

# FINANCIAL RESULTS

## FY25 2Q

SUPPLEMENTAL FINANCIAL PRESENTATION  
September 5, 2024

**SAIC**<sup>®</sup>

# 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 September 5, 2024 along with listening to or reading a transcript of the management comments delivered in an earnings conference call held on September 5, 2024.

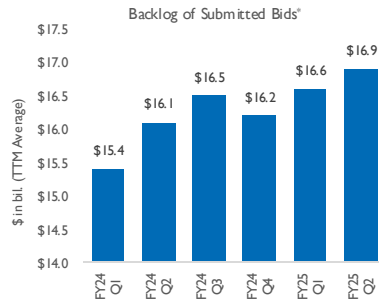
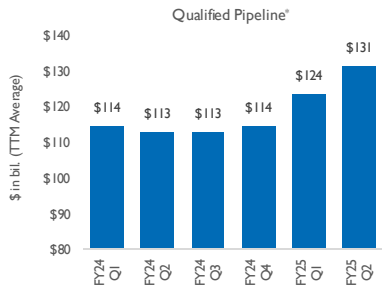
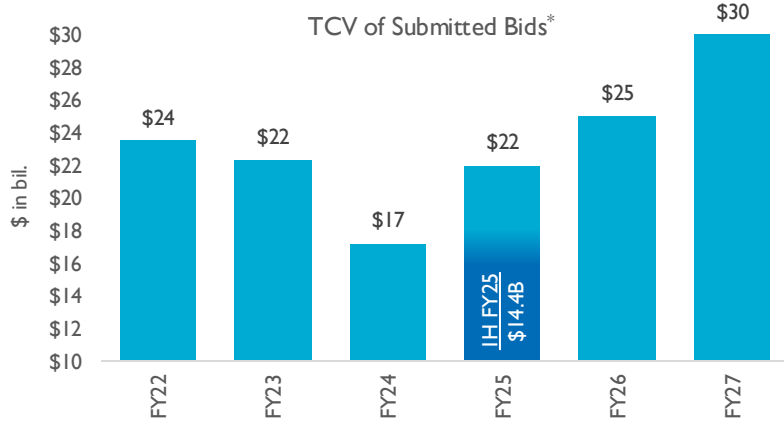
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# BID MORE

# BID BETTER

# WIN MORE

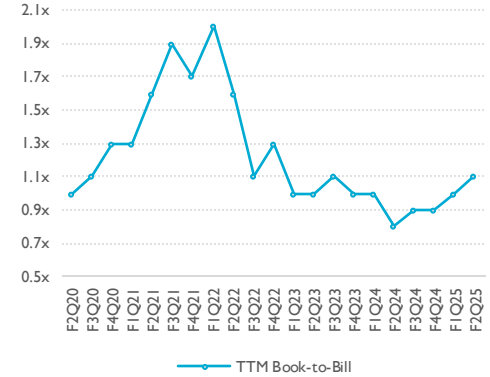


\* Figures are pro-forma for the divestiture of L&SCM and decconsolidation of FSA JV

## Strategic



## Financial



WIN RATE	Legend			FY20 to FY21	FY22 to FY24	FY25 YTD
	Above target	At target	Below target			
Recompete	●	●	●	At target	Below target	Below target
New & On-Contract	●	●	●	Above target	At target	Above target
Overall	●	●	●	Above target	At target	Above target

# 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

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## 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

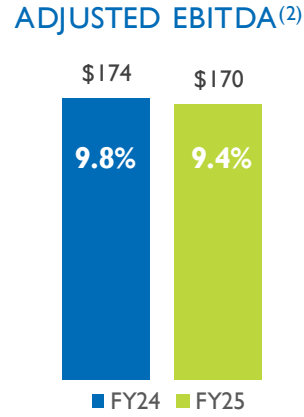


# FY25 Q2 RESULTS<sup>(1)</sup>

Fiscal 2Q



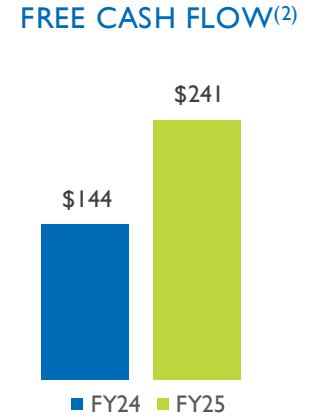
- + Space GMASS
- + Air Force AOC Falconer
- + Air Force Cloud One
- + Civilian T-Cloud
- NASA OMES II
- Other Program Completions



