

# Investor Presentation

May 2020



# Forward-looking Statements

There are statements made herein that 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 risk factors that could cause actual results to be materially different from anticipated results. These risk factors include, but are not limited to, the following: our reliance on U.S. government contracts, which includes general risk around the government contract procurement process (such as bid protest, small business set asides, loss of work due to organizational conflicts of interest, etc.) and termination risks; significant delays or reductions in appropriations for our programs and broader changes in U.S. government funding and spending patterns; legislation that amends or changes discretionary spending levels or budget priorities, such as for homeland security or to address global pandemics like COVID-19; legal, regulatory, and political change from successive presidential administrations 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, including the impact of global pandemics like COVID-19; 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; competitive factors such as pricing pressures and/or competition to hire and retain employees (particularly those with security clearances); failure to achieve contract awards in connection with re-competes for present business and/or competition for new business; regional and national economic conditions in the United States and globally, including but not limited to: terrorist activities or war, changes in interest rates, currency fluctuations, significant fluctuations in the equity markets, and market speculation regarding our continued independence; our ability to meet contractual performance obligations, including technologically complex obligations dependent on factors not wholly within our control; limited access to certain facilities required for us to perform our work, including during a global pandemic like COVID-19; changes in tax law, the interpretation of associated rules and regulations, or any other events impacting our effective tax rate; changes in technology; 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 ability to achieve the objectives of near term or long-term business plans; the effects of health epidemics, pandemics and similar outbreaks may have material adverse effects on our business, financial position, results of operations and/or cash flows; and other risks described in our Securities and Exchange Commission filings.

# Who We **Are**

**23,000** engineers, scientists, analysts,  
developers, programmers

Our culture and results earn us recognition as a  
*Fortune* World's Most Admired Company

Award-winning technologies

Government Innovation Award winner for both  
counter-UAS technology and Agile Solution Factory

Best for vets



**MilitaryTimes**



Top  
Workplace



(1) Reflects mid-point of FY20 guidance and reflects our views as of April 29, 2020. (2) Reflects our views as of April 29, 2020. See slides at the end of this presentation for definitions and reconciliations of non-GAAP measures, including Adjusted EBITDA.



# What We **Do**

**CACI** delivers **ENTERPRISE** and **MISSION** outcomes to government clients by leveraging **expertise**, **innovation**, and **technology**

## Enterprise

*Capabilities enabling internal agency operations*  
**~\$130B TAM, 5-year CAGR of ~+2%**

## Mission

*Capabilities enabling agency missions*  
**~\$90B TAM, 5-year CAGR of ~+6%**

# Our Framework

Enterprise <i>Capabilities enabling internal agency operations</i>		Mission <i>Capabilities enabling agency missions</i>	
Expertise	Deliver talent with technical and <b>functional</b> knowledge in support of agency operations	Deliver talent with technical and <b>domain</b> knowledge in support of agency missions	
	<p>Design, develop, and deliver <b>end-to-end information technology</b></p> <p>Modernize infrastructure through <b>migration to the cloud</b> and <b>as-a-service models</b></p> <p>Develop and implement <b>business systems</b> and <b>enterprise applications</b></p>	<p>Develop and <b>deploy signals intelligence, electronic warfare, and cyber</b> for multi-domain operations</p> <p>Deliver <b>actionable intelligence</b> through <b>multi-source collection</b> and <b>analysis</b></p> <p>Generate <b>unique intellectual property</b> through advanced research and development</p>	

