

Proprietary Information



DynCorp International

The Responsibilities are Great



Aviation | Global Logistics & Development Solutions | LOGCAP IV | Security Services | Training & Intelligence Solutions

Bank of America Merrill Lynch 2012 Leveraged Finance Conference


We Serve Today for a Better Tomorrow.™

Forward-Looking Statements and Non-GAAP Measures

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With a heritage extending from 1951, DI is a leading provider of specialized, mission-critical outsourced professional and technical support services

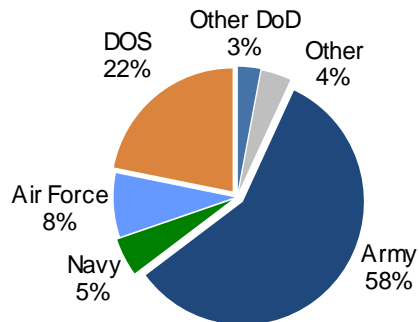
Delta Tucker Holdings, Inc

DynCorp International, Inc.

- CY 2011 Revenue: \$3.7B
- CY 2011 Adjusted EBITDA: \$193.6M
- Personnel: ~29,000 in 36 countries



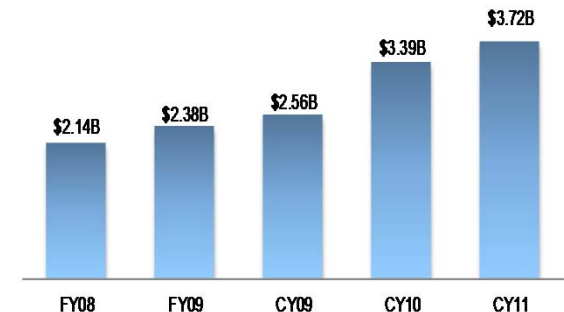
Revenue By Customer (CY11)



■ **DI Facts:**

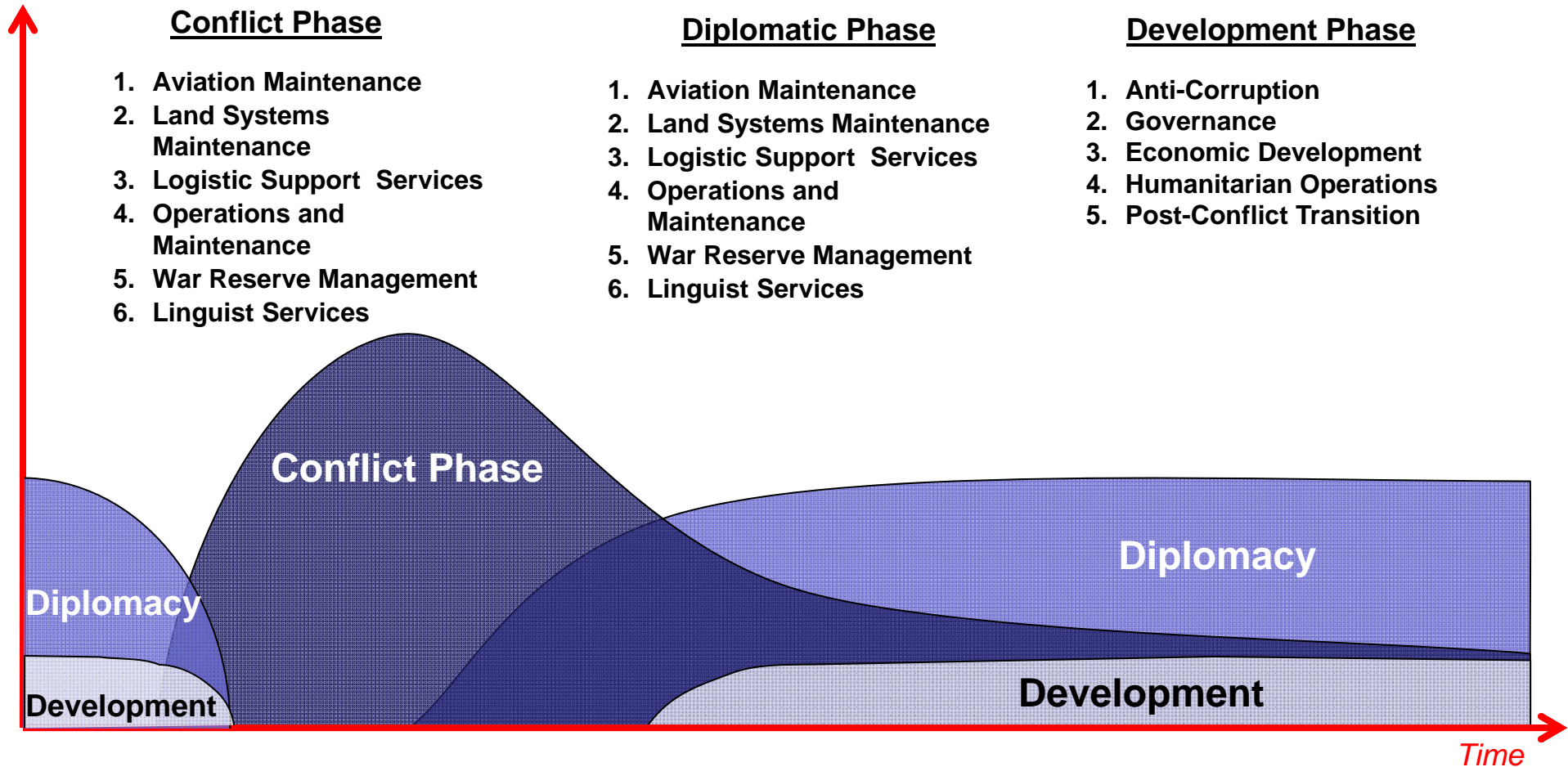
- ▶ 97% of Revenue Generated as Prime Contractor
- ▶ Contract Mix:
 - ▶ 70% - Cost Reimbursement
 - ▶ 18% - Fixed Price
 - ▶ 12% - Time & Material
- ▶ 98% of Revenue Generated from U.S. Government

