Q1 2025 Earnings Supplemental Materials

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Safe Harbor

Certain statements made in this news release are “forward-looking statements” within the meaning of Section 27A of the Securities Exchange Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking information includes estimates of the company’s future financial and operating performance.

Certain data and statements in this presentation, other than those setting forth strictly historical information, are forward-looking and are not guarantees of future performance. Actual results from these estimates might differ materially. Forward-looking information includes estimates of future financial and operating performance. Our future performance is subject to various risks and uncertainties, which are set forth in our reports filed with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2024, as filed with the SEC on February 24, 2025. We specifically disclaim any intention or duty to update any forward-looking information contained in this presentation.

Notes to the financial and operating information (page 13) are an integral part of the information presented herein.

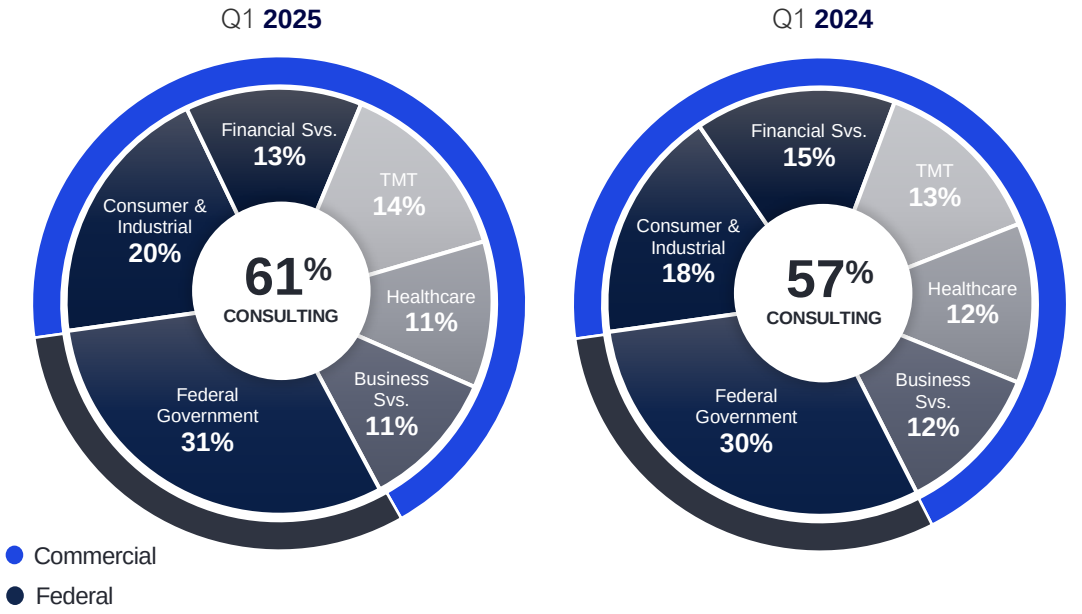
Summary Consolidated Financial Data

($'s in millions, except per share data)

Operating Data

	Q1	
	2025	2024
Operating Results		
Revenues	$ 968.3	$ 1,049.0
Gross Profit	275.4	296.2
Net Income	20.9	38.1
Adjusted Net Income	40.4	54.6
Adjusted EBITDA	93.6	108.3
Margins		
Gross	28.4%	28.2%
Adjusted EBITDA	9.7%	10.3%
Earnings per Share - Diluted		
Income per Share	$ 0.48	$ 0.81
Adjusted Net Income	$ 0.92	$ 1.16
Diluted Shares	44.0	46.9

Revenue Mix



Balance Sheet & Other

	3/31/25	12/31/24
Cash & Cash Equivalents	$ 107.0	$ 205.2
Working Capital	$ 508.1	$ 550.6
Long-Term Debt:		
Senior Secured Debt	$ 732.6	$ 483.5
Senior Fixed Rate Unsecured Notes	550.0	550.0
	$ 1,282.6	$ 1,033.5
Stockholders' Equity	$ 1,793.3	$ 1,776.7