# Balanced Portfolio Across Quadrants

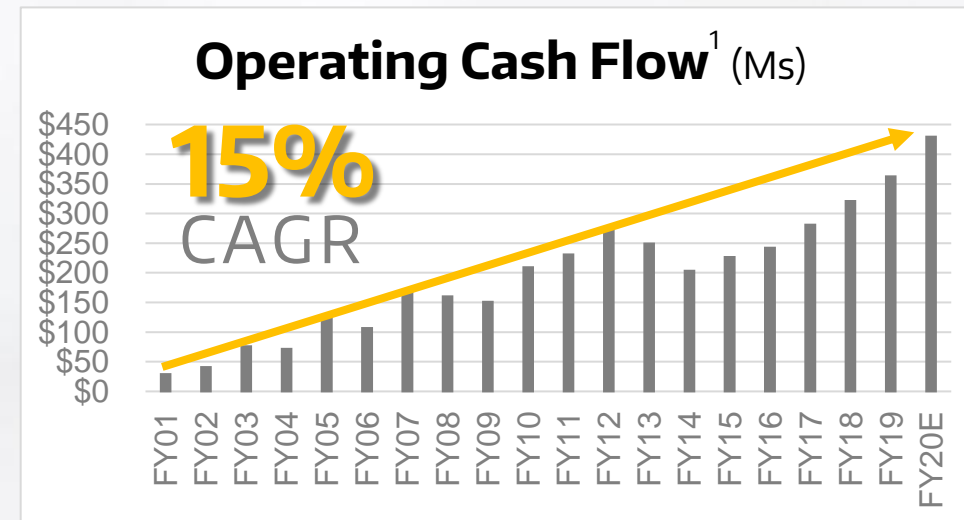
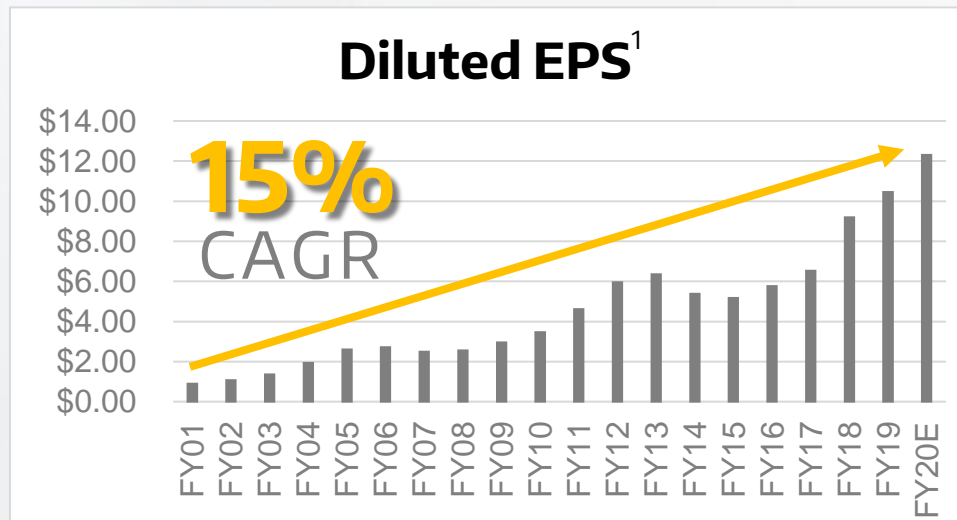
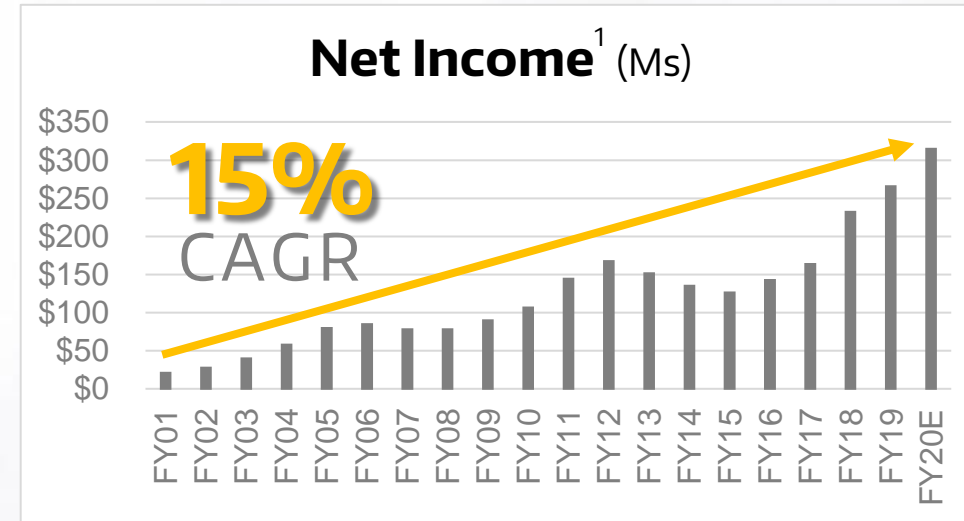
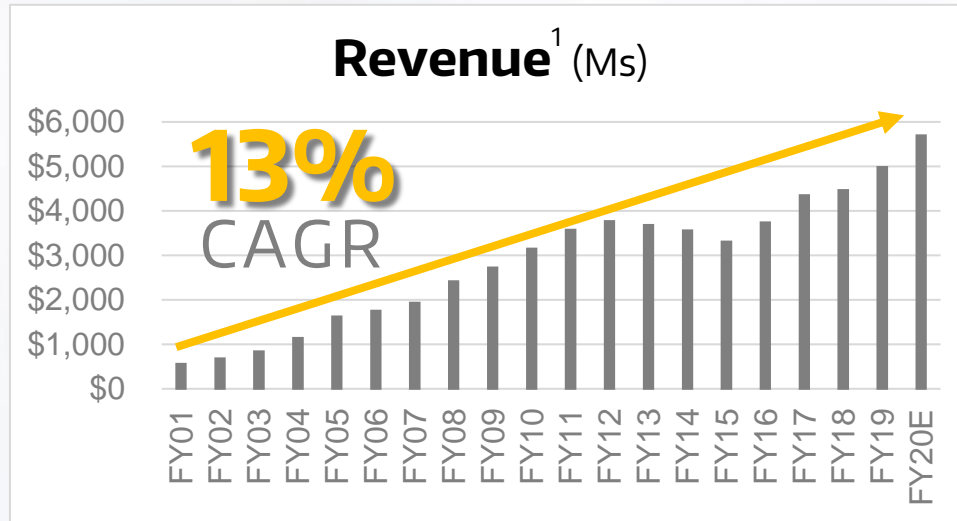
	Enterprise	Mission	Margins
Expertise	~15% OF REVENUE	~35% OF REVENUE	Lower to Mid
Technology	~20% OF REVENUE	~30% OF REVENUE	Mid to High
% of Revenue	~35%	~65%	