- + Improved Execution
- Higher Internal Investment



- + Lower Tax Rate
- + Lower Share Count
- Adj. EBITDA
- Interest Expense



- + A/R & DPO
- + Cash Taxes
- Adj. EBITDA
- Interest Expense

(1) Results of Science Applications International Corporation and its consolidated subsidiaries for the quarters ended August 4, 2023 and August 2, 2024

(2) 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



# Fiscal Year 2025 Guidance

	CURRENT FISCAL YEAR 2025 GUIDANCE	PRIOR FISCAL YEAR 2025 GUIDANCE
Revenue	<b>\$7.35B - \$7.50B</b>	\$7.35B - \$7.50B
Pro-Forma Organic Growth	~2.5%	~2.5%
Adjusted EBITDA <sup>(1)</sup>	<b>\$680M - \$700M</b>	\$680M - \$700M
Adjusted EBITDA % <sup>(1)</sup>	<b>9.2% - 9.4%</b>	9.2% - 9.4%
Adjusted Diluted EPS <sup>(1)</sup>	<b>\$8.10 - \$8.30</b>	\$8.00 - \$8.20
Free Cash Flow <sup>(1)</sup>	<b>\$490M - \$510M</b>	\$490M - \$510M

## KEY ASSUMPTIONS

- ▶ FY25 adjusted diluted EPS guidance assumes the following:
  - 22% effective tax rate
  - Interest expense of \$125M-\$130M
  - Intangible amortization of \$110M-\$120M
  - Share count of approximately 51M

## KEY MODELING CONSIDERATIONS

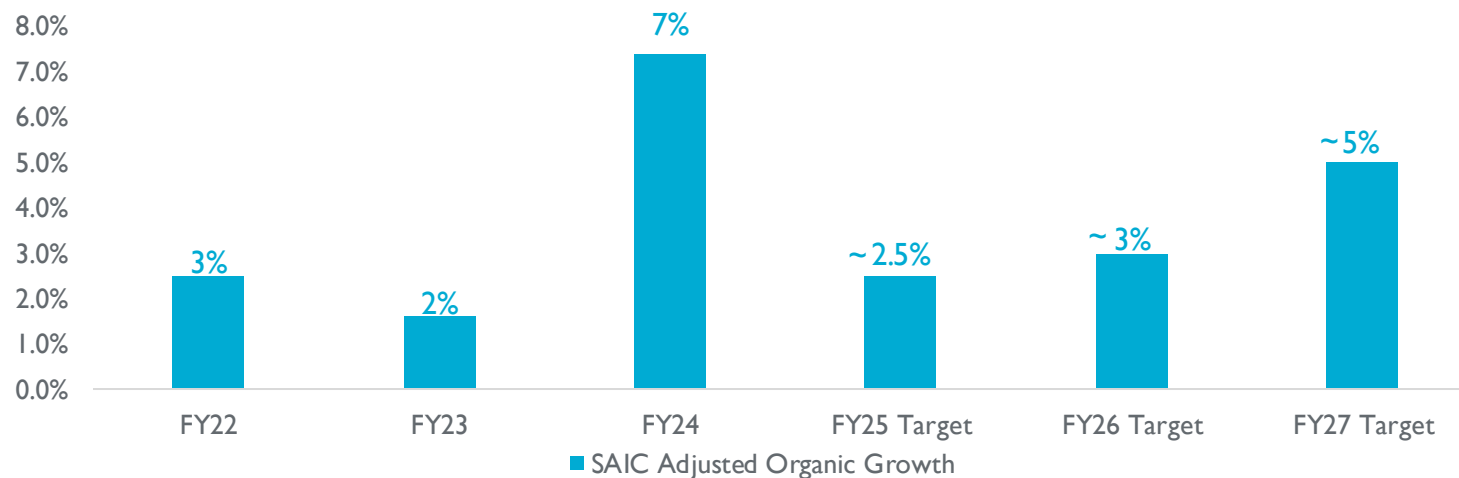
- ▶ 3Q FY25 revenue expected to increase 1% to 3% vs. 3Q FY24
- ▶ 4Q FY25 revenue expected to increase 3% to 5% vs. 4Q FY24
- ▶ 2H FY25 free cash flow weighted 30%/70% F3Q/F4Q

