

**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 29, 2021**

**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 29, 2021, Booz Allen Hamilton Holding Corporation (the “Company”) issued a press release announcing its results of operations for the fiscal quarter ended September 30, 2021. A copy of the press release is attached hereto as Exhibit 99.1.

On October 29, 2021, the Company posted to the “Investor Relations” section of its website the presentation that accompanies the earnings conference call. A copy of the presentation is attached hereto as Exhibit 99.2.

The information in this Item 2.02 and Exhibits 99.1 and 99.2 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in that filing.

**Item 9.01 Financial Statements and Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Press Release dated October 29, 2021</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/ Lloyd W. Howell, Jr. \_\_\_\_\_

Lloyd W. Howell, Jr.  
Executive Vice President, Chief Financial Officer and  
Treasurer

Date: October 29, 2021

## BOOZ ALLEN HAMILTON ANNOUNCES SECOND QUARTER FISCAL 2022 RESULTS

**+ Company Delivers Revenue Increase of 4.3 percent over the Prior Year Period to \$2.1 billion, and Revenue, Excluding Billable Expenses<sup>1</sup> Growth of 3.6 percent**

**+ Strong Bottom-Line Performance Across Adjusted EBITDA Margin<sup>1</sup>, Adjusted Diluted Earnings per Share<sup>1</sup>, and Operating Cash Flow**

**+ Diluted Earnings Per Share of \$1.14 and Adjusted Diluted Earnings Per Share<sup>1</sup> of \$1.26**

**+ 18.0 percent Increase in Total Backlog to \$29.0 billion; Book-to-Bill of 2.03x**

**+ 5.8 percent Year-Over-Year Headcount Growth and 2.3 percent Headcount Growth Since Prior Quarter**

**+ Quarterly Dividend of \$0.37 per Share**

"Booz Allen is focused on velocity, leadership, and technology as we continue to help clients transform their most critical missions. Our strong second-quarter performance creates momentum that will allow us to accelerate through the rest of this fiscal year and beyond. The team delivered solid revenue growth, excellent bottom-line results, and strong progress on hiring that positions us for continued success."

— HORACIO ROZANSKI  
President and Chief Executive Officer

McLean, Virginia; October 29, 2021 - Booz Allen Hamilton Holding Corporation (NYSE: BAH), the parent company of management and technology consulting and engineering services firm Booz Allen Hamilton Inc., today announced preliminary results for the second quarter of fiscal 2022.

In the second quarter of fiscal 2022, the Company delivered strong overall performance, with excellent Adjusted EBITDA<sup>1</sup> margins, Adjusted Diluted EPS<sup>1</sup>, headcount growth, and quarterly backlog growth, positioning the Company for a strong second half and full fiscal year top line acceleration.

On September 13, 2021, the Company announced it had completed the acquisition of Tracepoint, a leading digital forensics and incident response company, after making an initial strategic investment in Tracepoint in December 2020. This transaction is aligned with the Company's broader capital deployment strategy to accelerate advancement in critical technology areas such as cybersecurity.

The Company reported the following second quarter fiscal 2022 results as compared to second quarter fiscal 2021: quarterly revenue growth of 4.3 percent and a 3.6 percent quarterly increase in Revenue, Excluding Billable Expenses<sup>1</sup>; Net Income increased by 13.8 percent to \$154.8 million, and Adjusted Net Income<sup>1</sup> increased by 18.6 percent to \$170.2 million; Adjusted EBITDA<sup>1</sup> increased 18.1 percent to \$269.6 million; Adjusted EBITDA Margin on Revenue<sup>1</sup> was 12.8 percent; and Diluted EPS was \$1.14, up \$0.16 or 16.3 percent, while Adjusted Diluted EPS<sup>1</sup> was \$1.26, up \$0.23 or 22.3 percent.

Compared to second quarter of fiscal 2021, in second quarter of fiscal 2022 total backlog increased by 18.0 percent to \$29.0 billion and the quarterly book-to-bill ratio was 2.03x. As of September 30, 2021, total headcount was 1,590 higher than at the end of the prior year period, an increase of 5.8 percent, and 670 higher than the end of the prior quarter.

### FINANCIAL SUMMARY

*Second quarter ended September 30, 2021* - A summary of Booz Allen's results for the second quarter of fiscal 2022 is below. All comparisons are to the prior year period. A description of key drivers can be found in the Company's Earnings Call Presentation for the second quarter posted on [investors.boozallen.com](https://investors.boozallen.com).

### SECOND QUARTER FY22

(changes are compared to prior fiscal year period)

<b>REVENUE:</b>	
\$2.11B	+4.3 %
<b>EX. BILLABLE EXPENSES<sup>1</sup>:</b>	
\$1.47B	+3.6 %
<b>OPERATING INCOME:</b>	
\$218.4M	+5.4 %
<b>ADJ. OPERATING INCOME<sup>1</sup>:</b>	
\$243.9M	+17.6 %
<b>NET INCOME:</b>	
\$154.8M	+13.8 %
<b>ADJUSTED NET INCOME<sup>1</sup>:</b>	
\$170.2M	+18.6 %
<b>EBITDA:</b>	
\$256.0M	+12.2 %
<b>ADJUSTED EBITDA<sup>1</sup>:</b>	
\$269.6M	+18.1 %
<b>DILUTED EPS:</b>	
\$1.14	up from \$0.98
<b>ADJUSTED DILUTED EPS<sup>1</sup>:</b>	
\$1.26	up from \$1.03

For the first half of fiscal 2022, net cash provided by operating activities was \$470.4 million, as compared to \$425.6 million in the prior year period. Free cash flow<sup>1</sup> for the first half of fiscal 2022 was \$449.7 million, as compared to \$407.6 million in the prior year period.

The Company declared a regular quarterly dividend of \$0.37 per share, which is payable on December 2, 2021 to stockholders of record on November 15, 2021.

