ENGILITY
Engineered to Make a Difference

First Quarter 2016
Earnings Conference Call

MAY 5, 2016

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding Engility's future prospects, projected financial results, estimated integration costs and acquisition related amortization expenses, business plans, as well as the TASC transaction and its expected benefits and the timing of such benefits. Words such as "may," "will," "should," "likely," "anticipates," "expects," "intends," "plans," "projects," "believes," "estimates" and similar expressions are also used to identify these forward-looking statements. These statements are based on the current beliefs and expectations of Engility's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. Factors that could cause Engility's actual results to differ materially from those described in the forward-looking statements can be found under the heading "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2015, and more recent documents that have been filed with the Securities and Exchange Commission (SEC) and are available on the investor relations section of Engility's website (http://www.engilitycorp.com) and on the SEC's website (www.sec.gov). Forward-looking statements are made only as of the date hereof, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, historical information should not be considered as an indicator of future performance.

Key Strategic Objectives

Well-positioned to succeed in today's market with broad customer base, diversified portfolio and scale

Drive Sustainable Organic Growth

- Continue to execute our current programs well
- Selectively pursue opportunities in Intelligence, Space and Civil markets, where we bring deep domain expertise and history of past excellent performance
- Invest in approach to business capture to submit winning proposals with unique solutions

Attract, Grow & Retain Talent

- Invest in talent to provide highest-quality services to customers and grow our business
- Expand programs for employee recognition, learning and development and leadership
- Accelerate talent focus through hire of Susan Balaguer, SVP and Chief Human Resources Officer

Strengthen Balance Sheet

- Use strong free cash flow to pay down debt
- Evaluate opportunities to refinance existing debt at more attractive interest rates

First Quarter 2016 Operational Highlights

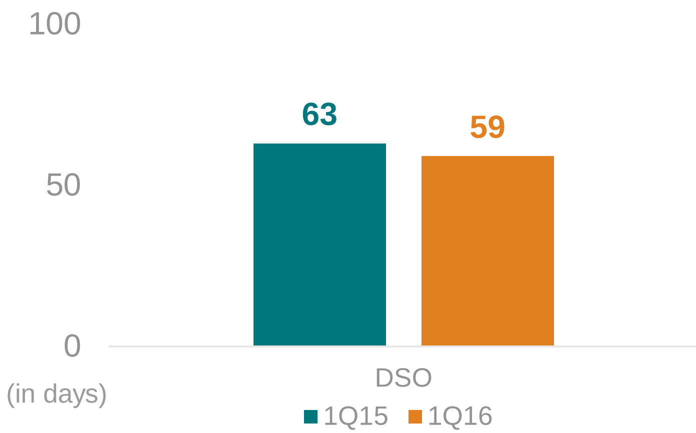
ENGILITY
Engineered to Make a Difference

Solid first quarter, financial results in line with expectations

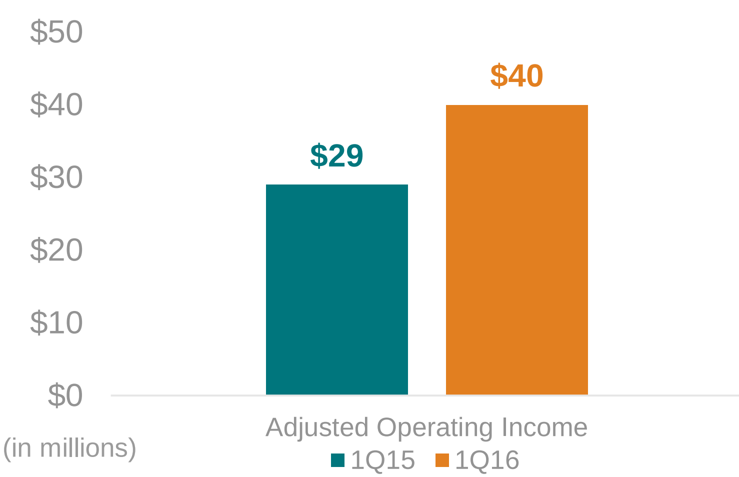
- Book-to-bill ratio of 0.8x on contract awards of $396 million
  - Target a book-to-bill ratio of at least 1.0x for fiscal year 2016
- Two significant recompete awards since Q1 2016 close ($248 million DTRA award and $90 million TSA award)
- Continue to increase value of proposals – ended Q1 2016 with $3.5 billion worth of submitted bids awaiting adjudication
  - Since end of Q1 2016, have submitted the first of a handful of targeted large proposals, totaling $1.5 billion
  - Plan to bid almost $5 billion of new business in 2016

