

CACI International Inc Third Quarter Fiscal Year 2018 Conference Call



May 3, 2018

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: legal, regulatory, and political change as a result of transitioning to a new presidential administration that could result in economic uncertainty; changes in U.S. federal agencies, current agreements with other nations, foreign events, or any other events which may affect the global economy; 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, or any legislation that amends or changes discretionary spending levels under that act; 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

John Mengucci

Chief Operating Officer

Tom Mutryn

Chief Financial Officer

DeEtte Gray

President, U.S. Operations

Greg Bradford

Chief Executive Officer, CACI Limited in the UK

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Third Quarter Results

- Record revenue of \$1.12 billion, up 3.5% with 2.7% organic revenue growth
- Record operating income of \$104.8 million, up 55.8%, with a 9.3% operating margin
- Net income of \$64.5 versus \$40.4 million a year ago
- Diluted EPS of \$2.56 versus \$1.61 a year ago
- Cash from operations of \$98.7 million
- Awards of \$1.4 billion

Current Market Environment

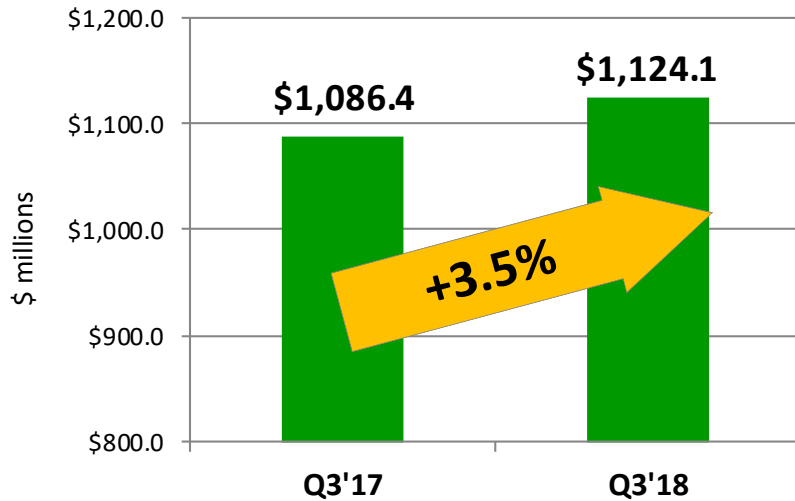
- The two-year Bipartisan Budget Agreement and the Consolidated Appropriations Act positive for industry and customers
- Expect healthy growth and contract awards in June and September quarters
- GFY 2018 DOD increase of \$80B focused on restoring readiness
- GFY 2019 DOD increase of \$85B focused on advanced warfighting capabilities

Other Events

- Notable honors:
 - John Mengucci named to Federal Computer Week 2018 Federal 100
 - CACI board member William S. Wallace awarded U.S. Military Academy's Distinguished Graduate Award
- CSRA transaction met elements of our M&A strategy:
 - Provided long-term strategic value
 - Filled capability gaps
 - Added new customers
 - Would have created significant value

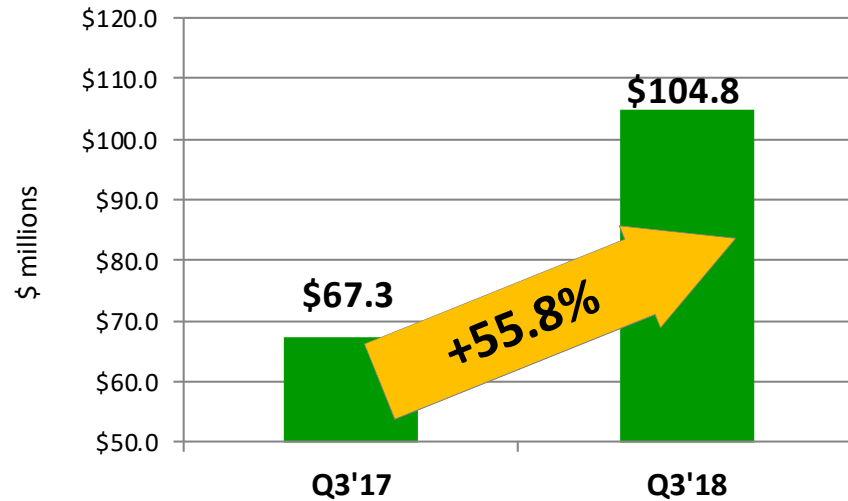
Third Quarter Revenue and Operating Income