## FINANCIAL OUTLOOK

The Company reaffirms its previously provided fiscal 2022 guidance, as noted below:

OPERATING PERFORMANCE	ORIGINAL FISCAL 2022 GUIDANCE	REAFFIRMING FISCAL 2022 GUIDANCE
Revenue Growth	7.0 – 10.0%	Unchanged
Adjusted EBITDA Margin on Revenue	Mid 10%	Unchanged
Adjusted Diluted EPS <sup>2</sup>	\$4.10 – \$4.30	Unchanged
Net Cash Provided by Operating Activities	\$800 – \$850 million	Unchanged

## CONFERENCE CALL INFORMATION

Booz Allen Hamilton will host a conference call at 8 a.m. EDT on Friday, October 29, 2021, to discuss the financial results for its second quarter fiscal 2022. Analysts and institutional investors may participate on the call by dialing (877) 375-9141, International: +1 (253) 237-1151, using the passcode 1856529. The conference call will be webcast simultaneously to the public through a link on the investor relations section of the Booz Allen Hamilton website at [investors.boozallen.com](http://investors.boozallen.com). A replay of the conference call will be available online at [investors.boozallen.com](http://investors.boozallen.com) beginning at 11 a.m. EDT on October 29, 2021 and continuing for 30 days.

<sup>1</sup> Revenue, Excluding Billable Expenses, Adjusted Operating Income, 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 detail.

<sup>2</sup> Assumes an effective tax rate of 22–24%; an average share count of 134–137 million, and interest expense of \$92–95 million.

## ABOUT BOOZ ALLEN HAMILTON

For more than 100 years, military, government, and business leaders have turned to Booz Allen Hamilton to solve their most complex problems. As a consulting firm with experts in analytics, digital solutions, engineering, and cyber, we help organizations transform. We are a key partner on some of the most innovative programs for governments worldwide and trusted by its most sensitive agencies. We work shoulder-to-shoulder with clients, using a mission-first approach to choose the right strategy and technology to help them realize their vision.

With global headquarters in McLean, Virginia, our firm employs approximately 29,200 people globally as of September 30, 2021, and had revenue of \$7.9 billion for the 12 months ended March 31, 2021. To learn more, visit [www.boozallen.com](http://www.boozallen.com). (NYSE: BAH)

## FIRST HALF FY22

(changes are compared to prior fiscal year period)

### REVENUE:

\$4.10B +3.0 %

### EX. BILLABLE EXPENSES<sup>1</sup>:

\$2.90B +2.7 %

### OPERATING INCOME:

\$359.6M (9.9)%

### ADJ. OPERATING INCOME<sup>1</sup>:

\$457.0M +14.4 %

### NET INCOME:

\$246.9M (7.0)%

### ADJUSTED NET INCOME<sup>1</sup>:

\$316.0M +15.6 %

### EBITDA:

\$425.0M (3.6)%

### ADJUSTED EBITDA<sup>1</sup>:

\$507.8M +15.1 %

### DILUTED EPS:

\$1.81 down from \$1.90

### ADJUSTED DILUTED EPS<sup>1</sup>:

\$2.33 up from \$1.97

## NON-GAAP FINANCIAL INFORMATION

"Revenue, Excluding Billable Expenses" represents revenue less billable expenses. Booz Allen uses Revenue, Excluding Billable Expenses because it provides management useful information about the Company's operating performance by excluding the impact of costs that are not indicative of the level of productivity of its consulting staff headcount and its overall direct labor, which management believes provides useful information to its investors about its core operations.

"Adjusted Operating Income" represents operating income before financing transaction costs, supplemental employee benefits due to COVID-19 and acquisition-related costs, including significant acquisition amortization. Booz Allen prepares Adjusted Operating Income to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non-recurring nature or because they result from an event of a similar nature.

"Adjusted EBITDA" represents net income before income taxes, net interest and other expense and depreciation and amortization and before certain other items, including financing transaction costs, supplemental employee benefits due to COVID-19, and acquisition-related costs. "Adjusted EBITDA Margin on Revenue" is calculated as Adjusted EBITDA divided by revenue. "Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses" is calculated as Adjusted EBITDA divided by Revenue, Excluding Billable Expenses. Booz Allen prepares Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, and Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non-recurring nature or because they result from an event of a similar nature.

"Adjusted Net Income" represents net income before: (i) acquisition costs, (ii) financing transaction costs, (iii) supplemental employee benefits due to COVID-19, (iv) significant acquisition amortization, (v) gain on consolidation of equity method investment, (vi) research and development tax credits, (vii) release of income tax reserves, (viii) loss on debt extinguishment and (ix) 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. Booz Allen views Adjusted Net Income as an important indicator of performance consistent with the manner in which management measures and forecasts the Company's performance and the way in which management is incentivized to perform.

"Adjusted Diluted EPS" represents diluted EPS calculated using Adjusted Net Income as opposed to net income. Additionally, Adjusted Diluted EPS does not contemplate any adjustments to net income as required under the two-class method as disclosed in the footnotes to the condensed consolidated financial statements of the Company's Form 10-K for the fiscal year end March 31, 2021.

"Free Cash Flow" represents the net cash generated from operating activities less the impact of purchases of property, equipment and software.

Booz Allen utilizes and discusses in this release Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, and Adjusted Diluted EPS because management uses these measures for business planning purposes, including managing its business against internal projected results of operations and measuring its performance. Management views Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, and Adjusted Diluted EPS as measures of the core operating business, which exclude the impact of the items detailed in the supplemental exhibits, as these items are generally not operational in nature.

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

Management also utilizes Revenue, Excluding Billable Expenses because it provides management useful information about the Company's operating performance by excluding the impact of costs that are not indicative of the level of productivity of its consulting staff headcount and its overall direct labor, which management believes provides useful information to its investors about its core operations. Booz Allen also utilizes and discusses Free Cash Flow in this release because management uses this measure for business planning purposes, measuring the cash generating ability of the operating business and measuring liquidity generally. Booz Allen presents these supplemental measures because it believes that these measures provide investors and securities analysts with important supplemental information with which to evaluate Booz Allen's performance, long term earnings potential, or liquidity, as applicable, and to enable them to assess Booz Allen's performance on the same basis as management. These non-GAAP measurements may vary from and may not be comparable to similarly titled measures by other companies in Booz Allen's industry.

Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, Adjusted Diluted EPS, and Free Cash Flow 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. Exhibit 4 includes a reconciliation of Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, Adjusted Diluted EPS, and Free Cash Flow to the most directly comparable financial measure calculated and presented in accordance with GAAP.

With respect to our expectations under "Financial Outlook" above, a reconciliation of Adjusted Diluted EPS guidance to the closest corresponding GAAP measure is not available without unreasonable efforts on a forward-looking basis due to our inability to predict our stock price, equity grants and dividend declarations during the course of fiscal 2022. 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.

In addition, management may discuss its expectation for EBITDA margin for fiscal 2022 from time to time. A reconciliation of EBITDA margin 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 quantifications 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.

