

# FINANCIAL RESULTS

## FY24 4Q

SUPPLEMENTAL FINANCIAL PRESENTATION  
March 18, 2024

**SAIC**



# BRING ON TOMORROW.

From space exploration to the secure cloud. From mission support to systems modernization. You face diverse challenges today that call on solutions built for tomorrow.

Partnering to deliver flexible tools and technologies that advance your mission, accelerate time-to-value to make our world better through innovation. On both the frontline and the homefront.

It's what happens when you **bring on tomorrow.**

# 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](http://www.saic.com) or on the SEC’s website at [www.sec.gov](http://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 March 18, 2024 along with listening to or reading a transcript of the management comments delivered in an earnings conference call held on March 18, 2024.

All information in these slides are as of March 18, 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.



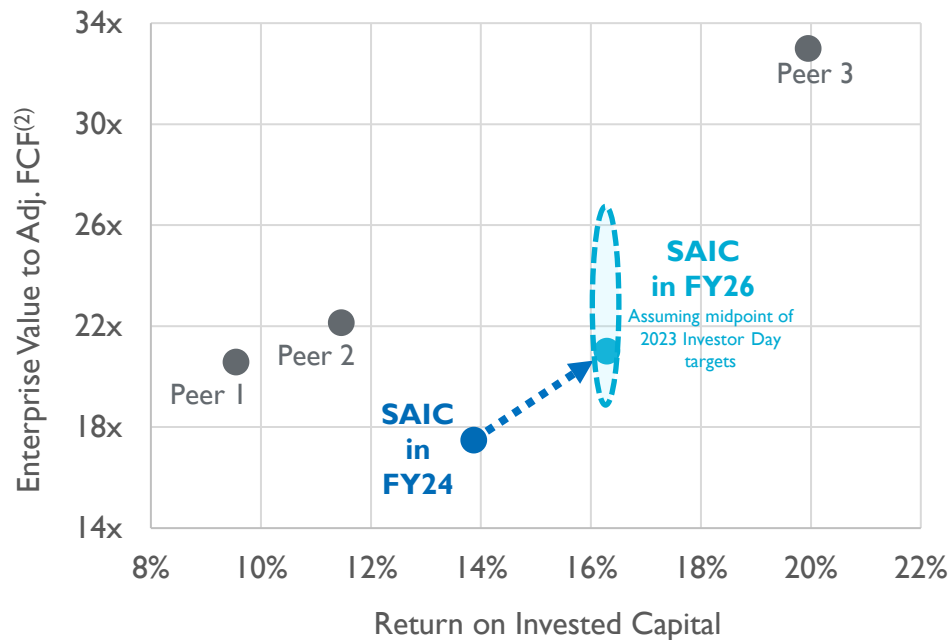
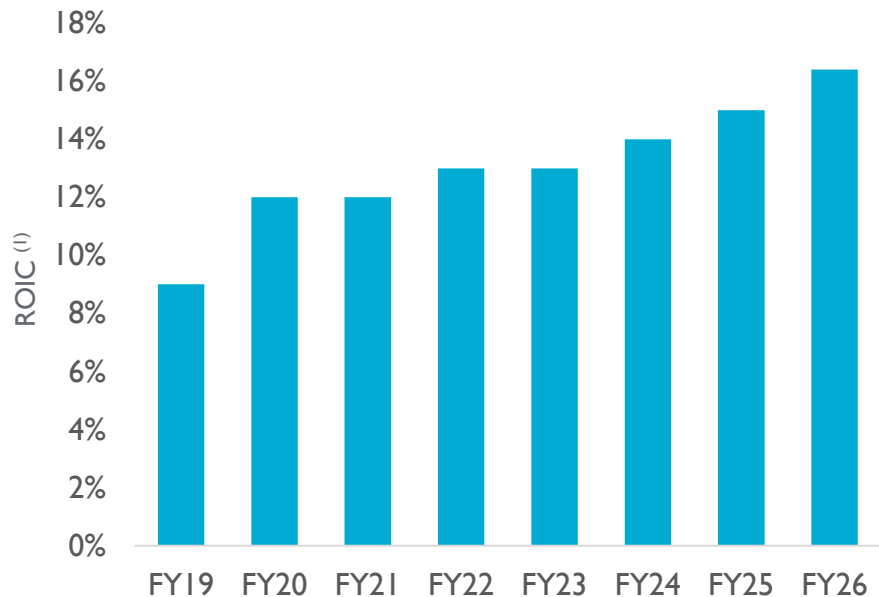
# Building a Differentiated Employee Experience and Culture



