Booz | Allen | Hamilton®

BOOZ ALLEN HAMILTON ANNOUNCES 4TH QUARTER AND FULL YEAR FISCAL 2019 RESULTS

- **+ Company Delivers Highest Annual Revenue and Earnings, Advancing Strongly Toward Three-Year Goals**
- **+ Annual Revenue Increase of 8.7 percent to a record $6.7 billion, and Revenue, Excluding Billable Expenses[1] Growth of 9.1 percent**
- **+ Annual Diluted Earnings Per Share of $2.91 and Adjusted Diluted Earnings Per Share[1] of $2.76**
- **+ 20.6 percent Increase in Total Backlog to $19.3 billion; and Annual Book-to-Bill of 1.49x**
- **+ Annual Headcount Increase of 5.8 percent, Adding 1,430 More Employees**
- **+ Quarterly Dividend of $0.23 per Share**

"We had a fantastic year. Technology adoption in government is accelerating, which means client demand is stronger than we've seen in years, particularly for our offerings. Across our growing business, clients are looking to gain value from today's technology and to envision what technology will be able to do for them in the future. We are uniquely qualified to partner with them and very proud to advance critical missions."

—HORACIO ROZANSKI
President and Chief Executive Officer

McLean, Virginia; May 28, 2019 - Booz Allen Hamilton Holding Corporation (NYSE: BAH), the parent company of management and technology consulting and engineering services firm Booz Allen Hamilton Inc., today announced preliminary results for the fourth quarter and full year of fiscal 2019.

The Company delivered record performance for the fiscal year in revenue and earnings, increased headcount by nearly six percent, and generated solid backlog growth, as it advanced strongly toward its three-year growth outlook announced last June. Building on the year's momentum, the Company announced Fiscal 2020 guidance of between 6 percent and 9 percent Revenue growth and Adjusted Diluted EPS of between $2.90 and $3.05.

The Company reported annual revenue growth of 8.7 percent, and a 9.1 percent increase in Revenue, Excluding Billable Expenses[1]. The strong top-line growth contributed to a 38.7 percent increase in Net Income to $418.5 million and 15.4 percent increase in Adjusted EBITDA[1] to a record $674.6 million. Adjusted EBITDA Margin on Revenue[1] was 10.1 percent. Diluted Earnings per Share for the year was $2.91, up $0.88 or 43.4 percent, and Adjusted Diluted EPS[1] for the year was $2.76, up $0.77 or 38.7 percent.

Total backlog increased by 20.6 percent over the prior year period to $19.3 billion and the annual book-to-bill ratio was a record 1.49x. As of March 31, 2019, headcount was 1,430 higher than the prior year, and increased by nearly 270 since the end of the prior quarter.

FINANCIAL SUMMARY

Fourth Quarter and Full Year, ended March 31, 2019 - A summary of Booz Allen's results for the fourth quarter and full year of fiscal 2019 is below. All comparisons are to the prior year period, as restated as a result of the adoption of two accounting standards, ASC 606 and ASU 2017-07, that were both effective April 1, 2018. A description of key drivers can be found in the Company's Earnings Call Presentation for the fourth quarter and full year posted on *investors.boozallen.com.*

FULL YEAR FY19

(changes are compared to prior year period)

REVENUE:	
$6.70B	**+8.7%**
EX. BILLABLE EXPENSES[1]:	
$4.70B	**+9.1%**
OPERATING INCOME:	
$602.4M	**+15.9%**
ADJ. OPERATING INCOME[1]:	
$606.1M	**+16.6%**
NET INCOME:	
$418.5M	**+38.7%**
ADJUSTED NET INCOME[1]:	
$395.0M	**+34.2%**
EBITDA:	
$671.0M	**+14.8%**
ADJUSTED EBITDA[1]:	
$674.6M	**+15.4%**
DILUTED EPS:	
$2.91	**up from $2.03**
ADJUSTED DILUTED EPS[1]:	
$2.76	**up from $1.99**

The Company declared a regular quarterly dividend of $0.23 per share, which is payable on June 28, 2019, to stockholders of record on June 14, 2019.

