



# **EXPERTISE** AND **TECHNOLOGY** FOR NATIONAL SECURITY

2019 ANNUAL REPORT

# SUCCESS BUILT ON GOOD CHARACTER AND INNOVATION

## | Our Culture Sets Us Apart

IDEAS That Inspire.

TECHNOLOGIES That Matter.

EVER VIGILANT.

CACI is better positioned than ever to grow our business by leveraging our substantial expertise, innovation, and technology to deliver the enterprise and mission outcomes our customers desire. For more than 57 years, CACI has supported our customers in the protection of our nation's interests and the transformation and optimization of government operations. As we continue to attract new customers and enhance our performance, we remain grounded in our culture of good character and innovation.

Our successful strategy to win new business, deliver operational excellence, and deploy our capital for long-term growth has provided the blueprint for sustained, profitable growth. Our talented employees are often commended by our customers as they continue to demonstrate the highest levels of expertise and professionalism.

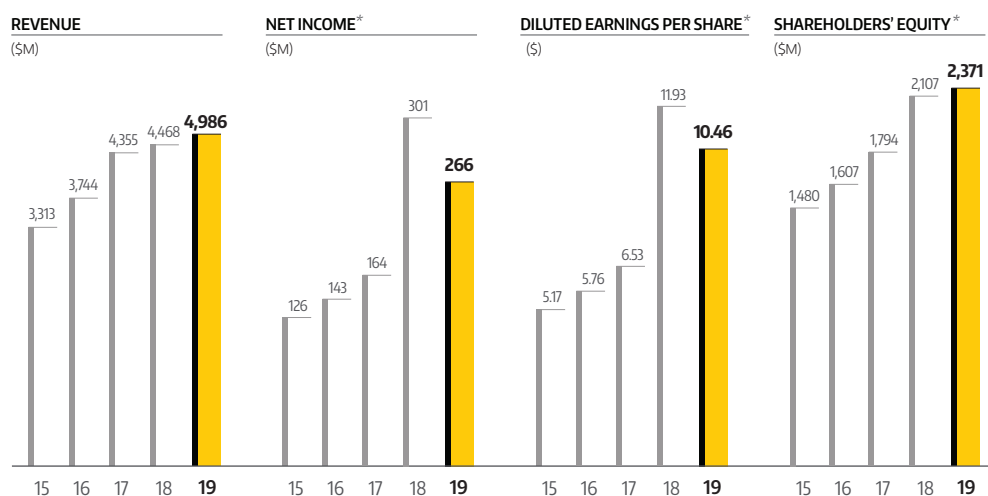
This commitment to excellence and ethics is the foundation for how we do business. *Fortune* magazine backs this up by recognizing CACI eight times as a World's Most Admired Company. Our support for veterans hiring has led to recognition from multiple sources, including a Best for Vets ranking by Monster.com and the *Military Times*. We provide a work environment and infrastructure that promotes innovation and increases productivity for our employees. This resonates with CACI employees as they voted the company a Top Workplace in locations across the U.S., including Washington, D.C.; San Diego, CA; Memphis, TN; Tampa Bay, FL; Baltimore, MD; and the states of Colorado, Oklahoma, and South Carolina.

We invest in our employees with enhanced professional development, expanded training and certification opportunities, and greater work flexibility. We keep benefit costs stable and promote a culture that supports individual health and wellness. We support our employees, communities, and the environment with respectful and efficient use of energy and materials at our facility locations around the globe.

Our culture of good character and innovation provides the foundation for success, and we take pride in upholding the highest standards of ethics and integrity. We remain *ever vigilant* in serving our customers and our nation, and we look forward to continuing to provide our shareholders with exceptional and enduring value.