Revenue



- Driven by on-contract growth and new business wins
- Organic revenue growth of 2.7% in the quarter

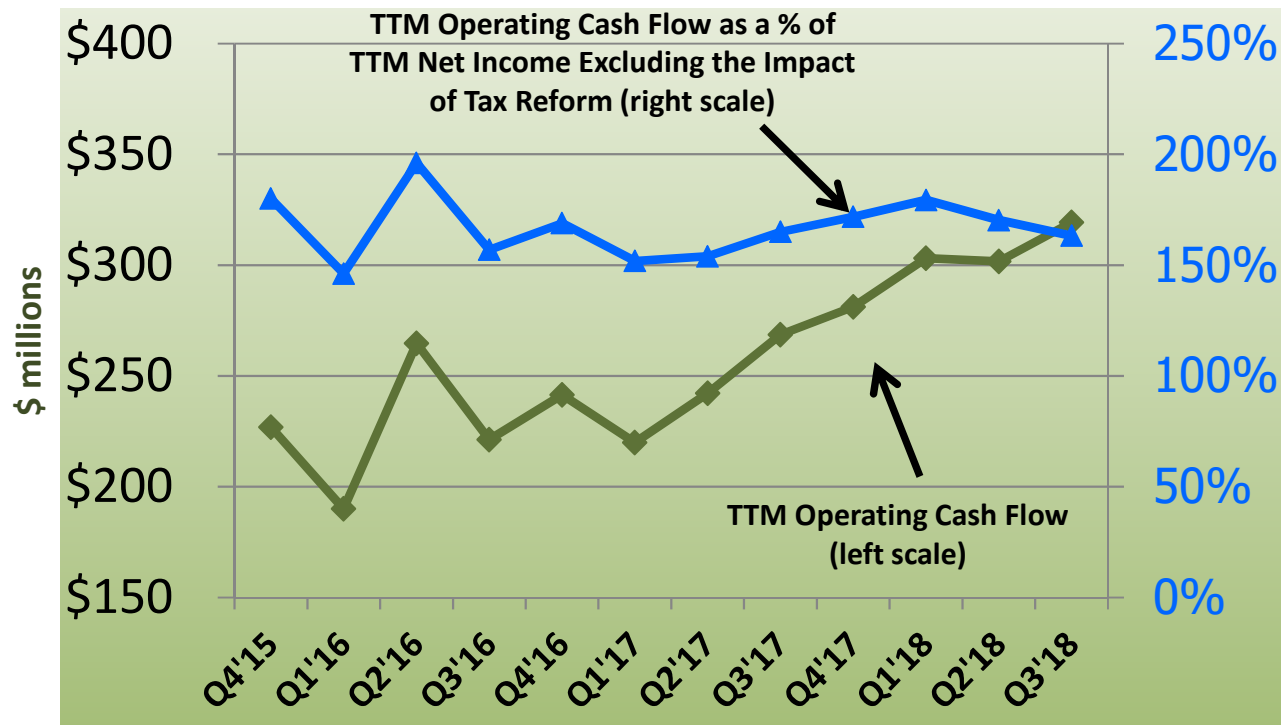
Operating Income



- Operating income up 56% driven by program performance and one-time items totaling \$22 million
- Net income of \$64.5 million, up 59.8%

Continued Strong Cash Flow

- Generated \$99 million in operating cash flow for the quarter, 153% of net income
- Days sales outstanding – 62 days versus 61 days in Q2'18
- Net debt of ~\$1.0 billion
- Net debt/TTM adjusted EBITDA of ~2.5 times



See Charts 15-16 for definitions of non-GAAP measures

Reiterating FY18 Guidance

| | Current FY18 Guidance |
|---------------------------|--------------------------|
| Revenue (millions) | \$4,400 - \$4,500 |
| Net Income (millions) | \$285 - \$291 |
| Diluted EPS | \$11.26 - \$11.50 |
| Diluted shares (millions) | 25.3 |

