



Second Quarter 2017 Earnings Presentation

Delta Tucker Holdings, Inc.
Parent of DynCorp International Inc.
August 14, 2017

AVIATION ■ LOGISTICS ■ OPERATIONS ■ INTELLIGENCE ■ TRAINING



DYNCORP INTERNATIONAL

We Serve Today for a Better Tomorrow.

Forward-Looking Statements and Non-GAAP Measures

- **This presentation includes forward-looking statements about the Company’s future business and financial performance, plans, goals, beliefs, or expectations. All of these forward-looking statements are based on estimates and assumptions made by the Company’s management that, although believed by the Company to be reasonable, are inherently uncertain. Forward-looking statements involve risks and uncertainties, including, but not limited to, our substantial level of indebtedness and our ability to refinance our indebtedness; the outcome of any litigation, government investigation, audit or other regulatory matters; award fee determination; termination or modification of key contracts; changes in the demand for services; acts of war or terrorist activities; changes in significant operating expenses; and other economic, competitive, governmental, political and technological factors outside of the Company’s control. These risks and uncertainties may cause the Company’s business, strategy or actual results or events to differ materially from the statements made herein.**
- **All forward looking statements included in this presentation are based upon information presently available. The Company undertakes no obligation to update or revise any forward-looking statement it makes to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events. The risks and uncertainties relating to the forward-looking statements in this presentation include those described under the caption “Risk Factors” and “Forward-Looking Statements” detailed from time to time in our reports filed with the SEC.**
- **This presentation includes non-GAAP financial measures, including Adjusted EBITDA, that are different from financial measures calculated in accordance with GAAP and may be different from non-GAAP calculations made by other companies. Management believes these non-GAAP financial measures are useful in evaluating operating performance and are regularly used by investors, lenders and other interested parties in reviewing the Company. For a reconciliation of these non-GAAP financial measures to the most comparable GAAP financial measures, see the earnings press release dated August 14, 2017 filed with the SEC on Current Report on Form 8-K and posted on our website.**

CEO George Krivo – Executive Summary

Positive Trends Continue

- Top Line Growth / Margin Expansion
- Backlog on the Rise...
- Net Debt Declines...
- Full Year Financial Guidance Raised Again

Key Financial Results

- Revenue of \$474.3 Million
- Adjusted EBITDA of \$39.3 Million
- Adjusted EBITDA Margin of 8.3%

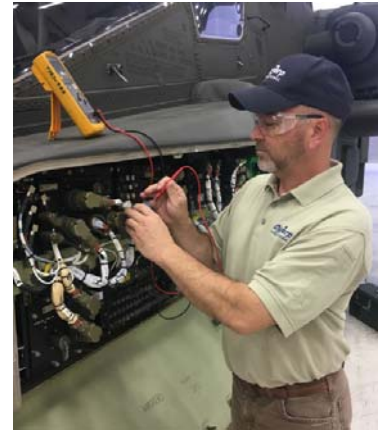
Continuity and Stability

Operational Highlights

Operational Highlights



Key Developments

- CLS Transport Awarded \$795.3M (Base + 5 Options)
- MD530 Subcontract 12-Mo Bridge \$29.6M
- JPATS T-6 COMBS 12-Mo Bridge \$202M
- LOGCAP IV Task Order Afghanistan 12-Mo Extension \$217M
- LOGCAP IV Task Order NORTHCOM OY1 Award \$126.5M
- ALiSS Task Order Emergency Support Services \$46.9M (Base + 4 Options)



Financial Review

Q2 2017 Results

	<i>Millions</i>	Q2 2017	2017 vs. 2016		
Revenue		\$474.3M	\$23.3M	5.2%	
Adjusted EBITDA		\$39.3M	\$17.2M	78.1%	
Adjusted EBITDA Margin		8.3%	340 bps		
			vs. Q4 2016		
Total Backlog		\$4,609M	\$893M	24.0%	

Q2 Highlights

Revenue	Adjusted EBITDA
↑ LOGCAP IV	↑ LOGCAP IV
↑ ALiSS	↑ JPATS T6
↑ CFT	↑ NAWDC
↑ NAWDC	↑ T34/44/6
↑ AFM TASM	↑ MD530
↑ MSS Saudi	↑ CalFire
↑ GISS G4 INSCOM	↑ ALiSS
↑ MD530	↑ GISS G4 INSCOM
↓ Sheppard	↓ Sheppard
↓ INL	↓ INL
↓ F2AST	↓ AFCAP
↓ AWACS	↓ Chemonics
↓ WRM	

