

CACI International Inc to Acquire National Security Solutions Division of L-3 Communications

Conference Call



December 8, 2015

INFORMATION DEPLOYED. SOLUTIONS ADVANCED. MISSIONS ACCOMPLISHED.

CACI
EVER VIGILANT

Forward-looking Statements

There are statements made herein which do not address historical facts and, therefore, could be interpreted to be forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such statements are subject to factors that could cause actual results to differ materially from anticipated results. The factors that could cause actual results to differ materially from those anticipated include, but are not limited to, the following: regional and national economic conditions in the United States and globally; terrorist activities or war; changes in interest rates; currency fluctuations; significant fluctuations in the equity markets; changes in our effective tax rate; failure to achieve contract awards in connection with re-competes for present business and/or competition for new business; the risks and uncertainties associated with client interest in and purchases of new products and/or services; continued funding of U.S. government or other public sector projects, based on a change in spending patterns, implementation of spending cuts (sequestration) under the Budget Control Act of 2011; changes in budgetary priorities or in the event of a priority need for funds, such as homeland security; government contract procurement (such as bid protest, small business set asides, loss of work due to organizational conflicts of interest, etc.) and termination risks; the results of government audits and reviews conducted by the Defense Contract Audit Agency, the Defense Contract Management Agency, or other governmental entities with cognizant oversight; individual business decisions of our clients; paradigm shifts in technology; competitive factors such as pricing pressures and/or competition to hire and retain employees (particularly those with security clearances); market speculation regarding our continued independence; material changes in laws or regulations applicable to our businesses, particularly in connection with (i) government contracts for services, (ii) outsourcing of activities that have been performed by the government, and (iii) competition for task orders under Government Wide Acquisition Contracts (GWACs) and/or schedule contracts with the General Services Administration; the ability to successfully integrate the operations of our recent and any future acquisitions; our own ability to achieve the objectives of near term or long range business plans; and other risks described in our Securities and Exchange Commission filings.

Our Participants Today

Ken Asbury

President and Chief Executive Officer

Tom Mutryn

Chief Financial Officer

John Mengucci

Chief Operating Officer and President,
U.S. Operations

Transaction Summary

The Transaction

- Entered into definitive purchase agreement to acquire the National Security Solutions Division of L-3 Communications
- Approved by CACI Board of Directors

Purchase Price

- \$550 million in cash, subject to customary pre- and post-closing adjustments

Key Conditions

- Customary regulatory approvals

Timetable

- Expected closing in Q3 FY2016

CACI Announces Agreement to Acquire National Security Solutions Division of L-3 Communications (“NSS”)

- NSS provides enterprise and mission IT solutions, cyber operations support, intelligence operations support, integrated security and big data solutions
- Offers a full spectrum of IT expertise in designing global networks, cloud security architectures and complex computing solutions
- Adds complementary capabilities and broadens CACI’s Enterprise IT foundation
- Strengthens our market position in Intelligence Systems and Support and C4ISR
- Deepens existing customer base in the intelligence community while also bringing new customers with substantial IT services budgets
- Increases scale and allows CACI to pursue substantially larger contracts
- Consistent with CACI’s growth strategy

NSS acquisition enhances CACI’s position as a leading provider in the Government Information Solutions and Services Industry

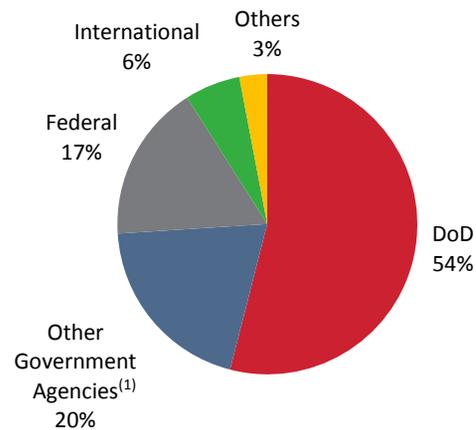
NSS Overview

- Provides sophisticated IT solutions for US government military, intelligence and federal civilian agencies
- Strategic focus on Enterprise IT market for large programs
- Deep domain expertise combined with best-in-class technical capabilities to solve critical national security challenges
- Diversified mix of long-tenured defense, intelligence and government customers with growing international and commercial relationships
- Delivers agile engineering processes, mission knowledge and expertise to solve critical national security challenges
- Performs ~90% of work as a prime contractor
- Approximately 4,000 employees worldwide
 - ~90% cleared (Secret clearance or above)

Key Customers / Tenure



Customer Mix



(1) Comprises primarily of intelligence customers.

Transaction Details

Purchase Price

- \$550 million in cash, subject to customary pre- and post-closing adjustments, which results in a TTM EBITDA⁽¹⁾ multiple of 7.9x after adjusting for the net present value of tax benefits

Financing

- Purchase price funded by available cash, borrowing under the existing \$850 million revolving credit facility, and incremental \$300 million debt financing
- Secured financing commitment necessary to complete the transaction in place
- Expected pro forma Net Debt / LTM Adj. EBITDA⁽¹⁾ of ~4.2x at close

Synergies

- Leverage NSS's strength in Enterprise IT and Intelligence Services towards new and existing government agencies
- NSS will benefit from CACI's dedication and leadership position in the Government Information Solutions and Services Industry

Accretion

- At least 10% accretive to both GAAP and diluted adjusted earnings per share in Fiscal Year 2017

(1) LTM EBITDA as of 9/30/2015.

Strong Financial Profile

LTM as of 9/30/2015 <i>(\$ in millions)</i>	CACI	L-3 National Security Solutions	Combined
Revenue	\$3,321	\$1,032	\$4,366
Adj. EBITDA	\$305	\$68	\$373
Net Debt	\$965	--	\$1,564
Net Debt/Adj. EBITDA	3.2x	--	4.2x

Note: CACI Adj. EBITDA excludes stock-based compensation expense and reflects a sales adjustment, fixed price contract adjustment, and earn-out adjustment.

NSS Adds to CACI's Capabilities in Critical National Security Markets

Enterprise IT

- Large scale programs in most submarkets
- Enterprise architecture and system engineering
- System integration and development
- Operation and maintenance transformations
- Agile software engineering and development

Cyber

- High-performance computing
- Dynamic network protection
- Advanced forensics and exploitation, modeling simulation and war gaming
- Cybersecurity and cloud computing solutions and tools
- Mobile security and network virtualization

Intelligence Services

- Intelligence collection, situation awareness and outcome assurance
- Data fusion and analytics
- Training and workforce development
- Mission engineering and operations support
- Mission-essential staffing and knowledge management

Compelling Combination for All Stakeholders

Customers

- Complimentary capabilities in Enterprise IT to broaden our foundation and accelerate innovation
- Positioned to efficiently and effectively develop next-generation solutions to support the U.S. government's national security needs
- Deepens existing relationships in the intelligence community and introduces new customers with heavy IT services spending

Employees

- Shared dedication to safeguarding national security
- NSS complements our commitment to operational excellence
- Shared values and culture

Investors

- CACI is better positioned to pursue larger contracts
- NSS's robust backlog and strong win-rate provide predictable and stable revenue in the near term
- Strong cash flow profile enables near-term deleveraging
- Accretive to EPS, excluding transaction costs, in FY 2016 and thereafter

Questions



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