

FINANCIAL RESULTS

FY25 IQ

SUPPLEMENTAL FINANCIAL PRESENTATION
June 3, 2024

SAIC

Forward Looking Statements

Certain statements in this presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “may,” “will,” “should,” “expects,” “intends,” “projects,” “plans,” “believes,” “estimates,” “targets,” “anticipates,” and similar expressions identify forward-looking statements in this presentation. Such statements include, but are not limited to, statements about future financial and operating results, plans, objectives, expectations and intentions, and other statements that are not historical facts. These statements are subject to numerous assumptions, risks, and uncertainties, and other factors, many of which are outside the control of SAIC. These factors could cause actual results to differ materially from such forward-looking statements. Risks, uncertainties and assumptions that could cause SAIC’s actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to, those described in the “Risk Factors” section of SAIC’s most recent Form 10-K filed with the Securities and Exchange Commission (“SEC”) and updated in any subsequent Quarterly Reports on Form 10-Q and other filings with the SEC. The reports referenced above are available on SAIC’s website at www.saic.com or on the SEC’s website at www.sec.gov. No assurance can be given that the results of events described in forward-looking statements will be achieved and actual results may differ materially from these statements. SAIC disclaims any obligation to update any forward-looking statements provided in this presentation to reflect subsequent events, actual results, or changes in SAIC’s expectations.

In addition, these slides should be read in conjunction with our earnings press release dated June 3, 2024 along with listening to or reading a transcript of the management comments delivered in an earnings conference call held on June 3, 2024.

All information in these slides are as of June 3, 2024. SAIC expressly disclaims any duty to update any forward-looking statement provided in this release to reflect subsequent events, actual results or changes in SAIC’s expectations. SAIC also disclaims any duty to comment upon or correct information that may be contained in reports published by investment analysts or others.



Strategy SAIC Enterprise Growth Strategy Overview

WHO WE ARE

PURPOSE

Advance the power of technology and innovation to serve and protect our world

VISION

We will be our nation's most trusted solutions integrator to secure and digitally evolve U.S. critical missions with our customers

MISSION

Partner with our customers to transform government, by creating and integrating digital solutions that address national imperatives with our diverse talent and innovative tech

VALUES

Integrity. Demand unwavering honesty, ethics and authenticity in yourself and others

Innovation. Empower our people to take appropriate risks and leverage emerging technology to solve our customers' most complex problems

Inclusion. Respect and value our people and passionately partner with our customers and our communities

HOW WE SERVE OUR CUSTOMERS

EXTERNAL VALUE PROPOSITION

SAIC integrates emerging technology securely and in real time into mission critical operations that modernize and enable national imperatives

NATIONAL IMPERATIVES

Undersea Dominance
Deliver systems to ensure the U.S. maintains proactive control over every threat in the undersea domain

Border of the Future
Support integrated systems across all ports of entry (i.e., land, sea, air) for all U.S. travel, trade, contraband detection and immigration functions

Citizen Experience
Drive commercial-quality U.S. government service delivery through scalable solutions that innovate mission outcomes of legacy systems

All-Domain Warfighting
Develop integrated conflict deterrence, combat preparedness and data connectivity capabilities for the U.S. military and intelligence community

Next-Generation Space
Integrate advanced mission solutions to enable space traffic management, space domain awareness and battle management to achieve mission decision superiority

HOW WE WILL GET THERE

Assess our presence in the market with clear differentiators to emphasize to customers

Increase SAIC's presence in the industry and community, at key customer mission events, and in innovation-based organizations

Publicize our corporate responsibility initiatives and commitment to national imperatives

Establish a strategic marketing function led by Chief Marketing Officer

SIMPLIFIED TAXONOMY

Mission IT
Enterprise IT
Engineering Services
Professional Services

GROWTH VECTORS

Integrated Solutions
Shift current accounts from labor-based to integrated solutions

Enterprise/Mission IT
Accelerate penetration and transition to higher-margin XaaS work

Civilian
Double down to increase penetration in the market

Mission Advisory
Launch new high-margin consulting business

PORTFOLIO DIFFERENTIATORS

Sec Multi-Cloud CloudScend
Digital Engineering ReadyOne Licenses
Operational AI Koverse, Tenjin, AI Advisory
Sec Data Analytics Koverse, Tenjin, AI Advisory

System of Systems Integration CUAS, Torpedoes, MLRS, Air Crew Trainers
On-demand Solution Delivery DevSecOps Sprints, DE Jump Packages



Adopt One Enterprise Mindset

- Sharing best practices and talent
- Joint ownership to create value for customers
- Cross-functional coordination to bring best of SAIC

High-Performance Aspiration with Accountability

- Challenge each other with respectful debate
- Ownership of outcomes; accountability for results
- Differentiated rewards for outsized achievement

