

CACI Reports Results for Its Fiscal 2018 Third Quarter

Record third quarter revenue, operating income, and net income

Revenue of \$1.12 billion, up 3.5 percent

Operating income of \$104.8 million, up 55.8 percent

Net income of \$64.5 million, up 59.8 percent

Diluted EPS of \$2.56

Contract awards of \$1.4 billion

Operating cash flow of \$98.7 million

Arlington, Va., May 2, 2018 – CACI International Inc (NYSE: CACI), a leading information solutions and service provider to the federal government, announced results today for its third fiscal quarter ended March 31, 2018.

CEO Commentary and Outlook

Ken Asbury, CACI's President and CEO, said, "Our fiscal third quarter results continue to affirm our long-term strategy. We delivered another strong quarter of organic revenue growth, profitability, awards and cash flow. There is momentum across the business which is delivering exceptional outcomes for our customers and gives us continued confidence in our ability to deliver on our long-term commitment to grow revenue organically and expand margins. In addition, the improving budget backdrop should enhance our ability to grow and generate shareholder value."

Third Quarter Results as Reported

| (in millions except per-share data) | Q3, FY18 | Q3, FY17 | % Change |
|-------------------------------------|-----------|-----------|----------|
| Revenue | \$1,124.1 | \$1,086.4 | 3.5% |
| Operating income | \$104.8 | \$67.3 | 55.8% |
| Net income | \$64.5 | \$40.4 | 59.8% |
| Diluted earnings per share | \$2.56 | \$1.61 | 59.0% |

Third Quarter Results Excluding the Impact of Tax Reform⁽¹⁾

| (in millions except per-share data) | Q3, FY18 | Q3, FY17 | % Change |
|--|-----------|-----------|----------|
| Revenue | \$1,124.1 | \$1,086.4 | 3.5% |
| Operating income | \$104.8 | \$67.3 | 55.8% |
| Net income, excluding the impact of tax reform ⁽¹⁾ | \$58.8 | \$40.4 | 45.6% |
| Diluted earnings per share excluding the impact of tax reform ⁽¹⁾ | \$2.33 | \$1.61 | 44.9% |

⁽¹⁾ See Reconciliation of Net Income to Non-GAAP Net Income excluding the impact of tax reform page 11.

Revenue for the third quarter of Fiscal Year 2018 (FY18) increased compared to the third quarter of Fiscal Year 2017 (FY17), driven primarily by on-contract growth of existing work and new business wins. The higher operating income was due primarily to improved program execution, particularly on fixed price programs, one-time incentive fees and other one-time items. The increase in net income was due to the factors noted above and the impact of the passage of tax reform legislation. Cash provided by operations in the quarter was \$98.7 million.

Additional Financial Metrics

| | Q3, FY18 | Q3, FY17 | % Change |
|---|----------|----------|----------|
| Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA), a non-GAAP measure (in millions) ⁽¹⁾ | \$122.9 | \$85.5 | 43.7% |
| Days sales outstanding | 62 | 58 | |

(1) See Reconciliation of Net Income to Earnings before Interest, Taxes, Depreciation and Amortization on page 10.

Third Quarter Awards and Contract Funding Orders

Our contract awards in the quarter were \$1.4 billion, which excludes ceiling values of multi-award, indefinite delivery, indefinite quantity (IDIQ) contracts. Approximately 40 percent of our awards were for new business.

- A \$145 million task order to support the U.S. Army Intelligence and Security Command (INSCOM) Counter Insurgency Targeting Program. The three-and-a-half-year, single-award contract was awarded under INSCOM's Global Intelligence Support Services contract vehicle.
- A \$94 million award to provide enterprise IT solutions and services for a classified customer and a \$92 million award to support deployed intelligence efforts.
- A three-year, \$85 million task order to provide multi-capable systems integration support and quick reaction capabilities to address urgent requirements from the battlefield and support ground forces.
- A single-award, three-year contract, with a ceiling value of \$60 million, to provide advertising and marketing support to the Army National Guard State Media Services Program.
- A one-year task order, with a potential value of approximately \$41.5 million, to provide engineering support services for the U.S. Army Intelligence and Information Warfare Directorate's Commercial Based Technology Analysis program.
- \$522 million in previously unannounced classified awards on contracts with customers in the Intelligence Community.
- A prime position on a 10-year, multiple-award IDIQ contract, with a ceiling value of \$17.5 billion, to support the Defense Information Systems Agency's ENCORE III information technology solutions program.

Contract funding orders in the third quarter were \$1.1 billion. Our total backlog at March 31, 2018 was \$11.0 billion. Funded backlog at March 31, 2018 was \$1.9 billion.

