



Honesty and Service®

Investor Presentation

First Quarter Fiscal Year 2011



Significant Work. Extraordinary People. **SRA.**

Disclosure Information

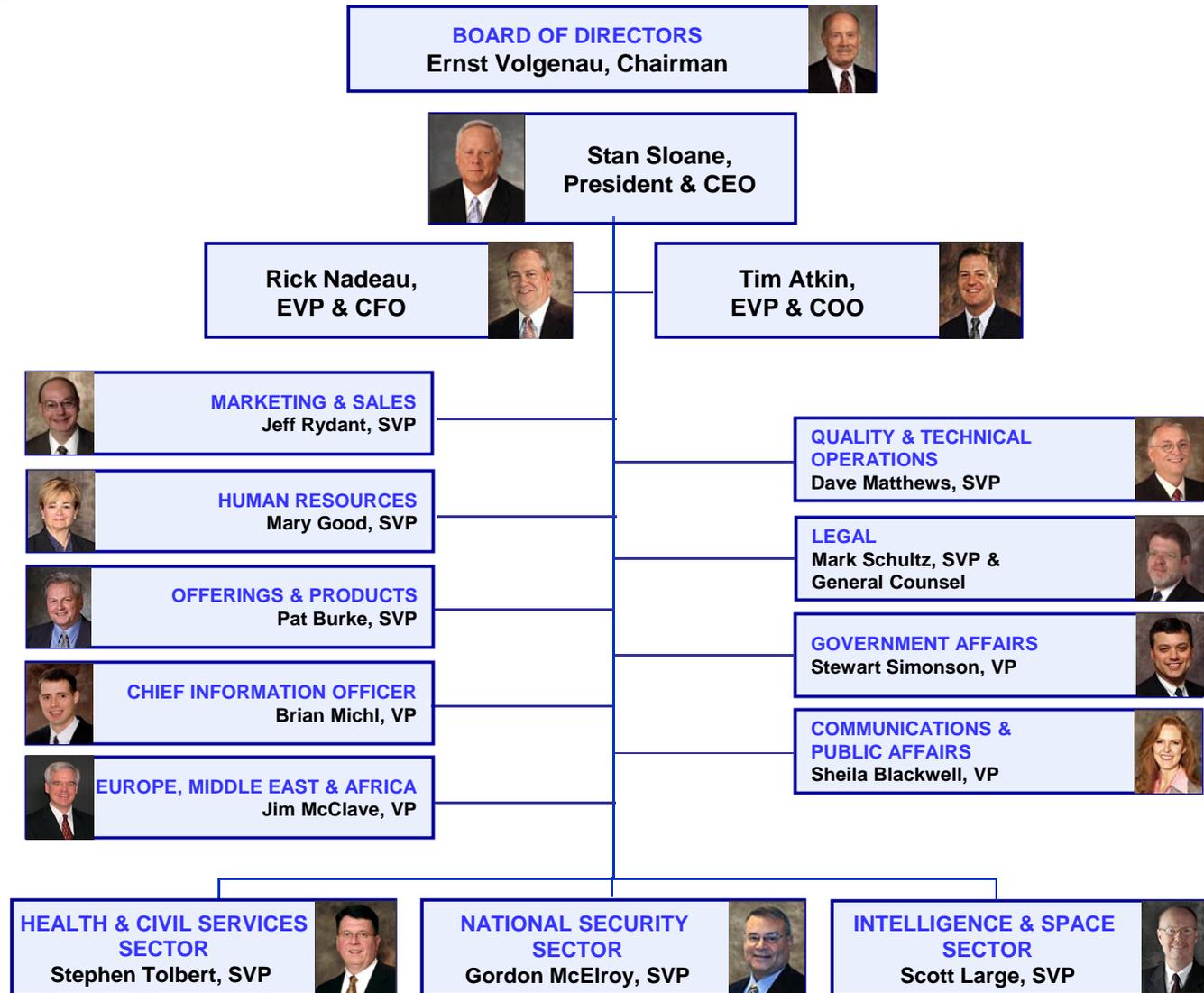
Certain statements in this presentation contain forward-looking statements. The forward-looking statements involve a number of risks and uncertainties. A number of factors could cause our actual results, performance, achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Additional information concerning factors that could cause actual results to materially differ from those in the forward-looking statements is contained in the Securities and Exchange Commission filings of the Company.