# GROWTH THROUGH EXPERTISE, INNOVATION, AND TECHNOLOGY

## FY19 FINANCIAL HIGHLIGHTS



### Income Statement Data

(in thousands, except per share data and percentages)

Year ended June 30	2019	% Change	2018*
Revenue	\$4,986,341	11.6%	\$4,467,860
Operating Income	377,867	10.9%	340,700
Net Income	265,604	-11.8%	301,171
Diluted Earnings per Share	10.46	-12.3%	11.93
Weighted-average Diluted Shares	25,395		25,255

### Balance Sheet Data

(in thousands, except percentages)

Year ended June 30	2019	% Change	2018*
Total Assets	\$5,086,843	26.1%	\$4,034,206
Working Capital	339,798	-13.4%	392,210
Shareholders' Equity	2,371,466	12.6%	2,106,887
Return on Equity	11.9%	-23.2%	15.4%

\* Net income for FY18 benefited from a net reduction to income taxes of \$103,273, or \$4.09 per diluted share, related to the enactment of the Tax Cuts and Jobs Act in December 2017.

Positioned  
for **Success**  
in Fiscal Year 2020

**WINNING**  
new business.

**DRIVING**  
operational  
excellence.

**INVESTING**  
our capital for  
future growth.

# To Our Fellow **CACI SHAREHOLDERS**

## **Positioned for Sustained Success**

Our performance maintained its upward trajectory in FY19 with another year of consistent and profitable growth. We remained focused on the steady execution of our long-term strategy to win new business, drive operational excellence, and deploy our capital for future growth. We were successful in our pursuit of larger, more complex, and enduring work with a greater focus on technology, further expanding our customer base and portfolio.

Our four acquisitions, including LGS Innovations and Mastodon Design, helped us expand our capabilities in the high-growth areas of signals intelligence, electronic warfare, cyber, and secure communications. We finished the year by delivering record revenue with a growth of 11.6 percent, record operating income, and record cash from operations. We booked \$10.3 billion of awards, including \$6.9 billion for new business, and started the new fiscal year with a record backlog of \$16.9 billion. Our strong performance in FY19 positions us well for continued success in FY20.

We continue to invest in our long-term growth with the goal of staying ahead of customer demand and technology trends. Through internal R&D, we are developing technology that enables the convergence of signals intelligence, electronic warfare, cyber, and communications. These solutions provide software-defined agility and enable multi-domain operations within the electromagnetic spectrum. We're also delivering situational awareness tools to address the critical and now-contested space domain, and investing in other innovative technologies, including photonics. Our long-term approach to investing in differentiated technologies that address our customers' most pressing challenges will sustain organic revenue growth and margin expansion, leading to greater shareholder value.

We also continue to invest in the growth of our talent base, ensuring that we attract and retain the best and the brightest. This includes enhanced employee benefits and work-life balance, including parental leave, increased 401(k) match, greater work flexibility, and extensive training and certification programs. Our efforts are paying off, as CACI has been recognized as a top workplace in eight locations across the U.S., with the *Washington Post* naming the company as a Top Workplace in Washington, D.C. for the fifth consecutive year. These rankings are based on our employees' feedback in third-party surveys that evaluate CACI's leadership, culture, and benefits. We also remain focused on the growth of our leadership team to take CACI to new levels. During FY19, we added several strategic hires in important areas of growth for CACI. These senior leaders have the right vision and experience to drive continued success across many areas of our business.

Our customers frequently ask us, "Can we move from concept to fielded system faster?" Responding to their requests requires that we have a willingness to invest ahead of need to make certain that customers are able to rapidly transition new technologies to the field. This is where our vision is focused – to remain ahead of need, to quickly produce prototypes and demonstrations, and then to move directly to contract award. This product-based solutions approach is helping us to win longer-term programs and aligns with the path set forward by our customers.



We are focused on helping our customers meet their greatest enterprise and mission challenges in national security and government modernization by leveraging our star distinctions in expertise, innovation, and performance excellence. In FY20, we will increase our investments in new technologies, including signals intelligence, electronic warfare, and cyber, as well as emerging communications and photonics. We will continue to make investments in artificial intelligence, enterprise IT, and machine learning to further enhance our enterprise-related offerings. And we will continue to invest in every aspect of our business to ensure quality and efficiency.

Our priorities going forward have not changed. We will continue to successfully execute the strategy we put in place several years ago, maintaining our positive momentum, and focusing on continued growth in a broad sense: growth of our capability set to stay ahead of customer demand and technology trends; growth of our talent base to deliver value for our customers; and growth of our leadership to take CACI to new levels. By achieving these priorities, we will continue to deliver long-term value to our customers and shareholders.