- 1 Developing Our Leaders to Be the Best in Our Industry
- 2 Upskilling Our Talent to Build a Sustainable Workforce for the Future
- 3 Fostering a Culture of Growth and Wellbeing
- 4 Increasing Diversity Representation in Our Leadership
- 5 Connecting and Resonating with Our Dispersed Workforce



# FOCUSED BUSINESS MODEL & STRATEGY



(1) ROIC calculated as adjusted EBITDA less capex and assumes a 21% tax rate divided by invested capital; invested capital is calculated as total assets less cash and non-interest-bearing current liabilities. Prior year periods reflect actual results as reported while future years are based on midpoint on multi-year financial targets.

(2) Adjusted free cash flow normalizes SAIC and peer data for the impact of Section 174 and other non-recurring items to improve comparability.



# Fiscal Year 2024 Highlights

Fiscal 4Q



**7.7%**

FY24 4Q PRO-FORMA  
ORGANIC REVENUE GROWTH



**7.3%**

FY24 4Q ADJUSTED EBITDA MARGIN %



**\$486M**

FY24 TRANSACTION-  
ADJUSTED FREE CASH FLOW



**\$6.7B**

FY24 NET BOOKINGS

Fiscal 2024

**7.4%**

FY24 PRO-FORMA  
ORGANIC REVENUE GROWTH

**9.0%**

FY24 ADJUSTED EBITDA MARGIN %

**9.3%**

EXCL. INCREASED INCENTIVE COMP. ACCRUAL

**\$436M**

FY24 CAPITAL RETURNED  
TO SHAREHOLDERS

**~0.9x**

TTM BOOK-TO-BILL

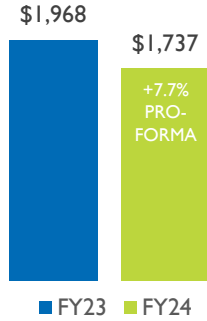
FY24 represents highest annual organic growth rate since separation in 2013

*\*Adjusted EBITDA and Free Cash Flow are non-GAAP financial measures as defined and reconciled in the appendix of this presentation.*

# FY24 Q4 & FY24 FULL YEAR RESULTS<sup>(1)</sup>

Fiscal 4Q

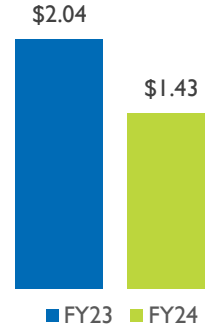
## REVENUE



## ADJUSTED EBITDA<sup>(2)</sup>



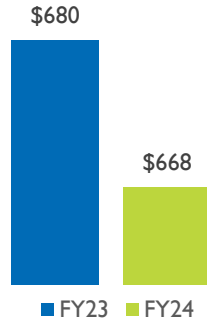
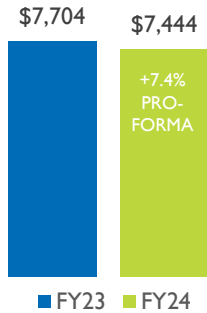
## ADJUSTED DILUTED EPS<sup>(2)</sup>