Take Informed Risks and Continuously Learn

- Proactive, calculated risk-taking to fuel growth
- Comfort with decision-making in uncertainty
- Learn from successes and failures

Incubate and Build Diverse Talent

- Talent incubator with "SAIC-first" mentality
- Team development and feedback are a top priority
- Talent rotated within SAIC to match customer needs with employee goals

ENTERPRISE OPERATING MODEL

Overall strategic planning process
Performance metrics
Enterprise workstreams
Execution excellence
Enterprise rhythms

BEST IN CLASS ENTERPRISE BD

Dynamic funding proportional to growth potential
Process/function optimization with standard approach and metrics
Shot selection with bids and proposals tied to strategic growth areas

STRATEGIC UPSKILLING

Build talent equipped to drive strategy (e.g., growth vectors, portfolio differentiators)
Facilitate talent mobility by creating an internal talent market and job rotations
Increase cross-functional collaboration (BG, IF, HR) to drive talent-to-value across enterprise

WHAT'S NOT CHANGING



Our commitment to delivering solutions to our customers' toughest problems, predicated on intimate mission knowledge and domain expertise



Our legacy and our DNA that encourages spirit of entrepreneurship and innovation while solving our customers' most complex problems

SAIC Fiscal Year 2027 Targets



REVENUE

\$7.95B - \$8.10B

~5% organic
revenue growth



EBITDA*

\$750M – \$780M

FY27 adj. EBITDA margin*
guidance of 9.4% - 9.6%



FREE CASH FLOW*

\$550M

~\$12/share

* A non-GAAP financial measure. Such non-GAAP measure should be considered in addition to, not a substitute for, the corresponding GAAP financial measure



SAIC Investment Case

TRACK RECORD OF DELIVERING ON COMMITMENTS

Keen focus on consistent execution, transparency with investors, and aligning incentives with shareholder value drives strong track record

CONSISTENT ORGANIC REVENUE GROWTH

FY22 to FY27 average organic growth of ~3.5% supported by exposure to durable and growing total addressable market

MARGIN IMPROVEMENT WITH ~10% LONG-TERM TARGET

Strong base of cost-type contracts provides stability while fixed-price and T&M portfolio along with increasing differentiation and Factory solutions drive upside to EBITDA and margins

COMPOUNDING FREE CASH FLOW PER SHARE GROWTH

Mid-single-digit growth in free cash flow and lowering WASO by 4% - 5% annually expected to drive free cash flow per share of ~\$12 in FY27 from ~\$8 in FY23

CAPITAL DEPLOYMENT BIASED TO SHARE REPURCHASES

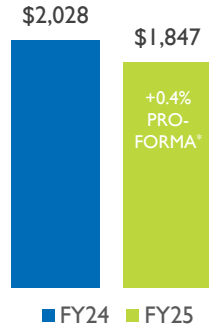
FY25 to FY27 plan assumes \$375M of annual repurchases with additional capacity for incremental repo or tuck-in M&A



FY25 Q1 RESULTS⁽¹⁾

Fiscal IQ

REVENUE



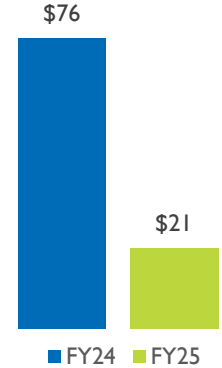
ADJUSTED EBITDA⁽²⁾



ADJUSTED DILUTED EPS⁽²⁾



TRANSACTION-ADJUSTED FREE CASH FLOW⁽²⁾



* Excludes revenue of \$188M in 1Q FY24 related to the Logistics & Supply Chain Management business which was divested on May 6, 2023

(1) Results of Science Applications International Corporation and its consolidated subsidiaries for the fourth quarters and twelve months ended May 5, 2023 and May 3, 2024

(2) Adjusted EBITDA, adjusted diluted earnings per share and transaction-adjusted free cash flow are non-GAAP financial measures as defined and reconciled in the appendix of this presentation



Fiscal Year 2025 Guidance

	CURRENT FISCAL YEAR 2025 GUIDANCE	PRIOR FISCAL YEAR 2025 GUIDANCE
Revenue	\$7.35B - \$7.50B	\$7.35B - \$7.50B
Pro-Forma Organic Growth	~2.5%	~2.5%
Adjusted EBITDA ⁽¹⁾	\$680M - \$700M	\$680M - \$700M
Adjusted EBITDA % ⁽¹⁾	9.2% - 9.4%	9.2% - 9.4%
Adjusted Diluted EPS ⁽¹⁾	\$8.00 - \$8.20	\$8.00 - \$8.20
Free Cash Flow ⁽¹⁾	\$490M - \$510M	\$490M - \$510M