# Our Strategy





# Impressive Record of Growth



(1) FY20E reflects the midpoint of guidance and our views as of April 29, 2020. Net Income and Diluted EPS assume a full year of tax reform in FY18 and results from continuing operations. Operating Cash Flow excludes the impact of CACI's MARPA facility. See slides at the end of this presentation for definitions and reconciliations of non-GAAP measures.

# Our **Commitment** to Shareholders

## **Organic Growth**

Grow organic revenue above our addressable market

## **Margin Expansion**

Expand EBITDA margins annually

## **Deploy Capital**

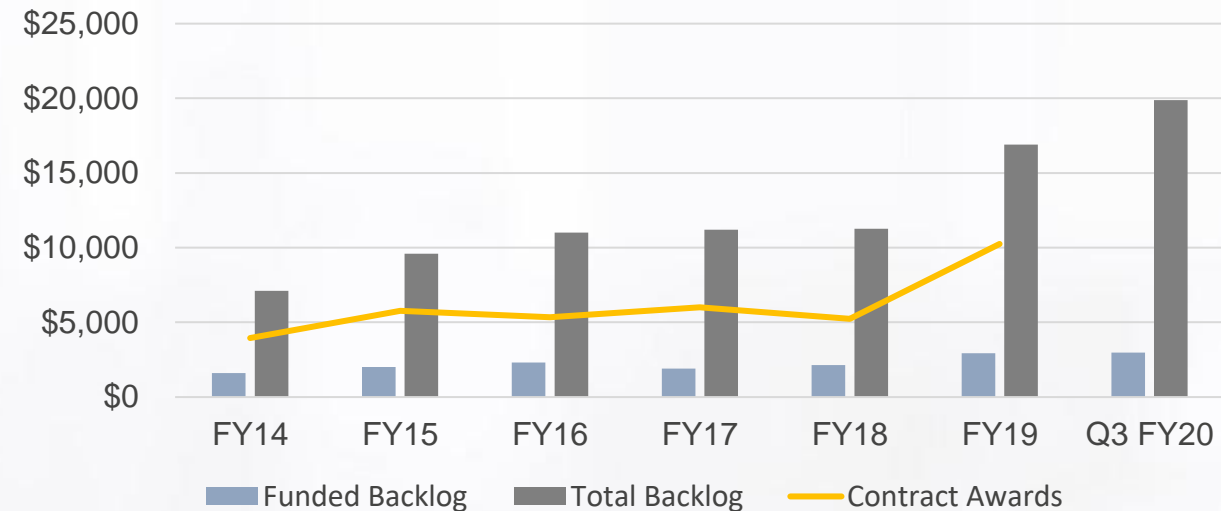
Deploy capital in support of future growth