## TRANSACTION-ADJUSTED FREE CASH FLOW<sup>(2)</sup>



Fiscal 2024



(1) Results of Science Applications International Corporation and its consolidated subsidiaries for the fourth quarters and twelve months ended February 3, 2023 and February 2, 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	<b>\$7.35B - \$7.50B</b>	\$7.25B - \$7.40B
Pro-Forma Organic Growth	~2.5%	~2.5%
Adjusted EBITDA <sup>(1)</sup>	<b>\$680M - \$700M</b>	
Adjusted EBITDA % <sup>(1)</sup>	9.2% - 9.4%	9.4% - 9.6%
Adjusted Diluted EPS <sup>(1)</sup>	<b>\$8.00 - \$8.20</b>	\$8.00 - \$8.20
Free Cash Flow <sup>(1)</sup>	<b>\$490M - \$510M</b>	\$480M - \$500M

## 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

- ▶ Pro-forma organic growth guidance excludes ~\$185M in revenue related to L&SCM business recognized in 1Q FY24
- ▶ Revenue growth expected to be flat to low-single-digits in 1H FY25 with higher growth rates in 2H FY25

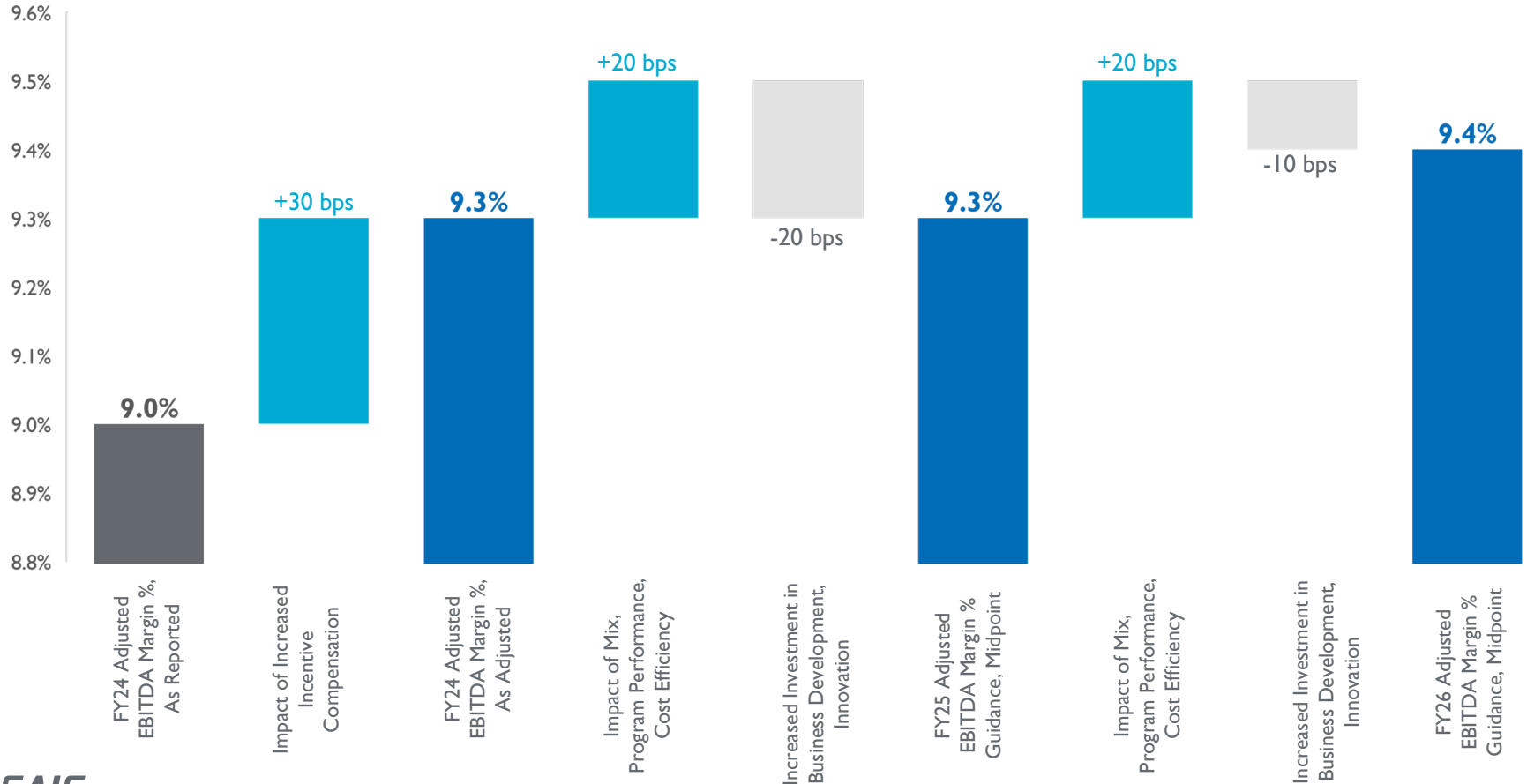
(1) Adjusted EBITDA, Adjusted EBITDA %, adjusted diluted earnings per share and free cash flow are non-GAAP financial measures as defined and reconciled in the appendix of this presentation