Historical Revenue*



*Excludes GLS Revenue

DynCorp International Supports U.S. National Security and Foreign Policy Objectives



Serving All Phases of the Life Cycle - - Our Discriminator

Third Quarter 2012 Results

Dollars in millions



	Q3 2012	2012 vs. 2011	
Revenue	\$1,010.3	\$74.9	8.0%
Adjusted EBITDA	\$51.7	(\$0.1)	(0.2%)
Adjusted EBITDA Margin	5.1%	(40 bps)	
		vs. Q2 2012	
Total Backlog	6,066.0	\$842.4	16.1%



Q3 Highlights

Revenue



INL Air Wing
LOGCAP
Security Services



AFCAP task order completion
CivPol-Iraq program wind-down

Adjusted EBITDA



LOGCAP Volume/Improved Award Fee
CFT Margins
CNTPO



CivPol-Iraq Volume
Legal Charge
GLS (JV)

Financial Review – Q3 CY12 Miscellaneous Items

- **Working Capital of \$405.9M – Down \$8.7M from Q2**
 - Q3 WC is 10.1% of TTM Revenue (Improved 0.5% sequentially)
 - DSO of 67 – Improved 7 Days from Q2 levels

- **YTD Free Cash Flow of \$58.6M – Above Plan**

- **YTD Orders Exceeding Plan**
 - \$3.6 Billion YTD
 - Aviation / LOGCAP / GL&DS Driving Growth

- **Current Net Debt Position of \$725.5M**
 - Net Cash Position of \$87.4M
 - \$30M of Debt Paid Down in Q3
 - Total Debt Paid to Date \$212.7M

2012 Q3 Summary

➤ **Business Environment is Challenging**

- Pressures On Domestic Budget – Visibility Limited
- OCONUS Contingency Operations Presents both Opportunities and Challenges