FINANCIAL OUTLOOK

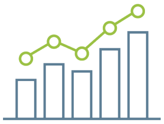
For fiscal 2020, the Company provided the following guidance:

+ ***Revenue***: Growth in the 6 to 9 percent range
+ ***Adjusted EBITDA Margin on Revenue***[1]: In the low 10 percent range
+ ***Adjusted Diluted EPS***[1]: $2.90 - $3.05

This Adjusted Diluted EPS[1] estimate is based on fiscal 2020 estimated average diluted shares outstanding in the range of 137 million to 141 million shares, and assumes an effective tax rate in the range of 23 percent to 25 percent.

3 YEAR INVESTMENT THESIS

The Company updated its goals for financial performance through Fiscal 2021 related to **ADEPS**[1] **growth** and **Margin**. For the three-year period from Fiscal Year 2018 through Fiscal Year 2021, the Investment Thesis is as follows:



Unique Market Position	=	Strong Financial Returns	+	Option Value
*Investments in innovation, talent, and capabilities position us to help clients adopt current and new technologies *First mover advantage enhanced by our ability to combine mission knowledge, consulting heritage and technical depth creating value for critical missions and top priorities		**66% ADEPS Growth** **+** **~2% Dividend Yield** Supported by: 6 - 9% Annual Revenue Growth Low 10% Range Adj. EBITDA Margin ~$1.4B in Capital Deployment		Continued investment in new business lines and solutions that will drive future growth

CONFERENCE CALL INFORMATION

Booz Allen Hamilton will host a conference call at 8 a.m. EDT on Tuesday, May 28, 2019, to discuss the financial results for its Fourth Quarter and Full Year of Fiscal 2019 (ending March 31, 2019).

Analysts and institutional investors may participate on the call by dialing (877) 375-9141; International: (253) 237-1151, using the passcode 8764738. The conference call will be webcast simultaneously to the public through a link on the investor relations section of the Booz Allen Hamilton web site at investors.boozallen.com. A replay of the conference call will be available online at investors.boozallen.com beginning at 11 a.m. EDT on May 28, 2019, and continuing for 30 days.

1 Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted Net Income, Adjusted EBITDA, Adjusted Diluted EPS, Adjusted EBITDA Margin on Revenue and Free Cash Flow are non-GAAP financial measures. See "Non-GAAP Financial Information" below for additional detail.

FINANCIAL SUMMARY

As of March 31, 2019, total backlog was $19.3 billion, compared to $16.0 billion as of March 31, 2018, an increase of 20.6 percent. Net cash provided by operating activities for the fourth quarter of fiscal 2019 was $216.4 million as compared to $122.2 million in the prior year period. Free cash flow[1] for the fourth quarter was $179.8 million, compared with $106.9 million in the prior year period.

4TH QUARTER FY19

(changes are compared to prior year period)

REVENUE:	
$1.78B	**+9.1%**
EX. BILLABLE EXPENSES[1]:	
$1.24B	**+8.1%**
OPERATING INCOME:	
$135.1M	**+2.6%**
ADJ. OPERATING INCOME[1]:	
$135.1M	**+2.6%**
NET INCOME:	
$89.6M	**+8.6%**
ADJUSTED NET INCOME[1]:	
$90.0M	**+21.9%**
EBITDA:	
$153.3M	**+3.4%**
ADJUSTED EBITDA[1]:	
$153.3M	**+3.4%**
DILUTED EPS:	
$0.63	**up from $0.56**
ADJUSTED DILUTED EPS[1]:	
$0.64	**up from $0.51**

Unless otherwise specified, all references to "record" results are with respect to the period since Booz Allen's initial public offering.

NON-GAAP FINANCIAL INFORMATION

“Revenue, Excluding Billable Expenses” represents revenue less billable expenses. Booz Allen uses Revenue, Excluding Billable Expenses because it provides management useful information about the Company’s operating performance by excluding the impact of costs that are not indicative of the level of productivity of its consulting staff headcount and its overall direct labor, which management believes provides useful information to its investors about its core operations.

“Adjusted Operating Income” represents Operating Income before: (i) adjustments related to the amortization of intangible assets resulting from the acquisition of our Company by The Carlyle Group (the “Carlyle Acquisition”), and (ii) transaction costs, fees, losses, and expenses, including fees associated with debt prepayments. Booz Allen prepares Adjusted Operating Income to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non-recurring nature or because they result from an event of a similar nature.