KEY ASSUMPTIONS

- ▶ FY25 adjusted diluted EPS guidance assumes the following:
 - 23% effective tax rate
 - Interest expense of \$120M-\$130M
 - Intangible amortization of \$110M-\$120M
 - Share count of approximately 51.5M

KEY MODELING CONSIDERATIONS

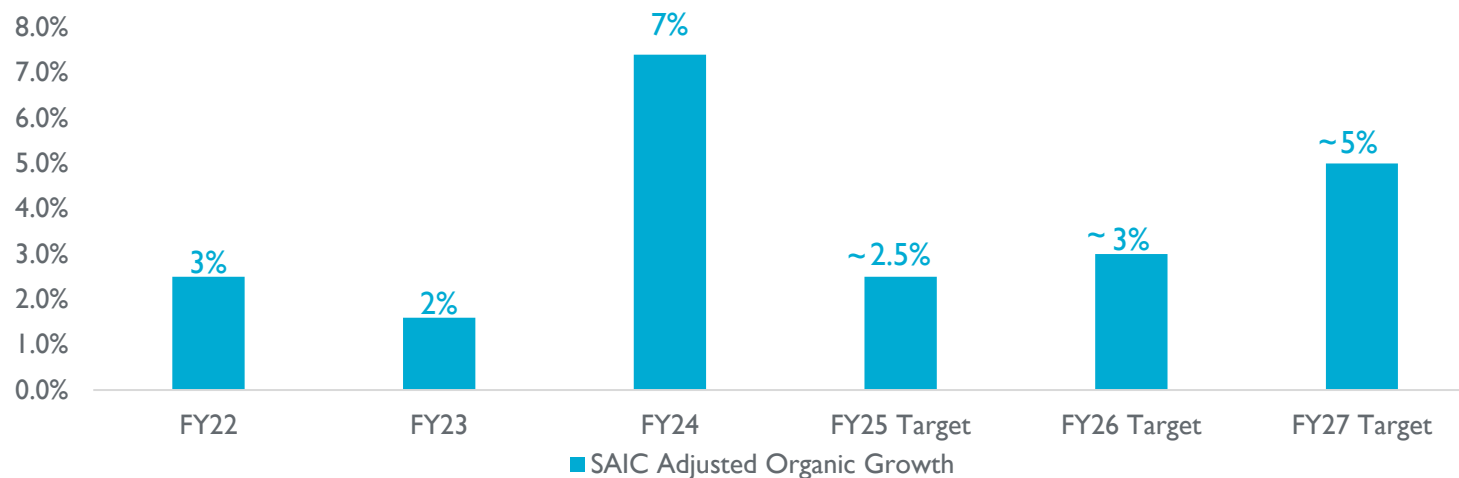
- ▶ 2Q FY25 revenue expected to be flat vs. 2Q FY24 of \$1,784M
- ▶ 2Q FY25 adjusted EBITDA margin expected to be ~9.0%

(1) Adjusted EBITDA, Adjusted EBITDA %, adjusted diluted earnings per share and free cash flow are non-GAAP financial measures as defined and reconciled in the appendix of this presentation

The Company does not provide a reconciliation of forward-looking adjusted diluted EPS to GAAP diluted EPS or adjusted EBITDA margin to GAAP net income due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including, but not limited to, amortization of acquired intangible assets and acquisition, integration and restructuring costs. As a result, the Company is not able to forecast GAAP diluted EPS or GAAP net income with reasonable certainty. The variability of the above charges may have an unpredictable and potentially significant impact on our future GAAP financial results.



Solid Organic Revenue Growth Expected to Continue



	FY21	FY22	FY22	FY23	FY23	FY24	FY24	FY25	FY25	FY26	FY27
Revenues, as Reported	\$7,056	\$7,394	\$7,394	\$7,704	\$7,704	\$7,444 ⁺	\$7,444 ⁺	\$7,425 ⁺	\$7,425 ⁺	\$7,650 ⁺	\$8,025 ⁺
Acquired Revenue		(\$184)		(\$73)							
Divested Revenue		\$25			(\$637)		(\$185)				
Working Days Adjustment**				(\$120)	(\$135)						
Adjusted Pro-forma Revenues	\$7,056	\$7,235	\$7,394	\$7,511	\$6,932	\$7,444 ⁺	\$7,259	\$7,425 ⁺	\$7,425 ⁺	\$7,650 ⁺	\$8,025 ⁺
Adjusted Organic Revenue y/y*		3%		2%		7%		~2.5%		~3%	~5%

* Revenue figures reflect midpoint of target range

** Results reflect four additional working days in FY23 and five fewer working days in FY24

* A non-GAAP financial measure; such non-GAAP measure should be considered in addition to, not a substitute for, the corresponding GAAP financial measure