## FORWARD LOOKING STATEMENTS

Certain statements contained in this press release and in related comments by our management include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include information concerning Booz Allen's preliminary financial results, financial outlook and guidance, including forecasted revenue, Diluted EPS, and Adjusted Diluted EPS, future quarterly dividends, and future improvements in operating margins, as well as any other statement that does not directly relate to any historical or current fact. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "could," "should," "forecasts," "expects," "intends," "plans," "anticipates," "projects," "outlook," "believes," "estimates," "predicts," "potential," "continue," "preliminary," or the negative of these terms or other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give you no assurance these expectations will prove to have been correct. These forward-looking statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These risks and other factors include:

- any issue that compromises our relationships with the U.S. government or damages our professional reputation, including negative publicity concerning government contractors in general or us in particular;
- changes in U.S. government spending, including a continuation of efforts by the U.S. government to decrease spending for management support service contracts, and mission priorities that shift expenditures away from agencies or programs that we support or as a result of the U.S. administration transition;
- efforts by Congress and other U.S. government bodies to reduce U.S. government spending and address budgetary constraints, and the U.S. deficit, as well as associated uncertainty around the timing, extent, nature, and effect of such efforts;
- delayed funding of our contracts due to uncertainty relating to funding of the U.S. government and a possible failure of Congressional efforts to approve such funding and to craft a long-term agreement on the U.S. government's ability to incur indebtedness in excess of its current limits prior to December 3, 2021, the date on which legislation relating to the U.S. government's debt limit expires, or changes in the pattern or timing of government funding and spending;
- U.S. government shutdowns as a result of the failure by elected officials to fund the government;

- failure to comply with numerous laws and regulations, including, but not limited to, the Federal Acquisition Regulation (FAR), the False Claims Act, the Defense Federal Acquisition Regulation Supplement and FAR Cost Accounting Standards and Cost Principles;
- the effects of COVID-19, and other pandemics or widespread health epidemics, including disruptions to our workforce and the impact on government spending and demand for our solutions, as well as the impact of our Company policy requiring full COVID-19 vaccinations of all employees, except for employees who qualify for medical or religious exemptions;
- our ability to compete effectively in the competitive bidding process and delays or losses of contract awards caused by competitors' protests of major contract awards received by us;
- variable purchasing patterns under U.S. government General Services Administration Multiple Award schedule contracts, or GSA, schedules, blanket purchase agreements and indefinite delivery, indefinite quantity, or IDIQ, contracts;
- the loss of GSA schedules, or our position as prime contractor on government-wide acquisition contract vehicles, or GWACs;
- changes in the mix of our contracts and our ability to accurately estimate or otherwise recover expenses, time, and resources for our contracts;
- changes in estimates used in recognizing revenue;
- our ability to realize the full value of and replenish our backlog, generate revenue under certain of our contracts and the timing of our receipt of revenue under contracts included in backlog;
- internal system or service failures and security breaches, including, but not limited to, those resulting from external or internal cyber attacks on our network and internal systems;
- risks related to the implementation and operation of new financial management systems;
- an inability to attract, train, or retain employees with the requisite skills and experience;
- an inability to timely hire, assimilate and effectively utilize our employees, ensure that employees obtain and maintain necessary security clearances and/or effectively manage our cost structure;
- the loss of members of senior management or failure to develop new leaders;
- misconduct or other improper activities from our employees or subcontractors, including the improper use or release of our clients' sensitive or classified information;
- increased competition from other companies in our industry;
- failure to maintain strong relationships with other contractors or the failure of contractors with which we have entered into a sub- or prime- contractor relationship to meet their obligations to us or our clients;
- inherent uncertainties and potential adverse developments in legal or regulatory proceedings, including litigation, audits, reviews, and investigations, which may result in materially adverse judgments, settlements, withheld payments, penalties, or other unfavorable outcomes including debarment, as well as disputes over the availability of insurance or indemnification;
- failure to comply with special U.S. government laws and regulations relating to our international operations;
- risks associated with increased competition, new relationships, clients, capabilities, and service offerings in our U.S. and international businesses;
- risks related to changes to our operating structure, capabilities, or strategy intended to address client needs, grow our business or respond to market developments;
- the adoption by the U.S. government of new laws, rules, and regulations, such as those relating to organizational conflicts of interest issues or limits;
- risks related to completed and future acquisitions, including our ability to realize the expected benefits from such acquisitions;
- the incurrence of additional tax liabilities, including as a result of changes in tax laws or management judgments involving complex tax matters;
- risks inherent in the government contracting environment;
- continued efforts to change how the U.S. government reimburses compensation-related costs and other expenses or otherwise limit such reimbursements and an increased risk of compensation being deemed unreasonable and unallowable or payments being withheld as a result of U.S. government audit, review, or investigation;
- increased insourcing by various U.S. government agencies due to changes in the definition of "inherently governmental" work, including proposals to limit contractor access to sensitive or classified information and work assignments;
- the size of our addressable markets and the amount of U.S. government spending on private contractors;
- risks related to our indebtedness and credit facilities which contain financial and operating covenants; and
- the impact of changes in accounting rules and regulations, or interpretations thereof, that may affect the way we recognize and report our financial results, including changes in accounting rules governing recognition of revenue.

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 21, 2021 and our Quarterly Report on Form 10-Q filed with the SEC on October 29, 2021. 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 (UNAUDITED)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2021	2020	2021	2020
(Amounts in thousands, except per share data)				
<b>Revenue</b>	\$ 2,106,038	\$ 2,019,185	\$ 4,095,104	\$ 3,975,638
<b>Operating costs and expenses:</b>				
Cost of revenue	947,689	942,597	1,910,408	1,891,499
Billable expenses	640,120	603,652	1,195,665	1,152,729
General and administrative expenses	262,260	244,700	564,060	490,555
Depreciation and amortization	37,602	21,015	65,347	41,747
Total operating costs and expenses	1,887,671	1,811,964	3,735,480	3,576,530
<b>Operating income</b>	218,367	207,221	359,624	399,108
Interest expense	(24,254)	(19,787)	(45,524)	(40,022)
Other income (expense), net	6,848	(12,034)	6,315	(12,870)
<b>Income before income taxes</b>	200,961	175,400	320,415	346,216
Income tax expense	46,127	39,319	73,479	80,806
<b>Net income</b>	\$ 154,834	\$ 136,081	\$ 246,936	\$ 265,410
<b>Earnings per common share:</b>				
Basic	\$ 1.14	\$ 0.98	\$ 1.82	\$ 1.91
Diluted	\$ 1.14	\$ 0.98	\$ 1.81	\$ 1.90