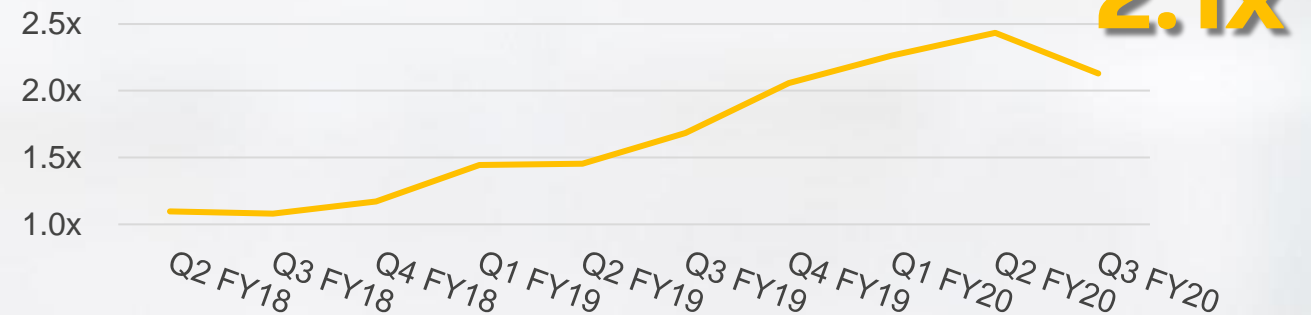
# Successful Business Development Results

- Enhanced business development driving strong awards and backlog
- FY19 win rate of ~70%
- Record awards in FY19; FY20 YTD awards already ~80% of FY19; strong book-to-bill
- Awards support accelerating organic growth in FY20 and beyond
- Longer contract duration and record backlog provides greater long-term visibility

## Backlog and Contract Awards (millions)



## Book-to-Bill (TTM)



# Stable Industry and **Positive** Forward Indicators

## Industry

**Stable** government customer base

Funding **fully appropriated** for GFY20, budget deal through GFY21

National security priorities remain and are **enduring**, even with COVID-19

Vast majority of work performed under **long-term contracts**; government required by law to pay bills on time

CARES Act and department/agency guidance provide support for **continued business operations** despite COVID-19

## CACI

Large and growing addressable market well-aligned with key national security priorities

Q3 FY20 contract awards of **\$1.4 billion**  
*TTM Book-to-Bill of 2.1x*

Q3 FY20 total backlog of **\$19.9 billion**, +34% YoY  
*3.4x annualized Q3 FY20 revenue*

Q3 FY20 pipeline of submitted bids of **\$8.0 billion**  
*>70% for new business to CACI*

Bids expected to be submitted in the next two quarters total **\$17.4 billion**  
*>70% for new business to CACI*

# Committed to Continued **Margin Expansion**

- **Gross Margin Expansion**
  - Higher technology content
  - Leverage of unique, IP-based capabilities that differentiate our approach
  - Bid appropriately and deliver operational excellence (award fees >90%)
  - Improved profitability at the program level
  - Attract and retain talent
- **Overhead Leverage**
  - Manage indirect costs to drive efficiencies
  - Shared Service Center delivers efficiencies to enable investments



