

Reconciliation of Non-GAAP Financial Measures for Perspecta Investor Day (5/14/18)

The presentation includes certain non-GAAP financial measures, including adjusted earnings before interest, taxes, depreciation and amortization (“EBITDA”), adjusted EBITDA margin, adjusted EBITA margin, net leverage, adjusted net income, adjusted diluted EPS and free cash flow. These non-GAAP financial measures are not meant to be considered in isolation or as a substitute for results prepared in accordance with accounting principles generally accepted in the United States (GAAP). The management team believe these non-GAAP financial measures provide useful supplemental information to investors regarding our financial condition, cash flow and results of operations as they provide another measure of our profitability and ability to service our debt, and are considered important measures by financial analysts covering us and our peers.

Perspecta Non-GAAP Financial Measures

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBITA Margin

Of the non-GAAP financial measures, only adjusted EBITDA, adjusted EBITDA margin, and adjusted EBITA margin are presented on a historical basis for Perspecta.

Our non-GAAP adjustments include:

Adjustments applied consistently in the Form 10 and Investor Day presentations.

- Restructuring—reflects costs, net of reversals, related to workforce optimization and real estate charges.
- Debt extinguishment costs—reflects costs incurred to prepay certain historical indebtedness including debt repaid by Vencore.
- Transaction, separation, and integration-related costs—reflects costs related to separation, integration planning, financing, and advisory fees associated with the Spin-Off and the Mergers, and other mergers and acquisitions.
- Pension and other post-employment benefits (“OPEB”) actuarial and settlement losses—reflects pension and OPEB actuarial and settlement gains and losses from mark-to-market accounting.
- Share-based compensation—represents the share-based compensation expense recognized by USPS and Vencore.
- Share-based compensation—represents the share-based compensation expense recognized by USPS and Vencore.
- NBIB launch costs—represents costs associated with hiring, training and certain other activities pursuant to a services contract between Vencore and NBIB, in connection with accelerating the recruitment and training of investigators to support the expected increase in case work pursuant such contract. For purposes of calculating Consolidated EBITDA (as defined in the New Term Facility), an adjustment of up to \$25 million for these costs, on a trailing twelve month basis, is allowed pursuant to the terms of the New Term Facility. See “Description of Material Indebtedness—Term Loan Facilities and Revolving Credit Facility.”

Investor Day presentation reflects adjustments for footnotes 1 and 2 as disclosed in the Form 10.

- Global support functions—represents the adjustment of USPS Corporate Expenses (as defined in the Form 10) of \$15 million which relates to global support functions that are expected to be largely eliminated on a prospective basis.
- Operating lease reversion/conversion— On November 1, 2017, USPS entered into agreements to convert certain existing operating leases into capital leases. Interest expense, net and Depreciation and Amortization include costs related to converted leases.

Investor Day presentation reflects additional adjustments for the period presented.

- USPS corporate expenses—represents an additional adjustment to reflect only those costs that should be adjusted for the period presented.
- NBIB launch costs—represents an additional adjustment to reflect only those costs that should be adjusted for the period presented.

A reconciliation of net income (loss) to EBITDA, Adjusted EBITDA, and adjusted EBITA on a historical and pro forma basis for the nine months ended December 31, 2017 is as follows:

| (in millions) | Pro Forma Combined for the Nine Months Ended December 31, 2017 |
|--|--|
| Net Income (loss) per Form 10 Pro Forma Disclosure | \$151 |
| Income tax benefit | (49) |
| Interest expense, net | 84 |
| Depreciation and Amortization | 193 |
| EBITDA per Form 10 Pro Forma Disclosure | \$379 |
| Restructuring | 14 |
| Debt Extinguishment Costs | 4 |
| Transaction, Separation and Integration-related Costs | 37 |
| Pension and OPEB Actuarial and Settlement Losses | 27 |
| Share-based Compensation | 4 |
| NBIB Launch Costs | 25 |
| Adjusted EBITDA per Form 10 | \$490 |
| Elimination of Global Support Functions | 15 |
| Full Period Adjustment of USPS Corporate Expenses | 7 |
| Full Period Impact of Operating Lease Reversion / Conversion | 11 |
| NBIB Launch Costs | (25) |
| Adjusted EBITDA | \$498 |