AELS



<i>Millions</i>	Q2 2017	2017 vs. 2016	
	Revenue	\$138.3M	(\$0.1M)
Adjusted EBITDA	\$6.7M	\$16.3M	169.3%
Adjusted EBITDA Margin	4.8%	1,180 bps	
		vs. Q4 2016	
Total Backlog	\$1,403M	(\$21M)	(1.5%)



Q2 Highlights

Revenue	Adjusted EBITDA
<ul style="list-style-type: none"> ↑ CFT ↑ NAWDC ↑ T34/44/6 ↓ PAX River ↓ Sheppard 	<ul style="list-style-type: none"> ↑ JPATS T6 ↑ CalFire ↑ NAWDC ↑ T34/44/6 ↓ Sheppard

Total Backlog
<ul style="list-style-type: none"> ↑ JPATS T6 ↑ NAWDC ↓ NASA AMOS ↓ PAX River

AOLC

<i>Millions</i>	Q2 2017	2017 vs. 2016	
	Revenue	\$151.9M	(\$8.3M)
Adjusted EBITDA	\$15.0M	(\$0.6M)	(3.6%)
Adjusted EBITDA Margin	9.9%	20 bps	
		vs. Q4 2016	
Total Backlog	\$1,458M	\$406M	38.6%



Q2 Highlights

Revenue	Adjusted EBITDA
<ul style="list-style-type: none"> ↑ AFM TASM ↑ MSS Saudi ↑ MD530 ↓ INL ↓ F2AST ↓ AWACS 	<ul style="list-style-type: none"> ↑ CNTPO ↑ MD 530 ↑ SANG ↑ Heliworks ↓ INL

Total Backlog	
<ul style="list-style-type: none"> ↑ MD 530 ↑ CLS Transport 	<ul style="list-style-type: none"> ↓ AFM RASM ↓ AFM TASM ↓ INL

DynLogistics

	<i>\$millions</i>	2017 vs. 2016	
		Q2 2017	
Revenue	\$183.6M	\$31.0M	20.3%
Adjusted EBITDA	\$22.8M	\$5.1M	29.0%
Adjusted EBITDA Margin	12.4%	80 bps	
		vs. Q4 2016	
Total Backlog	\$1,748M	\$508M	41.0%



Q2 Highlights

Revenue	Adjusted EBITDA
<ul style="list-style-type: none"> ↑ LOGCAP IV ↑ ALiSS ↑ GISS G4 INSCOM ↓ Chemonics ↓ CJPS ↓ WRM 	<ul style="list-style-type: none"> ↑ LOGCAP IV ↑ ALiSS ↑ GISS G4 INSCOM ↓ AFCAP ↓ Chemonics

Total Backlog
<ul style="list-style-type: none"> ↑ ALiSS ↑ LOGCAP IV ↑ WRM ↓ ANA/ANP

Financial Review – Q2 Miscellaneous Items

Working Capital⁽¹⁾ of \$189.0 Million

- Up \$35.5 Million from Prior Year-end; 10.0% of Revenue
- DSO at 58 Days – Increase of 2 Days from Prior Year-end

YTD Free Cash Flow (\$2.3) Million

Current Net Debt Position of \$475.4 Million

- Balance Sheet Cash Position of \$98.9 Million
- No Revolver Borrowings Outstanding At Quarter-end

⁽¹⁾ Working Capital = Accounts Receivable + Inventory + Work in Progress – Accounts Payable – Accrued Payroll and Employee Cost

2017 Full Year Financial Guidance – Update

Revenue \$1.93 Billion to \$1.95 Billion

- Includes Contributions from our INL Air Wing Program

Adjusted EBITDA \$136 Million to \$140 Million

- Guidance Increased Based On:
 - Strong First Half of the Year
 - Good Visibility Remaining Six Months
 - Recent Wins
- Includes Contributions from our INL Air Wing Program

