

# Fiscal Year 2012 Guidance Conference Call

June 30, 2011

**CACI**  

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**EVER VIGILANT®**

# Forward-looking Statements

There are statements made herein which do not address historical facts, and therefore could be interpreted to be forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such statements are subject to factors that could cause actual results to differ materially from anticipated results. The factors that could cause actual results to differ materially from those anticipated include, but are not limited to, the following: regional and national economic conditions in the United States and the United Kingdom, including conditions that result from prolonged weakness; terrorist activities or war; changes in interest rates; currency fluctuations; significant fluctuations in the equity markets; changes in our effective tax rate; valuation of contingent consideration in connection with business combinations; failure to achieve contract awards in connection with recompetes for present business and/or competition for new business; the risks and uncertainties associated with client interest in and purchases of new products and/or services; continued funding of U.S. government or other public sector projects, based on a change in spending patterns, or in the event of a priority need for funds, such as homeland security, the war on terrorism, or an economic stimulus package; government contract procurement (such as bid protest, small business set asides, loss of work due to organizational conflicts of interest, etc.) and termination risks; the results of government investigations into allegations of improper actions related to the provision of services in support of U.S. military operations in Iraq; the results of government audits and reviews conducted by the Defense Contract Audit Agency, the Defense Contract Management Agency, or other government entities with cognizant oversight; individual business decisions of our clients; paradigm shifts in technology; competitive factors such as pricing pressures and/or competition to hire and retain employees (particularly those with security clearances); market speculation regarding our continued independence; material changes in laws or regulations applicable to our businesses, particularly in connection with (i) government contracts for services, (ii) outsourcing of activities that have been performed by the government, and (iii) competition for task orders under Government Wide Acquisition Contracts ("GWACs") and/or schedule contracts with the General Services Administration; the ability to successfully integrate the operations of our recent and any future acquisitions; our own ability to achieve the objectives of near term or long range business plans; and other risks described in the company's Securities and Exchange Commission filings.

# Participants

- **Paul Cofoni**  
President and Chief Executive Officer
- **Tom Mutryn**  
Chief Financial Officer
- **Bill Fairl**  
President of U.S. Operations
- **Dan Allen**  
Chief Operating Officer of U.S. Operations
- **Greg Bradford**  
Chief Executive of CACI Limited UK

# CEO Overview

- **Increasing FY11 earnings guidance – expect another record year**
- **Anticipate FY12 will be another year of solid growth**
  - **Committed to achieving financial goals**
- **CACI performing at record levels and delivering shareholder value**

# CEO Overview

- **Pressure on federal agencies to reduce spending presents growth opportunities for CACI**
  - **Improving productivity and achieving cost savings for our clients**
- **Our strategy enables us to:**
  - **Specialize in high-priority, well-funded markets**
  - **Capitalize on new opportunities in existing, adjacent and new markets, organically and by acquisition**
- **Pangia acquisition will increase CACI's cybersecurity capabilities**

# CEO Overview

- **Proposed FY12 government budget will contain funding for needs aligned with CACI's strengths**
  - **Persistent threat environment drives need for our national security-related solutions**
  - **Pressure on clients to reduce spending increases the demand for our modernization and transformation solutions**
- **CACI's addressable market provides us with room to grow**



# CACI's Addressable Market Opportunities

- **Undertook detailed process to quantify addressable market, assess market conditions, and develop our strategy going forward**
- **CACI's market share approximately 1 percent**
- **Four key growth areas:**
  - **Business transformation services and solutions**
  - **Intelligence, surveillance, and reconnaissance**
  - **Cybersecurity**
  - **Healthcare IT solutions and services**
- **Believe we will grow our market share in our core markets in FY12 and beyond**

**OPPORTUNITY FOR GROWTH**

# Raising FY11 Earnings Guidance

In millions except for per share amounts

	<b><u>Current FY11 Guidance</u></b>	<b><u>Previous FY11 Guidance</u></b>
<b>Revenue</b>	<b>\$3,500 – \$3,600</b>	<b>\$3,500 – \$3,630</b>
<b>Net Income</b>	<b>\$133 – \$138</b>	<b>\$130 – \$135</b>
<b>Diluted EPS</b>	<b>\$4.25 – \$4.40</b>	<b>\$4.15 – \$4.30</b>
<b>Diluted shares</b>	<b>31.3</b>	<b>31.3</b>

**FY11 revenue expected to be 11 – 14% over '10**

**FY11 net income expected to be 25 – 30% over '10**

**FY11 diluted EPS expected to be 22 – 27% over '10**

**This guidance represents our views as of June 29, 2011. Investors are reminded that actual results may differ from these estimates for reasons described in our Safe Harbor Statement and our filings with the SEC.**

# FY12 Annual Guidance

In millions except for per share amounts

	<u>FY12</u>
<b>Revenue</b>	<b>\$3,750 – \$3,950</b>
<b>Net Income</b>	<b>\$144 – \$150</b>
<b>Diluted EPS</b>	<b>\$4.60 – \$4.80</b>
<b>Diluted shares</b>	<b>31.3</b>

**FY12 revenue expected to be 6 – 11% over '11 mid-point**  
**FY12 net income expected to be 6 – 11% over '11 mid-point**  
**FY12 diluted EPS expected to be 6 – 11% over '11 mid-point**

**This guidance represents our views as of June 29, 2011. Investors are reminded that actual results may differ from these estimates for reasons described in our Safe Harbor Statement and our filings with the SEC.**

# Key Guidance Assumptions

- **Key assumptions in FY12 guidance:**
  - **Direct labor and ODCs expected to increase 7%-12%**
  - **Effective tax rate expected to be approximately 39.5%**
  - **Capital expenditures of approximately \$15-\$20 million**
  - **Interest expense expected to be \$25 million**
  - **Depreciation and amortization expected to be \$8 million less than FY11 amount**
  - **Diluted share count of approximately 31.3 million, flat with FY11**
  - **Operating cash flow of approximately \$200 million**
  - **Adjusted EPS\* to range from \$6.14 - \$6.34**

\* Adjusted earnings = Net income – stock compensation – D&A – non-cash interest expense

# Operations Overview

- **Nearly 70% of FY12 business expected to come from contracts we already hold**
- **Approximately 50% of funding in hand to achieve FY12 financial goals**
- **FY11 awards from new business more than \$1.6 billion, an all-time record**
- **More than 25% of business to be recompeted in FY12**
- **In FY11, won prime positions on major IDIQ programs with total ceiling value of over \$51 billion**

# Operations Overview

- **Strong opportunity pipeline**
  - **More than \$5.7 billion in submitted proposals**
  - **Expect to submit \$8.5 billion in new proposals prior to 12/31/11**
- **Winning new business in areas of emerging importance**
  - **Cybersecurity, biometrics, healthcare IT**



# CEO Closing Comments

- **FY11 provides solid foundation for growth and success in FY12**
- **Delivering solutions critical to:**
  - **Countering the persistent threat environment**
  - **Enhancing productivity and reducing costs for our clients**
  - **Defending against new threats**
- **CACI is beginning its 50<sup>th</sup> year of business**