Pro forma revenues and adjusted EBITDA for nine months ended December 31, 2017 are used to compute Perspecta's adjusted EBITDA margins. Nine-month annualized revenues for USPS are used to compute LTM revenues for Perspecta. A reconciliation of revenue on a historical and pro forma basis for the nine months ended December 31, 2017 is as follows:

| (in millions) | Historical USPS as of and for the Nine Months Ended December 31, 2017 | Effect of Spin-off | Spin-off adjusted USPS as of and for the Nine Months Ended December 31, 2017 | Historical Vencore as of and for the Nine Months Ended December 31, 2017 | Effect of Mergers | Pro Forma Combined |
|---------------|---|--------------------|--|--|-------------------|--------------------|
| Revenues | \$2,104 | \$- | \$2,104 | \$1,041 | \$- | \$3,145 |

Pro forma adjusted EBITDA margin and adjusted EBITA margin for the nine months ended December 31, 2017 is calculated as follows:

| (in millions) | Pro Forma Combined for the Nine Months Ended December 31, 2017 |
|-----------------|--|
| Revenues | \$3,145 |
| Adjusted EBITDA | \$498 |

| | |
|------------------------|-------|
| Depreciation | \$80 |
| Adjusted EBITA | \$418 |
| Adjusted EBITDA margin | 15.8% |
| Adjusted EBITA margin | 13.3% |

Adjusted Net Income and Adjusted Diluted Earnings per Share

The presentation cites adjusted net income and adjusted diluted earnings per share on a prospective basis. Perspecta's definition of these non-GAAP financial measures includes the same adjustments cited under adjusted EBITDA. In addition, Perspecta's definition of adjusted net income and adjusted diluted earnings per share excludes all amortization associated with acquisition-related intangible assets.

Free Cash Flow

The presentation cites free cash flow on a prospective basis. Perspecta defines free cash flow as the sum of operating cash flows and investing cash flows adjusted for certain items, such as (i) payments on capital leases, (ii) payments and amortization related to restructuring activities, (iii) payments on transaction and integration-related costs, and (iv) other non-recurring payments.

Net Leverage

The presentation cites net leverage on a prospective basis. Net leverage refers to "Consolidated Total Net Leverage Ratio" as defined in Perspecta's credit agreements as follow:

"Consolidated Total Net Leverage Ratio" means the ratio, as of any date, of (i) Consolidated Total Debt less unrestricted cash (excluding, for the avoidance of doubt, any Call or Defeasance Deposits) in an amount not to exceed \$600,000,000 as of the last day of the most recently ended quarterly financial reporting period to (ii) Consolidated EBITDA for the period of four consecutive fiscal quarters ending on the last day of such quarterly financial reporting period, taken as a single period.

"Consolidated Total Debt" means, as of any date of determination, all Funded Debt (excluding Equity-linked Debt, "advances" and "overdrafts" in respect of cash pooling and notional pooling arrangements and any Called or Defeased Debt) of the Company and its Restricted Subsidiaries, determined on a consolidated basis.

"Consolidated EBITDA" means, with respect to the Company and its Restricted Subsidiaries, for any period, the sum of (a) net income of the Company and its Restricted Subsidiaries, plus (b) to the extent (except in the case of clause (b)(xvii) below) deducted in determining net income for such period, the sum of (i) provisions for income taxes, plus (ii) consolidated interest expense and preferred dividends, plus (iii) depreciation and amortization (including, but not limited to, deferred financing costs, organization costs, goodwill, comprehensive income and non-compete amortization), plus (iv) extraordinary, unusual and non-recurring losses and charges, plus (v) other non-cash charges, plus (vi) fees, costs and expenses (including amounts in respect of settlements or judgments) related to, and any reserves established in respect of, the litigation and investigations identified on Schedule 1.01(a) hereto, plus (vii) debt extinguishment charges and expenses, plus (viii) foreign currency translation losses, plus (ix) losses on investments, plus (x) mark-to-market and foreign currency conversion losses on hedging transactions and intercompany accounts, plus (xi) actuarial losses attributable to the movement of the mark-to-market valuation of pension and other post-employment benefits plus (xii) non-compete expenses, plus (xiii) losses on sales of fixed assets not in the ordinary course of business, after giving effect to any related charges for, reduction of or provisions for taxes thereon, plus (xiv) minority interests, plus (xv) charges and expenses arising from any changes in accounting with respect to pensions, plus (xvi) charges and expense arising from any revaluation, lump-sum settlement, annuitization of pension assets and liabilities or contractual termination benefits, plus (xvii) fees, costs

