	2,585,751	2,601,683	2,579,406	2,577,282	2,596,822	2,799,514	2,976,498	2,993,352	2,975,018	3,048,738
Stockholders' Equity	207,654	268,984	380,757	408,488	462,274	516,337	569,713	573,591	599,027	536,283	564,278	554,828
Net Cash Provided by Operating Activities <sup>(b)</sup>	\$ 19,096	\$ 88,687	\$ 180,997	\$ 249,234	\$ 11,847	\$ 217,083	\$ 283,042	\$ 382,277	\$ 3,995	\$ 178,062	\$ 246,920	\$ 369,143
Net Cash Used in Investing Activities <sup>(b)</sup>	(13,140)	(30,562)	(96,447)	(117,753)	(7,022)	(15,344)	(30,755)	(300,896)	(11,740)	(37,193)	(81,370)	(96,453)
Net Cash Provided by (Used in) Financing Activities <sup>(b)</sup>	(61,697)	(77,941)	(124,663)	(151,169)	(12,180)	(82,045)	(90,192)	(51,493)	127,815	(28,243)	(93,472)	(203,149)

<sup>a</sup> All interim periods reflect unaudited numbers while annual numbers are audited.

<sup>b</sup> Cash flow numbers are on a year-to-date basis for all periods presented.