Total Leverage Ratio	**2.86 to 1**
Net Leverage Ratio	**2.62 to 1**

Cash Flow Data

	Q1		
	2025	2024	CHANGE
Cash Flows from Operating Activities:			
Before Changes in Operating Assets and Liabilities	$ 66.4	$ 77.4	(14.2%)
Changes in Operating Assets and Liabilities, Net	(49.6)	(4.1)	N/M
Cash provided by Operating Activities	**$ 16.8**	**$ 73.3**	**(77.1%)**
Capital Expenditures	**(10.2)**	**(10.8)**	**(5.6%)**
Free Cash Flow (non-GAAP measure)	**$ 6.6**	**$ 62.5**	**(89.4%)**
Cash used for Stock Repurchases	**$ 50.4**	**$ 79.7**	**(36.8%)**
Cash used for Acquisitions	**$ 306.1**	**$ -**	**N/M**

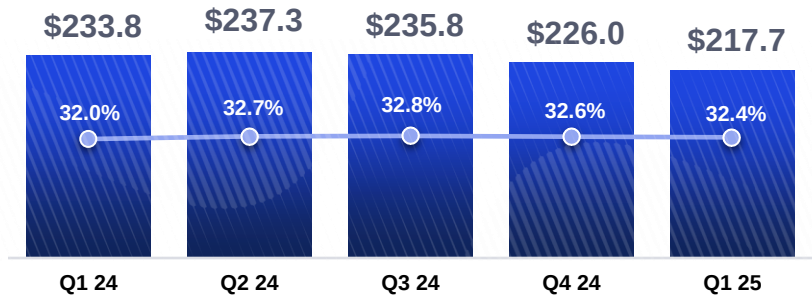
Commercial Segment Key Metrics

($'s in millions)

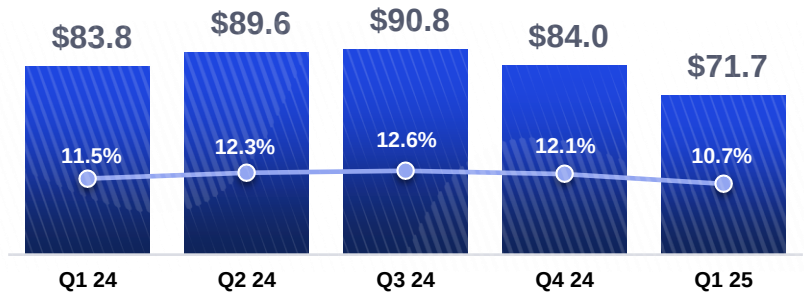
Revenues by Type



Gross Profit & Margin



Adjusted EBITDA & Margin



Revenues by Industry Vertical

	Q1 2025 CHANGE	
	Seq	Y-Y
Consumer & Industrial	0.6%	5.2%
TMT (Technology, Media & Telecom)	-3.3%	-1.5%
Financial Services	-9.8%	-18.9%
Business & Government Services	-1.6%	-14.3%
Healthcare	-1.1%	-15.3%

Commercial Consulting Metrics

	Q1 2025	Q4 2024	Q1 2024
Bookings	$ 336.9	$ 348.2	$ 323.2
TTM Book-to-Bill Ratio	1.1 to 1	1.1 to 1	1.2 to 1

Federal Segment Key Metrics

($'s in millions)

Revenues & Gross Profit

	Q1 2025	Q1 2024	CHANGE Y-Y
Revenues	$ 296.1	$ 317.5	-6.7%
Gross Profit	$ 57.7	$ 62.4	-7.5%