## Exhibit 2

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

(Amounts in thousands, except share and per share data)	September 30, 2021 (Unaudited)	March 31, 2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 788,697	\$ 990,955
Accounts receivable, net	1,511,579	1,411,894
Prepaid expenses and other current assets	119,633	233,323
Total current assets	<u>2,419,909</u>	<u>2,636,172</u>
Property and equipment, net of accumulated depreciation	195,214	204,642
Operating lease right-of-use assets	234,150	239,374
Intangible assets, net of accumulated amortization	682,280	307,128
Goodwill	2,022,830	1,581,160
Other long-term assets	471,409	531,125
Total assets	<u>\$ 6,025,792</u>	<u>\$ 5,499,601</u>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Current portion of long-term debt	\$ 68,379	\$ 77,865
Accounts payable and other accrued expenses	858,805	666,971
Accrued compensation and benefits	384,694	425,615
Operating lease liabilities	55,258	54,956
Other current liabilities	70,148	65,698
Total current liabilities	<u>1,437,284</u>	<u>1,291,105</u>
Long-term debt, net of current portion	2,764,083	2,278,731
Operating lease liabilities, net of current portion	254,103	263,144
Deferred tax liabilities	282,344	364,461
Other long-term liabilities	239,880	230,984
Total liabilities	<u>4,977,694</u>	<u>4,428,425</u>
Stockholders' equity:		
Common stock, Class A — \$0.01 par value — authorized, 600,000,000 shares; issued, 163,627,651 shares at September 30, 2021 and 162,950,606 shares at March 31, 2021; outstanding, 134,325,110 shares at September 30, 2021 and 136,246,029 shares at March 31, 2021	1,636	1,629
Treasury stock, at cost — 29,302,541 shares at September 30, 2021 and 26,704,577 shares at March 31, 2021	(1,433,136)	(1,216,163)
Additional paid-in capital	600,930	557,957
Retained earnings	1,902,667	1,757,524
Accumulated other comprehensive loss	(23,999)	(29,771)
Total stockholders' equity	<u>1,048,098</u>	<u>1,071,176</u>
Total liabilities and stockholders' equity	<u>\$ 6,025,792</u>	<u>\$ 5,499,601</u>

### Exhibit 3

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

(Amounts in thousands)	Six Months Ended September 30,	
	2021	2020
<b>Cash flows from operating activities</b>		
Net income	\$ 246,936	\$ 265,410
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	65,347	41,747
Noncash lease expense	27,664	26,891
Stock-based compensation expense	28,428	25,632
Amortization of debt issuance costs	2,294	2,176
Loss on debt extinguishment	2,515	13,239
(Gains) losses on dispositions, and other	(3,018)	25
Gain on consolidation of equity method investment	(5,666)	—
Changes in assets and liabilities:		
Accounts receivable, net	(43,125)	(8,606)
Deferred income taxes and income taxes receivable / payable	59,350	51,846
Prepaid expenses and other current and long-term assets	(27,747)	(13,943)
Accrued compensation and benefits	(25,268)	22,788
Accounts payable and other accrued expenses	149,586	154,140
Other current and long-term liabilities	(17,550)	(15,321)
Net cash provided by operating activities	459,746	566,024
<b>Cash flows from investing activities</b>		
Purchases of property, equipment, and software	(29,675)	(38,084)
Cash paid for acquisitions, net of cash acquired	(779,581)	—
Cash paid for cost method investment	(2,000)	—
Net cash used in investing activities	(811,256)	(38,084)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of common stock	11,526	9,092
Stock option exercises	3,016	6,492
Repurchases of common stock	(232,381)	(116,291)
Cash dividends paid	(101,869)	(86,836)
Debt extinguishment costs	—	(8,971)
Repayments on revolving credit facility and term loan	(78,067)	(488,933)
Net proceeds from debt issuance	487,027	691,496
Proceeds from revolving credit facility	60,000	—
Other financing activities	—	(700)
Net cash provided by financing activities	149,252	5,349
Net (decrease) increase in cash and cash equivalents	(202,258)	533,289
Cash and cash equivalents — beginning of period	990,955	741,901
Cash and cash equivalents — end of period	\$ 788,697	\$ 1,275,190
<b>Supplemental disclosures of cash flow information</b>		
Net cash paid during the period for:		
Interest	\$ 27,658	\$ 32,282
Income taxes	\$ 15,249	\$ 24,451

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

	Three Months Ended September 30,		Six Months Ended September 30,	
	2021	2020	2021	2020
(In thousands, except share and per share data)				
<b>Revenue, Excluding Billable Expenses</b>				
Revenue	\$ 2,106,038	\$ 2,019,185	\$ 4,095,104	\$ 3,975,638
Less: Billable expenses	640,120	603,652	1,195,665	1,152,729
Revenue, Excluding Billable Expenses	\$ 1,465,918	\$ 1,415,533	\$ 2,899,439	\$ 2,822,909
<b>Adjusted Operating Income</b>				
Operating Income	\$ 218,367	\$ 207,221	\$ 359,624	\$ 399,108
Acquisition costs (a)	13,680	—	80,469	—
Financing transaction costs (b)	—	—	2,348	—
COVID-19 supplemental employee benefits (c)	—	167	—	509
Significant acquisition amortization (d)	\$ 11,868	\$ —	\$ 14,526	\$ —
Adjusted Operating Income	\$ 243,915	\$ 207,388	\$ 456,967	\$ 399,617
<b>EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue &amp; Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses</b>				
Net income	\$ 154,834	\$ 136,081	\$ 246,936	\$ 265,410
Income tax expense	46,127	39,319	73,479	80,806
Interest and other, net (e)	17,406	31,821	39,209	52,892
Depreciation and amortization	37,602	21,015	65,347	41,747
EBITDA	\$ 255,969	\$ 228,236	\$ 424,971	\$ 440,855
Acquisition costs (a)	13,680	—	80,469	—
Financing transaction costs (b)	—	—	2,348	—
COVID-19 supplemental employee benefits (c)	—	167	—	509
Adjusted EBITDA	\$ 269,649	\$ 228,403	\$ 507,788	\$ 441,364
Adjusted EBITDA Margin on Revenue	12.8 %	11.3 %	12.4 %	11.1 %
Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses	18.4 %	16.1 %	17.5 %	15.6 %
<b>Adjusted Net Income</b>				
Net income	\$ 154,834	\$ 136,081	\$ 246,936	\$ 265,410
Acquisition costs (a)	13,680	—	80,469	—
Financing transaction costs (b)	—	—	2,348	—
COVID-19 supplemental employee benefits (c)	—	167	—	509
Significant acquisition amortization (d)	11,868	—	14,526	—
Gain on consolidation of equity method investment (f)	(5,666)	—	(5,666)	—
Research and development tax credits (g)	—	(2,928)	—	(2,928)
Release of income tax reserves (h)	—	—	—	(29)
Loss on debt extinguishment (i)	—	13,239	—	13,239
Amortization and write-off of debt issuance costs and debt discount	816	563	1,703	1,017
Adjustments for tax effect (j)	(5,381)	(3,640)	(24,279)	(3,839)
Adjusted Net Income	\$ 170,151	\$ 143,482	\$ 316,037	\$ 273,379
<b>Adjusted Diluted Earnings Per Share</b>				
Weighted-average number of diluted shares outstanding	135,316,429	138,747,640	135,847,548	139,004,382
Adjusted Net Income Per Diluted Share (k)	\$ 1.26	\$ 1.03	\$ 2.33	\$ 1.97
<b>Free Cash Flow</b>				
Net cash provided by operating activities	\$ 470,408	\$ 425,606	\$ 459,746	\$ 566,024
Less: Purchases of property, equipment and software	(20,667)	(18,026)	(29,675)	(38,084)
Free Cash Flow	\$ 449,741	\$ 407,580	\$ 430,071	\$ 527,940