and expenses paid or premiums and penalties incurred in connection with (a) the Spin Transaction, the Acquisition or this Agreement or (b) the issuance or incurrence of Indebtedness or Equity Interests (whether or not consummated), Permitted Acquisitions (whether or not consummated), other Investments consisting of acquisitions or assets or equity constituting a business unit, line of business, division or entity (whether or not consummated) and permitted asset sales (whether or not consummated), other than asset sales effected in the ordinary course of business, plus (xviii) (1) cost savings, operating expense reductions and synergies resulting from or related to, mergers and other business combinations, acquisitions, divestitures, restructurings, cost savings initiatives and other similar initiatives and actions that are projected by the Company in good faith to be realized after a merger or other business combination, acquisition or divestiture is consummated or any other restructuring, cost savings initiative or other initiative or action (calculated on a *pro forma* basis as though such cost savings, operating expense reductions and synergies had been realized on the first day of such period and as if such cost savings, operating expense reductions and synergies were realized during the entirety of such period), that are expected to be realized within the next twelve months from the fiscal quarter most recently ended, net of the amount of actual benefits realized during such period from such actions, (2) deferred revenue and deferred costs of the Acquired Business that will not be realized as a result of fair value accounting with respect to the Acquisition, in an amount not to exceed \$10,000,000 (which adjustments shall fully roll-off and equal zero after the fiscal quarter ending March 31, 2019, i.e. no such adjustment may be taken in any trailing four fiscal quarter period including fiscal quarters ended after March 31, 2019) and (3) pro forma adjustments, consistent with past practice and as consistently applied, related to modifications to the 2011 contract with the United States Office of Personnel Management (the “NBIB Ramp-up”) in an amount not to exceed \$25,000,000 in any trailing four-fiscal period (which adjustments shall fully roll-off and equal zero after the fiscal quarter ending March 31, 2019, i.e. no such adjustment may be taken in any trailing four fiscal quarter period including fiscal quarters ended after March 31, 2019), provided that the aggregate amount of cost savings, operating expense reductions, synergies and pro forma adjustments related to the NBIB Ramp-up included pursuant to sub-clauses (1) and (3) of this clause (xviii), other than any cost savings, operating expense reductions and synergies of the type that would be permitted to be included in pro forma financial statements prepared in accordance with Regulation S-X under the Securities Act of 1933, as amended, shall not exceed \$75,000,000; and provided, further that no cost savings, operating expense reductions and synergies shall be added back pursuant to this clause (xviii) to the extent duplicative of any expenses or charges otherwise added back to Consolidated EBITDA, whether through a *pro forma* adjustment or otherwise, for such period, minus (c) to the extent included in the calculation of net income for such period, the sum of (i) extraordinary, unusual or non-recurring gains, plus (ii) debt extinguishment gains, plus (iii) foreign currency translation gains, plus (iv) gains on investments, plus (v) mark-to-market and foreign currency conversion gains on hedging transactions and intercompany accounts, plus (vi) actuarial gains attributable to the movement of the mark-to-market valuation of pension and other post-employment benefits, plus (vii) gains on sales of fixed assets not in the ordinary course of business, after giving effect to any related charges for, reduction of or provisions for, taxes thereon, plus (viii) other income (including other income attributable to minority interests). For the purpose of calculating Consolidated EBITDA for any Person for any period, if during such period such Person or any Subsidiary of such Person shall have made a Material Acquisition or Material Disposition, Consolidated EBITDA for such period shall be calculated after giving pro forma effect to such Material Acquisition or Material Disposition as if such Material Acquisition or Material Disposition occurred on the first day of such period provided that for purposes of calculating Excess Cash Flow, such Material Acquisitions or Material Dispositions shall be treated as having occurred on the actual date of consummation thereof. “Material Acquisition” means any acquisition or series of related acquisitions that involves consideration (including non-cash consideration) with a fair market value, as of the date of the closing thereof, in excess of \$100,000,000; provided that the Company may, in its sole discretion, treat an acquisition or series of related acquisitions that involves consideration of less than \$100,000,000 as a Material Acquisition. “Material Disposition” means any disposition of property or series of related dispositions of property that involves consideration (including non-cash consideration) with a fair market value, as of the date of the closing thereof, in excess of \$100,000,000; provided that the Company may, in its sole discretion, treat a disposition or series of related dispositions that involves consideration of less than \$100,000,000 as a Material Disposition.