Other Highlights

- CACI will establish a Shared Services Center (SSC) in Oklahoma City, Oklahoma in July 2018. We will optimize the delivery of company-wide support services, primarily in the areas of contracts, procurement, human resources, finance, information systems, and security. With the location's cost advantages and high-quality talent, the SSC will further enhance CACI's competitiveness and benefit our company, customers, and shareholders.

- Chief Operating Officer John Mengucci has been named to the *FCW 2018 Federal 100*, an elite list of government and industry leaders who have positively transformed federal IT. Mr. Mengucci was selected for his strategic leadership and insight which were integral to CACI's record-setting FY17 financial performance and our positioning for continued growth.
- CACI Board of Directors member William Scott Wallace, USA (Ret.) was honored with the Distinguished Graduate Award from the U.S. Military Academy at West Point. The award is conferred upon graduates who embody West Point's motto: "Duty, Honor, Country."
- **Dr. J.P. (Jack) London**, CACI Executive Chairman and Chairman of the Board, was named a National Association of Corporate Directors (NACD) *Governance Fellow*. The NACD is the premier organization and authority for boardroom practices and advancing exemplary board leadership. NACD's Fellowship program is the association's highest credential for corporate directors and governance professionals.

Nine Months Results as Reported

| (in millions except per-share data) | Nine Months, FY18 | Nine Months, FY17 | % Change |
|-------------------------------------|----------------------|----------------------|----------|
| Revenue | \$3,297.8 | \$3,217.2 | 2.5% |
| Operating income | \$260.4 | \$217.2 | 19.9% |
| Net income | \$249.3 | \$119.4 | 108.8% |
| Diluted earnings per share | \$9.88 | \$4.77 | 107.1% |

Nine Months Results Excluding the Impact of Tax Reform⁽¹⁾

| (in millions except per-share data) | Nine Months, FY18 | Nine Months, FY17 | % Change |
|--|----------------------|----------------------|-------------|
| Revenue | \$3,297.8 | \$3,217.2 | 2.5% |
| Operating income | \$260.4 | \$217.2 | 19.9% |
| Net income excluding the impact of tax reform ⁽¹⁾ | \$151.4 | \$119.4 | 26.7% |
| Diluted earnings per share excluding the impact of tax reform ⁽¹⁾ | \$6.00 | \$4.77 | 25.7% |

(1) See Reconciliation of Net Income to non-GAAP Net Income excluding the impact of tax reform on page 11

Revenue in the nine months of FY18 increased compared to the year earlier period due primarily due to on-contract growth of existing work and new business wins. Operating income increased primarily due to higher profitability in existing work and new business, higher award fees, one-time incentive fees and the other items we already noted. Net income increased primarily due to the factors noted above and the impact of the passage of tax reform legislation. Net cash provided by operations in the nine months of FY18 was \$254.5 million, 17.6 percent higher than net cash provided by operations in the nine months of FY17. Adjusted EBITDA, a non-GAAP measure, for the nine months of FY18 was \$312.3 million, 14.6 percent higher than adjusted EBITDA of \$272.5 million for the nine months of FY17.

CACI Reiterates its FY18 Annual Guidance

We are reiterating the FY18 guidance we revised on March 18, 2018. Investors are reminded that the recent tax reform legislation is expected to add approximately \$100 million to net income, which was incorporated

in our previous guidance and is also reflected in the current guidance. The table below summarizes our FY18 expectations and represents our views as of May 2, 2018.

| (In millions except for tax rate and earnings per share) | <i>Fiscal Year 2018 Guidance</i> |
|--|---|
| Revenue | \$4,400 - \$4,500 |
| Net income | \$285 - \$291 |
| Effective corporate tax rate | -3.4% |
| Diluted earnings per share | \$11.26 - \$11.50 |
| Diluted weighted average shares | 25.3 |

Conference Call Information

We have scheduled a conference call for 8:30 AM Eastern Time Thursday, May 3, 2018 during which members of our senior management team will be making a brief presentation focusing on third quarter results and operating trends followed by a question-and-answer session. You can listen to the conference call and view the accompanying exhibits over the Internet by logging on to <http://investor.caci.com/news/#upcomingevent>, at the scheduled time. A replay of the call will also be available over the Internet and can be accessed through our homepage (www.caci.com) by clicking on the CACI Investor Relations tab.