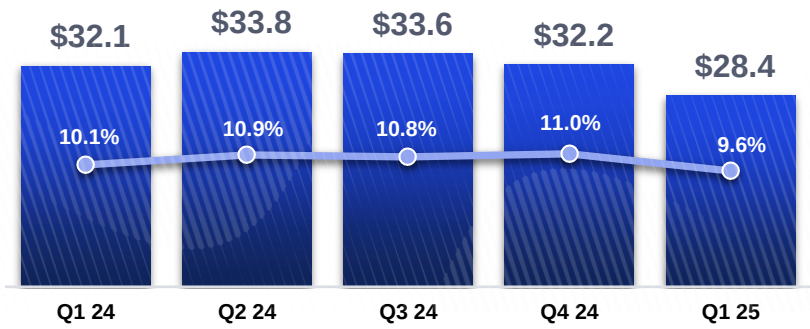
Revenues by Contract Type

	Q1 2025	Q1 2024
Firm-Fixed-Price	30.4%	28.1%
Time and Materials	42.6%	41.3%
Cost Reimbursable	27.0%	30.6%

Revenues by Customer Type

	Q1 2025	Q1 2024
Defense and Intel	43.5%	47.3%
Federal Civilian	38.0%	38.0%
Department of Homeland Security	15.4%	11.7%
Other	3.1%	3.0%

Adjusted EBITDA & Margin



Contract Backlog

	3/31/2025	12/31/2024	3/31/2024
Funded Backlog	$ 501.2	$ 529.0	$ 520.8
Unfunded Backlog	2,664.4	2,589.6	2,368.4
Total	**$ 3,165.6**	**$ 3,118.6**	**$ 2,889.2**

Federal Government Segment Metrics

	Q1 2025	Q4 2024	Q1 2024
New Contract Awards	$ 343.1	$ 282.5	$ 197.3
TTM Book-to-Bill Ratio	1.2 to 1	1.1 to 1	0.9 to 1
Backlog Coverage Ratio	2.6x	2.5x	2.2x

Q2 2025 Financial Estimates

($'s in millions, except per share amounts)

		LOW	HIGH
Key Assumptions	Revenues	$985.0 — $1,015.0	
	Y-Y Revenue Change	(4.8%) — (1.9%)	
	Gross Margin	29.0% — 29.3%	
	SG&A expenses	$209.8 — $214.2	
	Net Income	$29.3 — $34.3	
	Earnings per diluted share	$0.66 — $0.78	
	Non-GAAP Financial Measures		
	Adjusted EBITDA	$101.0 — $108.0	
	Adjusted Net Income	$45.5 — $50.5	
	Adjusted Net Income per diluted share	$1.03 — $1.14	
	Adjusted EBITDA Margin	10.3% — 10.6%	
Additional Assumptions	Stock-based compensation	$14.0	
	Depreciation and other amortization	$10.9	
	Amortization of intangible assets	$16.9	
	Interest expense	$18.5	
	Effective tax rate	28.0%	
	Billable Days	63.25	