➤ **New Business Funnel Remains Robust**

➤ **Business Process Improvements Continue to Yield Results**

- Award Fee Improvements and Working Capital Efficiency at the Forefront

➤ **Q3 2012 Financial Results on Plan**

- Contribution from Aviation Drives Margin Expansion
- Backlog Remains Strong

➤ **Continue to Pursue Balanced Allocation of Capital**

- Debt Reduction of \$30M in Q3
- Small Strategic Acquisition Completed in July

Q&A

Appendix

Unaudited Condensed Consolidated Statement of Operations

	(Amounts in thousands)			
	Three Months Ended September 28, 2012	Three Months Ended September 30, 2011	Nine Months Ended September 28, 2012	Nine Months Ended September 30, 2011
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue	\$ 1,010,314	\$ 935,393	\$ 3,018,469	\$ 2,738,441
Cost of services	(917,138)	(845,345)	(2,756,839)	(2,500,412)
Selling, general and administrative expenses	(40,347)	(47,644)	(116,822)	(117,005)
Depreciation and amortization expense	(12,375)	(12,255)	(37,594)	(38,229)
Earnings from equity method investees	315	3,894	538	11,830
Impairment of equity method investment	-	(76,647)	-	(76,647)
Impairment of goodwill	(30,859)	-	(30,859)	-
Operating income (loss)	9,910	(42,604)	76,893	17,978
Interest expense	(22,011)	(22,836)	(65,438)	(69,537)
Loss on early extinguishment of debt	(696)	-	(1,479)	(2,397)
Interest income	21	29	94	168
Other income, net	68	685	4,768	4,792
(Loss) Income before income taxes	(12,708)	(64,726)	14,838	(48,996)
(Provision)/Benefit for income taxes	(1,393)	23,878	(11,744)	17,787
Net (loss) income	(14,101)	(40,848)	3,094	(31,209)
Noncontrolling interests	(1,693)	(780)	(4,322)	(2,185)
Net loss attributable to DTH, Inc.	\$ (15,794)	\$ (41,628)	\$ (1,228)	\$ (33,394)
Income tax provision (benefit)	1,393	(23,878)	11,744	(17,787)
Interest expense, net of interest income	21,990	22,807	65,344	69,369
Depreciation and amortization ⁽¹⁾	12,745	12,689	38,785	39,486
EBITDA ⁽²⁾	\$ 20,334	\$ (30,010)	\$ 114,645	\$ 57,674
Non-recurring or unusual gains or losses or income or expenses and non-cash impairments ⁽³⁾	31,920	79,955	33,681	85,092
Changes due to fluctuation in foreign exchange rates	22	(165)	(77)	(15)
Earnings from affiliates not received in cash	138	32	(969)	288
Employee non-cash compensation, severance, and retention expense	165	646	1,475	8,705
Management fees ⁽⁴⁾	419	227	864	1,398
Acquisition accounting and Merger-related items ⁽⁵⁾	(1,262)	(881)	(4,571)	(3,893)
Other	9	2,038	(83)	2,031
Adjusted EBITDA	\$ 51,745	\$ 51,842	\$ 144,965	\$ 151,280

(1) Amount includes certain depreciation and amortization amounts which are classified as Cost of services in our Unaudited 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 the impairment of goodwill of the TM reporting unit and the impairment of our investment in the GLS joint venture, as well as certain unusual income and expense items, as defined in the Indenture and Senior Credit Facility.

(4) Amount represents management fees paid to Cerberus Operations and Advisory Company.

(5) Includes the amortization of intangibles arising pursuant to ASC 805 - Business Combination.

Unaudited Adjusted EBITDA by Segment

(Amounts in thousands)