*Jack London*

**Dr. J.P. (Jack) London**  
Executive Chairman and Chairman of  
the Board, CACI International Inc

*J. Mengucci*

**John S. Mengucci**  
President and Chief Executive Officer,  
CACI International Inc

## Financial Accomplishments

### Driving Shareholder Value

Revenue of **\$5.0 billion**,  
11.6% greater than the  
\$4.5 billion of last year.

Operating income of  
**\$377.9 million**,  
10.9% greater than the  
\$340.7 million of last year.

Contract awards of  
**\$10.3 billion**,  
14 consecutive quarters of  
awards greater than \$1 billion.

Total backlog at fiscal  
year-end of **\$16.9 billion**,  
49.6% greater than the  
\$11.3 billion last year.

Net operating cash flow of  
**\$555.3 million**,\*  
72.7% greater than  
the \$321.5 million last year.

\* Includes \$192.5 million from CACI's master accounts receivable purchase agreement.

# ENTERPRISE

As Defense, Intelligence, and Federal Civilian agencies seek to optimize their enterprise operations, CACI's expertise and technology are helping our customers to streamline functionality, reduce costs, and improve access to services and data.

Using our **Agile-at-scale** methodologies, we modernize applications, infrastructure, and business processes to enhance performance and ensure end-user satisfaction. We have pioneered secure, **enterprise cloud** solutions to support the federal government with a series of “**as-a-service**” offerings for everything from IT services to predictive logistics and secure communications.

We apply the latest in **deep learning** research and development to solve complex problems at scale, such as object identification and classification in both classified and unclassified environments.

We develop **data fusion and visualization** technologies that aid customers in decision-making across a spectrum of problems. Our business process automation tools shorten timelines and enhance productivity while providing a level of precision that was once unthinkable.

CACI's **highly qualified personnel** assist the federal government in nearly every aspect of its enterprise operations. From IT and logistics professionals to background investigators, CACI employees garner frequent accolades from our customers in their service to the nation.





# MISSION

CACI improves mission outcomes by delivering technology and expertise to customers throughout the Department of Defense, the Intelligence Community, and Federal Civilian government. Our leadership in understanding, optimizing, and exploiting the electro-magnetic spectrum was further strengthened by our acquisitions of LGS Innovations and Mastodon Design this year.

Nearly every modern military weapons communication system relies on the availability and use of the electro-magnetic spectrum. With the rise of peer-state competition and the threat of multi-domain warfare, U.S. defense leaders have recognized the urgency of ensuring spectrum domination. CACI is actively engaged in developing and deploying advanced technologies that leverage the entire spectrum – from very low-frequency radio waves to the infrared and ultraviolet rays used for **deep space communications**. CACI is also at the forefront of developing **fifth-generation (5G) technologies** to meet the challenges of the newest cellular wireless communications. We are modernizing signals intelligence, full-spectrum cyber, and electronic warfare with **software-defined solutions and products** that permit defense and national security customers to receive ongoing updates, avoiding the obsolescence problem that has plagued so many traditional hardware systems, and providing greater efficacy and force protection.