Multi-Year Financial Targets

	FY24A	FY25	FY26	FY27
Revenue	\$7.444B (\$7.26B excl. L&SCM)	\$7.35B - \$7.50B	\$7.55B - \$7.75B	\$7.95B - \$8.10B
Organic Growth	7.4%	2% - 3%	2% - 4%	4% - 6%
Adjusted EBITDA %*	9.0%	9.2% - 9.4%	9.3% - 9.5%	9.4% - 9.6%
Adjusted EBITDA	\$668M	~\$690M	~\$720M	~\$765M
Adjusted Diluted EPS*	\$7.88	\$8.00 - \$8.20	\$8.90 - \$9.10	\$9.90 - \$10.10
Diluted WASO	53.7M	~51M	~48.5M	~46.5M
Free Cash Flow*	\$486M	\$490M - \$510M	\$510M - \$530M	\$540M - \$560M
FCF per Share*	\$9.05	~\$10	~\$11	~\$12
Share Repurchases	\$357M	\$350M - \$400M	\$350M - \$400M	\$350M - \$400M
Target Net Leverage**	~3.0x	~3.0x	~3.0x	~3.0x

* A non-GAAP financial measure; such non-GAAP measure should be considered in addition to, not a substitute for, the corresponding GAAP financial measure.

** Target net leverage reflects approximate leverage ratio expected over the course of the multi-year plan.



SAIC Historical Share Repurchase Authorizations

AUTHORIZATION DATE	INCREMENTAL SHARES ADDED TO AUTHORIZATION	TOTAL "CURRENT" AUTHORIZATION	REPURCHASE AUTHORIZATION AS % OF DILUTED SHARES	APPROXIMATE MONTHS TO COMPLETE	AVG. SHARES REPURCHASED PER MONTH	AVG. PRICE OF REPURCHASED SHARES	AVG. ANNUALIZED FCF** / SHARE DURING AUTHORIZATION
October 2013	5,000,000	5,000,000	10%	31	160,000	\$43	~\$4.50
September 2015	3,540,847 ⁺	5,000,000	11%	19	190,000	\$69	~\$5.00
December 2016	3,287,313 ⁺	5,000,000	11%	38	90,000	\$79	~\$6.50
April 2019	4,623,534 ⁺	6,500,000	11%	21*	220,000*	\$86*	~\$8.00
June 2022	8,000,000 ⁺	~8,800,000	16%	TBD	TBD	TBD	~\$10.00

* - expected date of completion, average monthly shares repurchased, and average price of repurchased shares based on current trend