- (a) Represents costs associated with the acquisition efforts of the Company related to transactions for which the Company has entered into a letter of intent to acquire a controlling financial interest in the target entity. Acquisition costs primarily include costs associated with (i) due diligence activities, (ii) compensation expenses associated with employee retention, and (iii) legal and advisory fees associated with the completion of the acquisitions of Liberty IT Solutions, LLC ("Liberty") and Tracepoint Holdings, LLC ("Tracepoint").
- (b) Reflects expenses associated with debt financing activities incurred during the first quarter of fiscal 2022.
- (c) Represents the supplemental contribution to employees' dependent care FSA accounts in response to COVID-19.
- (d) Amortization expense associated with acquired intangibles from significant acquisitions. Significant acquisitions include acquisitions which the Company considers to be beyond the scope of our normal operations. Significant acquisition amortization includes amortization expense associated with the acquisition of Liberty for the first quarter of fiscal 2022.
- (e) Reflects the combination of Interest expense and Other income (expense), net from the condensed consolidated statement of operations.
- (f) Represents the Company's remeasurement of its previously held equity method investment in Tracepoint to its fair value which resulted in a gain upon the acquisition of a controlling financial interest in Tracepoint.
- (g) Reflects tax credits, net of reserves for uncertain tax positions, recognized in fiscal 2021 related to an increase in research and development credits available for fiscal years 2016 to 2019.
- (h) Release of pre-acquisition income tax reserves assumed by the Company in connection with the Carlyle acquisition.
- (i) Reflects the loss on debt extinguishment resulting from the redemption of Booz Allen Hamilton Inc.'s 5.125% Senior Notes due 2025, including \$9.0 million of the premium paid at redemption, and write-off of the unamortized debt issuance cost.
- (j) 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.
- (k) Excludes adjustments of approximately \$1.1 million and \$1.5 million of net earnings for the three and six months ended September 30, 2021, respectively, and excludes adjustments of approximately \$0.8 million and \$1.5 million of net earnings for the three and six months ended September 30, 2020, respectively, associated with the application of the two-class method for computing diluted earnings per share.

## Exhibit 5

### Booz Allen Hamilton Holding Corporation Operating Data

(Amounts in millions)	As of September 30,	
	2021	2020
<b>Backlog*</b>		
Funded	\$ 4,917	\$ 4,482
Unfunded	9,528	6,159
Priced Options	14,550	13,933
Total Backlog	\$ 28,995	\$ 24,574

\* Backlog presented as of September 30, 2021 includes backlog acquired from the Company's acquisitions made during the six months ended September 30, 2021. Total backlog acquired was approximately \$2.1 billion as of September 30, 2021.

	Three Months Ended September 30,		Six Months Ended September 30,	
	2021	2020	2021	2020
<b>Book-to-Bill **</b>	2.03	1.77	1.68	1.97

\*\* Book-to-bill is 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.

	As of September 30,	
	2021	2020
<b>Headcount</b>		
Total Headcount	29,228	27,638
Consulting Staff Headcount	26,120	24,772

	Three Months Ended September 30,		Six Months Ended September 30,	
	2021	2020	2021	2020
<b>Percentage of Total Revenue by Contract Type</b>				
Cost-Reimbursable	53%	56%	55%	56%
Time-and-Materials	24%	25%	24%	25%
Fixed-Price	23%	19%	21%	19%



# EARNINGS CALL PRESENTATION

*Fiscal Year 2022, Second Quarter*

October 29, 2021



## CALL PARTICIPANTS

HORACIO ROZANSKI

*President and Chief Executive Officer*

LLOYD HOWELL, JR.

*Chief Financial Officer and Treasurer*

LAURA S. ADAMS

*Chief Accounting Officer and Interim 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 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, 2021, 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, 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 EPS, and net cash provided by operating activities to Free Cash Flow, and the explanatory footnotes regarding those adjustments, each as defined under GAAP, (ii) use Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue Excluding Billable Expenses, Adjusted Net Income, and Adjusted Diluted EPS in addition to, and not as an alternative to revenue, operating income, net income or diluted EPS as measures of operating results, 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 Appendix includes a reconciliation of Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, Adjusted Diluted EPS, 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. With respect to our expectations under “Financial Outlook,” 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 2022. 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 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 quantifications of the amounts that would be required to reconcile such measures.