INL Air Wing Program

- Guidance Assumes \$260 Million in Revenue

CEO Closing Remarks

Stability and Continuity

- Continue to build momentum

Make our Commitments

Delight our Customer

Maintaining Professional Standards

- Recognize Global Complexity
- We Do the Right Thing

Q & A

Appendix

Unaudited Consolidated Statements of Operations

(Amounts in thousands)	Three Months Ended				Six Months Ended			
	June 30, 2017		June 24, 2016		June 30, 2017		June 24, 2016	
Revenue	\$	474,288	\$	450,967	\$	934,159	\$	870,957
Cost of services		(409,652)		(410,361)		(809,128)		(782,859)
Selling, general and administrative expenses		(27,168)		(36,959)		(58,886)		(71,048)
Depreciation and amortization expense		(8,589)		(8,911)		(17,144)		(17,203)
Earnings from equity method investees		10		335		52		702
Operating income (loss)		28,889		(4,929)		49,053		549
Interest expense		(17,764)		(17,460)		(36,479)		(33,427)
Loss on early extinguishment of debt		(24)		(328)		(24)		(328)
Interest income		19		22		24		82
Other income, net		144		4,611		1,517		4,963
Income (loss) before income taxes		11,264		(18,084)		14,091		(28,161)
Provision for income taxes		(5,300)		(6,729)		(8,339)		(11,224)
Net income (loss)		5,964		(24,813)		5,752		(39,385)
Noncontrolling interests		(288)		(308)		(563)		(496)
Net income (loss) attributable to DTH, Inc.	\$	5,676	\$	(25,121)	\$	5,189	\$	(39,881)
Provision for income taxes		5,300		6,729		8,339		11,224
Interest expense, net of interest income		17,745		17,438		36,455		33,345
Depreciation and amortization ⁽¹⁾		9,027		9,161		17,925		17,677
EBITDA ⁽²⁾	\$	37,748	\$	8,207	\$	67,908	\$	22,365
Certain income/expense or gain/loss adjustments per our credit agreements ⁽³⁾		(1,072)		7,871		(1,238)		8,411
Employee share based compensation, severance, relocation and retention expense ⁽⁴⁾		345		267		1,475		661
Cerberus fees ⁽⁵⁾		626		723		1,276		1,632
Global Advisory Group expenses ⁽⁶⁾		1,783		4,907		6,943		9,758
Other ⁽⁷⁾		(164)		75		(570)		(284)
Adjusted EBITDA	\$	39,266	\$	22,050	\$	75,794	\$	42,543

(1) Includes certain depreciation and amortization amounts which are classified as Cost of services in the condensed consolidated statements of operations.

(2) We define EBITDA as GAAP net income (loss) attributable to DTH, Inc. adjusted for interest, taxes, depreciation and amortization. We believe these non-GAAP financial measures are useful in evaluating operating performance and are regularly used by security analysts, institutional investors and other interested parties in reviewing the Company. Non-GAAP financial measures are not intended to be a substitute for any GAAP financial measure and, as calculated, may not be comparable to other similarly titled measures of the performance of other companies.

(3) Includes certain unusual income and expense items, as defined in the Indenture and New Senior Credit Facility.

(4) Includes post-employment benefit expense related to severance in accordance with ASC 712 - *Compensation*, relocation expenses, retention expense and share based compensation expense.

(5) Includes Cerberus Operations and Advisory Company expenses, net of recovery.

(6) Reflects Global Advisory Group cost incurred during the three and six months ended June 30, 2017 and June 24, 2016, respectively, which we are able to add back to Adjusted EBITDA under the Indenture and New Senior Credit Facility in an aggregate amount up to a total of \$30 million, which was fully utilized as of June 30, 2017.

(7) Includes changes due to fluctuations in foreign exchange rates, earnings from affiliates not received in cash, costs incurred pursuant to ASC 805 - *Business Combination* and other immaterial items.