“Adjusted EBITDA” represents net income before income taxes, net interest and other expense and depreciation and amortization before certain other items, including transaction costs, fees, losses, and expenses, including fees associated with debt prepayments. “Adjusted EBITDA Margin on Revenue” is calculated as Adjusted EBITDA divided by revenue. “Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses” is calculated as Adjusted EBITDA divided by Revenue, Excluding Billable Expenses. Booz Allen prepares Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, and Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non-recurring nature or because they result from an event of a similar nature.

“Adjusted Net Income” represents net income before: (i) adjustments related to the amortization of intangible assets resulting from the Carlyle Acquisition, (ii) transaction costs, fees, losses, and expenses, including fees associated with debt prepayments, (iii) amortization or write-off of debt issuance costs and write-off of original issue discount, (iv) release of income tax reserves, and (v) re-measurement of deferred tax assets and liabilities as a result of the Tax Cuts and Jobs Act (the “2017 Tax Act”) in each case net of the tax effect where appropriate calculated using an assumed effective tax rate. Booz Allen prepares Adjusted Net Income to eliminate the impact of items, net of tax, it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non recurring nature or because they result from an event of a similar nature. Booz Allen views net income excluding the impact of the re-measurement of the Company’s deferred tax assets and liabilities as a result of the 2017 Tax Act as an important indicator of performance consistent with the manner in which management measures and forecasts the Company’s performance and the way in which management is incentivized to perform.

“Adjusted Diluted EPS” represents diluted EPS calculated using Adjusted Net Income as opposed to net income. Additionally, Adjusted Diluted EPS does not contemplate any adjustments to net income as required under the two-class method of calculating EPS as required in accordance with accounting principles generally accepted in the United States, or GAAP.

“Free Cash Flow” represents the net cash generated from operating activities less the impact of purchases of property and equipment.

Booz Allen utilizes and discusses in this release Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue,Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, and Adjusted Diluted EPS because management uses these measures for business

ABOUT BOOZ ALLEN HAMILTON

For more than 100 years, military government and business leaders have turned to Booz Allen Hamilton to solve their most complex problems. As a consulting firm with experts in analytics, digital, engineering and cyber, we help organizations transform. We are a key partner on some of the most innovative programs for governments worldwide and trusted by its most sensitive agencies. We work shoulder to shoulder with clients, using a mission-first approach to choose the right strategy and technology to help them realize their vision.

With global headquarters in McLean, Virginia, our firm employs more than 26,000 people globally, and had revenue of $6.70 billion for the 12 months ended March 31, 2019. To learn more, visit www.boozallen.com. (NYSE: BAH)

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planning purposes, including managing its business against internal projected results of operations and measuring its performance. Management views Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, and Adjusted Diluted EPS as measures of the core operating business, which exclude the impact of the items detailed in the supplemental exhibits, as these items are generally not operational in nature. These supplemental performance measures also provide another basis for comparing period to period results by excluding potential differences caused by non-operational and unusual or non-recurring items. Management also utilizes Revenue, Excluding Billable Expenses because it provides management useful information about the Company's operating performance by excluding the impact of costs that are not indicative of the level of productivity of its consulting staff headcount and its overall direct labor, which management believes provides useful information to its investors about its core operations. Booz Allen also utilizes and discusses Free Cash Flow in this release because management uses this measure for business planning purposes, measuring the cash generating ability of the operating business and measuring liquidity generally. Booz Allen presents these supplemental measures because it believes that these measures provide investors and securities analysts with important supplemental information with which to evaluate Booz Allen's performance, long term earnings potential, or liquidity, as applicable, and to enable them to assess Booz Allen's performance on the same basis as management. These supplemental performance measurements may vary from and may not be comparable to similarly titled measures by other companies in Booz Allen's industry. Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, Adjusted Diluted EPS, and Free Cash Flow are not recognized measurements under GAAP and when analyzing Booz Allen's performance or liquidity, as applicable, investors should (i) evaluate each adjustment in our reconciliation of revenue to Revenue, Excluding Billable Expenses, operating income to Adjusted Operating Income, net income to Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, and Adjusted Diluted Earnings per Share, and net cash provided by operating activities to Free Cash Flow, (ii) use Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, and Adjusted Diluted EPS in addition to, and not as an alternative to revenue, operating income, net income or diluted EPS as measures of operating results, each as defined under GAAP, and (iii) use Free Cash Flow, in addition to, and not as an alternative to, net cash provided by operating activities as a measure of liquidity, each as defined under GAAP. Exhibit 4 includes a reconciliation of Revenue, Excluding Billable Expenses, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue, Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses, Adjusted Net Income, Adjusted Diluted EPS, and Free Cash Flow to the most directly comparable financial measure calculated and presented in accordance with GAAP.