# We Are **Investing** *and* Increasing Margins

- Investing in human capital
  - Competitive benefits, training, career progression, internships
- B&P driving our strong awards
- R&D investment to organically add and enhance capabilities
  - R&D spending increasing ~10x in FY20 from FY18
- Internal investments drive efficiencies, cost-savings

**Talent**  
(HR)

**Growth**  
(B&P)

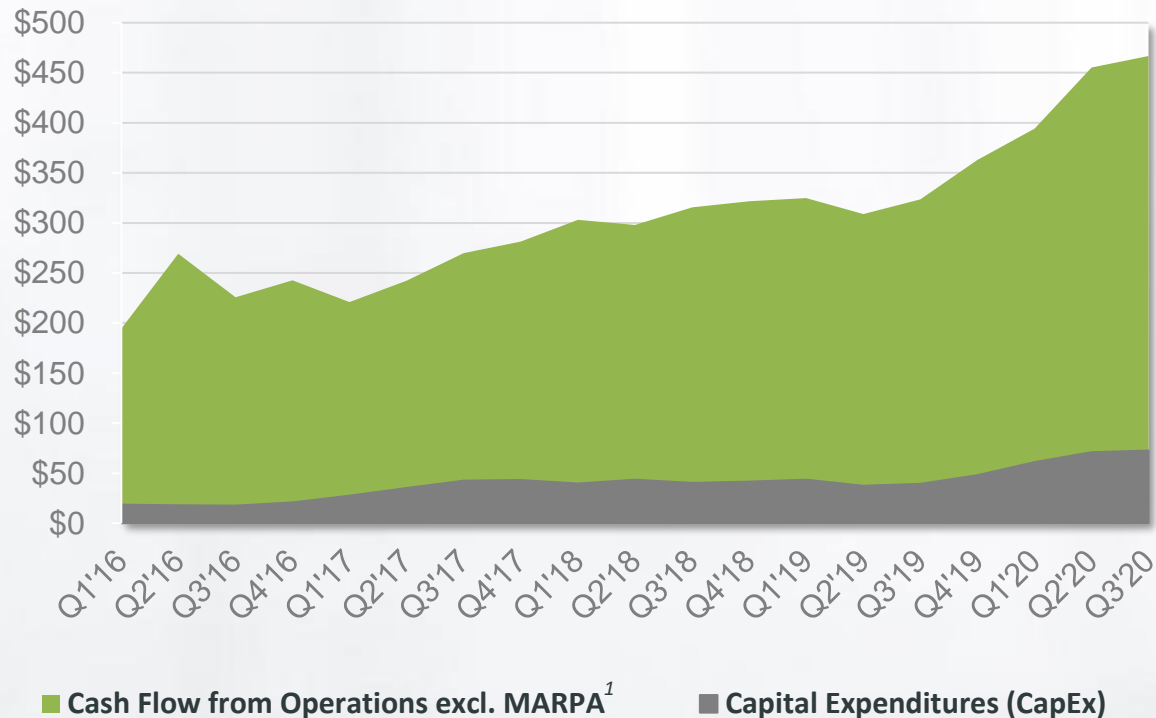
**Capabilities**  
(R&D)

**Efficiency**  
(Internal IT)

**Margin expansion *and* higher investment enabled by higher gross margin and business efficiency, while maintaining competitive rates**

# Resilient Financial Model

**Cash Flow<sup>1</sup> and CapEx**  
(millions, TTM)



- Q3 FY20 net cash provided by operating activities excluding MARPA of **\$125 million<sup>1</sup>**, up 10% year-over-year
- Q3 TTM net cash provided by operating activities excluding MARPA of **\$467 million<sup>1</sup>**, up 44% year-over-year
- Q3 FY20 Days Sales Outstanding of **57 days<sup>1</sup>**
- Q3 FY20 Leverage of **2.8x<sup>2</sup>**
- Significant liquidity available from revolver (**\$835 million**), with reasonable covenants
- **Strong cash flow** supports debt repayment and investments; **ample liquidity** available for unforeseen events and strategic acquisitions

<sup>1</sup> Excludes CACI's Master Accounts Receivable Purchase Agreement (MARPA); See slides at the end of this presentation for definitions and reconciliations of non-GAAP measures.