Appendix

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Selected Financial Data

($ in millions, except per share amounts)	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2023 FY	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2024 FY	2025 Q1
Commercial											
Assignment	$ 560.4	$ 530.2	$ 508.2	$ 480.1	$ 2,078.9	$ 454.5	$ 444.2	$ 433.8	$ 408.0	$ 1,740.5	$ 382.1
Consulting	271.7	281.1	274.2	268.5	1,095.5	277.0	281.5	285.0	284.7	1,128.2	290.1
	832.1	811.3	782.4	748.6	3,174.4	731.5	725.7	718.8	692.7	2,868.7	672.2
Federal Government	296.7	319.6	334.4	325.5	1,276.2	317.5	309.0	312.2	292.3	1,231.0	296.1
Consolidated	$ 1,128.8	$ 1,130.9	$ 1,116.8	$ 1,074.1	$ 4,450.6	$ 1,049.0	$ 1,034.7	$ 1,031.0	$ 985.0	$ 4,099.7	$ 968.3
Revenue Growth Rates (Year-over-Year):											
Commercial											
Assignment	-10.8%	-15.6%	-19.5%	-18.4%	-16.0%	-18.9%	-16.2%	-14.6%	-15.0%	-16.3%	-15.9%
Consulting	32.7%	26.5%	2.1%	1.7%	14.2%	2.0%	0.1%	3.9%	6.0%	3.0%	4.7%
Total Commercial	-0.1%	-4.6%	-13.1%	-12.2%	-7.6%	-12.1%	-10.6%	-8.1%	-7.5%	-9.6%	-8.1%
Federal Government	15.0%	9.8%	12.3%	9.2%	11.4%	7.0%	-3.3%	-6.6%	-10.2%	-3.5%	-6.7%
Consolidated	3.5%	-1.0%	-6.8%	-6.6%	-2.8%	-7.1%	-8.5%	-7.7%	-8.3%	-7.9%	-7.7%
Revenues by Industry Vertical:											
Consumer & Industrial	18.0%	17.5%	17.3%	17.7%	17.6%	17.7%	18.5%	18.8%	19.7%	18.6%	20.1%
Financial Services	17.4%	17.0%	16.5%	15.8%	16.7%	15.2%	14.5%	14.6%	14.6%	14.8%	13.4%
Technology, Media & Telecom	13.6%	12.5%	12.0%	12.6%	12.7%	13.3%	14.6%	14.4%	14.5%	14.2%	14.2%
Healthcare	13.0%	13.1%	12.9%	12.9%	13.0%	12.1%	11.1%	10.9%	11.0%	11.3%	11.1%
Business Services	11.6%	11.6%	11.4%	10.7%	11.3%	11.4%	11.4%	11.0%	10.5%	11.1%	10.6%
Federal Government	26.3%	28.3%	29.9%	30.3%	28.7%	30.3%	29.9%	30.3%	29.7%	30.0%	30.6%
Consolidated	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Billable Days	63.00	63.25	62.50	60.00	248.75	62.75	63.50	63.50	61.00	250.75	62.00
Revenues Per Billable Day (Commercial Segment)	$ 13.2	$ 12.8	$ 12.5	$ 12.5	$ 12.8	$ 11.7	$ 11.4	$ 11.3	$ 11.4	$ 11.4	$ 10.8
Revenues Per Billable Day (Consolidated)	$ 17.9	$ 17.9	$ 17.9	$ 17.9	$ 17.9	$ 16.7	$ 16.3	$ 16.2	$ 16.1	$ 16.3	$ 15.6
Statements of Operations											
Revenues	$ 1,128.8	$ 1,130.9	$ 1,116.8	$ 1,074.1	$ 4,450.6	$ 1,049.0	$ 1,034.7	$ 1,031.0	$ 985.0	$ 4,099.7	$ 968.3
Costs of services	802.4	804.6	794.4	769.2	3,170.6	752.8	733.6	730.6	699.0	2,916.0	692.9
Gross profit	326.4	326.3	322.4	304.9	1,280.0	296.2	301.1	300.4	286.0	1,183.7	275.4
Selling, general and administrative expenses	224.1	210.5	206.0	203.6	844.2	210.2	205.6	207.5	197.9	821.2	214.5
Amortization of intangible assets	18.1	17.9	17.8	17.9	71.7	15.1	15.1	14.0	13.9	58.1	14.3
Operating income	84.2	97.9	98.6	83.4	364.1	70.9	80.4	78.9	74.2	304.4	46.6
Interest expense	(15.4)	(15.8)	(18.5)	(16.7)	(66.4)	(17.6)	(15.8)	(16.0)	(14.9)	(64.3)	(15.4)
Income before income taxes	68.8	82.1	80.1	66.7	297.7	53.3	64.6	62.9	59.3	240.1	31.2
Provision for income taxes	19.3	22.0	20.7	16.4	78.4	15.2	17.4	15.4	16.9	64.9	10.3
Net income	$ 49.5	$ 60.1	$ 59.4	$ 50.3	$ 219.3	$ 38.1	$ 47.2	$ 47.5	$ 42.4	$ 175.2	$ 20.9
Earnings per share - Diluted	$ 0.99	$ 1.22	$ 1.23	$ 1.06	$ 4.50	$ 0.81	$ 1.02	$ 1.06	$ 0.95	$ 3.83	$ 0.48
Diluted Shares	49.8	49.2	48.4	47.5	48.7	46.9	46.1	45.0	44.5	45.7	44.0
Cash provided by operating activities	$ 80.5	$ 112.5	$ 147.5	$ 116.4	$ 456.9	$ 73.3	$ 90.7	$ 135.8	$ 100.2	$ 400.0	$ 16.8
Free Cash Flow (non-GAAP measure)	$ 68.8	101.3	137.7	109.2	417.0	62.5	85.4	127.9	88.9	364.7	6.6