- **This presentation describes the Company's financial results and other metrics through September 30, 2010 – the first quarter of FY 2011**
- **All forward-looking statements represent the company's views as of November 2, 2010**

- **Leading provider of innovative technology solutions and professional services for more than 30 years**
- **Over 90% US federal government business**
 - **Related state & local, int'l and commercial work**
- **Diversified mix of defense, homeland security, intelligence, civil & health customers**
- **FT10 revenue of \$1.667B, 87% as a prime contractor**
- **Culture focused on creating real value for customers**
- **7,200+ employees with broad base of IT and domain expertise**



Corporate Organization

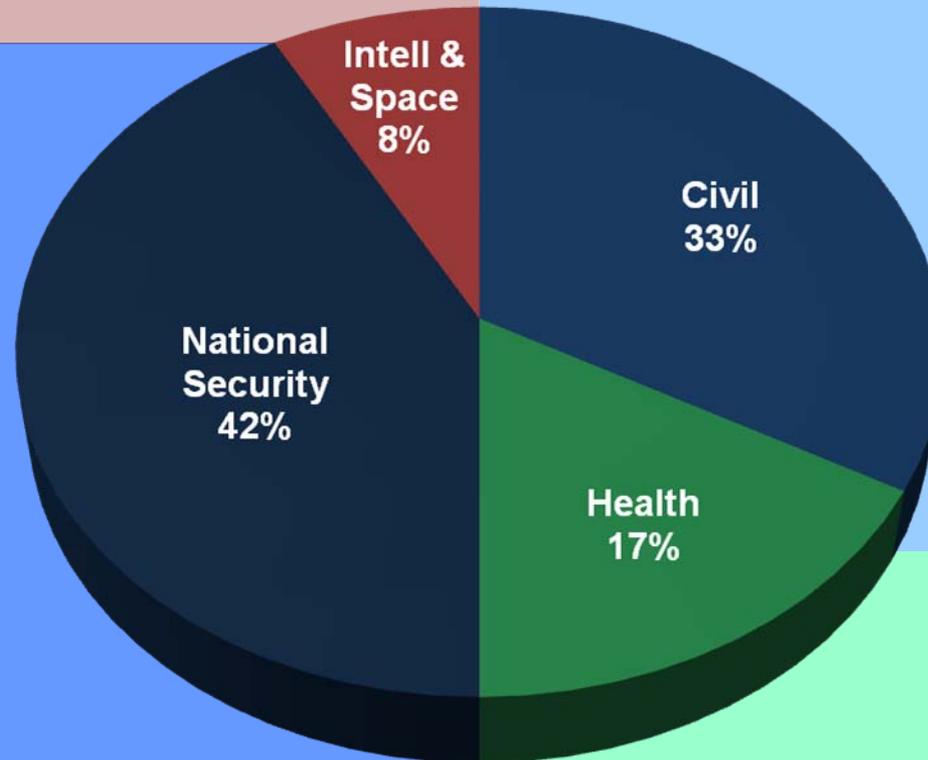


Diverse Revenue Profile

- Various intelligence agencies
- National Aeronautics & Space Administration

- Administrative Office of the U.S. Courts
- Department of Agriculture
- Department of Commerce
- Department of the Interior

- Department of Labor
- Department of State
- Department of Transportation
- Department of the Treasury
- Environmental Protection Agency
- Federal Deposit Insurance Corporation
- General Services Administration
- Government Accountability Office
- Library of Congress
- Office of Personnel Management
- Pension Benefit Guaranty Corporation
- Securities and Exchange Commission
- Small Business Administration
- U.S. Agency for International Development
- State and Local