INVESTMENT THESIS

# EXCEPTIONAL SHAREHOLDER VALUE CREATION

FY2023 – FY2025 GOALS

Competitive  
Edge at the  
Mission-  
Innovation  
Intersection

## ADJUSTED EBITDA GROWTH TO \$1.2 – 1.3B

Organic  
Revenue  
5–8%

+

Strategic  
Acquisitions &  
Investments

+

Strong Mid 10%  
Adjusted EBITDA  
Margin

Disciplined  
Capital  
Deployment  
\$3.5 – 4.5B

# KEY FINANCIAL RESULTS

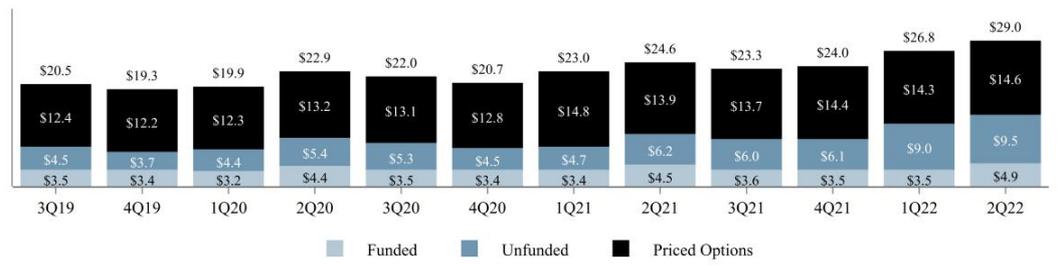
## SECOND QUARTER FISCAL YEAR 2022 RESULTS

	SECOND QUARTER <sup>(1)</sup>		FIRST HALF <sup>(1)</sup>	
Revenue	\$2.1 billion	+4.3%	\$4.1 billion	+3.0%
Revenue, Excluding Billable Expenses	\$1.5 billion	+3.6%	\$2.9 billion	+2.7%
Adjusted EBITDA	\$270 million	+18.1%	\$508 million	+15.1%
Adjusted EBITDA Margin on Revenue	12.8%	+13.2%	12.4%	+11.7
Net Income	\$155 million	+13.8%	\$247 million	(7.0)%
Adjusted Net Income	\$170 million	+18.6%	\$316 million	+15.6%
Diluted EPS	\$1.14	+16.3%	\$1.81	(4.7)%
Adjusted Diluted EPS	\$1.26	+22.3%	\$2.33	+18.3%
Net Cash provided by Operating Activities	\$470 million	+10.5%	\$460 million	(18.8)%

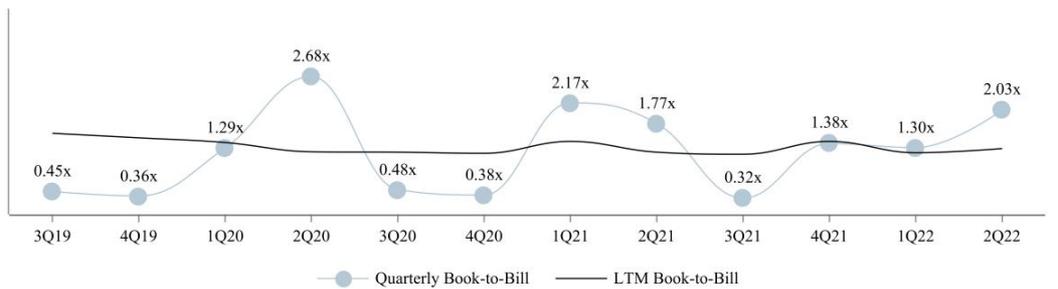
*(1) Comparisons are to prior fiscal year.*

# HISTORICAL BACKLOG & BOOK-TO-BILL

## BACKLOG (\$ IN BILLIONS) <sup>(1)(2)</sup>



## BOOK-TO-BILL TRENDS

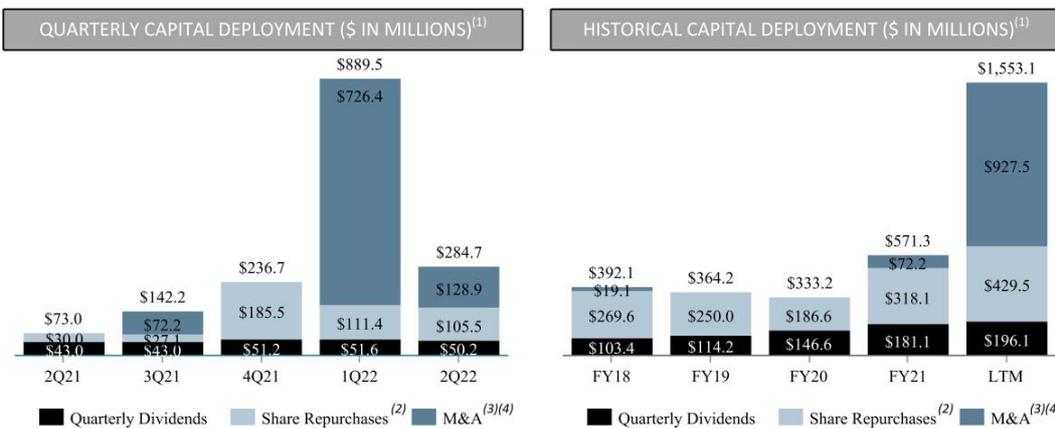


(1) For more information on the components of backlog, and the differences between backlog and remaining performance obligations, please see the Company's Form 10-K for the fiscal year ended March 31, 2021; totals may not sum due to rounding.  
 (2) Backlog presented as of September 30, 2021 includes backlog acquired from the Company's acquisitions made during the six months ended September 30, 2021. Total backlog acquired was approximately \$2.1 billion as of September 30, 2021.

# CAPITAL ALLOCATION

## DELIVERING STRONG CAPITAL RETURNS THROUGH EFFICIENT CAPITAL DEPLOYMENT STRATEGY

- Our multi-year capital deployment plan is to follow a disciplined and opportunistic approach, subject to market conditions
- In Q2 FY22, we deployed approximately \$285 million:
  - \$50 million through quarterly dividends;
  - \$106 million through share repurchases; and
  - \$129 million through our acquisition of Tracepoint
- The Board authorized a regular dividend of 37 cents per share payable on December 2nd to stockholders of record on November 15th
- Our capital allocation priorities remain: operating needs, quarterly dividend, strategic M&A, share repurchases, and debt repayment



(1) Totals may not sum due to rounding.

(2) Includes share repurchases transacted but not settled and paid.

(3) Represents payments for business acquisitions, net of cash acquired.

(4) Total amount of capital deployed for Q3 FY21 and FY21 does not include ~\$2 million in applicable fees related to our minority investment in Tracepoint.