<sup>2</sup> Net debt to trailing-twelve-months (TTM) Adjusted EBITDA as of March 31, 2020

# Accelerating **Relevance**

**Strategy and timeline drives our decision to:**

Potential Gaps

- ✓ Capability
- ✓ Customer
- ✓ Past Performance



# FY20 Guidance

## FY20 Guidance

**Organic** revenue growth of  
**at least 7%**

FY20 Adjusted EBITDA  
Margin of **~10%**

Tax rate expected to be  
approximately **20%**

Diluted shares outstanding  
expected to be **25.6M**

Includes expected impact of  
COVID-19 as of 4/29/20

**Revenue**  
(millions)

**\$5,600 – \$5,800**

**Net Income**  
(millions)

**\$305 – \$325**

**Diluted EPS**

**\$11.91 – \$12.70**

**Operating Cash Flow<sup>1</sup>**  
(millions)

**At least \$430**

***This guidance represents CACI views as of April 29, 2020. Investors are reminded that actual results may differ from these estimates for reasons described in the Company's Safe Harbor Statement and filings with the SEC.***

*(1) See slides at the end of this presentation for additional information.*

# Proactive Response to COVID-19

**Employees** – our top priority is their health and safety

- Working remotely whenever possible
- Adhering to CDC/customer guidelines; implemented enhanced cleaning procedures

**Customers** – we remain committed to supporting their missions

- Being **flexible** – CACI working with customers to ensure continuity of operations
- Being **agile** – In coordination with two customers, CACI stood up a Temporary SCIF in nine days to support 330 employees

**Communities** – supporting people on the frontlines

- CACI work contributing directly to national response to COVID-19
- **CACI Cares** program launched to support hospitals and food banks

**Shareholders** – managing our business to be financially strong and **enduring**



# Our **Commitment** to ESG Practices



## Environmental

- Proactively reducing environmental impact through the efficient use of energy and materials
- Implementing robust recycling programs and disseminating Energy Star certified appliances across all leased facilities
- Incorporating concepts of LEED design and construction processes, as well as LED lighting across newly built and renovated facilities



## Social

- Reinforcing our commitment to protecting customers' personal information through leading data privacy and security policies and internal compliance training
- Hiring and retaining top talent and fostering a diverse and inclusive work environment through employee engagement programs, affinity groups, mentorship programs and targeted recruitment