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.

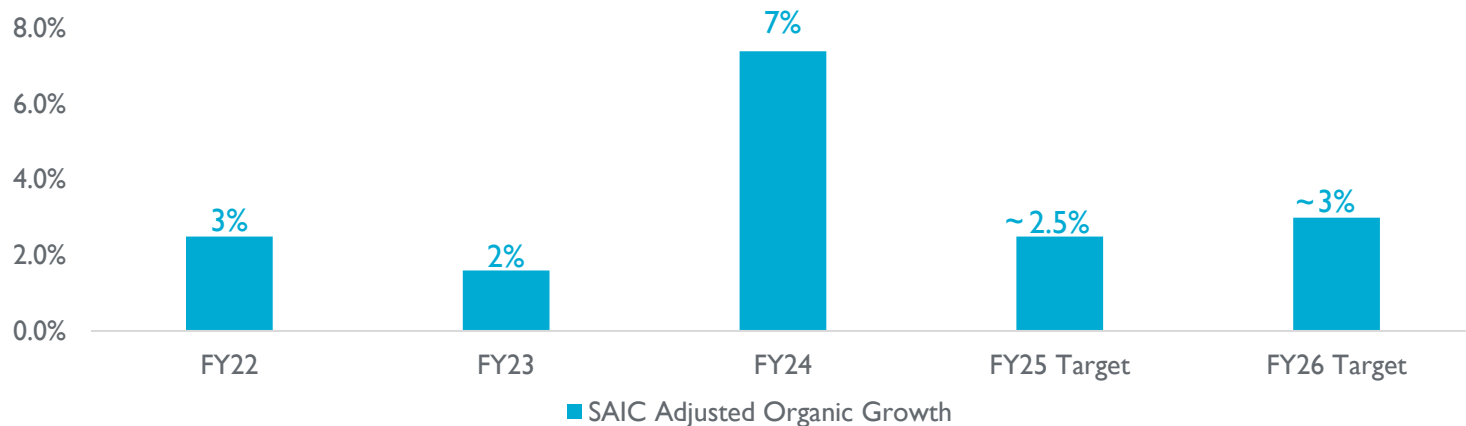




# Increasing Investment to Drive Future Profitable Growth



# Solid Organic Revenue Growth Expected to Continue



	FY21	FY22	FY22	FY23	FY23	FY24	FY24	FY25	FY25	FY26
Revenues, as Reported	\$7,056	\$7,394	\$7,394	\$7,704	\$7,704	\$7,444 <sup>+</sup>	\$7,444 <sup>+</sup>	\$7,425 <sup>+</sup>	\$7,425 <sup>+</sup>	\$7,650 <sup>+</sup>
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 <sup>+</sup>	\$7,259	\$7,425 <sup>+</sup>	\$7,425 <sup>+</sup>	\$7,650 <sup>+</sup>
<b>Adjusted Organic Revenue y/y*</b>		<b>3%</b>		<b>2%</b>		<b>7%</b>		<b>~2.5%</b>		<b>~3%</b>