Reconciliations of GAAP to Non-GAAP Measures

($ in millions, except per share amounts)	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2023 FY	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2024 FY	2025 Q1
Free Cash Flow											
Cash provided by operating activities	$ 80.5	$ 112.5	$ 147.5	$ 116.4	$ 456.9	$ 73.3	$ 90.7	$ 135.8	$ 100.2	$ 400.0	$ 16.8
Capital expenditures	(11.7)	(11.2)	(9.8)	(7.2)	(39.9)	(10.8)	(5.3)	(7.9)	(11.3)	(35.3)	(10.2)
Free Cash Flow (non-GAAP measure)	$ 68.8	$ 101.3	$ 137.7	$ 109.2	$ 417.0	$ 62.5	$ 85.4	$ 127.9	$ 88.9	$ 364.7	$ 6.6
Reconciliation of Net Income to Adjusted EBITDA											
Net income	$ 49.5	$ 60.1	$ 59.4	$ 50.3	$ 219.3	$ 38.1	$ 47.2	$ 47.5	$ 42.4	$ 175.2	$ 20.9
Interest expense	15.4	15.8	18.5	16.7	66.4	17.6	15.8	16.0	14.9	64.3	15.4
Provision for income taxes	19.3	22.0	20.7	16.4	78.4	15.2	17.4	15.4	16.9	64.9	10.3
Depreciation and other amortization	6.8	7.0	7.0	7.8	28.6	9.4	9.4	9.4	10.0	38.2	11.2
Amortization of intangible assets	18.1	17.9	17.8	17.9	71.7	15.1	15.1	14.0	13.9	58.1	14.3
EBITDA (non-GAAP measure)	109.1	122.8	123.4	109.1	464.4	95.4	104.9	102.3	98.1	400.7	72.1
Stock-based compensation	12.1	11.3	10.3	10.3	44.0	11.7	11.0	9.9	9.7	42.3	13.8
Legal settlement expense	-	-	2.7	-	2.7	-	-	3.6		3.6	-
Acquisition, integration and strategic planning expenses	2.3	1.1	1.1	1.6	6.1	1.2	1.2	1.1	1.9	5.4	3.3
Software costs write-off	-	-	-	-	-	-	-	-	-	-	4.4
Adjusted EBITDA (non-GAAP measure)	$ 123.5	$ 135.2	$ 137.5	$ 121.0	$ 517.2	$ 108.3	$ 117.1	$ 116.9	$ 109.7	$ 452.0	$ 93.6
Adjusted EBITDA Margin (non-GAAP measure)	10.9%	12.0%	12.3%	11.3%	11.6%	10.3%	11.3%	11.3%	11.1%	11.0%	9.7%
Reconciliation of Net Income to Adjusted Net Income											
Net income	$ 49.5	$ 60.1	$ 59.4	$ 50.3	$ 219.3	$ 38.1	$ 47.2	$ 47.5	$ 42.4	$ 175.2	$ 20.9
Legal settlement expense	-	-	2.7	-	2.7	-	-	3.6	-	3.6	-
Acquisition, integration and strategic planning expenses	2.3	1.1	1.1	1.6	6.1	1.2	1.2	1.1	1.9	5.4	3.3
Software costs write-off	-	-	-	-	-	-	-	-	-	-	4.4
Credit facility amendment expenses	-	-	2.3	-	2.3	1.5	-	-	-	1.5	-
Tax effect on adjustments	(0.6)	(0.3)	(1.6)	(0.4)	(2.9)	(0.7)	(0.3)	(1.3)	(0.5)	(2.8)	(1.9)
Non-GAAP net income	51.2	60.9	63.9	51.5	227.5	40.1	48.1	50.9	43.8	182.9	26.7
Amortization of intangible assets	18.1	17.9	17.8	17.9	71.7	15.1	15.1	14.0	13.9	58.1	14.3
Other	(0.6)	(0.6)	(0.6)	(0.6)	(2.4)	(0.6)	(0.6)	(0.6)	(0.6)	(2.4)	(0.6)
Adjusted Net Income (non-GAAP measure)	$ 68.7	$ 78.2	$ 81.1	$ 68.8	$ 296.8	$ 54.6	$ 62.6	$ 64.3	$ 57.1	$ 238.6	$ 40.4
Adjusted earnings per share - Diluted (non-GAAP measure)	$ 1.38	$ 1.59	$ 1.68	$ 1.45	$ 6.09	$ 1.16	$ 1.36	$ 1.43	$ 1.28	$ 5.22	$ 0.92
Cash tax savings on indefinite-lived intangible assets	$ 8.5	$ 8.5	$ 8.5	$ 8.5	$ 34.0	$ 8.5	$ 8.5	$ 8.5	$ 8.5	$ 34.0	$ 8.9