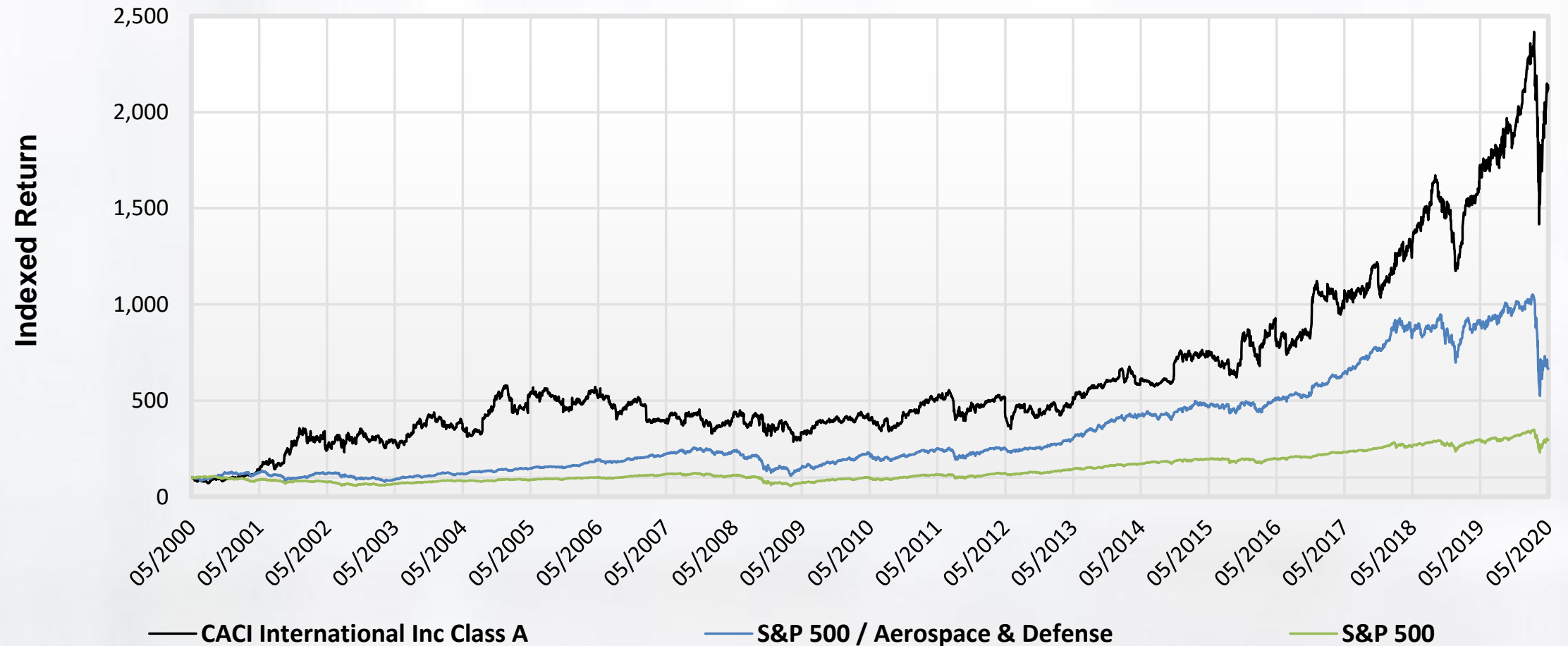
## Governance

- Remaining dedicated to an independent and diverse Board
- Continuing to underline our strategic focus on business ethics and anti-corruption through our Culture, Character, Integrity and Ethics Committee of the Board of Directors
- Providing employees with a formal, anonymous whistleblower system with legal oversight

For more information on our **Corporate Social Responsibility** practices, please go to <https://www.caci.com/corporate-social-responsibility>

# We Are Committed to **Delivering Shareholder Value**

**CACI 20-Year Relative Stock Performance**



*Note: Prices as of May 5, 2020 market close. Graphs depict indexed total return performance where initial index value = 100. The stock price performance included in the graphs above is not necessarily indicative of future stock price performance.*

*Source: FactSet and CACI*



DELIVERING  
**Expertise** and **Technology**  
— TO —  
**Enterprise** and **Mission**  
CUSTOMERS



# Definitions of Non-GAAP Measures

The Company defines net cash provided by operating activities excluding CACI's Master Accounts Receivable Purchase Agreement (MARPA) as net cash provided by operating activities calculated in accordance with GAAP, adjusted to exclude net cash received from CACI's MARPA for the sale of certain designated eligible U.S. government receivables. Under the MARPA, the Company can sell eligible receivables, including certain billed and unbilled receivables up to a maximum amount of \$200.0 million. The Company provides net cash provided by operating activities excluding MARPA to allow investors to more easily compare current period results to prior period results and to results of our peers.

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 expense, including depreciation within direct costs, 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.

The Company views FY18 Non-GAAP Net Income Assuming a Full Year 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. FY18 Non-GAAP Net Income Assuming a Full Year of Tax Reform is defined as GAAP net income excluding (1) the one-time net benefit from Tax Reform consisting of the remeasurement of deferred taxes, partially offset by transition tax on cumulative foreign earnings, and including (2) the application of the new lower federal tax rate of 21% to all of FY18 as if the rate was in effect at that time. We believe that FY18 Non-GAAP Net Income Assuming a Full Year of Tax Reform is useful to investors as it allows investors to more easily compare FY19 results and guidance to FY18 results with a normalized tax rate.