<sup>+</sup> Revenue figures reflect midpoint of target range

<sup>\*\*</sup> Results reflect four additional working days in FY23 and five fewer working days in FY24

<sup>\*</sup> 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
Revenue	\$7.444B <i>(\$7.259B excl. L&amp;SCM revenue)</i>	\$7.35B - \$7.50B	\$7.55B - \$7.75B
Organic Growth	7.4%	2% - 3%	2% - 4%
Adjusted EBITDA Margin*	9.0%	9.2% - 9.4%	9.3% - 9.5%
Adjusted Earnings per Share*	\$7.88	\$8.00 - \$8.20	\$8.90 - \$9.10
Weighted Average Diluted Shares Outstanding	53.7M	~51.5M	~49.5M
Free Cash Flow*	\$486M	\$490M - \$510M	\$510M - \$530M
Free Cash Flow per Share*	\$9.05	~\$10	~\$11
Net Leverage*	~3.0x	~2.7x	~2.5x

\* 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 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 <sup>+</sup>	5,000,000	11%	19	190,000	\$69	~\$5.00
December 2016	3,287,313 <sup>+</sup>	5,000,000	11%	38	90,000	\$79	~\$6.50
April 2019	4,623,534 <sup>+</sup>	6,500,000	11%	21*	220,000*	\$86*	~\$8.00
June 2022	8,000,000 <sup>+</sup>	~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

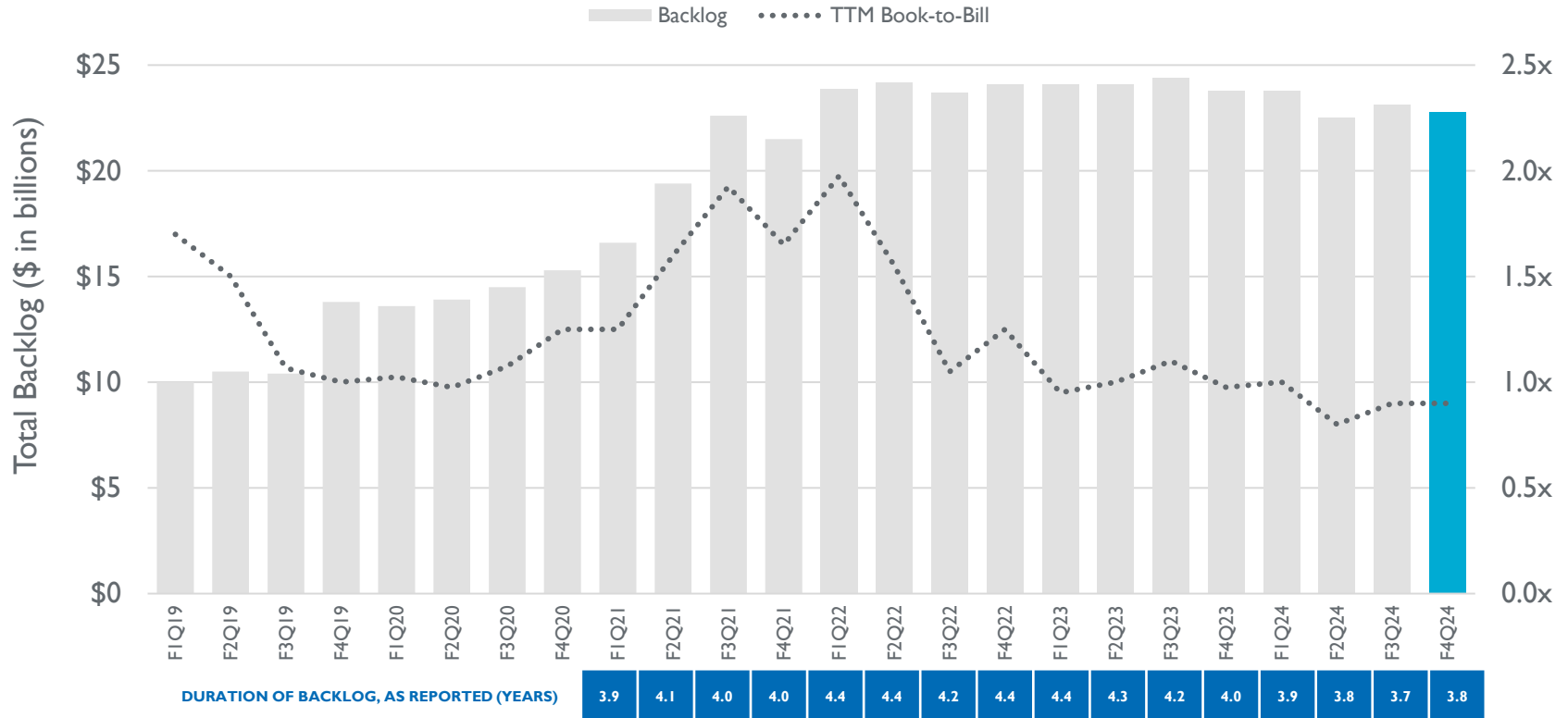
\*\* - excludes impact of MARPA facility