First Quarter 2016 Financial Highlights

Days Sales Outstanding (DSOs)



Adjusted Operating Income



Revenue:

- Revenue of **$523 million**, in line with expectations
- Increased by **$120 million** year-over-year, driven by TASC acquisition

Profitability and Cash Flow:

- Adjusted diluted EPS of **$0.24** cents, in line with operational expectations
- Operating Cash Flow of **$30 million**
- Adjusted Operating Margin of **7.6%**, up from **7.1%** in Q1 2015

Operational Efficiency:

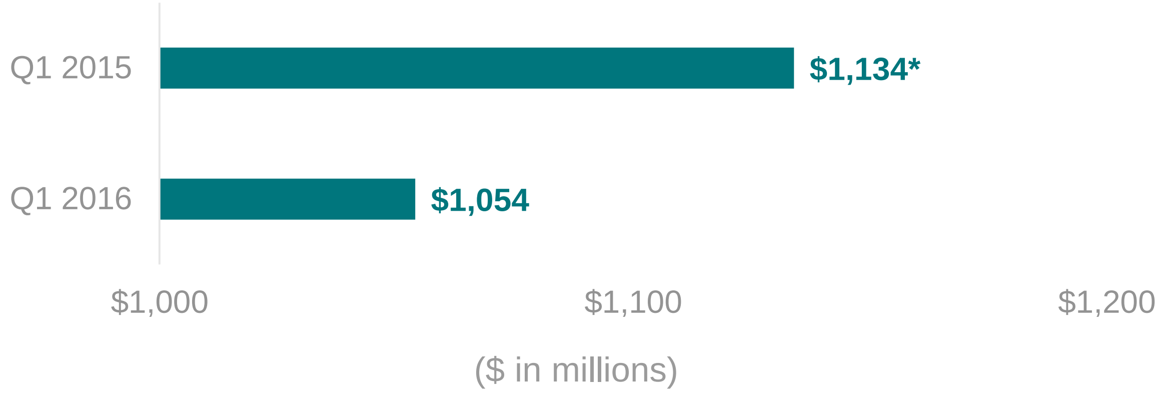
- DSOs of **59 days**; 4 day improvement from Q1 2015
- Expect DSOs in 55-60 day range over the long term
- **$2.9 billion** in total backlog*, **$824 million** of which is funded

We define total backlog as funded backlog, unfunded backlog and priced options.

Balance Sheet

- Reduced second lien debt balance by **$10 million to $390 million** through opportunistic purchase of second lien term loan
- Net debt to trailing 12-month adjusted EBITDA bank leverage **ratio of 4.6x**; well below current bank covenant ratio of **6.5x**
- Expect to make voluntary debt prepayments totaling **$70-$80 million** in fiscal year 2016

Net Debt Outstanding



**Reclassification per adoption of ASU No. 2015-03 Interest—Imputation of Interest (issued by FASB in April 2015).*

Reaffirming FY16 Guidance

ENGILITY
Engineered to Make a Difference

**Reaffirming FY16 guidance ranges,
based on solid first quarter results and outlook for remainder of 2016**

Total Revenue –	$2.0 billion to $2.15 billion
GAAP Diluted EPS –	$0.03 to $0.18
Adjusted Diluted EPS –	$1.00 to $1.15
Adjusted EBITDA –	$180 million to $190 million
Cash Flow from Operations –	$105 million to $115 million

2016 GAAP and adjusted diluted EPS guidance assumes weighted-average outstanding shares of approximately 37.5 million. GAAP diluted EPS assumes a full-year effective tax rate of 27 percent. Adjusted diluted EPS assumes total cash tax payments of approximately $1 million. The adjusted diluted EPS and adjusted EBITDA guidance excludes approximately $35 million of amortization of acquired intangible assets, and deal and integration costs associated with the TASC acquisition.