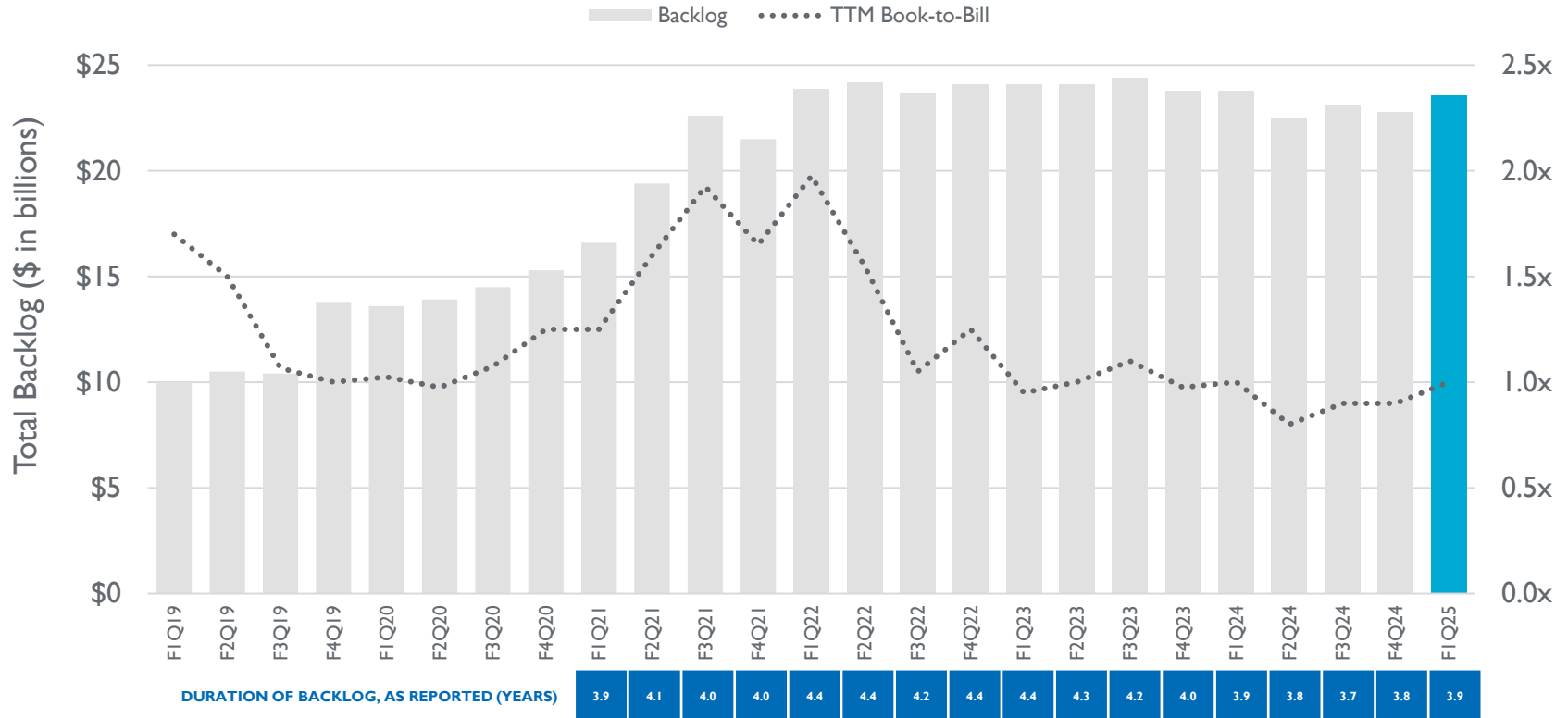
** - excludes impact of MARPA facility

+ - Per SAIC share repurchase program convention, figures represent incremental increases to initial 5,000,000 share authorization

>20% Increase in Free Cash Flow + Fewer Shares = Increased Shareholder Value



SAIC Historical Backlog and Book-to-Bill



DURATION OF BACKLOG, INCLUDING SINGLE AWARD IDIQ (YEARS)

~ 5.5

TTM BTB of 1.0x and Total Backlog of ~\$23.6B



Appendix

Working Days Per Quarter

	Q1	Q2	Q3	Q4	Total
FY25	64	62	63	60	249
FY24	64	62	63	60	249
FY23	64	62	63	65	254
FY22	64	63	63	60	250
FY21	64	63	63	60	250
FY20	64	63	63	60	250
FY19	64	63	63	60	250



Payroll Cycles per Quarter

	Q1	Q2	Q3	Q4	Total
FY25	7	6	7	6	26
FY24	7	6	7	6	26
FY23	6	7	6	7	26



Non-GAAP Reconciliation – EBITDA and Adjusted EBITDA

EBITDA and Adjusted EBITDA

	Three Months Ended	
	May 3, 2024	May 5, 2023
	(in millions)	
Revenues	\$ 1,847	\$ 2,028
Net income	\$ 77	\$ 98
Interest expense, net and loss on sale of receivables	37	35
Provision for income taxes	18	25
Depreciation and amortization	35	36
EBITDA⁽¹⁾	167	194
<i>EBITDA as a percentage of revenues</i>	<i>9.0 %</i>	<i>9.6 %</i>
Acquisition and integration costs	(2)	—
Restructuring and impairment costs	2	1
Recovery of acquisition and integration costs and restructuring and impairment costs	(1)	—
(Gain) loss on divestitures, net of transaction costs	—	(6)
Adjusted EBITDA⁽¹⁾	\$ 166	\$ 189
<i>Adjusted EBITDA as a percentage of revenues</i>	<i>9.0 %</i>	<i>9.3 %</i>

(1) EBITDA is a performance measure that is calculated by taking net income and excluding interest and loss on sale of receivables, provision for income taxes, and depreciation and amortization. Adjusted EBITDA and adjusted operating income are performance measures that exclude the impact of non-recurring transactions that we do not consider to be indicative of our ongoing operating performance. The acquisition and integration costs relate to the Company's acquisitions. The gain on divestitures includes gains associated with the deconsolidation of FSA and the sale of the logistics and supply chain management business, net of transaction costs. We believe that these performance measures provide management and investors with useful information in assessing trends in our ongoing operating performance and may provide greater visibility in understanding the long-term financial performance of the Company.