- **Department of Defense**
 - Department of the Army
 - Department of the Air Force
 - Department of the Navy & USMC
 - Air Mobility Command
 - Army National Guard & Reserves
 - Joint Chiefs of Staff
 - Office of the Secretary of Defense
 - DARPA
 - Defense Information Systems Agency
 - Defense Logistics Agency
 - Defense Manpower Data Center
 - Military Sealift Command
 - Surface Deployment and Distribution Command
 - National Security Space Architect
 - U.S. Transportation Command
 - U.S. European Command/Africa Command
 - U.S. Special Operations Command

- **Department of Homeland Security**
 - Immigration and Customs Enforcement
 - Customs and Border Protection
 - Preparedness Directorate
 - Federal Emergency Management Agency
 - Transportation Security Administration
 - U.S. Coast Guard
 - U.S. Secret Service

- **Department of Justice**
 - Drug Enforcement Agency
 - Federal Bureau of Investigation
 - Office of Justice Programs
 - U.S. Trustees Program

- **State and Local Police, Justice, and Homeland Security Departments**

- **Department of Veteran Affairs**
- **Military Health**
- **Global Clinical Development**
 - Biotech companies
 - Pharmaceutical companies

- **Department of Health and Human Services**
 - National Institutes of Health
 - Food and Drug Administration
 - Centers for Disease Control & Prevention
 - Health Resources and Services Administration
 - Substance Abuse and Mental Health Services Administration
 - Centers for Medicare & Medicaid Services

Health & Civil Services Sector

<p>3,000+ Employees</p>		<p>Major Operating Locations in Arlington, VA; Rockville, MD; Durham, NC</p>		<p>Stephen Tolbert Director</p>	
<p>FDIC</p>			<p>Dept of Agriculture</p>		
<p>\$457M, 5-yr recomplete award in Sep-2009 9/30/09 run rate >\$100M Currently SRA's largest contract</p> <ul style="list-style-type: none"> Comprehensive lifecycle IT services from enterprise architecture to desktop support Single point of contact for FDIC IT infrastructure services since 2004 			<p>\$500M, 7-yr ATM SI single-award BPA Awarded in Mar-2010 ERP implementation (SAP®) for USDA</p> <ul style="list-style-type: none"> Assist USDA in modernizing aging departmental and agency program application systems First initiative is to transform the FSA's farm program benefit delivery with web-based system 		
<p>National Institutes of Health</p>			<p>Dept of State – Cybersecurity</p>		
<p>9/30/09 run rate >\$60M Systems integration, biomedical informatics and data analysis programs</p> <ul style="list-style-type: none"> Supporting early disease diagnosis through one of world's largest microarray databases Web development and applications for NIH's Center for Information Technology 			<p>SASI ID/IO awarded in Jun-2007 Won 5-yr, \$67M T.O. in Dec-2007 for Office of Computer Security</p> <ul style="list-style-type: none"> Cybersecurity work involves policy planning, threat analysis & incident response Project transition and staffing efforts were completed well ahead of schedule 		

Comprehensive professional and IT consulting services, solutions and enterprise-wide infrastructure support for federal civilian and health customers

National Security Sector

<p>2,300+ Employees</p>		<p>Major Operating Locations in Fairfax, VA; San Diego, CA</p>		<p>Gordon McElroy Director</p>	
<p>USEUCOM and USAFRICOM</p>			<p>DoD Joint Staff Information Network</p>		
<p>\$216M, 5-yr task order under GSA Millennia vehicle awarded in Jan-2009 Work based in Stuttgart, Germany</p> <ul style="list-style-type: none"> IT infrastructure support for US European Command and US Africa Command New customer for SRA, having unseated large incumbent prime contractor 			<p>ENCORE II task order worth \$63M over 31 months Unseated large prime incumbent Operating and maintaining network infrastructure</p> <ul style="list-style-type: none"> Integration of IT service functions to meet Dept of Defense mission requirements Seamless system and application upgrades and new product implementations 		
<p>National Guard EOSS</p>			<p>DHS National Cyber Security Division</p>		
<p>\$173M, 5-yr program awarded in Sep-2006 Supported customer since 2001 Enterprise operations center for GuardNet XXI</p> <ul style="list-style-type: none"> Management and security services in support of a nationwide network infrastructure Communication network for C4, mobilization, readiness training, and distance learning 			<p>\$50M, 5-yr contract awarded in Dec-2009 Mission support across NCSA functional areas Improving information systems security</p> <ul style="list-style-type: none"> Activities include software assurance, critical infrastructure protection, global supply chain security, cyber education, exercises and workforce development 		