CACI provides information solutions and services in support of national security missions and government transformation for Intelligence, Defense, and Federal Civilian customers. A *Fortune* Magazine World's Most Admired Company in the IT Services industry, CACI is a member of the Fortune 1000 Largest Companies, the Russell 2000 Index, and the S&P SmallCap600 Index. CACI's sustained commitment to ethics and integrity defines its corporate culture and drives its success. With approximately 18,600 employees worldwide, CACI provides dynamic career opportunities for military veterans and industry professionals to support the nation's most critical missions. Join us! www.caci.com.

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 potential impact of the announcement or consummation of a proposed transaction and our 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.

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Selected Financial Data

CACI International Inc

Condensed Consolidated Statements of Operations (Unaudited)

(Amounts in thousands, except per share amounts)

| | Quarter Ended | | | Nine Months Ended | | |
|---|---------------|--------------|----------|-------------------|--------------|----------|
| | 3/31/2018 | 3/31/2017 | % Change | 3/31/2018 | 3/31/2017 | % Change |
| Revenue | \$ 1,124,100 | \$ 1,086,418 | 3.5% | \$ 3,297,774 | \$ 3,217,228 | 2.5% |
| Costs of revenue | | | | | | |
| Direct costs | 728,444 | 732,224 | -0.5% | 2,195,282 | 2,165,766 | 1.4% |
| Indirect costs and selling expenses | 273,145 | 269,237 | 1.5% | 788,569 | 780,397 | 1.0% |
| Depreciation and amortization | 17,717 | 17,703 | 0.1% | 53,563 | 53,898 | -0.6% |
| Total costs of revenue | 1,019,306 | 1,019,164 | 0.0% | 3,037,414 | 3,000,061 | 1.2% |
| Operating income | 104,794 | 67,254 | 55.8% | 260,360 | 217,167 | 19.9% |
| Interest expense and other, net | 10,566 | 12,107 | -12.7% | 32,769 | 36,921 | -11.2% |
| Income before income taxes | 94,228 | 55,147 | 70.9% | 227,591 | 180,246 | 26.3% |
| Income taxes | 29,729 | 14,790 | 101.0% | (21,749) | 60,806 | -135.8% |
| Net income | \$ 64,499 | \$ 40,357 | 59.8% | \$ 249,340 | \$ 119,440 | 108.8% |
| Basic earnings per share | \$ 2.62 | \$ 1.65 | 58.3% | \$ 10.14 | \$ 4.90 | 107.0% |
| Diluted earnings per share | \$ 2.56 | \$ 1.61 | 59.0% | \$ 9.88 | \$ 4.77 | 107.1% |
| Weighted average shares used in per share computations: | | | | | | |
| Basic | 24,656 | 24,419 | | 24,588 | 24,382 | |
| Diluted | 25,234 | 25,106 | | 25,229 | 25,034 | |

Statement of Operations Data (Unaudited)

| | Quarter Ended | | | Nine Months Ended | | |
|-------------------------|---------------|-----------|----------|-------------------|------------|----------|
| | 3/31/2018 | 3/31/2017 | % Change | 3/31/2018 | 3/31/2017 | % Change |
| Operating income margin | 9.3% | 6.2% | | 7.9% | 6.8% | |
| Tax rate | 31.6% | 26.8% | | -9.6% | 33.7% | |
| Net income margin | 5.7% | 3.7% | | 7.6% | 3.7% | |
| 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% | |

*See Reconciliation of Net Income to Earnings before Interest, Taxes, Depreciation and Amortization on page 10.

Selected Financial Data (Continued)

CACI International Inc

Condensed Consolidated Balance Sheets (Unaudited)

(Amounts in thousands)

| | <u>3/31/2018</u> | <u>6/30/2017</u> |
|--|---------------------|---------------------|
| ASSETS: | | |
| Current assets | | |
| Cash and cash equivalents | \$ 55,970 | \$ 65,539 |
| Accounts receivable, net | 820,042 | 757,341 |
| Prepaid expenses and other current assets | 77,335 | 57,022 |
| Total current assets | <u>953,347</u> | <u>879,902</u> |
| Goodwill and intangible assets, net | 2,853,234 | 2,812,806 |
| Property and equipment, net | 100,756 | 91,749 |
| Other long-term assets | 140,063 | 126,625 |
| Total assets | <u>\$ 4,047,400</u> | <u>\$ 3,911,082</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY: | | |
| Current liabilities | | |
| Current portion of long-term debt | \$ 94,438 | \$ 53,965 |
| Accounts payable | 138,597 | 62,874 |
| Accrued compensation and benefits | 234,532 | 239,741 |
| Other accrued expenses and current liabilities | 160,104 | 170,164 |
| Total current liabilities | <u>627,671</u> | <u>526,744</u> |
| Long-term debt, net of current portion | 989,462 | 1,177,598 |
| Other long-term liabilities | 372,192 | 413,019 |
| Total liabilities | <u>1,989,325</u> | <u>2,117,361</u> |
| Shareholders' equity | 2,058,075 | 1,793,721 |
| Total liabilities and shareholders' equity | <u>\$ 4,047,400</u> | <u>\$ 3,911,082</u> |