Non-GAAP Reconciliation – Adjusted Operating Income

Adjusted Operating Income

Three Months Ended May 3, 2024

(dollars in millions)

	As Reported	Acquisition and integration costs	Restructuring and impairment costs	Recovery of acquisition and integration costs and restructuring and impairment costs	Amortization of intangible assets	Non-GAAP results ⁽¹⁾	Non-GAAP operating margin ⁽¹⁾
Defense and Intelligence	\$ 107	\$ —	\$ —	\$ —	\$ 17	\$ 124	8.6 %
Civilian	34	—	—	—	12	46	11.2 %
Corporate	(10)	(2)	2	(1)	—	(11)	NM
Total	\$ 131	\$ (2)	\$ 2	\$ (1)	\$ 29	\$ 159	8.6 %

Three Months Ended May 5, 2023

(dollars in millions)

	As Reported	Restructuring and impairment costs	Amortization of intangible assets	(Gain) loss on divestitures, net of transaction costs	Non-GAAP results ⁽¹⁾	Non-GAAP operating margin ⁽¹⁾
Defense and Intelligence	\$ 124	\$ —	\$ 17	\$ —	\$ 141	8.8 %
Civilian	42	—	12	—	54	12.5 %
Corporate	(9)	1	—	(6)	(14)	NM
Total	\$ 157	\$ 1	\$ 29	\$ (6)	\$ 181	8.9 %

(1) EBITDA is a performance measure that is calculated by taking net income and excluding interest and loss on sale of receivables, provision for income taxes, and depreciation and amortization. Adjusted EBITDA and adjusted operating income are performance measures that exclude the impact of non-recurring transactions that we do not consider to be indicative of our ongoing operating performance. The acquisition and integration costs relate to the Company's acquisitions. The gain on divestitures includes gains associated with the deconsolidation of FSA and the sale of the logistics and supply chain management business, net of transaction costs. We believe that these performance measures provide management and investors with useful information in assessing trends in our ongoing operating performance and may provide greater visibility in understanding the long-term financial performance of the Company.



Non-GAAP Reconciliation – Adjusted Diluted Earnings per Share

Adjusted Diluted Earnings Per Share

Three Months Ended May 3, 2024							
(dollars in millions)							
	As Reported	Acquisition and integration costs	Restructuring and impairment costs	Recovery of acquisition and integration costs and restructuring and impairment costs	Amortization of intangible assets	Non-GAAP results ⁽¹⁾	
Income before income taxes	\$ 95	\$ (2)	\$ 2	\$ (1)	\$ 29	\$	\$ 123
Provision for income taxes	(18)	—	—	—	(5)		(23)
Net income	\$ 77	\$ (2)	\$ 2	\$ (1)	\$ 24	\$	\$ 100
Diluted EPS	\$ 1.48	\$ (0.04)	\$ 0.04	\$ (0.02)	\$ 0.46	\$	\$ 1.92

Three Months Ended May 5, 2023							
(dollars in millions)							
	As Reported	Restructuring and impairment costs	Amortization of intangible assets	(Gain) loss on divestitures, net of transaction costs	Non-GAAP results ⁽¹⁾		
Income before income taxes	\$ 123	\$ 1	\$ 29	\$ (6)	\$	\$	\$ 147
Provision for income taxes	(25)	—	(6)	1			(30)
Net income	\$ 98	\$ 1	\$ 23	\$ (5)	\$	\$	\$ 117
Diluted EPS	\$ 1.79	\$ 0.02	\$ 0.42	\$ (0.09)	\$	\$	\$ 2.14

(1) Adjusted diluted earnings per share is a performance measure that excludes the impact of non-recurring transactions that we do not consider to be indicative of our ongoing operating performance. The acquisition and integration costs relate to the Company's acquisitions. The gain on divestitures includes gains associated with the deconsolidation of FSA and the sale of the logistics and supply chain management business, net of transaction costs. Adjusted diluted earnings per share also excludes amortization of intangible assets because we do not have a history of significant acquisition activity, we do not acquire businesses on a predictable cycle, and the amount of an acquisition's purchase price allocated to intangible assets and the related amortization term are unique to each acquisition. We believe that this performance measure provides management and investors with useful information in assessing trends in our ongoing operating performance and may provide greater visibility in understanding the long-term financial performance of the Company.



Non-GAAP Reconciliation – Free Cash Flow

Free Cash Flow and Transaction-Adjusted Free Cash Flow

	Three Months Ended	
	May 3, 2024	May 5, 2023
	(in millions)	
Net cash provided by operating activities	\$ 98	\$ 82
Expenditures for property, plant, and equipment	(6)	(6)
Cash provided by MARPA Facility	(79)	—
Free cash flow⁽¹⁾	\$ 13	\$ 76
L&SCM divestiture transition services	8	—
Transaction-adjusted free cash flow⁽¹⁾	\$ 21	\$ 76
	FY25 Guidance	
	(in millions)	
Net cash provided by operating activities	\$520 to \$540	
Expenditures for property, plant, and equipment	Approximately \$30	
Free cash flow⁽¹⁾	\$490 to \$510	

(1) Free cash flow is calculated by taking cash flows provided by operating activities less expenditures for property, plant, and equipment and less cash flows from our Master Accounts Receivable Purchasing Agreement (MARPA Facility) for the sale of certain designated eligible U.S. government receivables. Under the MARPA Facility, the Company can sell eligible receivables up to a maximum amount of \$300 million. Transaction-adjusted free cash flow excludes cash taxes, transaction fees, and other costs related to the divestiture of the logistics and supply chain management business from free cash flow as previously defined. We believe that free cash flow and transaction-adjusted free cash flow provides management and investors with useful information in assessing trends in our cash flows and in comparing them to other peer companies, many of whom present similar non-GAAP liquidity measures. These measures should not be considered as a measure of residual cash flow available for discretionary purposes.