Unaudited Credit Agreement Adjusted EBITDA Calculation by Segment

(Amounts in thousands)	DTH, Inc. CY17 QTD Q2					
	AELS	AOLC	DynLogistics	Headquarters/ Others	Consolidated	
Operating income (loss)	\$ 5,991	\$ 14,709	\$ 23,799	\$ (15,610)	\$ 28,889	
Depreciation and amortization expense ⁽¹⁾	301	24	197	8,505	9,027	
Loss on early extinguishment of debt	—	—	—	(24)	(24)	
Noncontrolling interests	—	—	—	(288)	(288)	
Other income (loss), net	43	2	(60)	159	144	
EBITDA ⁽²⁾	\$ 6,335	\$ 14,735	\$ 23,936	\$ (7,258)	\$ 37,748	
Certain income/expense or gain/loss adjustments per our credit agreements ⁽³⁾	—	—	(1,550)	478	(1,072)	
Employee share based compensation, severance, relocation and retention expense ⁽⁴⁾	181	82	82	—	345	
Cerberus fees ⁽⁵⁾	176	190	219	41	626	
Global Advisory Group expenses ⁽⁶⁾	—	—	—	1,783	1,783	
Other ⁽⁷⁾	—	—	81	(245)	(164)	
Adjusted EBITDA	\$ 6,692	\$ 15,007	\$ 22,768	\$ (5,201)	\$ 39,266	

- (1) Includes certain depreciation and amortization amounts which are classified as Cost of services in the condensed consolidated statements of operations.
- (2) We define EBITDA as GAAP net income attributable to DTH, Inc. adjusted for interest, taxes, depreciation and amortization. We believe these non-GAAP financial measures are useful in evaluating operating performance and are regularly used by security analysts, institutional investors and other interested parties in reviewing the Company. Non-GAAP financial measures are not intended to be a substitute for any GAAP financial measure and, as calculated, may not be comparable to other similarly titled measures of the performance of other companies.
- (3) Includes certain unusual income and expense items, as defined in the Indenture and New Senior Credit Facility.
- (4) Includes post-employment benefit expense related to severance in accordance with ASC 712 - *Compensation*, relocation expenses, retention expense and share based compensation expense.
- (5) Includes Cerberus Operations and Advisory Company expenses, net of recovery.
- (6) Reflects Global Advisory Group cost incurred during the three and six months ended June 30, 2017 and June 24, 2016, respectively, which we are able to add back to Adjusted EBITDA under the Indenture and New Senior Credit Facility in an aggregate amount up to a total of \$30 million, which was fully utilized as of June 30, 2017.
- (7) Includes changes due to fluctuations in foreign exchange rates, earnings from affiliates not received in cash, costs incurred pursuant to ASC 805 - *Business Combination* and other immaterial items.

Unaudited Credit Agreement Adjusted EBITDA Calculation by Segment

(Amounts in thousands)	DTH, Inc. CY16 QTD Q2					
	AELS	AOLC	DynLogistics	Headquarters/ Others	Consolidated	
Operating (loss) income	\$ (10,151)	\$ 9,899	\$ 15,942	\$ (20,619)	\$	(4,929)
Depreciation and amortization expense ⁽¹⁾	157	364	60	8,580		9,161
Loss on early extinguishment of debt	—	—	—	(328)		(328)
Noncontrolling interests	—	—	—	(308)		(308)
Other income (loss), net	(76)	4,851	—	(164)		4,611
EBITDA ⁽²⁾	\$ (10,070)	\$ 15,114	\$ 16,002	\$ (12,839)	\$	8,207
Certain income/expense or gain/loss adjustments per our credit agreements ⁽³⁾	—	211	1,344	6,316		7,871
Employee share based compensation, severance, relocation and retention expense ⁽⁴⁾	41	27	102	97		267
Cerberus fees ⁽⁵⁾	222	210	196	95		723
Global Advisory Group expenses ⁽⁶⁾	—	—	—	4,907		4,907
Other ⁽⁷⁾	150	—	—	(75)		75
Adjusted EBITDA	\$ (9,657)	\$ 15,562	\$ 17,644	\$ (1,499)	\$	22,050