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

# Reconciliation of Net Cash Provided by Operating Activities to Net Cash Provided by Operating Activities Excluding MARPA

(dollars in thousands)

Net cash provided by operating activities

Cash used (provided) by MARPA

Net cash provided by operating activities excluding MARPA

Quarter Ended 3/31/2020	Quarter Ended 3/31/2019
\$ 120,800	\$ 313,301
3,938	(200,000)
\$ 124,738	\$ 113,301

(dollars in thousands)

Net cash provided by operating activities

Cash used (provided) by MARPA

Net cash provided by operating activities excluding MARPA

TTM 3/31/2020	TTM 3/31/2019
\$ 460,281	\$ 523,471
6,501	(200,000)
\$ 466,782	\$ 323,471

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



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

(dollars in thousands)

Net income

Plus:

Income taxes

Interest income and expense, net

Depreciation and amortization expense,  
including depreciation within direct costs

Earnout adjustments

Adjusted EBITDA

## Quarter Ended

3/31/2020	3/31/2019	% Change
\$ 80,577	\$ 68,145	18.2%
19,012	13,297	43.0%
14,087	13,466	4.6%
27,656	21,958	25.9%
100	1,100	-90.9%
\$ 141,432	\$ 117,966	19.9%

## Nine Months Ended

3/31/2020	3/31/2019	% Change
\$ 227,749	\$ 215,574	5.6%
50,659	49,424	2.5%
45,612	31,773	43.6%
83,625	60,912	37.3%
3,000	300	900.0%
\$ 410,645	\$ 357,983	14.7%

(dollars in thousands)

Revenue, as reported

Adjusted EBITDA

Adjusted EBITDA margin

## Quarter Ended

3/31/2020	3/31/2019	% Change
\$ 1,465,600	\$ 1,264,958	15.9%
141,432	117,966	19.9%
9.7%	9.3%	

## Nine Months Ended

3/31/2020	3/31/2019	% Change
\$ 4,224,461	\$ 3,612,463	16.9%
410,645	357,983	14.7%
9.7%	9.9%	

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

# Reconciliation of FY18 Non-GAAP Net Income Assuming a Full Year of Tax Reform

	Q1 9/30/2017		Q2 12/31/2017		Q3 3/31/2018		Q4 6/30/2018	
(Amounts in thousands, except per share amounts)	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS
Net income, as reported	\$ 42,046	\$ 1.67	\$ 142,795	\$ 5.66	\$ 64,499	\$ 2.56	\$ 51,831	\$ 2.05
Remeasurement of deferred taxes	-	-	(94,831)	(3.76)	-	-	(1,438)	(0.06)
Transition tax on foreign earnings	-	-	9,676	0.38	-	-	-	-
Impact of tax rate change for full year	4,853	0.19	2,347	0.10	6,737	0.26	3,716	0.15
FY18 Adjusted Net Income Assuming a Full Year of Tax Reform	<u>\$ 46,899</u>	<u>\$ 1.86</u>	<u>\$ 59,987</u>	<u>\$ 2.38</u>	<u>\$ 71,236</u>	<u>\$ 2.82</u>	<u>\$ 54,109</u>	<u>\$ 2.14</u>

	Three Months Ended 9/30/2017		Six Months Ended 12/31/2017		Nine Months Ended 3/31/2018		Twelve Months Ended 6/30/2018	
(Amounts in thousands, except per share amounts)	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS
Net income, as reported	\$ 42,046	\$ 1.67	\$ 184,841	\$ 7.33	\$ 249,340	\$ 9.88	\$ 301,171	\$ 11.93
Remeasurement of deferred taxes	-	-	(94,831)	(3.76)	\$ (94,831)	(3.76)	(96,269)	(3.81)
Transition tax on foreign earnings	-	-	9,676	0.38	9,676	0.38	9,676	0.38
Impact of tax rate change for full year	4,853	0.19	7,200	0.29	13,937	0.55	17,653	0.70
FY18 Adjusted Net Income Assuming a Full Year of Tax Reform	<u>\$ 46,899</u>	<u>\$ 1.86</u>	<u>\$ 106,886</u>	<u>\$ 4.24</u>	<u>\$ 178,122</u>	<u>\$ 7.06</u>	<u>\$ 232,231</u>	<u>\$ 9.20</u>

Note: Amounts may not add due to rounding

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