Peer Non-GAAP Financial Measures

The presentation includes the historical adjusted EBITDA margin of Perspecta's primary public peers, using the same definition described above and all available information from the peer companies' SEC filings. The tables below show two reconciliations for each peer company—from a GAAP income metric to the peer-reported adjusted EBITDA, and from the peer-reported adjusted EBITDA to an adjusted EBITDA including add-back of stock-based compensation and as-reported pension income, similar to Perspecta's adjusted EBITDA calculation. The adjusted EBITDA margin is calculated from the adjusted EBITDA described above.

| (in millions) | | | | | |
|--|---|--|--|---------------------------|--|
| CSRA | Fiscal year ended March 31, 2017 | Nine months ended December 31, 2017 | Nine months ended December 31, 2016 | Last Twelve Months | |
| Total Revenue | \$4,993 | \$3,810 | \$3,739 | \$5,064 | |
| Operating Income | \$622 | \$398 | \$346 | \$674 | |
| Less: other expense, net | (3) | (5) | (3) | (5) | |
| Plus: Separation, merger and integration costs | 149 | | | 149 | |
| Less: Other separation-related items (within SG&A and cost of services) | | 7 | 22 | (15) | |
| Plus: Acquisition, integration and other costs | | 17 | 18 | (1) | |
| Plus: Depreciation and amortization | 197 | 175 | 189 | 183 | |
| Plus: Amortization of contract-related intangibles | 2 | -- | 3 | (1) | |
| Plus: Stock-based compensation | 15 | 11 | 11 | 15 | |
| Plus: Foreign currency loss | | 1 | -- | 1 | |
| Less: Pension and post-retirement plan actuarial losses (gains), settlement losses, and amortization of other comprehensive income | (98) | | | (98) | |
| Less: Net periodic benefits of Plans | (92) | | | (92) | |
| Adjusted EBITDA (CSRA Defined) | \$792 | \$604 | \$586 | \$810 | |
| Plus: Net Periodic Benefits of Plans | 92 | 61 | 72 | 81 | |
| Adjusted EBITDA (includes add-back of stock-based compensation and as-reported pension income) | \$884 | \$665 | \$658 | \$891 | |
| <i>% Margin</i> | 17.7% | 17.5% | 17.6% | 17.6% | |
| | | | | | |
| Leidos | Fiscal year ended | Three months ended | Three months ended | Last Twelve Months | |