+ - 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 0.9x and Total Backlog of ~\$23B**



# 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, Adjusted EBITDA and Adjusted Operating Income

	Three Months Ended		Year Ended	
	February 2, 2024	February 3, 2023	February 2, 2024	February 3, 2023
	(in millions)			
<b>Revenues</b>	\$ 1,737	\$ 1,968	\$ 7,444	\$ 7,704
<b>Net income</b>	39	75	477	303
Interest expense, net and loss on sale of receivables	34	36	129	126
Provision for income taxes	9	10	143	72
Depreciation and amortization	36	39	142	157
<b>EBITDA<sup>(1)</sup></b>	<b>\$ 118</b>	<b>\$ 160</b>	<b>\$ 891</b>	<b>\$ 658</b>
<i>EBITDA as a percentage of revenues</i>	6.8 %	8.1 %	12.0 %	8.5 %
Acquisition and integration costs	—	2	1	13
Restructuring and impairment costs	15	17	23	24
Depreciation included in acquisition and integration costs and restructuring and impairment costs	(1)	(2)	(1)	(3)
Recovery of acquisition and integration costs and restructuring and impairment costs	(5)	(6)	(6)	(12)
Gain on divestitures, net of transaction costs	—	—	(240)	—
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 127</b>	<b>\$ 171</b>	<b>\$ 668</b>	<b>\$ 680</b>
<i>Adjusted EBITDA as a percentage of revenues</i>	7.3 %	8.7 %	9.0 %	8.8 %
<b>Operating income</b>	<b>\$ 79</b>	<b>\$ 118</b>	<b>\$ 741</b>	<b>\$ 501</b>
<i>Operating income as a percentage of revenues</i>	4.5 %	6.0 %	10.0 %	6.5 %
Acquisition and integration costs	—	2	1	13
Restructuring and impairment costs	15	17	23	24
Recovery of acquisition and integration costs and restructuring and impairment costs	(5)	(6)	(6)	(12)
Gain on divestitures, net of transaction costs	—	—	(240)	—
<b>Adjusted operating income<sup>(1)</sup></b>	<b>\$ 89</b>	<b>\$ 131</b>	<b>\$ 519</b>	<b>\$ 526</b>
<i>Adjusted operating income as a percentage of revenues</i>	5.1 %	6.7 %	7.0 %	6.8 %