Mission systems, IT infrastructure and analytical support for defense, homeland security and law enforcement customers

Intelligence and Space Sector

400+
Employees

Major Operating Locations in
DC Area; Columbia, MD; Colorado Springs, CO

Scott Large
Director

- Capabilities include:



Analysis – In depth analytical support to multiple Intelligence Community and DOD elements, including subject matter expertise and analytical tools.



System Engineering & Integration – Developing and integrating hardware and software mission solutions for a wide range of operational challenges.



Space Control – Award-winning Systems Control Language (SCL) offers a proven, flexible COTS solution to support the life cycle of space command and control operations.

- In FY10 SRA won a position on the DIA Solutions for the Information Technology Enterprise (SITE) program, a multiple-award IDIQ contract with a ceiling of \$6.6 billion over five years, if all options are exercised.

- Several potential headwinds
 - Federal budget pressure may restrict market growth
 - Highly competitive marketplace
 - Government “insourcing” initiatives
 - Federal procurement delays and protest-rich environment
- Underlying market drivers remain
 - Aging Federal workforce
 - Requirements to do more with less
 - Cybersecurity and the increasing cyber threat
 - Healthcare, energy & environment, and other areas of spending expected to continue to grow

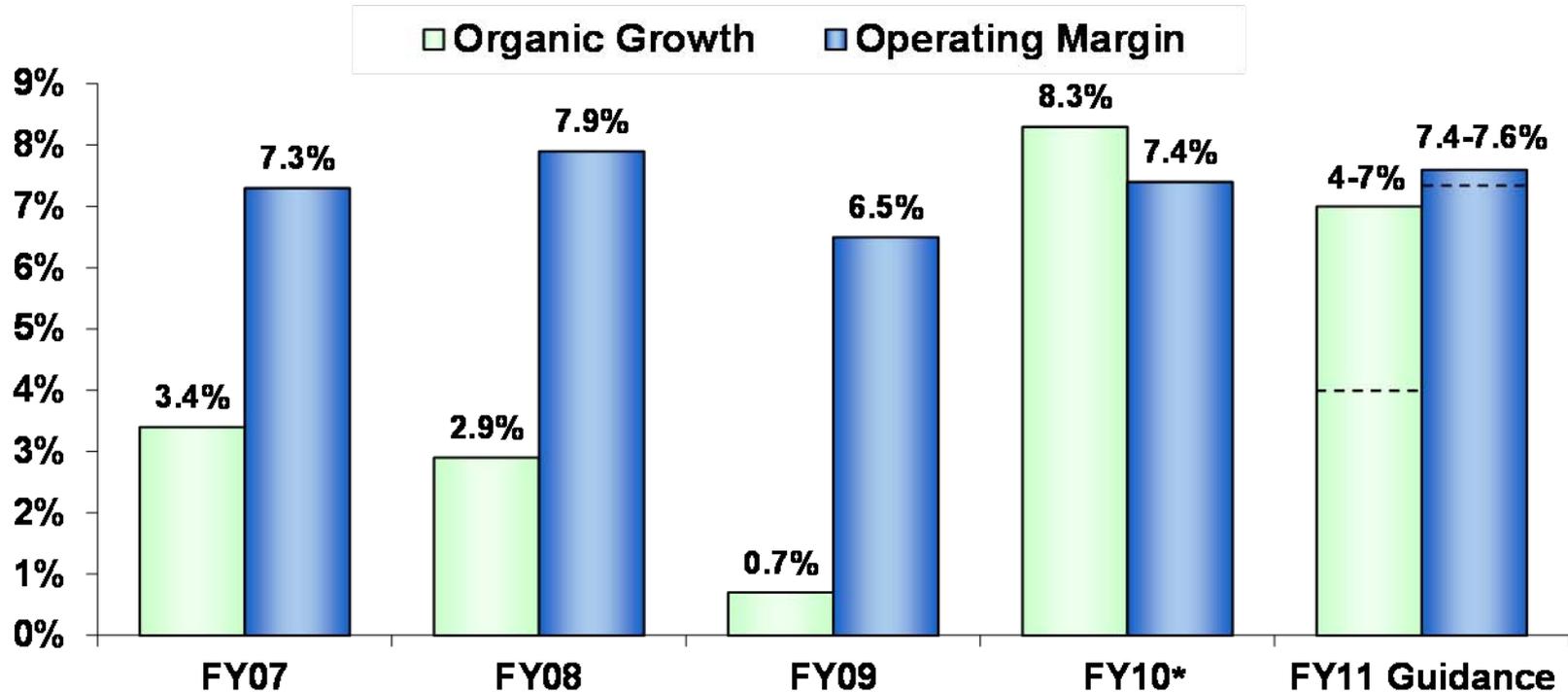
Driving Organic Growth in Current Market