*(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 <sup>+</sup>	\$7,425 <sup>+</sup>	\$7,650 <sup>+</sup>	\$8,025 <sup>+</sup>
Acquired Revenue		(\$184)		(\$73)							
Divested Revenue		\$25			(\$637)		(\$188)				
Working Days Adjustment**				(\$120)	(\$135)						
Adjusted Pro-forma Revenues	\$7,056	\$7,235	\$7,394	\$7,511	\$6,932	\$7,444	\$7,256	\$7,425 <sup>+</sup>	\$7,425 <sup>+</sup>	\$7,650 <sup>+</sup>	\$8,025 <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>	<b>~5%</b>

\* 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	\$8.10 - \$8.30	\$8.90 - \$9.10	\$9.90 - \$10.10
Diluted WASO	53.7M	~51M	~48.5M	~46.5M
<b>Free Cash Flow*</b>	<b>\$486M</b>	<b>\$490M - \$510M</b>	<b>\$510M - \$530M</b>	<b>\$540M - \$560M</b>
<b>FCF per Share*</b>	<b>\$9.05</b>	<b>~\$10</b>	<b>~\$11</b>	<b>~\$12</b>
<b>Share Repurchases</b>	<b>\$357M</b>	<b>\$350M - \$400M</b>	<b>\$350M - \$400M</b>	<b>\$350M - \$400M</b>
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 <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

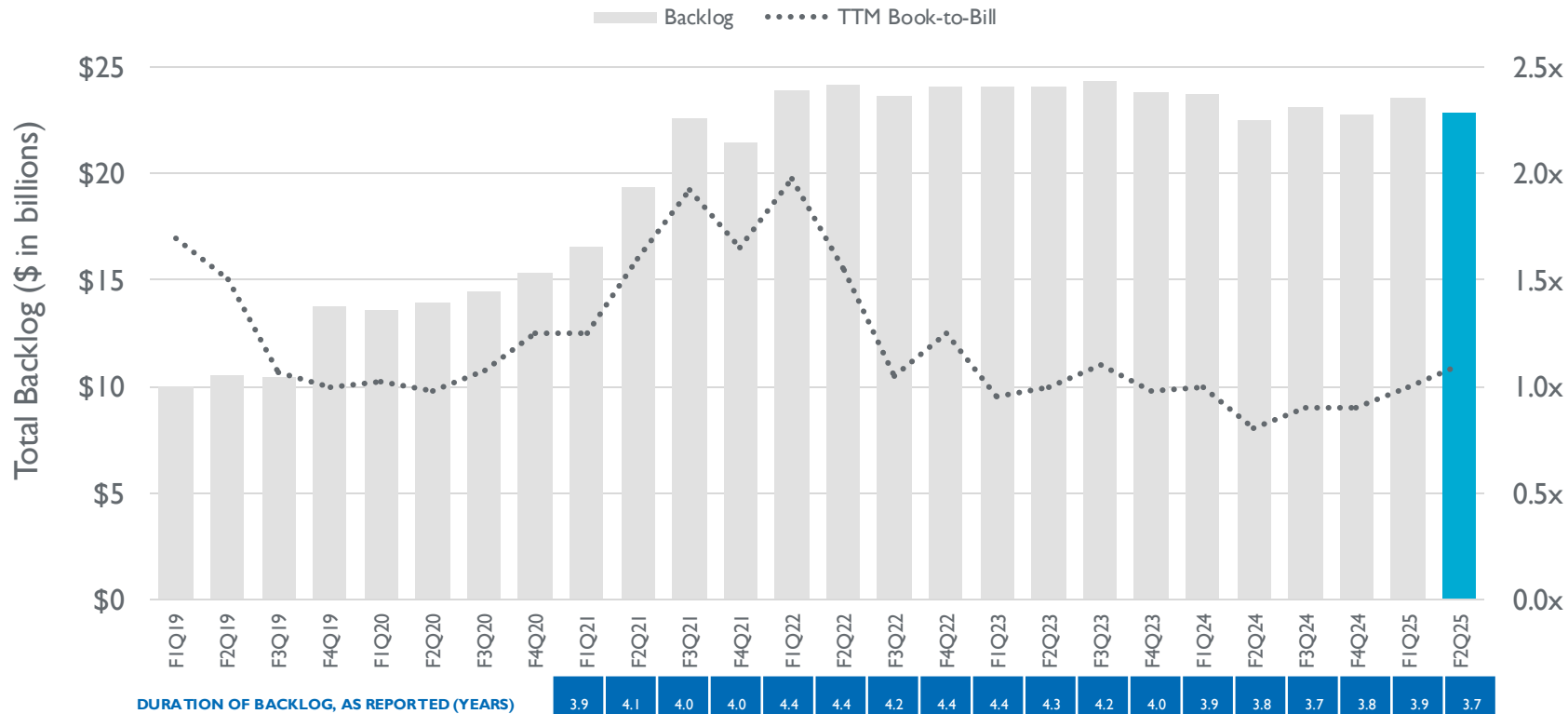
\*\* - excludes impact of MARPA facility