Non-GAAP Reconciliation – FY25 Free Cash Flow Guidance

	FY25 Guidance
	(in millions)
Net cash provided by operating activities	\$520M to \$540M
Expenditures for property, plant, and equipment	Approximately \$30M
Free cash flow⁽¹⁾	\$490M to \$510M

(1) Free cash flow is calculated by taking cash flows provided by operating activities less expenditures for property, plant, and equipment and less cash flows from our Master Accounts Receivable Purchasing Agreement (MARPA Facility) for the sale of certain designated eligible U.S. government receivables. Under the MARPA Facility, the Company can sell eligible receivables up to a maximum amount of \$300 million. Transaction-adjusted free cash flow excludes cash taxes, transaction fees, and other costs related to the divestiture of the logistics and supply chain management business from free cash flow as previously defined. We believe that free cash flow and transaction-adjusted free cash flow provides management and investors with useful information in assessing trends in our cash flows and in comparing them to other peer companies, many of whom present similar non-GAAP liquidity measures. These measures should not be considered as a measure of residual cash flow available for discretionary purposes.



Unaudited Historical Segment Financials

	Three Months Ended				Twelve Months Ended		
	May 5, 2023	August 4, 2023	November 3, 2023	February 2, 2024	February 2, 2024	February 3, 2023	
Defense and Intelligence	\$ 1,597	\$ 1,389	\$ 1,479	\$ 1,352	\$ 5,817	\$ 5,876	
Civilian	431	395	416	385	1,627	1,828	
Total	\$ 2,028	\$ 1,784	\$ 1,895	\$ 1,737	\$ 7,444	\$ 7,704	

The following table presents operating income for fiscal 2024 and twelve months ended fiscal 2023 under the new segment structure (in millions):

	Three Months Ended				Twelve Months Ended		
	May 5, 2023	August 4, 2023	November 3, 2023	February 2, 2024	February 2, 2024	February 3, 2023	
Defense and Intelligence	\$ 124	\$ 106	\$ 106	\$ 100	\$ 436	\$ 438	
Civilian	42	43	54	19	158	167	
Corporate	(9)	213	(17)	(40)	147	(104)	
Total	\$ 157	\$ 362	\$ 143	\$ 79	\$ 741	\$ 501	
Operating income margin							
Defense and Intelligence	7.8 %	7.6 %	7.2 %	7.4 %	7.5 %	7.5 %	
Civilian	9.7 %	10.9 %	13.0 %	4.9 %	9.7 %	9.1 %	
Total operating income margin	7.7 %	20.3 %	7.5 %	4.5 %	10.0 %	6.5 %	

(1) Free cash flow is calculated by taking cash flows provided by operating activities less expenditures for property, plant, and equipment and less cash flows from our Master Accounts Receivable Purchasing Agreement (MARPA Facility) for the sale of certain designated eligible U.S. government receivables. Under the MARPA Facility, the Company can sell eligible receivables up to a maximum amount of \$300 million. Transaction-adjusted free cash flow excludes cash taxes, transaction fees, and other costs related to the divestiture of the logistics and supply chain management business from free cash flow as previously defined. We believe that free cash flow and transaction-adjusted free cash flow provides management and investors with useful information in assessing trends in our cash flows and in comparing them to other peer companies, many of whom present similar non-GAAP liquidity measures. These measures should not be considered as a measure of residual cash flow available for discretionary purposes.



Unaudited Historical Segment Financials

Three Months Ended May 5, 2023

	GAAP results	Restructuring and impairment costs	Amortization of intangible assets	(Gain) loss on divestitures, net of transaction costs	Non-GAAP results ⁽¹⁾	Non-GAAP operating margin ⁽¹⁾
Defense and Intelligence	\$ 124	\$ —	\$ 17	\$ —	\$ 141	8.8 %
Civilian	42	—	12	—	54	12.5 %
Corporate	(9)	1	—	(6)	(14)	NM
Total	\$ 157	\$ 1	\$ 29	\$ (6)	\$ 181	8.9 %