Selected Financial Data (Continued)

CACI International Inc

Condensed Consolidated Statements of Cash Flows (Unaudited)

(Amounts in thousands)

| | Nine Months Ended | |
|--|-------------------|------------------|
| | <u>3/31/2018</u> | <u>3/31/2017</u> |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net income | \$ 249,340 | \$ 119,440 |
| Reconciliation of net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 53,563 | 53,898 |
| Amortization of deferred financing costs | 3,311 | 3,371 |
| Loss on disposal of fixed assets | - | 975 |
| Stock-based compensation expense | 18,183 | 16,114 |
| (Benefit) provision for deferred income taxes | (69,405) | 6,773 |
| Equity in earnings from unconsolidated ventures | - | (167) |
| Other | - | (1,545) |
| Changes in operating assets and liabilities net of effect of business acquisitions | | |
| Accounts receivable, net | (53,410) | 62,360 |
| Prepaid expenses and other assets | (11,916) | (3,895) |
| Accounts payable and accrued expenses | 68,505 | (31,706) |
| Accrued compensation and benefits | (12,047) | (7,013) |
| Income taxes receivable and payable | (572) | (4,082) |
| Other liabilities | 8,945 | 1,955 |
| Net cash provided by operating activities | <u>254,497</u> | <u>216,478</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Capital expenditures | (31,810) | (34,941) |
| Purchases of businesses, net of cash acquired | (50,368) | (5,786) |
| Proceeds from net working capital refund of acquired business | - | 13,619 |
| Proceeds from equity method investments | - | 4,681 |
| Other | (38) | 1,597 |
| Net cash used in investing activities | <u>(82,216)</u> | <u>(20,830)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Net payments under credit facilities | (150,974) | (178,474) |
| Payment of contingent consideration | (11,553) | - |
| Proceeds from employee stock purchase plans | 3,673 | 3,334 |
| Repurchases of common stock | (3,802) | (3,367) |
| Payment of taxes for equity transactions | (20,692) | (10,580) |
| Net cash used in financing activities | <u>(183,348)</u> | <u>(189,087)</u> |
| Effect of exchange rate changes on cash and cash equivalents | 1,498 | (1,272) |
| Net (decrease) increase in cash and cash equivalents | (9,569) | 5,289 |
| Cash and cash equivalents, beginning of period | 65,539 | 49,082 |
| Cash and cash equivalents, end of period | <u>\$ 55,970</u> | <u>\$ 54,371</u> |

Selected Financial Data (Continued)

Revenue by Customer Type (Unaudited)

| | | Quarter Ended | | | | | |
|---------------------------|--|---------------------|---------------|---------------------|---------------|------------------|-------------|
| (dollars in thousands) | | 3/31/2018 | | 3/31/2017 | | \$ Change | % Change |
| Department of Defense | | \$ 747,203 | 66.5% | \$ 700,212 | 64.4% | \$ 46,991 | 6.7% |
| Federal Civilian Agencies | | 299,309 | 26.6% | 320,269 | 29.5% | (20,960) | -6.5% |
| Commercial and other | | 77,588 | 6.9% | 65,937 | 6.1% | 11,651 | 17.7% |
| Total | | \$ 1,124,100 | 100.0% | \$ 1,086,418 | 100.0% | \$ 37,682 | 3.5% |

| | | Nine Months Ended | | | | | |
|---------------------------|--|---------------------|---------------|---------------------|---------------|------------------|-------------|
| (dollars in thousands) | | 3/31/2018 | | 3/31/2017 | | \$ Change | % Change |
| Department of Defense | | \$ 2,181,495 | 66.1% | \$ 2,077,088 | 64.5% | \$ 104,407 | 5.0% |
| Federal Civilian Agencies | | 902,075 | 27.4% | 942,115 | 29.3% | (40,040) | -4.3% |
| Commercial and other | | 214,204 | 6.5% | 198,025 | 6.2% | 16,179 | 8.2% |
| Total | | \$ 3,297,774 | 100.0% | \$ 3,217,228 | 100.0% | \$ 80,546 | 2.5% |