# FINANCIAL OUTLOOK

REAFFIRMING FULL YEAR FY22 GUIDANCE

---

OPERATING PERFORMANCE	
Revenue Growth	7.0 – 10.0%
Adjusted EBITDA Margin on Revenue	Mid 10%
Adjusted Diluted EPS <sup>(1)</sup>	\$4.10 – \$4.30
Net Cash Provided by Operating Activities	\$800 – \$850 million

---

*(1) Assumes an effective tax rate of 22-24%; an average share count of 134-137 million, and interest expense of \$92-95 million.*

# FY22 ADEPS WALK

REAFFIRMING FY22 ADEPS GUIDANCE	
April FY22 ADEPS Guidance	\$4.10 - \$4.30
Bond Interest	~\$(0.09)
Operational, Other Below-the-Line Items (e.g., Tax, Share Count)	\$0.09
July FY22 ADEPS Guidance <sup>(1)</sup>	\$4.10 - \$4.30

(1) Reaffirming our FY22 guidance, which includes the added interest expense related to the issuance of \$500 million of senior notes in Q1 FY22.

## FY22 INCOME TAX DRIVERS

REAFFIRMING EFFECTIVE TAX RATE BRIDGE FROM FY21 TO FY22	
FY21 Effective Tax Rate on an Adjusted Diluted EPS Basis	20.1%
Puts and Takes:	
– Marginal tax rate on incremental pretax income <sup>(1)</sup>	+~0.5 – 1.0%
– State and local income tax credits <sup>(2)</sup>	+~0.5 – 1.0%
– Other discrete items <sup>(3)</sup>	+~1.0 – 2.0%
FY22 Expected Annual Effective Tax Rate <sup>(4)</sup>	22.0 – 24.0%

**NOTES:**

(1) As the Company's federal/state statutory tax rate is higher than its effective tax rate, a higher marginal tax rate is applied to incremental forecasted pretax income, which increases the overall effective tax rate year over year.

(2) The Company expects to realize lower state and local tax credits during FY22, predominantly due to the impact of COVID-19 and the ability to generate wage and other credits in various jurisdictions due to teleworking.

(3) During Q3 FY21, the Company released \$10.2 million in reserves for uncertain tax positions related to an acquired subsidiary, due to the expiration of the statute of limitations.

(4) The estimated annual effective tax rate guidance does not take into account potential tax headwinds that could occur, including any impacts of corporate tax rate reform.

# APPENDIX

---

## NON-GAAP FINANCIAL INFORMATION

---

- "Revenue, Excluding Billable Expenses" represents revenue less billable expenses. We use Revenue, Excluding Billable Expenses because it provides management useful information about the Company's operating performance by excluding the impact of costs that are not indicative of the level of productivity of our 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 financing transaction costs, supplemental employee benefits due to COVID-19, and acquisition-related costs, including significant acquisition amortization. We prepare Adjusted Operating Income to eliminate the impact of items we do not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary, or non-recurring nature or because they result from an event of a similar nature.
- "Adjusted EBITDA" represents net income before income taxes, net interest and other expense and depreciation and amortization and before certain other items, including financing transaction costs, supplemental employee benefits due to COVID-19, and acquisition-related costs. "Adjusted EBITDA Margin on Revenue" is calculated as Adjusted EBITDA divided by revenue. Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses is calculated as Adjusted EBITDA divided by Revenue, Excluding Billable Expenses. We prepare Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, and Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non-recurring nature or because they result from an event of a similar nature.
- "Adjusted Net Income" represents net income before: (i) acquisition costs, (ii) financing transaction costs, (iii) supplemental employee benefits due to COVID-19, (iv) significant acquisition amortization, (v) gain on consolidation of equity method investment, (vi) research and development tax credits, (vii) release of income tax reserves, (viii) loss on debt extinguishment and (ix) amortization or write-off of debt issuance costs and debt discount, in each case net of the tax effect where appropriate calculated using an assumed effective tax rate. We prepare Adjusted Net Income to eliminate the impact of items, net of tax, we do not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary, or non-recurring nature or because they result from an event of a similar nature. We view Adjusted Net Income as an important indicator of performance consistent with the manner in which management measures and forecasts the Company's performance and the way in which management is incentivized to perform.
- "Adjusted Diluted EPS" represents diluted EPS calculated using Adjusted Net Income as opposed to net income. Additionally, Adjusted Diluted EPS does not contemplate any adjustments to net income as required under the two-class method as disclosed in the footnotes to our condensed consolidated financial statements in our Form 10-K for the fiscal year ended March 31, 2021.
- "Free Cash Flow" represents the net cash generated from operating activities less the impact of purchases of property, equipment, and software.