(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 February 2, 2024							
	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	Gain on divestitures, net of transaction costs	Non-GAAP results <sup>(1)</sup>
Income before income taxes	48	—	15	(5)	29	—	87
Income tax expense	(9)	—	(1)	1	(5)	2	(12)
Net income attributable to common stockholders	\$ 39	\$ —	\$ 14	\$ (4)	\$ 24	\$ 2	\$ 75
Diluted EPS attributable to common stockholders	\$ 0.74	\$ —	\$ 0.27	\$ (0.08)	\$ 0.46	\$ 0.04	\$ 1.43

Three Months Ended February 3, 2023							
	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 <sup>(1)</sup>
Income before income taxes	85	2	17	(6)	31		129
Income tax expense	(10)	—	(2)	1	(4)		(15)
Net Income	75	2	15	(5)	27		114
Less: Net income attributable to non-controlling interest	1	—	—	—	—		1
Net income attributable to common stockholders	\$ 74	\$ 2	\$ 15	\$ (5)	\$ 27		\$ 113
Diluted EPS attributable to common stockholders	\$ 1.34	\$ 0.03	\$ 0.27	\$ (0.09)	\$ 0.49		\$ 2.04

(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 – Adjusted Diluted Earnings per Share

## Adjusted Diluted Earnings Per Share

Year Ended February 2, 2024							
	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	Gain on divestitures, net of transaction costs	Non-GAAP results <sup>(1)</sup>
Income before income taxes	620	1	23	(6)	115	(240)	513
Income tax expense	(143)	—	(2)	1	(21)	75	(90)
Net income attributable to common stockholders	\$ 477	\$ 1	\$ 21	\$ (5)	\$ 94	\$ (165)	\$ 423
Diluted EPS attributable to common stockholders	\$ 8.88	\$ 0.02	\$ 0.39	\$ (0.09)	\$ 1.75	\$ (3.07)	\$ 7.88

Year Ended February 3, 2023							
	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 <sup>(1)</sup>
Income before income taxes	375	13	24	(12)	125		525
Income tax expense	(72)	(2)	(5)	2	(24)		(101)
Net Income	\$ 303	\$ 11	\$ 19	\$ (10)	\$ 101		\$ 424
Less: Net income attributable to non-controlling interest		3	—	—	—		3
Net income attributable to common stockholders	\$ 300	\$ 11	\$ 19	\$ (10)	\$ 101		\$ 421
Diluted EPS attributable to common stockholders	\$ 5.38	\$ 0.20	\$ 0.34	\$ (0.18)	\$ 1.81		\$ 7.55

(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

	Three Months Ended		Year Ended	
	February 2, 2024	February 3, 2023	February 2, 2024	February 3, 2023
	(in millions)			
<b>Net cash provided by operating activities</b>	<b>\$ 63</b>	<b>\$ 145</b>	<b>\$ 396</b>	<b>\$ 532</b>
Expenditures for property, plant, and equipment	(11)	(7)	(27)	(25)
Cash used (provided) by MARPA Facility	45	10	45	(50)
<b>Free cash flow<sup>(1)</sup></b>	<b>\$ 97</b>	<b>\$ 148</b>	<b>\$ 414</b>	<b>\$ 457</b>
L&SCM divestiture transaction fees	—	—	7	—
L&SCM divestiture cash taxes	18	—	74	—
L&SCM divestiture transition services	4	—	(9)	—
<b>Transaction-adjusted free cash flow<sup>(1)</sup></b>	<b>\$ 119</b>	<b>\$ 148</b>	<b>\$ 486</b>	<b>\$ 457</b>

(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)
<b>Net cash provided by operating activities</b>	<b>\$520M to \$540M</b>
Expenditures for property, plant, and equipment	Approximately \$30M
<b>Free cash flow<sup>(1)</sup></b>	<b>\$490M to \$510M</b>

(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.



# BRING ON TOMORROW. ▶

TAKING THE WORLD WHERE  
IT'S NEVER BEEN BEFORE.

From the digital space to space defense,  
we move you forward.

**SAIC**