+ - 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 1.1x and Total Backlog of ~\$22.9B**



# 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		Six Months Ended	
	August 2, 2024	August 4, 2023	August 2, 2024	August 4, 2023
	(in millions)			
<b>Revenues</b>	<b>\$ 1,818</b>	<b>\$ 1,784</b>	<b>\$ 3,665</b>	<b>\$ 3,812</b>
<b>Net income</b>	<b>\$ 81</b>	<b>\$ 247</b>	<b>\$ 158</b>	<b>\$ 345</b>
Interest expense, net and loss on sale of receivables	35	31	72	66
Provision for income taxes	19	88	37	113
Depreciation and amortization	34	36	69	72
<b>EBITDA<sup>(1)</sup></b>	<b>169</b>	<b>402</b>	<b>336</b>	<b>596</b>
<i>EBITDA as a percentage of revenues</i>	<b>9.3 %</b>	<b>22.5 %</b>	<b>9.2 %</b>	<b>15.6 %</b>
Acquisition and integration costs	—	1	(2)	1
Restructuring and impairment costs	2	5	4	6
Recovery of acquisition and integration costs and restructuring and impairment costs	(1)	—	(2)	—
(Gain) loss on divestitures, net of transaction costs	—	(234)	—	(240)
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 170</b>	<b>\$ 174</b>	<b>\$ 336</b>	<b>\$ 363</b>
<i>Adjusted EBITDA as a percentage of revenues</i>	<b>9.4 %</b>	<b>9.8 %</b>	<b>9.2 %</b>	<b>9.5 %</b>

(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 August 2, 2024

(dollars in millions)

	As Reported	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>	Non-GAAP operating margin <sup>(1)</sup>
Defense and Intelligence	\$ 107	\$ —	\$ —	\$ 17	\$ 124	8.8 %
Civilian	34	—	—	12	46	11.4 %
Corporate	(7)	2	(1)	—	(6)	NM
<b>Total</b>	<b>\$ 134</b>	<b>\$ 2</b>	<b>\$ (1)</b>	<b>\$ 29</b>	<b>\$ 164</b>	<b>9.0 %</b>

### Three Months Ended August 4, 2023

(dollars in millions)

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

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# Non-GAAP Reconciliation – Adjusted Operating Income

## Adjusted Operating Income

### Six Months Ended August 2, 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 <sup>(1)</sup>	Non-GAAP operating margin <sup>(1)</sup>
Defense and Intelligence	\$ 214	\$ —	\$ —	\$ —	\$ 34	\$ 248	8.7 %
Civilian	68	—	—	—	24	92	11.3 %
Corporate	(17)	(2)	4	(2)	—	(17)	NM
<b>Total</b>	<b>\$ 265</b>	<b>\$ (2)</b>	<b>\$ 4</b>	<b>\$ (2)</b>	<b>\$ 58</b>	<b>\$ 323</b>	<b>8.8 %</b>

### Six Months Ended August 4, 2023

(dollars in millions)

	As Reported	Acquisition and integration costs	Restructuring and impairment costs	Amortization of intangible assets	(Gain) loss on divestitures, net of transaction costs	Non-GAAP results <sup>(1)</sup>	Non-GAAP operating margin <sup>(1)</sup>
Defense and Intelligence	\$ 230	\$ —	\$ —	\$ 34	\$ —	\$ 264	8.8 %
Civilian	85	—	—	24	—	109	13.2 %
Corporate	204	1	6	—	(240)	(29)	NM
<b>Total</b>	<b>\$ 519</b>	<b>\$ 1</b>	<b>\$ 6</b>	<b>\$ 58</b>	<b>\$ (240)</b>	<b>\$ 344</b>	<b>9.0 %</b>