| | December 31, 2017 | March 30, 2018 | March 30, 2017 | |
|---|--|---------------------------|---------------------------|-----------------------------------|
| Revenues | \$10,170 | \$2,443 | \$2,580 | \$10,033 |
| Income Before Income Taxes | \$393 | \$125 | \$108 | \$410 |
| Plus: Depreciation expense | 55 | 13 | 13 | 55 |
| Plus: Amortization expense | 295 | 53 | 69 | 279 |
| Plus: Interest Expense, net | 140 | 34 | 36 | 138 |
| EBITDA | \$883 | \$225 | \$226 | \$882 |
| Plus: Acquisition and Integration Costs | 102 | 11 | 19 | 94 |
| Plus: Restructuring Expenses | 37 | 6 | 13 | 30 |
| Plus: Loss on sale of assets and businesses | 1 | | | 1 |
| Plus: Promissory Note Impairment | 33 | | | 33 |
| Plus: Asset Impairment charges | | 7 | | 7 |
| Adjusted EBITDA (Leidos Defined) | \$1,056 | \$249 | \$258 | \$1,047 |
| Plus: Stock Based Compensation | 43 | 11 | 10 | 44 |
| Adjusted EBITDA (includes add-back of stock-based compensation and as-reported pension income) | \$1,099 | \$260 | \$268 | \$1,091 |
| <i>% Margin</i> | 10.8% | 10.6% | 10.4% | 10.9% |
| | | | | |
| SAIC | Year ended February 2, 2018 | | | Last Twelve Months |
| Revenues | \$4,454 | | | \$4,454 |
| Net Income | \$179 | | | \$179 |
| Plus: Interest Expense | 44 | | | 44 |
| Less: Interest Income | (1) | | | (1) |
| Plus: Provision for Income Taxes | 35 | | | 35 |
| Plus: Depreciation and Amortization | 44 | | | 44 |
| EBITDA | \$301 | | | \$301 |
| Plus: Restructuring costs | 13 | | | \$13 |
| Plus: Acquisition and Integration Costs | -- | | | -- |
| Less: Depreciation included in restructuring costs and acquisition and integration costs | (1) | | | (1) |
| Adjusted EBITDA (SAIC Defined) | 313 | | | 313 |

| | | | | | |
|---|--|--|--|---------------------------|--------------|
| Plus: Stock-Based Compensation | 27 | | | | 27 |
| Adjusted EBITDA (includes add-back of stock-based compensation and as-reported pension income) | \$340 | | | | \$340 |
| <i>% Margin</i> | <i>7.6%</i> | | | | <i>7.6%</i> |
| | | | | | |
| | | | | | |
| CACI | Twelve months ended June 30, 2017 | Nine months ended March 31, 2018 | Nine months ended March 31, 2017 | Last Twelve Months | |
| Revenue, as reported | \$4,355 | \$3,298 | \$3,217 | \$4,435 | |
| Net Income | \$164 | \$249 | \$119 | \$294 | |
| Plus: Income Taxes | 85 | (22) | 61 | 2 | |
| Less: Interest income and expense, net | 49 | 33 | 37 | 44 | |
| Plus: Depreciation and Amortization | 72 | 54 | 54 | 71 | |
| Plus: Earnout Adjustments | 1 | (2) | 1 | (2) | |
| Adjusted EBITDA (CACI Defined) | \$370 | \$312 | \$273 | \$410 | |
| Plus: Stock-Based Compensation | 22 | 18 | 16 | 24 | |
| Adjusted EBITDA (includes add-back of stock-based compensation and as-reported pension income) | \$392 | \$331 | \$289 | \$434 | |
| <i>% Margin</i> | <i>9.0%</i> | <i>10.0%</i> | <i>9.0%</i> | <i>9.8%</i> | |
| | | | | | |
| | | | | | |
| KeyW | Twelve months ended December 31, 2017 | Three months ended March 31, 2018 | Three months ended March 31, 2017 | Last Twelve Months | |
| Revenue | 442 | 126 | 68 | \$499 | |
| Net loss | (\$11) | (\$3) | (\$4) | (\$10) | |
| Depreciation | 9 | 3 | 1 | 10 | |
| Intangible amortization | 11 | 4 | 2 | 14 | |
| Share-based compensation | 4 | 1 | 1 | 4 | |
| Interest expense, net | 17 | 5 | 3 | 19 | |
| Tax benefit | (11) | (1) | -- | (12) | |