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Commercial Segment

($ in millions)	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2023 FY	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2024 FY	2025 Q1
Revenues by Type:											
Assignment	$ 560.4	$ 530.2	$ 508.2	$ 480.1	$ 2,078.9	$ 454.5	$ 444.2	$ 433.8	$ 408.0	$ 1,740.5	$ 382.1
Consulting	271.7	281.1	274.2	268.5	1,095.5	277.0	281.5	285.0	284.7	1,128.2	290.1
	832.1	811.3	782.4	748.6	3,174.4	731.5	725.7	718.8	692.7	2,868.7	672.2
Gross Margin	31.5%	32.2%	32.5%	32.1%	32.1%	32.0%	32.7%	32.8%	32.6%	32.5%	32.4%
Adjusted EBITDA	$ 97.4	$ 105.0	$ 107.6	$ 91.5	$ 401.5	$ 83.8	$ 89.6	$ 90.8	$ 84.0	$ 348.2	$ 71.7
Adjusted EBITDA Margin	11.7%	12.9%	13.8%	12.2%	12.6%	11.5%	12.3%	12.6%	12.1%	12.1%	10.7%
Revenue Growth Rates (Year-over-Year):											
Assignment	-10.8%	-15.6%	-19.5%	-18.4%	-16.0%	-18.9%	-16.2%	-14.6%	-15.0%	-16.3%	-15.9%
Consulting	32.7%	26.5%	2.1%	1.7%	14.2%	2.0%	0.1%	3.9%	6.0%	3.0%	4.7%
Total Commercial	-0.1%	-4.6%	-13.1%	-12.2%	-7.6%	-12.1%	-10.6%	-8.1%	-7.5%	-9.6%	-8.1%
Revenue Mix:											
Assignment	67.3%	65.4%	65.0%	64.1%	65.5%	62.1%	61.2%	60.4%	58.9%	60.7%	56.8%
Consulting	32.7%	34.6%	35.0%	35.9%	34.5%	37.9%	38.8%	39.6%	41.1%	39.3%	43.2%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Commercial Consulting:											
Bookings	$ 391.9	$ 357.3	$ 291.0	$ 311.7	$ 1,351.9	$ 323.2	$ 327.4	$ 282.5	$ 348.2	$ 1,281.3	$ 336.9
Book-to-Bill Ratio (bookings/revenue)	1.4x	1.3x	1.1x	1.2x	1.2x	1.2x	1.2x	1.0x	1.2x	1.1x	1.2x
TTM Book-to-Bill Ratio	1.3x	1.2x	1.2x	1.2x	1.2x	1.2x	1.2x	1.1x	1.1x	1.1x	1.1x