With respect to our expectations under "Financial Outlook" above, a reconciliation of Adjusted Diluted EPS guidance to the closest corresponding GAAP measure is not available without unreasonable efforts on a forward-looking basis due to our inability to predict our stock price, equity grants and dividend declarations during the course of fiscal 2020. Projecting future stock price, equity grants and dividends to be declared would be necessary to accurately calculate the difference between Adjusted Diluted EPS and GAAP EPS as a result of the effects of the two-class method and related possible dilution used in the calculation of EPS. Consequently, any attempt to disclose such reconciliation would imply a degree of precision that could be confusing or misleading to investors. We expect the variability of the above charges to have an unpredictable, and potentially significant, impact on our future GAAP financial results.

In addition, management may discuss its expectation for EBITDA margin for fiscal year 2020 from time to time. A reconciliation of EBITDA margin guidance to the closest corresponding GAAP measure is not available without unreasonable efforts on a forward-looking basis due to our inability to predict specific quantifications of the amounts that would be required to reconcile such measures. Consequently, any attempt to disclose such reconciliation would imply a degree of precision that could be confusing or misleading to investors.

FORWARD LOOKING STATEMENTS

Certain statements contained in this press release and in related comments by our management include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include information concerning Booz Allen's preliminary financial results, financial outlook and guidance, including forecasted revenue, Diluted EPS, and Adjusted Diluted EPS, future quarterly dividends, and future improvements in operating margins, as well as any other statement that does not directly relate to any historical or current fact. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "could," "should," "forecasts," "expects," "intends," "plans," "anticipates," "projects," "outlook," "believes," "estimates," "predicts," "potential," "continue," "preliminary," or the negative of these terms or other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give you no assurance these expectations will prove to have been correct.

These forward-looking statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

These risks and other factors include: efforts by Congress and other U.S. government bodies to reduce U.S. government spending and address budgetary constraints, including automatic sequestration required by the Budget Control Act of 2011 (as subsequently amended) and the U.S. deficit, as well as associated uncertainty around the timing, extent, nature, and effect of such efforts; delayed funding of our contracts due to uncertainty relating to funding of the U.S. government and a possible failure of Congressional efforts to approve such funding and to craft a long-term agreement on the U.S. government's ability to incur indebtedness in excess of its current limits, or changes in the pattern or timing of government funding and spending (including those resulting from or related to cuts associated with sequestration); any issue that compromises our relationships with the U.S. government or damages our professional reputation, including negative publicity concerning government contractors in general or us in particular; changes in U.S. government spending, including a continuation of efforts by the U.S. government to decrease spending for management support service contracts, and mission priorities that shift expenditures away from agencies or programs that we support; U.S. government shutdowns as a result of the failure by elected officials to fund the government; the size of our addressable markets and the amount of U.S. government spending on private contractors; failure to comply with numerous laws and regulations, including, but not limited to, the Federal Acquisition Regulation ("FAR"), the False Claims Act, the Defense Federal Acquisition Regulation Supplement and FAR Cost Accounting Standards and Cost Principles; our ability to compete effectively in the competitive bidding process and delays or losses of contract awards caused by competitors' protests of major contract awards received by us; the loss of General Services Administration Multiple Award schedule contracts, or GSA schedules, or our position as prime contractor on government-wide acquisition contract vehicles, or GWACs; changes in the mix of our contracts and our ability to accurately estimate or otherwise recover expenses, time, and resources for our contracts; continued efforts to change how the U.S. government reimburses compensation related costs and other expenses or otherwise limit such reimbursements and an increased risk of compensation being deemed unreasonable and unallowable or payments being withheld as a result of U.S. government audit, review, or investigation; our ability to realize the full value of and replenish our backlog, generate revenue under certain of our contracts and the timing of our receipt of revenue under contracts included in backlog; changes in estimates used in recognizing revenue; an inability to attract, train, or retain employees with the requisite skills and experience; an inability to timely hire, assimilate and effectively utilize our employees, ensure that employees obtain and maintain necessary security clearances and/or effectively manage our cost structure; the loss of members of senior management or failure to develop new leaders; misconduct or other improper activities from our employees or subcontractors, including the improper use or release of our clients' sensitive or classified information; increased insourcing by various U.S. government agencies due to changes in the definition of "inherently governmental" work, including proposals to limit contractor access to sensitive or classified information and work assignments; increased competition from other companies in our industry; failure to maintain strong relationships with other contractors or the failure of contractors with which we have entered into a sub- or prime- contractor relationship to meet their obligations to us or our clients; inherent uncertainties and potential adverse developments in legal or regulatory proceedings, including litigation, audits, reviews, and investigations, which may result in materially adverse judgments, settlements, withheld payments, penalties, or other unfavorable outcomes including debarment, as well as disputes over the availability of insurance or indemnification; internal system or service failures and security breaches, including, but not limited to, those resulting from external or internal cyber attacks on our network and internal systems; risks related to the potential implementation and operation of new financial management systems; risks inherent in the government contracting environment; risks related to changes to our operating structure, capabilities, or strategy intended to address client needs, grow our business or respond to market developments; risks associated with increased competition, new relationships, clients, capabilities, and service offerings in our U.S. and international businesses; failure to comply with special U.S. government laws and regulations relating to our international operations; risks related to our indebtedness and credit facilities which contain financial and operating covenants; the adoption by the U.S. government of new laws, rules, and regulations, such as those relating to organizational conflicts of interest issues or limits; risks related to completed and future acquisitions, including our ability to realize the expected benefits from such acquisitions; an inability to utilize existing or future tax benefits for any reason, including as a result of a change in laws or regulations; variable purchasing patterns under U.S. government GSA schedules, blanket purchase agreements and indefinite delivery, indefinite quantity, or IDIQ, contracts; and the impact of changes in accounting rules and regulations, or interpretations thereof, that may affect the way we recognize and report our financial results, including changes in accounting rules governing recognition of revenue. Additional information concerning these and other factors can be found in our filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K, filed with the SEC on May 28, 2019. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements.