(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 August 2, 2024					Non-GAAP results <sup>(1)</sup>
	As Reported	Restructuring and impairment costs	Recovery of acquisition and integration costs and restructuring and impairment costs	Amortization of intangible assets		
Income before income taxes	\$ 100	\$ 2	\$ (1)	\$ 29	\$ 130	
Provision for income taxes	(19)	—	—	(6)	(25)	
Net income	\$ 81	\$ 2	\$ (1)	\$ 23	\$ 105	
Diluted EPS	\$ 1.58	\$ 0.04	\$ (0.02)	\$ 0.45	\$ 2.05	

	Three Months Ended August 4, 2023					Non-GAAP results <sup>(1)</sup>
	As Reported	Acquisition and integration costs	Restructuring and impairment costs	Amortization of intangible assets	(Gain) loss on divestitures, net of transaction costs	
Income before income taxes	\$ 335	\$ 1	\$ 5	\$ 29	\$ (234)	\$ 136
Provision for income taxes	(88)	—	(1)	(6)	69	(26)
Net income	\$ 247	\$ 1	\$ 4	\$ 23	\$ (165)	\$ 110
Diluted EPS	\$ 4.56	\$ 0.02	\$ 0.07	\$ 0.45	\$ (3.05)	\$ 2.05

(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

### Six Months Ended August 2, 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 <sup>(1)</sup>
Income before income taxes	\$ 195	\$ (2)	\$ 4	\$ (2)	\$ 58	\$ 253
Provision for income taxes	(37)	—	—	—	(11)	(48)
Net income	\$ 158	\$ (2)	\$ 4	\$ (2)	\$ 47	\$ 205
Diluted EPS	\$ 3.06	\$ (0.04)	\$ 0.08	\$ (0.04)	\$ 0.91	\$ 3.97

### Six Months Ended August 4, 2023

(dollars in millions)

	As Reported	Acquisition and integration costs	Restructuring and impairment costs	Amortization of intangible assets	(Gain) loss on divestitures, net of transaction costs	Non-GAAP results <sup>(1)</sup>
Income before income taxes	\$ 458	\$ 1	\$ 6	\$ 58	\$ (240)	\$ 283
Provision for income taxes	(113)	—	(1)	(12)	70	(56)
Net income	\$ 345	\$ 1	\$ 5	\$ 46	\$ (170)	\$ 227
Diluted EPS	\$ 6.35	\$ 0.01	\$ 0.09	\$ 0.86	\$ (3.12)	\$ 4.19

(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		Six Months Ended	
	August 2, 2024	August 4, 2023	August 2, 2024	August 4, 2023
	(in millions)			
<b>Net cash provided by operating activities</b>	<b>\$ 138</b>	<b>\$ 150</b>	<b>\$ 236</b>	<b>\$ 232</b>
Expenditures for property, plant, and equipment	(6)	(6)	(12)	(12)
Cash used (provided by) MARPA Facility	109	—	30	—
<b>Free cash flow<sup>(1)</sup></b>	<b>\$ 241</b>	<b>\$ 144</b>	<b>\$ 254</b>	<b>\$ 220</b>
L&SCM divestiture transaction fees	—	7	—	7
L&SCM divestiture transition services	—	(8)	8	(8)
<b>Transaction-adjusted free cash flow<sup>(1)</sup></b>	<b>\$ 241</b>	<b>\$ 143</b>	<b>\$ 262</b>	<b>\$ 219</b>

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



# 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
<b>Total</b>	<b>\$ 2,028</b>	<b>\$ 1,784</b>	<b>\$ 1,895</b>	<b>\$ 1,737</b>	<b>\$ 7,444</b>	<b>\$ 7,704</b>

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)
<b>Total</b>	<b>\$ 157</b>	<b>\$ 362</b>	<b>\$ 143</b>	<b>\$ 79</b>	<b>\$ 741</b>	<b>\$ 501</b>
<b>Operating income margin</b>						
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 %
<b>Total operating income margin</b>	<b>7.7 %</b>	<b>20.3 %</b>	<b>7.5 %</b>	<b>4.5 %</b>	<b>10.0 %</b>	<b>6.5 %</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.



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