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Federal Government Segment

($ in millions)	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2023 FY	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2024 FY	2025 Q1
Revenues	$ 296.7	$ 319.6	$ 334.4	$ 325.5	$ 1,276.2	$ 317.5	$ 309.0	$ 312.2	$ 292.3	$ 1,231.0	$ 296.1
Gross Margin	21.6%	20.5%	20.4%	19.9%	20.6%	19.7%	20.6%	20.7%	20.5%	20.4%	19.5%
Adjusted EBITDA	$ 33.3	$ 35.9	$ 37.8	$ 34.9	$ 141.9	$ 32.1	$ 33.8	$ 33.6	$ 32.2	$ 131.7	$ 28.4
Adjusted EBITDA Margin	11.2%	11.2%	11.3%	10.7%	11.1%	10.1%	10.9%	10.8%	11.0%	10.7%	9.6%
Revenue Growth Rate (Year-over-Year)	15.0%	9.8%	12.3%	9.2%	11.4%	7.0%	-3.3%	-6.6%	-10.2%	-3.5%	-6.7%
Revenues by Contract Type:											
Firm-Fixed-Price	31.3%	30.6%	32.1%	27.3%	30.3%	28.1%	29.8%	29.7%	32.1%	29.9%	30.4%
Time and Materials	41.1%	40.4%	37.9%	39.0%	39.6%	41.3%	44.1%	41.0%	43.3%	42.4%	42.6%
Cost Reimbursable	27.6%	29.0%	30.0%	33.7%	30.1%	30.6%	26.1%	29.3%	24.6%	27.7%	27.0%
	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Revenues by Customer Type:											
Defense and Intel	44.8%	48.5%	49.3%	49.7%	48.2%	47.3%	45.8%	45.3%	43.4%	45.5%	43.5%
Federal Civilian	40.3%	38.0%	36.1%	36.4%	37.6%	38.0%	39.5%	38.9%	39.3%	38.9%	38.0%
Department of Homeland Security *	11.3%	10.7%	11.6%	10.7%	11.1%	11.7%	10.8%	12.3%	13.5%	12.1%	15.4%
Other	3.6%	2.8%	3.0%	3.2%	3.1%	3.0%	3.9%	3.5%	3.8%	3.5%	3.1%
	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Contract Backlog at Period End:											
Funded	$ 559.8	$ 595.3	$ 701.0	$ 543.5	$ 543.5	$ 520.8	$ 510.6	$ 612.2	$ 529.0	$ 529.0	$ 501.2
Unfunded	2,482.2	2,516.6	2,577.8	2,466.0	2,466.0	2,368.4	2,263.8	2,516.3	2,589.6	2,589.6	2,664.4
Total	$ 3,042.0	$ 3,111.9	$ 3,278.8	$ 3,009.5	$ 3,009.5	$ 2,889.2	$ 2,774.4	$ 3,128.5	$ 3,118.6	$ 3,118.6	$ 3,165.6
New Contract Awards	$ 75.2	$ 389.5	$ 501.2	$ 56.3	$ 1,022.2	$ 197.3	$ 194.3	$ 666.4	$ 282.5	$ 1,340.5	$ 343.1
TTM Ratios:											
Book-to-Bill	0.9x	0.9x	0.9x	0.8x	0.8x	0.9x	0.7x	0.9x	1.1x	1.1x	1.2x
Backlog Coverage	2.6x	2.6x	2.6x	2.4x	2.4x	2.2x	2.2x	2.5x	2.5x	2.5x	2.6x