- Nurture customer relationships and maintain consistent, outstanding project execution to protect current base
- Exploit our diversified customer base and our position in faster growing markets (cyber, health IT, intel, energy & environment)
- Continue to cultivate our business capture capability and develop sophisticated bid & execution strategies
- Leverage business development resources by bidding larger contracts
- Manage indirect costs
- Selective investment in differentiated offerings and products

Acquisition Strategy

- SRA has made 13 acquisitions since 2002
- We continue to seek the best companies in targeted segments of the federal government market
 - Current segments of interest include C4ISR, cybersecurity, health, intelligence, energy & environment
- Primary strategy is to accelerate organic growth through revenue synergies
 - To enter a fast-growing market (e.g. energy and environment)
 - To acquire differentiated capability (e.g. cyber forensics)
- Continuously improving selection, due diligence and integration processes
- No debt as of September 2010, and our current credit line offers favorable terms and \$285M of capacity

Growth and Profitability



- Revenue growth and operating margin performance improving
 - Marketing & Sales investments have led to solid year-over-year backlog expansion

* FY10 operating margin is adjusted for an impairment charge and other unusual items.
A reconciliation between adjusted and GAAP figures is included in the FY10-Q4 earnings press release.

Financial Stability

Balance Sheet Metrics

(\$ Millions)	As of 9/30/2010
Cash and Equivalents	\$ 100.6
Total Current Assets	497.0
Total Assets	<u>\$ 1,047.5</u>
Total Current Liabilities	\$ 231.9
Long-Term Debt	\$ -
Total Liabilities	\$ 255.4
Total Stockholders' Equity	\$ 792.1
Total Liabilities & Equity	<u>\$ 1,047.5</u>