The outstanding performance of our men and women who support high-profile,

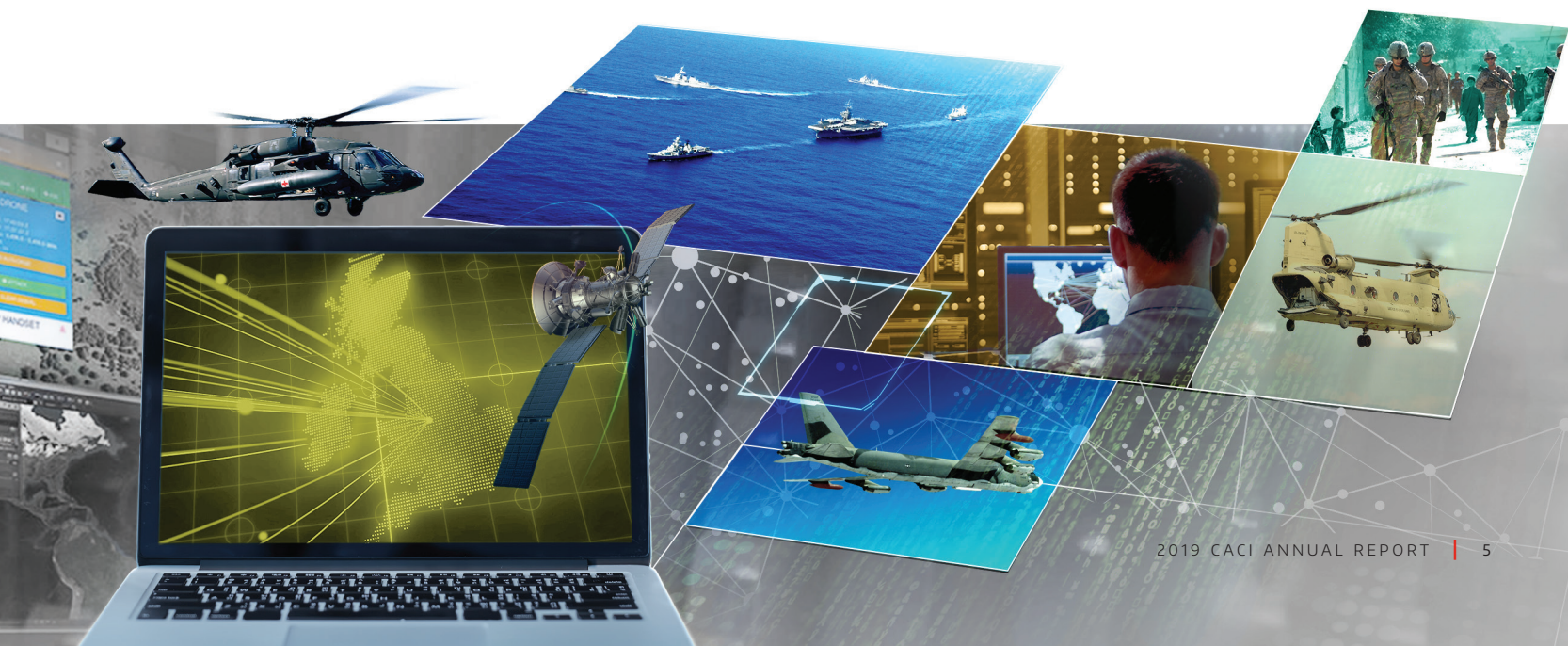
high-risk operations across the globe has increasingly led to formal citations and customer recognition. We are particularly proud that this year two of our employees received the **Medal for Valor** – the highest civilian award presented by the Department of Defense.

Our holistic approach to intelligence support – Tradecraft Tailored to Operations™ – forms the basis for continuous advances in developing and delivering the tools, expertise, and tradecraft needed for **actionable intelligence** and **decision support** for strategic and tactical missions. We provide analytic services in more than 50 native languages, scenario-based instruction in geospatial intelligence, and support for intelligence from collection to dissemination.

Our **visualization and intelligence fusion tools** make use of artificial intelligence for multi-domain situational awareness and superior decision-making. The insights gained from our shoulder-to-shoulder support help inform the development of advanced technology that meets and anticipates **emerging requirements**.

**CACI UK won a substantial number of large contracts this year**, delivering cloud-based digital systems and services and driving growth through strong performance and targeted investments. With the acquisition of Mood Enterprises, we strengthened our capabilities in software development, managed services, and cyber security – all of which will benefit our customers in UK local and national government.

CACI UK is working with a major telecommunications enterprise to develop predictive pricing models using **neural networks** to analyze granular data and predict the impact of potential pricing changes. Results are delivered in an easy-to-understand dashboard format that facilitates rapid, informed decision-making. Our digital teams continue to stay at the forefront of the new wave of cloud and hybrid-cloud-based services, building on our relationships with Amazon Web Services, Microsoft Azure, and UKCloud.