# NON-GAAP FINANCIAL INFORMATION

(In thousands, except share and per share data)	Three Months Ended September 30,		Six Months Ended September 30,		
	2021	2020	2021	2020	
	(Unaudited)		(Unaudited)		
<b>Revenue, Excluding Billable Expenses</b>					
Revenue	\$ 2,106,038	\$ 2,019,185	\$ 4,095,104	\$ 3,975,638	
Less: Billable expenses	640,120	603,652	1,195,665	1,152,729	
Revenue, Excluding Billable Expenses	<u>\$ 1,465,918</u>	<u>\$ 1,415,533</u>	<u>\$ 2,899,439</u>	<u>\$ 2,822,909</u>	(a) Represents costs associated with the acquisition efforts of the Company related to transactions for which the Company has entered into a letter of intent to acquire a controlling financial interest in the target entity. Acquisition costs primarily include costs associated with (i) due diligence activities, (ii) compensation expenses associated with employee retention, and (iii) legal and advisory fees associated with the completion of the acquisition of Liberty IT Solutions, LLC ("Liberty") and Tracepoint Holdings, LLC ("Tracepoint").
<b>Adjusted Operating Income</b>					
Operating Income	\$ 218,367	\$ 207,221	\$ 359,624	\$ 399,108	(b) Reflects expenses associated with debt financing activities incurred during the first quarter of fiscal 2022.
Acquisition costs (a)	13,680	—	80,469	—	
Financing transaction costs (b)	—	—	2,348	—	(c) Represents the supplemental contribution to employees' dependent care FSA accounts in response to COVID-19.
COVID-19 supplemental employee benefits (c)	—	167	—	509	
Significant acquisition amortization (d)	11,868	—	14,526	—	(d) Amortization expense associated with acquired intangibles from significant acquisitions. Significant acquisitions include acquisitions which the Company considers to be beyond the scope of our normal operations. Significant acquisition amortization includes amortization expense associated with the acquisition of Liberty for the first quarter of fiscal 2022.
Adjusted Operating Income	<u>\$ 243,915</u>	<u>\$ 207,388</u>	<u>\$ 456,967</u>	<u>\$ 399,617</u>	(e) Reflects the combination of interest expense and Other income (expense), net from the condensed consolidated statement of operations.
<b>EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue &amp; Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses</b>					(f) Represents the Company's remeasurement of its previously held equity method investment in Tracepoint to its fair value which resulted in a gain upon the acquisition of a controlling financial interest in Tracepoint.
Net income	\$ 154,834	\$ 136,081	\$ 246,936	\$ 265,410	(g) Reflects tax credits, net of reserves for uncertain tax positions, recognized in fiscal 2021 related to an increase in research and development credits available for fiscal years 2016 to 2019.
Income tax expense	46,127	39,319	73,479	80,806	(h) Release of pre-acquisition income tax reserves assumed by the Company in connection with the Carlyle acquisition.
Interest and other, net (e)	17,406	31,821	39,209	52,892	(i) Reflects the loss on debt extinguishment resulting from the redemption of Booz Allen Hamilton Inc.'s 5.125% Senior Notes due 2025, including \$9.0 million of the premium paid at redemption, and write-off of the unamortized debt issuance cost.
Depreciation and amortization	37,602	21,015	65,347	41,747	(j) 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.
EBITDA	255,969	228,236	424,971	440,855	(k) Excludes adjustments of approximately \$1.1 million and \$1.5 million of net earnings for the three and six months ended September 30, 2021, respectively, and excludes adjustments of approximately \$0.8 million and \$1.5 million of net earnings for the three and six months ended September 30, 2020, respectively, associated with the application of the two-class method for computing diluted earnings per share.
Acquisition costs (a)	13,680	—	80,469	—	
Financing transaction costs (b)	—	—	2,348	—	
COVID-19 supplemental employee benefits (c)	—	167	—	509	
Adjusted EBITDA	<u>\$ 269,649</u>	<u>\$ 228,403</u>	<u>\$ 507,788</u>	<u>\$ 441,364</u>	
Adjusted EBITDA Margin on Revenue	12.8 %	11.3 %	12.4 %	11.1 %	
Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses	18.4 %	16.1 %	17.5 %	15.6 %	
<b>Adjusted Net Income</b>					
Net income	\$ 154,834	\$ 136,081	\$ 246,936	\$ 265,410	
Acquisition costs (a)	13,680	—	80,469	—	
Financing transaction costs (b)	—	—	2,348	—	
COVID-19 supplemental employee benefits (c)	—	167	—	509	
Significant acquisition amortization (d)	11,868	—	14,526	—	
Gain on consolidation of equity method investment (f)	(5,666)	—	(5,666)	—	
Research and development tax credits (g)	—	(2,928)	—	(2,928)	
Release of income tax reserves (h)	—	—	—	(29)	
Loss on debt extinguishment (i)	—	13,239	—	13,239	
Amortization and write-off of debt issuance costs and debt discount	816	563	1,703	1,017	
Adjustments for tax effect (j)	(5,381)	(3,640)	(24,279)	(3,839)	
Adjusted Net Income	<u>\$ 170,151</u>	<u>\$ 143,482</u>	<u>\$ 316,037</u>	<u>\$ 273,379</u>	
<b>Adjusted Diluted Earnings Per Share</b>					
Weighted-average number of diluted shares outstanding	135,316,429	138,747,640	135,847,548	139,004,382	
Adjusted Net Income Per Diluted Share (k)	<u>\$ 1.26</u>	<u>\$ 1.03</u>	<u>\$ 2.33</u>	<u>\$ 1.97</u>	
<b>Free Cash Flow</b>					
Net cash provided by operating activities	\$ 470,408	\$ 425,606	\$ 459,746	\$ 566,024	
Less: Purchases of property, equipment, and software	(20,667)	(18,026)	(29,675)	(38,084)	
Free Cash Flow	<u>\$ 449,741</u>	<u>\$ 407,580</u>	<u>\$ 430,071</u>	<u>\$ 527,940</u>	

# FINANCIAL RESULTS – KEY DRIVERS

---

**Second Quarter Fiscal 2022** – Below is a summary of the key factors driving results for the fiscal 2022 second quarter ended September 30, 2021 as compared to the prior year period:

- Revenue increased by 4.3% to \$2.1 billion and Revenue, Excluding Billable Expenses increased 3.6% to \$1.5 billion, primarily driven by solid operational performance and revenue from acquisitions during the quarter. This was partially offset by higher than normal staff utilization in the comparable prior year period.
- Operating income increased 5.4% to \$218.4 million and Adjusted Operating Income increased 17.6% to \$243.9 million. The increase in operating income was primarily driven by strong contract performance, including the impact of acquisitions, and cost management of unallowable spending. The increase in Adjusted Operating Income was primarily driven by the same factors driving revenue growth.
- Net income increased 13.8% to \$154.8 million and Adjusted Net Income increased 18.6% to \$170.2 million. These changes were primarily driven by the same factors as operating income and Adjusted Operating Income. Net income was also affected by the \$13.2 million loss on debt extinguishment resulting from the redemption of \$350.0 million of senior notes during the second quarter of fiscal 2021, not present in the current year, as well as a \$5.7 million gain recognized during the second quarter of fiscal 2022 from the the Company's purchase of the remaining interest in Tracepoint Holdings, LLC. Both the \$13.2 million loss on the debt extinguishment and the \$5.7 million gain were excluded from Adjusted Net Income.
- EBITDA increased 12.2% to \$256.0 million and Adjusted EBITDA increased 18.1% to \$269.6 million. These increases were due to the same factors as operating income and Adjusted Operating Income.
- Diluted EPS increased to \$1.14 from \$0.98 and Adjusted Diluted EPS increased to \$1.26 from \$1.03. The changes were primarily driven by the same factors as Net Income and Adjusted Net Income, respectively, as well as a lower share count in the second quarter of fiscal 2022.
- As of September 30, 2021, total backlog was \$29.0 billion, an increase of 18.0%. Funded backlog was \$4.9 billion, an increase of 9.7%.
- Net cash provided by operating activities was \$470.4 million for the three months ended September 30, 2021 as compared to \$425.6 million in the prior year period. The increase in operating cash flows was primarily driven by continued strong cash management, fueled by consistent operational performance. Free Cash Flow was \$449.7 million for the three months ended September 30, 2021 as compared to \$407.6 million in the prior year period. Free Cash Flow was affected by the same factors affecting cash provided by operating activities, as well as an increase in capital expenditures driven by investments for future growth.