| | | | | | | | |
|---|---|--|--|--|--|--|---------------------------|
| Acquisition costs and other adjustments | 21 | | 1 | | 2 | | 20 |
| Other adjustments | -- | | 2 | | -- | | 2 |
| Adjusted EBITDA (KeyW defined, includes add-back of stock-based compensation and as-reported pension income) | \$41 | | \$11 | | \$4 | | \$48 |
| <i>% Margin</i> | <i>9.2%</i> | | <i>9.0%</i> | | <i>6.5%</i> | | <i>9.5%</i> |
| | | | | | | | |
| | | | | | | | |
| Booz Allen Hamilton | Fiscal year ended March 31, 2017 | | Nine months ended December 31, 2017 | | Nine months ended December 31, 2016 | | Last Twelve Months |
| Revenue | \$5,804 | | \$4,536 | | \$4,222 | | \$6,118 |
| Net income | \$252 | | \$220 | | \$186 | | \$286 |
| Income tax expense | 159 | | 105 | | 117 | | 147 |
| Interest and other, net | 72 | | 58 | | 51 | | 79 |
| Depreciation and amortization | 60 | | 48 | | 44 | | 64 |
| EBITDA | \$544 | | \$432 | | 399 | | \$577 |
| Transaction expenses | 3 | | -- | | 3 | | -- |
| Adjusted EBITDA (BAH Defined) | \$547 | | \$432 | | \$402 | | \$577 |
| Stock-Based Compensation | 21 | | 17 | | 16 | | 22 |
| Adjusted EBITDA (includes add-back of stock-based compensation and as-reported pension income) | \$568 | | \$449 | | \$418 | | \$599 |
| <i>% Margin</i> | <i>9.8%</i> | | <i>9.9%</i> | | <i>9.9%</i> | | <i>9.8%</i> |
| | | | | | | | |
| Engility | Year ended December 31, 2017 | | Three months ended March 30, 2018 | | Three months ended March 30, 2017 | | Last Twelve Months |
| Revenue | \$1,932 | | \$477 | | \$485 | | \$1,923 |
| Net income | (\$31) | | \$7 | | \$8 | | (\$32) |
| Interest, taxes, and depreciation and amortization | | | | | | | |
| Interest expense | \$77 | | \$19 | | \$21 | | \$75 |
| Provision (benefit) for income taxes | 80 | | 2 | | 5 | | 77 |

| | | | | | | | |
|---|-------------------------------------|--|--|--|--|--|---------------------------|
| Depreciation and amortization | 45 | | 11 | | 11 | | 45 |
| EBITDA | \$171 | | \$39 | | \$45 | | \$165 |
| Adjustments to EBITDA | | | | | | | |
| Goodwill impairment charge | 7 | | - | | - | | 7 |
| Acquisition, restructuring and related expenses, excluding amortization | 5 | | 1 | | 1 | | 5 |
| Loss on sale of business and property, plant and equipment, net | 1 | | 0 | | (1) | | 1 |
| Engility Adjusted EBITDA | \$184 | | \$40 | | \$45 | | \$179 |
| Stock-Based Compensation | 8 | | 2 | | 2 | | 8 |
| Adjusted EBITDA (includes add-back of stock-based compensation and as-reported pension income) | \$192 | | \$42 | | \$47 | | \$188 |
| <i>% Margin</i> | <i>9.9%</i> | | <i>8.9%</i> | | <i>9.7%</i> | | <i>9.8%</i> |
| | | | | | | | |
| ManTech | Year ended December 31, 2017 | | Three months ended March 31, 2018 | | Three months ended March 31, 2017 | | Last Twelve Months |
| Revenue | \$1,717 | | \$473 | | \$418 | | \$1,772 |
| GAAP Operating Income | \$98 | | \$26 | | \$24 | | \$100 |
| Depreciation and Amortization | 34 | | 13 | | 8 | | 39 |
| Stock-Based Compensation | 6 | | 1 | | 1 | | 6 |
| Adjusted EBITDA (includes add-back of stock-based compensation and as-reported pension income) | \$138 | | \$41 | | \$33 | | \$146 |
| <i>% Margin</i> | <i>8.1%</i> | | <i>8.6%</i> | | <i>7.9%</i> | | <i>8.2%</i> |