All such statements speak only as of the date made and, except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Exhibit 1

Booz Allen Hamilton Holding Corporation
Consolidated Statements of Operations

(Amounts in thousands, except per share data)	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018	Fiscal Year Ended March 31, 2019	Fiscal Year Ended March 31, 2018
	(Unaudited)			
Revenue	$ 1,780,080	$ 1,631,076	$ 6,704,037	$ 6,167,600
Operating costs and expenses:				
Cost of revenue	815,404	755,210	3,100,466	2,866,268
Billable expenses	538,833	483,077	2,004,664	1,861,312
General and administrative expenses	272,528	244,533	927,938	855,541
Depreciation and amortization	18,216	16,560	68,575	64,756
Total operating costs and expenses	1,644,981	1,499,380	6,101,643	5,647,877
Operating income	135,099	131,696	602,394	519,723
Interest expense	(22,160)	(21,960)	(89,517)	(82,269)
Other income (expense), net	4,941	(3,569)	2,526	(7,418)
Income before income taxes	117,880	106,167	515,403	430,036
Income tax expense	28,305	23,661	96,874	128,344
Net income	$ 89,575	$ 82,506	$ 418,529	$ 301,692
Earnings per common share:				
Basic	$ 0.64	$ 0.57	$ 2.94	$ 2.05
Diluted	$ 0.63	$ 0.56	$ 2.91	$ 2.03

Exhibit 2

Booz Allen Hamilton Holding Corporation
Consolidated Balance Sheets

(Amounts in thousands, except share and per share data)	March 31, 2019	March 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	$ 283,990	$ 286,958
Accounts receivable, net of allowance	1,330,364	1,133,705
Prepaid expenses and other current assets	84,986	71,309
Total current assets	1,699,340	1,491,972
Property and equipment, net of accumulated depreciation	172,453	152,364
Intangible assets, net of accumulated amortization	287,051	278,504
Goodwill	1,581,160	1,581,146
Other long-term assets	91,837	102,633
Total assets	$ 3,831,841	$ 3,606,619
Liabilities and stockholders' equity		
Current liabilities:		
Current portion of long-term debt	$57,924	$63,100
Accounts payable and other accrued expenses	664,948	557,559
Accrued compensation and benefits	325,553	282,750
Other current liabilities	130,814	125,358
Total current liabilities	1,179,239	1,028,767
Long-term debt, net of current portion	1,701,837	1,755,479
Income tax reserves	11,509	11,787
Deferred tax liabilities	33,238	7,274
Other long-term liabilities	230,652	240,821
Total liabilities	3,156,475	3,044,128
Stockholders' equity:		
Common stock, Class A — $0.01 par value — authorized, 600,000,000 shares; issued, 159,924,825 shares at March 31, 2019 and 158,028,673 shares at March 31, 2018; outstanding, 140,027,853 shares at March 31, 2019 and 143,446,539 shares at March 31, 2018	1,599	1,580
Treasury stock, at cost — 19,896,972 shares at March 31, 2019 and 14,582,134 shares at March 31, 2018	(711,450)	(461,457)
Additional paid-in capital	401,596	346,958
Retained earnings	994,811	690,516
Accumulated other comprehensive loss	(11,190)	(15,106)
Total stockholders' equity	675,366	562,491
Total liabilities and stockholders' equity	$ 3,831,841	$ 3,606,619