- (1) Includes certain depreciation and amortization amounts which are classified as Cost of services in the condensed consolidated statements of operations.
- (2) We define EBITDA as GAAP net loss attributable to DTH, Inc. adjusted for interest, taxes, depreciation and amortization. We believe these non-GAAP financial measures are useful in evaluating operating performance and are regularly used by security analysts, institutional investors and other interested parties in reviewing the Company. Non-GAAP financial measures are not intended to be a substitute for any GAAP financial measure and, as calculated, may not be comparable to other similarly titled measures of the performance of other companies.
- (3) Includes certain unusual income and expense items, as defined in the Indenture and New Senior Credit Facility.
- (4) Includes post-employment benefit expense related to severance in accordance with ASC 712 - *Compensation*, relocation expenses, retention expense and share based compensation expense.
- (5) Includes Cerberus Operations and Advisory Company expenses, net of recovery.
- (6) Reflects Global Advisory Group cost incurred during the three months ended June 24, 2016 which we are able to add back to Adjusted EBITDA under the Indenture and New Senior Credit Facility in an aggregate amount up to a total of \$30 million.
- (7) Includes changes due to fluctuations in foreign exchange rates, earnings from affiliates not received in cash, costs incurred pursuant to ASC 805 - *Business Combination* and other immaterial items.

Unaudited Credit Agreement Adjusted EBITDA Calculation by Segment

(Amounts in thousands)	DTH, Inc. CY17 YTD Q2					
	AELS	AOLC	DynLogistics	Headquarters/ Others	Consolidated	
Operating income (loss)	\$ 9,270	\$ 30,375	\$ 41,299	\$ (31,891)	\$ 49,053	
Depreciation and amortization expense ⁽¹⁾	566	48	336	16,975	17,925	
Loss on early extinguishment of debt	—	—	—	(24)	(24)	
Noncontrolling interests	—	—	—	(563)	(563)	
Other income (loss), net	(10)	1,052	47	428	1,517	
EBITDA ⁽²⁾	\$ 9,826	\$ 31,475	\$ 41,682	\$ (15,075)	\$ 67,908	
Certain income/expense or gain/loss adjustments per our credit agreements ⁽³⁾	—	—	(2,306)	1,068	(1,238)	
Employee share based compensation, severance, relocation and retention expense ⁽⁴⁾	727	329	405	14	1,475	
Cerberus fees ⁽⁵⁾	377	390	434	75	1,276	
Global Advisory Group expenses ⁽⁶⁾	—	—	—	6,943	6,943	
Other ⁽⁷⁾	—	—	41	(611)	(570)	
Adjusted EBITDA	\$ 10,930	\$ 32,194	\$ 40,256	\$ (7,586)	\$ 75,794	

- (1) Includes certain depreciation and amortization amounts which are classified as Cost of services in the condensed consolidated statements of operations.
- (2) We define EBITDA as GAAP net income attributable to DTH, Inc. adjusted for interest, taxes, depreciation and amortization. We believe these non-GAAP financial measures are useful in evaluating operating performance and are regularly used by security analysts, institutional investors and other interested parties in reviewing the Company. Non-GAAP financial measures are not intended to be a substitute for any GAAP financial measure and, as calculated, may not be comparable to other similarly titled measures of the performance of other companies.
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- (4) Includes post-employment benefit expense related to severance in accordance with ASC 712 - *Compensation*, relocation expenses, retention expense and share based compensation expense.
- (5) Includes Cerberus Operations and Advisory Company expenses, net of recovery.
- (6) Reflects Global Advisory Group cost incurred during the three and six months ended June 30, 2017 and June 24, 2016, respectively, which we are able to add back to Adjusted EBITDA under the Indenture and New Senior Credit Facility in an aggregate amount up to a total of \$30 million, which was fully utilized as of June 30, 2017.
- (7) Includes changes due to fluctuations in foreign exchange rates, earnings from affiliates not received in cash, costs incurred pursuant to ASC 805 - *Business Combination* and other immaterial items.

Unaudited Credit Agreement Adjusted EBITDA Calculations by Segment

(Amounts in thousands)	DTH, Inc. CY16 YTD Q2					
	AELS	AOLC	DynLogistics	Headquarters/ Others	Consolidated	
Operating income (loss)	\$ (8,400)	\$ 18,866	\$ 25,878	\$ (35,795)	\$	549
Depreciation and amortization expense ⁽¹⁾	287	398	122	16,870		17,677
Loss on early extinguishment of debt	—	—	—	(328)		(328)
Noncontrolling interests	—	—	—	(496)		(496)
Other income (loss), net	(60)	4,852	13	158		4,963
EBITDA ⁽²⁾	\$ (8,173)	\$ 24,116	\$ 26,013	\$ (19,591)	\$	22,365
Certain income/expense or gain/loss adjustments per our credit agreements ⁽³⁾	—	542	1,498	6,371		8,411
Employee share based compensation, severance, relocation and retention expense ⁽⁴⁾	355	(44)	118	232		661
Cerberus fees ⁽⁵⁾	489	463	434	246		1,632
Global Advisory Group expenses ⁽⁶⁾	—	—	—	9,758		9,758
Other ⁽⁷⁾	115	—	—	(399)		(284)
Adjusted EBITDA	\$ (7,214)	\$ 25,077	\$ 28,063	\$ (3,383)	\$	42,543