Three Months Ended August 4, 2023

	GAAP results	Acquisition and integration costs	Restructuring and impairment costs	Amortization of intangible assets	(Gain) loss on divestitures, net of transaction costs	Non-GAAP results ⁽¹⁾	Non-GAAP operating margin ⁽¹⁾
Defense and Intelligence	\$ 106	\$ —	\$ —	\$ 17	\$ —	\$ 123	8.9 %
Civilian	43	—	—	12	—	55	13.9 %
Corporate	213	1	5	—	(234)	(15)	NM
Total	\$ 362	\$ 1	\$ 5	\$ 29	\$ (234)	\$ 163	9.1 %

Three Months Ended November 3, 2023

	GAAP results	Restructuring and impairment costs	Recovery of restructuring and impairment costs	Amortization of intangible assets	Non-GAAP results ⁽¹⁾	Non-GAAP operating margin ⁽¹⁾
Defense and Intelligence	\$ 106	\$ —	\$ —	\$ 16	\$ 122	8.2 %
Civilian	54	—	—	12	66	15.9 %
Corporate	(17)	2	(1)	—	(16)	NM
Total	\$ 143	\$ 2	\$ (1)	\$ 28	\$ 172	9.1 %

Three Months Ended February 2, 2024

	GAAP results	Restructuring and impairment costs	Recovery of restructuring and impairment costs	Amortization of intangible assets	Non-GAAP results ⁽¹⁾	Non-GAAP operating margin ⁽¹⁾
Defense and Intelligence	\$ 100	\$ —	\$ —	\$ 17	\$ 117	8.7 %
Civilian	19	—	—	12	31	8.1 %
Corporate	(40)	15	(5)	—	(30)	NM
Total	\$ 79	\$ 15	\$ (5)	\$ 29	\$ 118	6.8 %

(1) Free cash flow is calculated by taking cash flows provided by operating activities less expenditures for property, plant, and equipment and less cash flows from our Master Accounts Receivable Purchasing Agreement (MARPA Facility) for the sale of certain designated eligible U.S. government receivables. Under the MARPA Facility, the Company can sell eligible receivables up to a maximum amount of \$300 million. Transaction-adjusted free cash flow excludes cash taxes, transaction fees, and other costs related to the divestiture of the logistics and supply chain management business from free cash flow as previously defined. We believe that free cash flow and transaction-adjusted free cash flow provides management and investors with useful information in assessing trends in our cash flows and in comparing them to other peer companies, many of whom present similar non-GAAP liquidity measures. These measures should not be considered as a measure of residual cash flow available for discretionary purposes.



Unaudited Historical Segment Financials

Twelve Months Ended February 2, 2024

	GAAP results	Acquisition and integration costs	Restructuring and impairment costs	Recovery of acquisition and integration costs and restructuring and impairment costs	Amortization of intangible assets	(Gain) loss on divestitures, net of transaction costs	Non-GAAP results ⁽¹⁾	Non-GAAP operating margin ⁽¹⁾
Defense and Intelligence	\$ 436	\$ —	\$ —	\$ —	\$ 67	\$ —	\$ 503	8.6 %
Civilian	158	—	—	—	48	—	206	12.7 %
Corporate	147	1	23	(6)	—	(240)	(75)	NM
Total	\$ 741	\$ 1	\$ 23	\$ (6)	\$ 115	\$ (240)	\$ 634	8.5 %

Twelve Months Ended February 3, 2023

	GAAP results	Acquisition and integration costs	Restructuring and impairment costs	Recovery of acquisition and integration costs and restructuring and impairment costs	Amortization of intangible assets	Non-GAAP results ⁽¹⁾	Non-GAAP operating margin ⁽¹⁾
Defense and Intelligence	\$ 438	\$ —	\$ —	\$ —	\$ 69	\$ 507	8.6 %
Civilian	167	—	—	—	56	223	12.2 %
Corporate	(104)	13	24	(12)	—	(79)	NM
Total	\$ 501	\$ 13	\$ 24	\$ (12)	\$ 125	\$ 651	8.5 %

(1) Free cash flow is calculated by taking cash flows provided by operating activities less expenditures for property, plant, and equipment and less cash flows from our Master Accounts Receivable Purchasing Agreement (MARPA Facility) for the sale of certain designated eligible U.S. government receivables. Under the MARPA Facility, the Company can sell eligible receivables up to a maximum amount of \$300 million. Transaction-adjusted free cash flow excludes cash taxes, transaction fees, and other costs related to the divestiture of the logistics and supply chain management business from free cash flow as previously defined. We believe that free cash flow and transaction-adjusted free cash flow provides management and investors with useful information in assessing trends in our cash flows and in comparing them to other peer companies, many of whom present similar non-GAAP liquidity measures. These measures should not be considered as a measure of residual cash flow available for discretionary purposes.



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