Cash Flow Statement

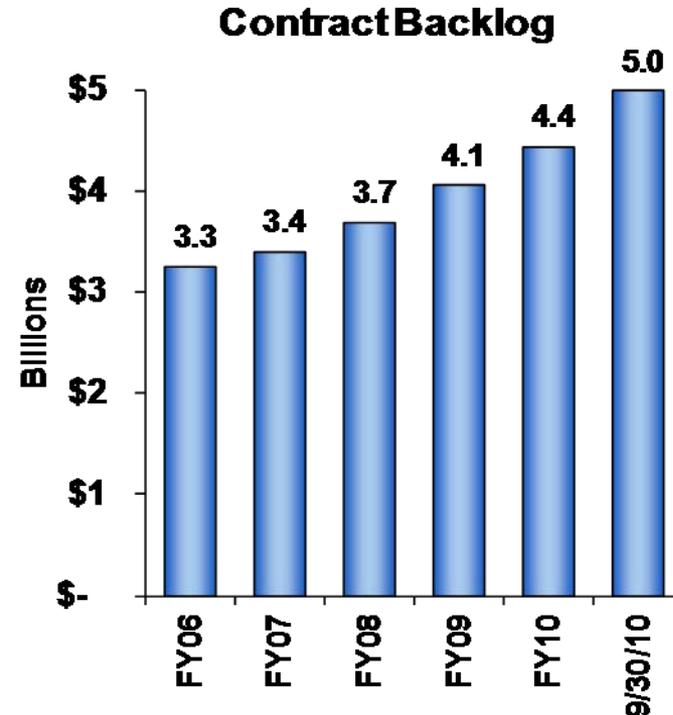
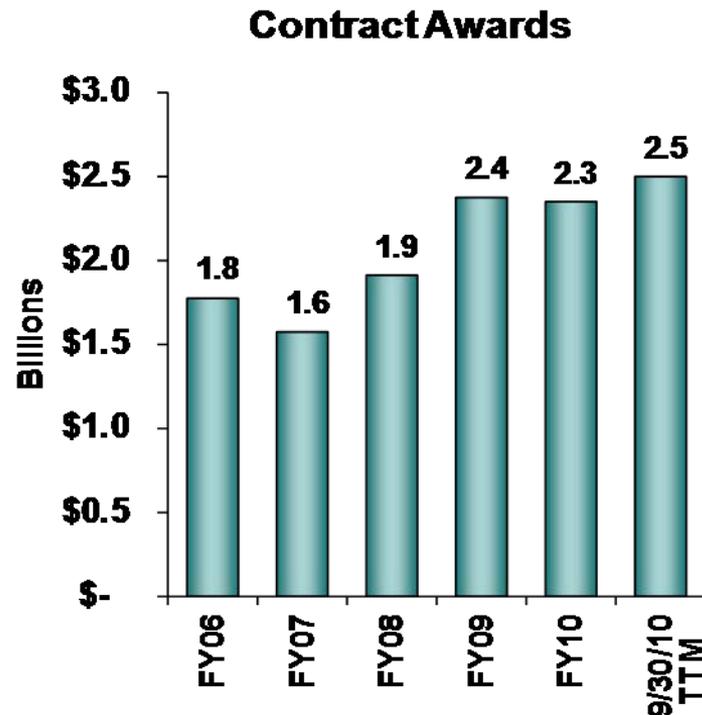
(\$ Millions)	Twelve Months Ended	
	9/30/2009	9/30/2010
Net Income*	<u>\$ 60.6</u>	<u>\$ 75.9</u>
Net Cash from Operating Activities	80.9	126.4
Net Cash used in Investing Activities	(16.3)	(30.2)
Net Cash from Financing Activities	(84.7)	(66.6)
Net Effect of Exchange Rate Changes	<u>(2.8)</u>	<u>0.5</u>
Net change in Cash and Equivalents	<u>\$ (22.9)</u>	<u>\$ 30.1</u>

- Conservative balance sheet provides flexibility and stability
- Company expects Free Cash Flow to exceed Net Income over the long term, as Cap Ex requirements are minimal

* FY10 net income is adjusted for an impairment charge and other unusual items.
A reconciliation between adjusted and GAAP figures is included in the FY10-Q4 earnings press release.

Business Momentum

- Our investments in Sales & Marketing have produced solid new business results, particularly in the past year
 - Total and funded backlog growth accelerated in FY09
 - As of November 2, SRA had \$2.0B of pending bids



* Contract Award and Backlog figures for FY08 exclude two awards that were later overturned by protests

SRA is focused on organic growth acceleration and margin improvement in our federal business

- We're well-positioned for evolving customer priorities
 - Key customer relationships at DoD, DHS, HHS, EPA, FDIC
 - Leading-edge expertise in cybersecurity, ERP, health IT, environmental services, homeland security and air surveillance
 - Ample federal opportunities to support faster organic growth
- Recent wins reflect progress in business development initiatives
 - Our TTM book-to-bill ratio is 1.5x
- Conservative balance sheet provides financial stability



Honesty and Service®

Contact Information

David Mutryn	703.502.7731
Director of IR	david_mutryn@sra.com



Significant Work. Extraordinary People. **SRA.**