- (1) Includes certain depreciation and amortization amounts which are classified as Cost of services in the condensed consolidated statements of operations.
- (2) We define EBITDA as GAAP net loss attributable to DTH, Inc. adjusted for interest, taxes, depreciation and amortization. We believe these non-GAAP financial measures are useful in evaluating operating performance and are regularly used by security analysts, institutional investors and other interested parties in reviewing the Company. Non-GAAP financial measures are not intended to be a substitute for any GAAP financial measure and, as calculated, may not be comparable to other similarly titled measures of the performance of other companies.
- (3) Includes certain unusual income and expense items, as defined in the Indenture and Senior Credit Facility.
- (4) Includes post-employment benefit expense related to severance in accordance with ASC 712 - *Compensation*, relocation expenses, retention expense and share based compensation expense.
- (5) Includes Cerberus Operations and Advisory Company expenses, net of recovery.
- (6) Reflects Global Advisory Group cost incurred during the six months ended June 24, 2016 which we are able to add back to Adjusted EBITDA under the Indenture and New Senior Credit Facility in an aggregate amount up to a total of \$30 million.
- (7) Includes changes due to fluctuations in foreign exchange rates, earnings from affiliates not received in cash, costs incurred pursuant to ASC 805 - *Business Combination* and other immaterial items.

Unaudited Condensed Consolidated Balance Sheets

(Amounts in thousands)	As of	
	June 30, 2017	December 31, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 98,910	\$ 118,218
Restricted cash	—	7,664
Accounts receivable, net of allowances of \$16,149 and \$17,189, respectively	322,920	300,255
Other current assets	53,771	65,694
Total current assets	475,601	491,831
Non-current assets		
Total assets	\$ 645,523	\$ 676,537
LIABILITIES AND DEFICIT		
Current portion of long-term debt	\$ 20,950	\$ 62,843
Other current liabilities	260,483	278,703
Total current liabilities	281,433	341,546
Long-term debt	553,377	569,613
Other long-term liabilities	26,621	27,315
Total deficit attributable to Delta Tucker Holdings, Inc.	(221,382)	(267,392)
Noncontrolling interests	5,474	5,455
Total deficit	(215,908)	(261,937)
Total liabilities and deficit	\$ 645,523	\$ 676,537

Unaudited Other Contract Data

(Amounts in millions)	As of	
	June 30, 2017	December 31, 2016
Backlog⁽¹⁾:		
Funded backlog	\$ 1,119	\$ 1,403
Unfunded backlog	3,490	2,313
Total Backlog	\$ 4,609	\$ 3,716

- (1) Backlog consists of funded and unfunded amounts under contracts. Funded backlog is equal to the amounts appropriated by a customer for payment of goods and services less actual revenue recognized as of the measurement date under that appropriation. Unfunded backlog is the dollar value of unexercised, priced contract options, and the unfunded portion of exercised contract options. Most of our U.S. government contracts allow the customer the option to extend the period of performance of a contract for a period of one or more years.

Unaudited Condensed Statements of Cash Flows

(Amounts in thousands)	For the six months ended	
	June 30, 2017	June 24, 2016
Cash Flow Information:		
Net cash provided by operating activities	\$ 267	\$ 27,623
Net cash provided by (used in) investing activities	4,238	(25,694)
Net cash used in financing activities	(23,813)	(14,447)
Net cash provided by operating activities	267	27,623
Less: Purchase of property and equipment	(2,674)	(1,882)
Proceeds from sale of property and equipment	536	799
Less: Purchase of software	(400)	(1,417)
Free cash flow	\$ (2,271)	\$ 25,123