FY16 Guidance Assumptions

- Adjusted operating margin of **7 to 8%**
- Net interest expense of **~$115 million**, including **$105 million** of cash interest
- Diluted share count of **~37.5 million shares**
- Capital expenditures of **~$15 million**
- Depreciation and amortization expenses of **~$55 million**
- GAAP effective tax rate of **~27%**
- Cash taxes of **~$1 million**, which is the same amount we expect to pay for the next **6 to 7 years** due to our significant tax attributes

Key Takeaways

Solid operational and financial results for Q1 2016

Focus on three key strategic objectives – sustainable organic growth, talent management and debt reduction

Position company to create **additional shareholder value** over the long term

Reaffirm fiscal year 2016 guidance ranges

Appendix

GAAP to Non-GAAP Reconciliation

Adjusted Operating Income and Adjusted Operating Margin ($ in thousands)	**Three Months Ended**	
	Apr. 1, 2016	**Mar. 31, 2015**
Operating income	**$26,473**	**$303**
Adjustments		
Acquisition and restructuring-related expenses excluding amortization	4,197	23,885
Acquisition-related intangible amortization	9,284	4,378
Legal and settlement costs	—	154
Total adjustments	**13,481**	**28,417**
Adjusted operating income	**$39,954**	**$28,720**
Operating margin	5.1%	0.1%
Adjusted operating margin	7.6%	7.1%

GAAP to Non-GAAP Reconciliation

ENGILITY
Engineered to Make a Difference

Adjusted Earnings Per Share ($ in thousands, except per share data)	Three Months Ended	
	Apr. 1, 2016	Mar. 31, 2015
GAAP net loss attributable to Engility	**$ (3,230)**	**$ (13,367)**
Net income attributable to non-controlling interest	1,105	726
GAAP loss	**(2,125)**	**(12,641)**
Benefit for income taxes	(902)	(5,677)
Income tax rate	29.8%	31.0%
GAAP loss before taxes	**$(3,027)**	**$ (18,318)**
Adjustments		
Acquisition and restructuring-related expenses excluding amortization	4,197	23,885
Acquisition-related intangible amortization	9,284	4,378
Legal and settlement costs	–	154
Bank fees previously capitalized and included in interest expense	–	4,602
Total adjustments	**13,481**	**33,019**
Adjusted income before income tax	**10,454**	**14,701**
Cash paid for income taxes	407	3,890
Adjusted income tax rate	3.9%	26.5%
Adjusted net income	**10,047**	**10,811**
Less: Net income attributable to non-controlling interest	1,105	726
Adjusted net income attributable to Engility	**$8,942**	**$10,085**
Adjusted diluted earnings per share attributable to Engility	**$0.24**	**$0.40**
GAAP diluted loss per share attributable to Engility	**$ (0.09)**	**$ (0.55)**
Diluted weighted average number of shares outstanding – adjusted	37,344	25,051
Diluted weighted average number of shares outstanding – GAAP	36,715	24,379

GAAP to Non-GAAP Reconciliation

ENGILITY
Engineered to Make a Difference

Earnings before interest, taxes, depreciation, and amortization (EBITDA) and Adjusted EBITDA ($ in thousands)	**Three Months Ended**	
	Apr. 1, 2016	**Mar. 31, 2015**
Net loss	**$ (2,125)**	**$ (12,641)**
Interest, taxes, depreciation, and amortization		
Interest expense	29,439	18,594
Provision (benefit) for income taxes	(902)	(5,677)
Depreciation and amortization	13,815	8,457
EBITDA	**40,227**	**8,733**
Adjustments to EBITDA		
Acquisition and restructuring-related expenses excluding amortization	4,197	23,885
Legal and settlement costs	—	154
Total adjustments	4,197	24,039
Adjusted EBITDA	**$ 44,424**	**$ 32,772**
EBITDA Margin	7.7%	2.2%
Adjusted EBITDA Margin	8.5%	8.1%

ENGILITY

Engineered to Make a Difference