Exhibit 3

Booz Allen Hamilton Holding Corporation
Consolidated Statements of Cash Flows

(Amounts in thousands)	Fiscal Year Ended March 31, 2019	2018
Cash flows from operating activities		
Net income	$ 418,529	$ 301,692
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	68,575	64,756
Stock-based compensation expense	31,275	23,318
Deferred income taxes	23,006	8,956
Excess tax benefits from stock-based compensation	(10,777)	(14,457)
Amortization of debt issuance costs and loss on extinguishment	9,354	5,974
Losses (gains) on dispositions	(5,464)	(246)
Changes in assets and liabilities:		
Accounts receivable, net of allowance	(196,453)	(126,196)
Income taxes receivable / payable	32,411	9,636
Prepaid expenses and other current assets	(2,328)	14,119
Other long-term assets	(15,346)	(12,394)
Accrued compensation and benefits	44,137	11,296
Accounts payable and other accrued expenses	107,515	47,316
Accrued interest	122	6,218
Income tax reserves	(278)	140
Other current liabilities	(7,878)	4,755
Other long-term liabilities	3,210	24,260
Net cash provided by operating activities	499,610	369,143
Cash flows from investing activities		
Purchases of property, equipment, and software	(94,681)	(78,437)
Payments for businesses acquired, net of proceeds from sales of business	5,469	(19,113)
Insurance proceeds received for damage to equipment	—	1,097
Net cash used in investing activities	(89,212)	(96,453)
Cash flows from financing activities		
Proceeds from issuance of common stock	11,266	8,907
Stock option exercises	12,116	12,095
Repurchases of common stock	(252,824)	(270,318)
Cash dividends paid	(114,234)	(103,411)
Dividend equivalents paid to option holders	(280)	(951)
Repayment of debt	(170,512)	(317,149)
Proceeds from debt issuance	102,071	467,678
Payment on contingent liabilities from acquisition	(969)	—
Net cash used in financing activities	(413,366)	(203,149)
Net (decrease) increase in cash and cash equivalents	(2,968)	69,541
Cash and cash equivalents — beginning of year	286,958	217,417
Cash and cash equivalents — end of year	$ 283,990	$ 286,958
Supplemental disclosures of cash flow information		
Cash paid during the period for:		
Interest	$ 76,731	$ 62,498
Income taxes	$ 52,512	$ 128,416
Supplemental disclosures of non-cash investing and financing activities		
Share repurchases transacted but not settled and paid	$ 6,315	$ 9,146
Noncash financing activities	$ 3,033	$ —