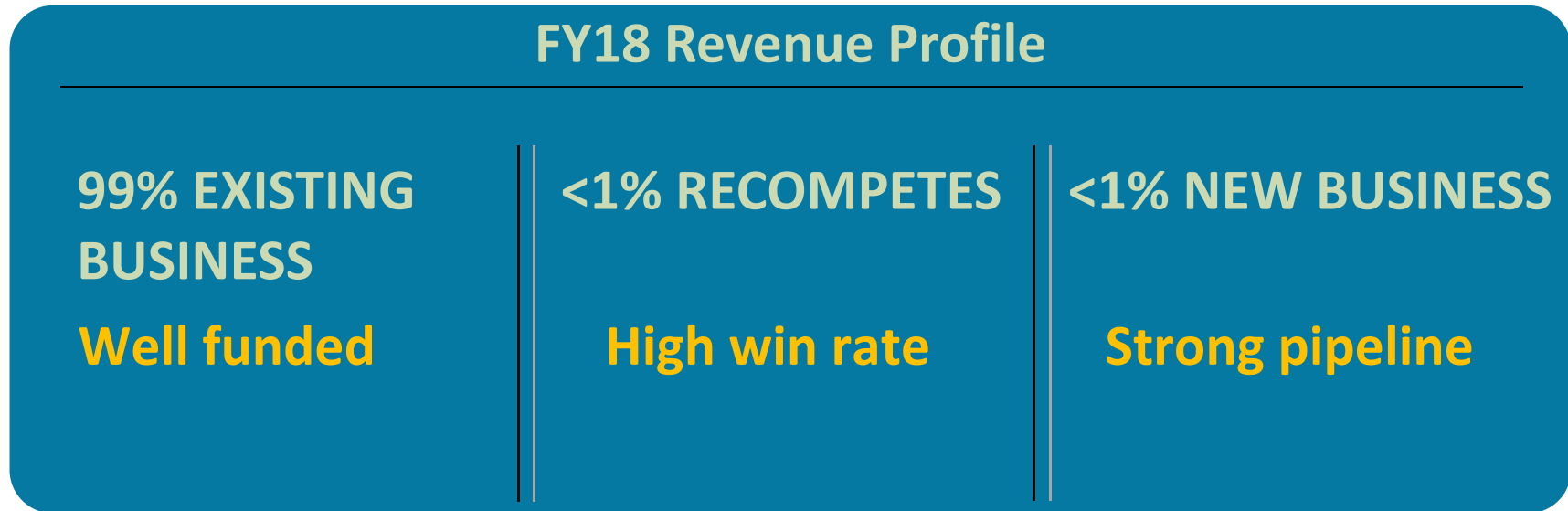
FY18 operating cash flow expected to be greater than \$310 million

This guidance represents our views as of May 2, 2018. Investors are reminded that actual results may differ from these estimates for reasons described in our Safe Harbor Statement and our filings with the SEC.

Successful Third Quarter

- Fifth consecutive quarter of positive organic revenue growth
 - Driven by new business wins and on-contract growth
- Exceptional margin growth
 - Efficient performance on fixed price contracts
 - Award and one-time incentive fees
 - Product sales
- 10 contract awards between \$45 and \$150 million
- Contract awards of \$1.4 billion, with ~40% for new business to CACI
- Total backlog of \$11 billion

Forward Indicators are Strong



Pipeline of submitted bids totals \$6.3 billion

~82% for new business to CACI

Bids expected to be submitted in the next two quarters totals another \$14.1 billion

~57% for new business to CACI

Shared Services Center Drives Reinvestment



- Shared Services Center in Oklahoma City will open July 2018
- Optimizes support services to support organic and acquired growth
- Creates savings to reinvest in people and capabilities
- People investments in healthcare and retirement benefits and creative ways to offer additional flexibility and work-life balance
- Capability investments in counter-UAS, electronic warfare, machine learning, and space

CEO Closing Comments

- Third quarter results affirm our long-term strategy
- Momentum across CACI is delivering exceptional outcomes for our customers
- Improving budget environment should enhance our future growth and generate shareholder value
- Incredibly proud of our employees' contribution to our success