# Consolidated Statements of Operations

Year ended June 30

(amounts in thousands, except per share data)	2019	2018	2017
REVENUE	<b>\$4,986,341</b>	\$4,467,860	\$4,354,617
Costs of revenue:			
Direct costs	3,304,053	2,978,608	2,934,804
Indirect costs and selling expenses	1,218,544	1,076,356	1,050,792
Depreciation and amortization	85,877	72,196	71,760
Total costs of revenue	<b>\$4,608,474</b>	\$4,127,160	\$4,057,356
Income from operations	377,867	340,700	297,261
Interest expense and other, net	49,958	42,036	48,642
Income before income taxes	327,909	298,664	248,619
Income tax (benefit) expense	62,305	(2,507)	84,948
Net income	<b>\$265,604</b>	\$301,171	\$163,671
EARNINGS PER COMMON AND COMMON EQUIVALENT SHARE			
Basic:			
Weighted-average shares outstanding	24,833	24,616	24,401
Earnings per share	<b>\$10.70</b>	\$12.23	\$6.71
Diluted:			
Weighted-average shares outstanding	25,395	25,255	25,069
Earnings per share	<b>\$10.46</b>	\$11.93	\$6.53

The financial information above should be read in conjunction with the consolidated financial statements and notes thereto included in CACI's Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC).



# CACI INTERNATIONAL INC

## Consolidated Balance Sheets

as of June 30

(amounts in thousands, except per share data)

	2019	2018
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	72,028	66,194
Accounts receivable, net	869,840	806,871
Prepaid expenses and other current assets	89,652	58,126
<b>Total current assets</b>	<b>\$1,031,520</b>	\$931,191
Goodwill	3,336,079	2,620,835
Intangible assets, net	436,115	241,755
Property and equipment, net	149,676	101,140
Supplemental retirement savings plan assets	92,736	91,490
Accounts receivable, long-term	7,381	8,620
Other long-term assets	33,336	39,175
<b>Total assets</b>	<b>\$5,086,843</b>	\$4,034,206
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Current portion of long-term debt	46,920	46,920
Accounts payable	118,917	82,017
Accrued compensation and benefits	290,274	259,442
Other accrued expenses and current liabilities	235,611	150,602
<b>Total current liabilities</b>	<b>\$691,722</b>	\$538,981
Long-term debt, net of current portion	1,618,093	1,015,420
Supplemental retirement savings plan obligations, net of current portion	92,291	86,851
Deferred income taxes	205,339	200,880
Other long-term liabilities	107,932	85,187
<b>Total liabilities</b>	<b>\$2,715,377</b>	\$1,927,319
Shareholders' equity:		
Preferred stock \$0.10 par value, 10,000 shares authorized, no shares issued	—	—
Common stock \$0.10 par value, 80,000 shares authorized, 42,314 and 24,880 outstanding at June 30, 2019 and 42,139 issued and 24,704 outstanding at June 30, 2018	4,231	4,214
Additional paid-in capital	576,277	570,964
Retained earnings	2,410,164	2,126,790
Accumulated other comprehensive loss	(43,156)	(19,030)
Treasury stock, at cost (17,434 and 17,434 shares, respectively)	(576,185)	(576,186)
<b>Total CACI shareholders' equity</b>	<b>\$2,371,331</b>	\$2,106,752
Noncontrolling interest	135	135
<b>Total shareholders' equity</b>	<b>\$2,371,466</b>	\$2,106,887
<b>Total liabilities and shareholders' equity</b>	<b>\$5,086,843</b>	\$4,034,206

The financial information above should be read in conjunction with the consolidated financial statements and notes thereto included in CACI's Annual Report on Form 10-K filed with the SEC.

There are statements made herein which reflect our intent, belief or current expectations and do not address historical facts. Such statements could be interpreted to be forward-looking statements within the meaning of federal securities laws. Please refer to CACI's Annual Report on Form 10-K as well as CACI's other filings with the SEC, for a description of the substantial risks and uncertainties related to the forward-looking statements included herein.