Revenue by Contract Type (Unaudited)

| | | Quarter Ended | | | | | |
|------------------------|--|---------------------|---------------|---------------------|---------------|------------------|-------------|
| (dollars in thousands) | | 3/31/2018 | | 3/31/2017 | | \$ Change | % Change |
| Cost reimbursable | | \$ 558,937 | 49.7% | \$ 526,350 | 48.4% | \$ 32,587 | 6.2% |
| Fixed price | | 368,491 | 32.8% | 349,722 | 32.2% | 18,769 | 5.4% |
| Time and materials | | 196,672 | 17.5% | 210,346 | 19.4% | (13,674) | -6.5% |
| Total | | \$ 1,124,100 | 100.0% | \$ 1,086,418 | 100.0% | \$ 37,682 | 3.5% |

| | | Nine Months Ended | | | | | |
|------------------------|--|---------------------|---------------|---------------------|---------------|------------------|-------------|
| (dollars in thousands) | | 3/31/2018 | | 3/31/2017 | | \$ Change | % Change |
| Cost reimbursable | | \$ 1,662,066 | 50.4% | \$ 1,556,012 | 48.4% | \$ 106,054 | 6.8% |
| Fixed price | | 1,092,871 | 33.1% | 1,054,176 | 32.7% | 38,695 | 3.7% |
| Time and materials | | 542,837 | 16.5% | 607,040 | 18.9% | (64,203) | -10.6% |
| Total | | \$ 3,297,774 | 100.0% | \$ 3,217,228 | 100.0% | \$ 80,546 | 2.5% |

Revenue Received as a Prime versus Subcontractor (Unaudited)

| | | Quarter Ended | | | | | |
|------------------------|--|---------------------|---------------|---------------------|---------------|------------------|-------------|
| (dollars in thousands) | | 3/31/2018 | | 3/31/2017 | | \$ Change | % Change |
| Prime | | \$ 1,053,017 | 93.7% | \$ 1,007,952 | 92.8% | \$ 45,065 | 4.5% |
| Subcontractor | | 71,083 | 6.3% | 78,466 | 7.2% | (7,383) | -9.4% |
| Total | | \$ 1,124,100 | 100.0% | \$ 1,086,418 | 100.0% | \$ 37,682 | 3.5% |

| | | Nine Months Ended | | | | | |
|------------------------|--|---------------------|---------------|---------------------|---------------|------------------|-------------|
| (dollars in thousands) | | 3/31/2018 | | 3/31/2017 | | \$ Change | % Change |
| Prime | | \$ 3,085,992 | 93.6% | \$ 2,989,051 | 92.9% | \$ 96,941 | 3.3% |
| Subcontractor | | 211,782 | 6.4% | 228,177 | 7.1% | (16,395) | -7.2% |
| Total | | \$ 3,297,774 | 100.0% | \$ 3,217,228 | 100.0% | \$ 80,546 | 2.5% |

Selected Financial Data (Continued)

Contract Funding Orders Received (Unaudited)

| | | Quarter Ended | | | |
|-------------------------|--|-------------------|--------------|-------------|----------|
| | | 3/31/2018 | 3/31/2017 | \$ Change | % Change |
| (dollars in thousands) | | | | | |
| Contract Funding Orders | | \$ 1,099,394 | \$ 1,138,263 | \$ (38,869) | -3.4% |
| | | Nine Months Ended | | | |
| | | 3/31/2018 | 3/31/2017 | \$ Change | % Change |
| (dollars in thousands) | | | | | |
| Contract Funding Orders | | \$ 3,322,097 | \$ 3,052,857 | \$ 269,240 | 8.8% |

Reconciliation of Net Income to Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) (Unaudited)

The Company views Adjusted EBITDA and Adjusted EBITDA margin, both 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. Adjusted EBITDA margin is adjusted EBITDA divided by revenue. These non-GAAP measures should not be considered in isolation or as a substitute for performance measures prepared in accordance with GAAP.

| | | 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% | |

Selected Financial Data (Continued)

Reconciliation of Net Income Excluding the Impact of Tax Reform (Unaudited)

The Company views Net Income excluding the impact of Tax Reform, a non-GAAP measure, as an important indicator of performance, consistent with the manner in which management measures and forecasts the Company's performance. Net Income excluding the impact of Tax Reform is defined as GAAP Net Income adjusted to exclude the impact of Tax Reform. We believe this is an important calculation to show company performance without the benefits of Tax Reform. Management is incented to perform via metrics without the impact of Tax Reform. This non-GAAP measure should not be considered in isolation or as a substitute for performance measures prepared in accordance with GAAP.

| (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 |