Exhibit 4

Booz Allen Hamilton Holding Corporation
Non-GAAP Financial Information

(In thousands, except share and per share data)	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018	Fiscal Year Ended March 31, 2019	Fiscal Year Ended March 31, 2018
	(Unaudited)		(Unaudited)	
Revenue, Excluding Billable Expenses				
Revenue	$ 1,780,080	$ 1,631,076	$ 6,704,037	$ 6,167,600
Billable expenses	538,833	483,077	2,004,664	1,861,312
Revenue, Excluding Billable Expenses	$ 1,241,247	$ 1,147,999	$ 4,699,373	$ 4,306,288
Adjusted Operating Income				
Operating Income	$ 135,099	$ 131,696	$ 602,394	$ 519,723
Transaction expenses (a)	—	—	3,660	—
Adjusted Operating Income	$ 135,099	$ 131,696	$ 606,054	$ 519,723
EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin on Revenue & Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses				
Net income	$ 89,575	$ 82,506	$ 418,529	$ 301,692
Income tax expense	28,305	23,661	96,874	128,344
Interest and other, net (b)	17,219	25,529	86,991	89,687
Depreciation and amortization	18,216	16,560	68,575	64,756
EBITDA	153,315	148,256	670,969	584,479
Transaction expenses (a)	—	—	3,660	—
Adjusted EBITDA	$ 153,315	$ 148,256	$ 674,629	$ 584,479
Adjusted EBITDA Margin on Revenue	8.6%	9.1%	10.1%	9.5%
Adjusted EBITDA Margin on Revenue, Excluding Billable Expenses	12.4%	12.9%	14.4%	13.6%
Adjusted Net Income				
Net income	$ 89,575	$ 82,506	$ 418,529	$ 301,692
Transaction expenses (a)	—	—	3,660	—
Release of income tax reserves (c)	—	—	(462)	—
Re-measurement of deferred tax assets/liabilities (d)	—	(9,107)	(27,908)	(9,107)
Amortization or write-off of debt issuance costs and write-off of original issue discount	519	662	2,920	2,655
Adjustments for tax effect (e)	(135)	(242)	(1,711)	(969)
Adjusted Net Income	$ 89,959	$ 73,819	$ 395,028	$ 294,271
Adjusted Diluted Earnings Per Share				
Weighted-average number of diluted shares outstanding	141,050,704	145,577,134	143,156,176	147,750,022
Adjusted Net Income Per Diluted Share (f)	$ 0.64	$ 0.51	$ 2.76	$ 1.99
Free Cash Flow				
Net cash provided by operating activities	$ 216,407	$ 122,223	$ 499,610	$ 369,143
Less: Purchases of property and equipment	(36,605)	(15,370)	(94,681)	(78,437)
Free Cash Flow	$ 179,802	$ 106,853	$ 404,929	$ 290,706

(a) Reflects debt refinancing costs incurred in connection with the refinancing transaction consummated on July 23, 2018.

(b) Reflects the combination of Interest expense and Other income (expense), net from the consolidated statement of operations.

(c) Release of pre-acquisition income tax reserves assumed by the Company in connection with the Carlyle Acquisition.

(d) Reflects primarily the adjustments made to the provisional income tax benefit associated with the re-measurement of the Company's deferred tax assets and liabilities as a result of the 2017 Tax Act, including a measurement period adjustment associated with the unbilled receivables method change approved by the IRS in the third quarter of fiscal 2019.

(e) With the enactment of the 2017 Tax Act, fiscal 2018 and fiscal 2019 adjustments are reflected using assumed effective tax rates of 36.5% and 26%, which approximate the blended federal and state tax rates for fiscal 2018 and 2019, respectively, and consistently exclude the impact of other tax credits and incentive benefits realized.

(f) Excludes an adjustment of approximately $0.4 million and $1.8 million of net earnings for the three and twelve months ended March 31, 2019, respectively, and excludes an adjustment of approximately $0.4 million and $1.9 million of net earnings for the three and twelve months ended March 31, 2018, respectively, associated with the application of the two-class method for computing diluted earnings per share.

Exhibit 5

Booz Allen Hamilton Holding Corporation
Operating Data

(Amounts in millions)	As of March31, 2019	As of March31, 2018
Backlog		
Funded	$ 3,436	$ 2,685
Unfunded	3,687	4,161
Priced Options	12,198	9,174
Total Backlog	$ 19,321	$ 16,020

	Three Months Ended March 31,		Fiscal Year Ended March 31,	
	2019	2018	2019	2018
Book-to-Bill *	0.36	0.60	1.49	1.39

* Book-to-bill is calculated as the change in total backlog during the relevant fiscal period plus the relevant fiscal period revenue, all divided by the relevant fiscal period revenue.

	As of March31, 2019	As of March31, 2018
Headcount		
Total Headcount	26,069	24,639
Consulting Staff Headcount	23,379	22,145

	Three Months Ended March 31,		Fiscal Year Ended March 31,	
	2019	2018	2019	2018
Percentage of Total Revenue by Contract Type				
Cost-Reimbursable	54%	52%	53%	51%
Time-and-Materials	23%	25%	24%	25%
Fixed-Price	23%	23%	23%	24%

	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
Days Sales Outstanding **	70	66

** Calculated as total accounts receivable divided by revenue per day during the relevant fiscal quarter.