## CACI Board of Directors

### Dr. J.P. London (1981)<sup>3\*,4,5,7,8</sup>

Executive Chairman and Chairman of the Board, CACI International Inc; Chief Executive Officer, 1984-2007. Director, Friends of the National World War II Memorial, U.S. Navy Memorial Foundation, Naval Historical Foundation, and CAUSE (Comfort for America's Uniformed Services)

### Michael A. Daniels (2013)<sup>2,3,4,5,6,7,8\*</sup>

Director of BlackBerry and Mercury Systems, Inc.; former Chairman of the Board and Chief Executive Officer of Mobile 365, Inc.; former Director of Sybase, Inc., Verisign, Telcordia Technologies, and Luna Innovations; former senior executive at Science Applications International Corporation; former Chairman and Chief Executive Officer of Network Solutions, Inc; former Chairman of GlobalLogic

### William L. Jews (2013)<sup>1,2,4,5,8</sup>

Director of Choice Hotels International, Inc.; former Director of the Ryland Group, Inc. and the CalAtlantic Group, Inc.; former President and Chief Executive Officer of CareFirst, Inc., CareFirst of Maryland, Inc., Group Hospitalization and Medical Services, Inc., and Blue Cross Blue Shield of Maryland, Inc.; former Chief Executive Officer of Blue Cross Blue Shield of Delaware

### Admiral Gregory G. Johnson (2006)<sup>2,3,5\*,7,8</sup>

Founder, Snow Ridge Associates; Admiral, U.S. Navy (Ret.); former Commander, U.S. Naval Forces Europe and Africa; Commander in Chief, Allied (NATO) Forces Southern Europe

### James L. Pavitt (2008)<sup>1,2,5,7\*,8</sup>

President of JLP Associates, LLC; former Principal of The Scowcroft Group; former Deputy Director for Operations, head of America's Clandestine Service, and Chief of the Counterproliferation Division, Central Intelligence Agency; former Senior Intelligence Advisor, National Security Council team for President George H.W. Bush

### John S. Mengucci (2019)<sup>3</sup>

President and Chief Executive Officer, CACI International Inc; Chief Operating Officer, 2012-2019, President of U.S. Operations, 2012-2017. Former President of Lockheed Martin Information Systems and Global Solutions - Civil Product Line and President of Lockheed Martin Information Systems and Global Solutions - Defense

### Dr. Warren R. Phillips (1974)<sup>1\*,3,5,6\*,7</sup>

Former Chief Financial Officer, Albanian-Macedonian-Bulgarian Oil Pipeline Corporation; former Professor of Government and Politics, Vice President for Academics, and Assistant Vice President for Administration for the University of Maryland; former Executive Vice Chairman and Chief Financial Officer, Maryland Moscow, Inc.; former Chief Executive Officer and Chairman of the Board of Directors, Advanced Blast Protection, Inc.

### Debora A. Plunkett (2018)<sup>1,4,5,7,8</sup>

Director of J.C. Penney Company, Inc.; Senior Fellow at Harvard University's Belfer Center and Professor, cybersecurity graduate program, University of Maryland; former Director, Information Assurance Directorate, Deputy Director of Information Assurance, and Senior Advisor to the Director of the U.S. National Security Agency; former Director, Office of Transnational Threats, United States National Security Council

### Charles P. Revoile (1993)<sup>1,2\*,3,4,6</sup>

Legal and business consultant; former Senior Vice President, General Counsel and Secretary, CACI International Inc; former Vice President and General Counsel of Stanwick Corporation; former Counsel, Communications Division, Westinghouse Electric Corporation

### General William S. Wallace (2009)<sup>1,4\*,5,7,8</sup>

General, U.S. Army (Ret.); former Commander, Fifth U.S. Corps during Operation Iraqi Freedom; former Commander, Joint Warfighting Center and Commanding General, 4th Infantry Division; former Commanding General of Army Combined Arms Center and National Training Center

*Front left to right:*

Dr. Warren R. Phillips, Dr. J.P. London, John S. Mengucci

*Middle left to right:*

Charles P. Revoile, Admiral Gregory G. Johnson, James L. Pavitt, General William S. Wallace

*Back left to right:*

Michael A. Daniels, William L. Jews, Debora A. Plunkett

( ) Denotes year elected/appointed a director of the Company

\* Denotes Chairmanship of Committee

1 Member of Audit Committee

2 Member of Compensation Committee

3 Member of Executive Committee

4 Member of Investor Relations Committee

5 Member of Strategic Assessment Committee

6 Member of Corporate Governance and Nominating Committee

7 Member of Security and Risk Assessment Committee

8 Member of Culture, Character, Integrity, and Ethics Committee



CACI's 22,000 talented employees are vigilant in providing the unique expertise and distinctive technology that address our customers' greatest enterprise and mission challenges. Our culture of good character, innovation, and excellence drives our success and earns us recognition as a *Fortune* World's Most Admired Company. As a member of the *Fortune* 1000 Largest Companies, the Russell 1000 Index, and the S&P MidCap 400 Index, we consistently deliver strong shareholder value.