***In prior periods, Department of Homeland Security revenues were included in Federal Civilian revenues.**

Billable Days

	Q1	Q2	Q3	Q4	FY
2025	62.00	63.25	63.50	61.00	249.75
2024	62.75	63.50	63.50	61.00	250.75
2025 vs 2024	(0.75)	(0.25)	-	-	(1.00)
Sequential (2025)	1.00	1.25	0.25	(2.50)	(1.00)
Sequential (2024)	2.75	0.75	-	(2.50)	2.00

Notes

1. This presentation includes non-GAAP financial measures. Reconciliations from the comparable GAAP measures to the non-GAAP measures are included in the Appendix of this presentation. A description of these non-GAAP financial measures are included in the earnings release for this quarter of 2024.
2. Assignment revenues include Permanent Placement and Conversion Fees.
3. Total Leverage Ratio is total debt to lender defined trailing twelve months of EBITDA ("lender defined EBITDA"). The calculation for lender-defined EBITDA can be found in the credit agreement filed with the SEC on November 2, 2023. Net Leverage Ratio is total debt less cash to lender-defined EBITDA.
4. The revolving credit facility available balance is $246.3 million after adjusting for outstanding letters of credit.
5. Verticals broadly defined as:
    - Financial Services: banks, thrifts & mortgage services, consumer finance, capital markets, financial technology, insurance, and investment firms
    - TMT (Technology, Media & Telco): software applications & systems, services excluding consulting & data processing/outsourced services, hardware manufacturing & services, equipment & electronic manufacturing services, diversified Telco including wired/wireless Telco services; media, entertainment and interactive media/services
    - Consumer & Industrials: consumer staples, consumer discretionary, energy, materials, utility & real estate
    - Business & Government Services: contractors, federal government agencies and state and local government, aerospace, professional services, human resource & employment, data processing & outsourced services, IT consulting, and other services
    - Healthcare: equipment & service providers and payers, health insurance administrators operating as diversified healthcare companies, biotechnology, pharmaceuticals and life science tools & services
6. Contract backlog represents the estimated amount of future revenues to be recognized under negotiated contracts and task orders as work is performed. Contract backlog excludes awards which have been protested by competitors until the protest is resolved in our favor. Contract backlog is segregated into two categories, funded contract backlog and negotiated unfunded contract backlog. There is no assurance our contract backlog will result in future revenues.
7. Funded contract backlog for contracts with U.S. government agencies primarily represents contracts for which funding has been formally awarded less revenues previously recognized on these contracts. Backlog does not include the unfunded portion of contracts where funding is incrementally awarded or authorized by the U.S. government. Backlog for contracts with non-government agencies represents the estimated value of contracts, which may cover multiple future years, less revenues previously recognized on these contracts.
8. Negotiated unfunded contract backlog represents the estimated future revenues to be earned from negotiated contract awards for which funding has not been awarded or authorized, and unexercised priced contract options. Negotiated unfunded contract backlog does not include any estimate of future potential task orders expected to be awarded under indefinite delivery, indefinite quantity (IDIQ), U.S. General Services Administration (GSA) schedules or other master agreement contract vehicles.
9. Backlog coverage ratio is calculated by dividing total contract backlog by trailing twelve months revenue.
10. New contract awards are defined as the estimated amount of future revenues to be recognized under contracts awarded during a specified period, including adjustments to estimates for contracts awarded in previous periods. There is no assurance our new contract awards will result in future revenues.
11. The book-to-bill ratio for the Federal Government Segment is the ratio of New Contract Awards to revenues for a specified period.
12. Bookings for the Commercial Segment's consulting revenues is the amount of work won in the quarter.
13. Book-to-bill ratio for the Commercial Segment's consulting revenues is calculated as Bookings (as defined above) divided by revenues.
14. Other amortization is related to capitalized cloud-based application implementation costs, included in SG&A expenses.