Definitions of Non-GAAP Measures

The Company views Adjusted EBITDA and Adjusted Net Income, all of which are defined as non-GAAP measures, as important indicators of performance, consistent with the manner in which management measures and forecasts the Company's performance. Adjusted EBITDA is a commonly used non-GAAP measure when comparing our results with those of other companies. We define Adjusted EBITDA as GAAP net income plus net interest expense, income taxes, depreciation and amortization, and earnout adjustments. We consider Adjusted EBITDA to be a useful metric for management and investors to evaluate and compare the ongoing operating performance of our business on a consistent basis across reporting periods, as it eliminates the effect of non-cash items such as depreciation of tangible assets, amortization of intangible assets primarily recognized in business combinations, as well as the effect of earnout gains and losses, which we do not believe are indicative of our core operating performance. We define Adjusted Net Income as GAAP net income plus stock-based compensation expense, depreciation and amortization, amortization of financing costs, and earnout adjustments, net of related tax effects. We believe Adjusted Net Income is an important measure of long-term value and is used by investors to measure our performance. This measure assists management and investors in further understanding our results and trends from period-to-period by removing certain non-cash items that do not impact the cash flow performance of our business. Adjusted EBITDA and Adjusted Net Income as defined by us may not be computed in the same manner as similarly titled measures used by other companies. These non-GAAP measures should not be considered in isolation or as a substitute for performance measures prepared in accordance with GAAP.

Definitions of Non-GAAP Measures

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

Adjusted EBITDA is GAAP net income plus interest expense, income taxes, depreciation and amortization, earnout adjustments and other

| | Quarter Ended | | | Nine Months Ended | | |
|----------------------------------|---------------|-----------|----------|-------------------|------------|----------|
| | 3/31/2018 | 3/31/2017 | % Change | 3/31/2018 | 3/31/2017 | % Change |
| (dollars in thousands) | | | | | | |
| Net income | \$ 64,499 | \$ 40,357 | 59.8% | \$ 249,340 | \$ 119,440 | 108.8% |
| Plus: | | | | | | |
| Income taxes | 29,729 | 14,790 | 101.0% | (21,749) | 60,806 | -135.8% |
| Interest income and expense, net | 10,566 | 12,170 | -13.2% | 32,769 | 37,088 | -11.6% |
| Depreciation and amortization | 17,717 | 17,703 | 0.1% | 53,563 | 53,898 | -0.6% |
| Earnout adjustments | 416 | 495 | -16.0% | (1,597) | 1,315 | -221.4% |
| Adjusted EBITDA | \$ 122,927 | \$ 85,515 | 43.7% | \$ 312,326 | \$ 272,547 | 14.6% |

| | Quarter Ended | | | Nine Months Ended | | |
|------------------------|---------------|--------------|----------|-------------------|--------------|----------|
| | 3/31/2018 | 3/31/2017 | % Change | 3/31/2018 | 3/31/2017 | % Change |
| (dollars in thousands) | | | | | | |
| Revenue, as reported | \$ 1,124,100 | \$ 1,086,418 | 3.5% | \$ 3,297,774 | \$ 3,217,228 | 2.5% |
| Adjusted EBITDA | 122,927 | 85,515 | 43.7% | 312,326 | 272,547 | 14.6% |
| Adjusted EBITDA margin | 10.9% | 7.9% | | 9.5% | 8.5% | |

These non-GAAP measures should not be considered in isolation or as a substitute for performance measures prepared in accordance with GAAP.

Definitions of Non-GAAP Measures

Reconciliation of Net Income and Earnings Per Share to Non-GAAP Net Income and Earnings Per Share to Exclude Tax Reform

Net income adjusted for Tax Reform is GAAP net income adjusted to exclude the impact of Tax Reform

(Amounts in thousands, except per share amounts)

| | Three Months | | Nine Months | |
|--|---------------------|----------------|--------------------|----------------|
| | 3/31/2018 | | 3/31/2018 | |
| | Net | Diluted | Net | Diluted |
| | Income | EPS | Income | EPS |
| Net Income, as reported | \$ 64,499 | \$ 2.56 | \$ 249,340 | \$ 9.88 |
| Tax reform benefit from lower tax rate and other items | (5,729) | (0.23) | (12,829) | (0.50) |
| Net Income before remeasurement and transition | | | | |
| tax reform adjustments | \$ 58,770 | \$ 2.33 | \$ 236,511 | \$ 9.38 |
| Remeasurement of deferred tax liabilities | - | - | (94,831) | (3.76) |
| Transition tax on foreign earnings | - | - | 9,676 | 0.38 |
| Net income, excluding impact of tax reform | \$ 58,770 | \$ 2.33 | \$ 151,356 | \$ 6.00 |

These non-GAAP measures should not be considered in isolation or as a substitute for performance measures prepared in accordance with GAAP.