### Corporate Headquarters

CACI International Inc  
1100 North Glebe Road, Arlington, VA 22201  
(703) 841-7800  
www.caci.com

### European Headquarters

CACI House – Kensington Village  
Avonmore Road  
London, England W14 8TS  
(01144207) 602-6000  
www.caci.co.uk

### Visit our website at:

www.caci.com

### Find career opportunities at:

careers.caci.com

### Connect with us through social media:



CACI (NYSE: CACI) is a member of the Russell 1000 Index and the S&P MidCap 400 Index and can be found on the web at www.caci.com

Adobe, Amazon Web Services, and Microsoft Azure are registered trademarks of their respective corporations.

Tradecraft Tailored to Operations is a trademark of CACI.

CACI and CACI Ever Vigilant are registered trademarks of CACI.

© CACI 2019

# Shareholder Information

### Corporate Headquarters

CACI International Inc  
1100 North Glebe Road, Arlington, VA 22201  
(703) 841-7800

### Annual Meeting

The 2019 annual meeting will be held at 9:30 am EST, November 14, 2019 at:

Sheraton Tysons Hotel  
8661 Leesburg Pike, Tysons, VA 22182

### Common Stock

CACI International Inc is listed on the New York Stock Exchange (NYSE) under the symbol CACI. Daily quotes on the common stock can be obtained in most daily newspapers and online services.

Quarter	2019		2018	
	High	Low	High	Low
1st	\$200.85	\$166.80	\$142.85	\$118.10
2nd	\$188.00	\$138.39	\$147.31	\$121.60
3rd	\$187.07	\$139.21	\$159.40	\$133.00
4th	\$212.85	\$180.38	\$174.80	\$147.15

As of August 15, 2019, there were approximately 212 holders of record of CACI International Inc common stock, and 24,881,546 shares outstanding.

### Shareholder Services

All questions concerning registered shareholder accounts and stock transfer matters, including name or address changes, transfers, and other services, should be directed to CACI's transfer agent and registrar:

Computershare  
P.O. Box 30170 College Station, TX 77842-3170  
(800) 736-3001/(781) 575-3100  
www.computershare.com/investor

### Independent Auditor

Ernst & Young LLP  
1775 Tysons Boulevard, Tysons, VA 22102

### Annual Report on Form 10-K

The annual report on Form 10-K to the Securities and Exchange Commission may be obtained without charge by addressing a request to:

CACI International Inc  
Investor Relations  
1100 North Glebe Road, Arlington, VA 22201

The CACI International Inc 2019 Annual Report is available from the CACI website at www.caci.com. An Adobe Acrobat Portable Document Format (PDF) file of the print version can be downloaded from this location. In addition, other documents can also be obtained at the same location.

### CACI on the Internet

Information on CACI's solutions and services can be found via the CACI website (www.caci.com). Financial results, corporate news releases, and other CACI activities can also be found there.

### Additional Information

Inquiries from institutional investors, financial analysts, and portfolio managers should be directed to:

**Daniel Leckburg**, Senior Vice President, Investor Relations  
(703) 841-7666, dleckburg@caci.com

Inquiries from individual shareholders and registered representatives should be directed to:

**Mary Peevy**, Investor Relations  
(866) 606-3471, mpeevey@caci.com

Inquiries from the financial and other media should be directed to:

**Jody Brown**, Executive Vice President, CACI Communications  
(703) 841-7801, jbrown@caci.com



**CACI...**  
**ENERGIZED** about our opportunities  
**CONFIDENT** in our performance  
**POSITIONED** for sustained success



**CORPORATE HEADQUARTERS**  
CACI International Inc  
1100 North Glebe Road  
Arlington, VA 22201  
(703) 841-7800

[www.caci.com](http://www.caci.com)