	DTH, Inc. CY12 Q3 ⁽¹⁾									DTH, Inc. CY11 Q3 ⁽¹⁾								
	Headquarters	LOGCAP	Aviation	TIS	GLDS	Security		Eliminations ⁽²⁾	Consolidated	Headquarters	LOGCAP	Aviation	TIS	GLDS	Security		Eliminations (2)	Consolidated
						Services	GLS								Services	GLS		
Operating (loss) income	\$ (19,665)	\$ 17,997	\$ 30,027	\$ (26,187)	\$ 6,078	\$ 1,660	\$ 814	\$ (814)	\$ 9,910	\$ (88,697)	\$ 10,187	\$ 24,486	\$ 5,624	\$ 4,628	\$ 1,168	\$ 7,741	\$ (7,741)	\$ (42,604)
Depreciation and amortization expense ⁽³⁾	12,339	197	137	42	30	-	-	-	12,745	-	-	-	-	-	-	-	-	-
Loss on early extinguishment of debt	(696)	-	-	-	-	-	-	-	(696)	12,232	203	182	42	30	-	-	-	12,689
Noncontrolling interests	(1,693)	-	-	-	-	-	-	-	(1,693)	(780)	-	-	-	-	-	-	-	(780)
Other income, net	573	1	(498)	0	(8)	-	-	-	68	638	1	45	-	1	-	-	-	685
EBITDA ⁽⁴⁾	\$ (9,142)	\$ 18,195	\$ 29,666	\$ (26,145)	\$ 6,100	\$ 1,660	\$ 814	\$ (814)	\$ 20,334	\$ (76,607)	\$ 10,391	\$ 24,713	\$ 5,666	\$ 4,659	\$ 1,168	\$ 7,741	\$ (7,741)	\$ (30,010)
Non-recurring or unusual gains or losses or income or expenses and non-cash impairments ⁽⁵⁾	-	696	151	111	30,901	50	10	-	31,919	79,955	-	-	-	-	-	-	-	79,955
Changes due to fluctuation in foreign exchange rates	-	-	-	22	-	-	-	-	22	-	-	(165)	-	-	-	-	-	(165)
Earnings from affiliates not received in cash	138	-	-	-	-	-	(814)	814	138	32	-	-	-	-	-	-	-	32
Employee non-cash compensation, severance, and retention expense	-	78	51	21	10	5	-	-	165	693	-	(81)	-	34	-	-	-	646
Management fees ⁽⁶⁾	168	113	83	32	17	7	-	-	420	227	-	-	-	-	-	-	-	227
Acquisition accounting and Merger-related items ⁽⁷⁾	(1,262)	-	-	-	-	-	-	-	(1,262)	(881)	-	-	-	-	-	-	-	(881)
Other	9	-	-	-	-	-	-	-	9	2,038	-	-	-	-	(15)	15	-	2,038
Adjusted EBITDA	\$ (9,393)	\$ 18,537	\$ 29,933	\$ 4,809	\$ 6,177	\$ 1,682	\$ -	\$ -	\$ 51,745	\$ 5,457	\$ 10,391	\$ 24,467	\$ 5,666	\$ 4,693	\$ 1,168	\$ 7,726	\$ (7,726)	\$ 51,842

⁽¹⁾ In January 2012, we re-aligned our organizational structure into six operating segment. We recasted prior year to present comparable segments.

⁽²⁾ GLS was deconsolidated as of July 7, 2010, as such this column represents the elimination of GLS' operating income.

⁽³⁾ Amount includes certain depreciation and amortization amounts which are classified as Cost of services in our Unaudited Condensed Consolidated Statements of Operations.

⁽⁴⁾ 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.

⁽⁵⁾ Includes the impairment of goodwill of the TM reporting unit and the impairment of our investment in the GLS joint venture, as well as certain unusual income and expense items, as defined in the Indenture and Senior Credit Facility.

⁽⁶⁾ Amount represents management fees paid to Cerberus Operations and Advisory Company.

⁽⁷⁾ Includes the amortization of intangibles arising pursuant to ASC 805 -Business Combination.

Unaudited Condensed Consolidated Balance Sheets

(Amounts in thousands)

	As of	
	<u>September 28, 2012</u>	<u>December 30, 2011</u>
	(unaudited)	(unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 87,391	\$ 70,205
Restricted cash	1,659	10,773
Accounts receivable, net of allowances of \$1,683 and \$1,947, respectively	778,530	752,756
Other current assets	97,969	88,877
Total current assets	<u>965,549</u>	<u>922,611</u>
Non-current assets	1,023,498	1,091,810
Total assets	<u>\$ 1,989,047</u>	<u>\$ 2,014,421</u>
LIABILITIES AND EQUITY		
Current portion of long-term debt	\$ 637	\$ -
Current liabilities	673,068	633,259
Total current liabilities	<u>673,705</u>	<u>633,259</u>
Long-term debt, less current portion	812,272	872,909
Other long-term liabilities	46,609	50,768
Total equity attributable to Delta Tucker Holdings, Inc.	449,573	452,299
Noncontrolling interests	6,888	5,186
Total equity	<u>456,461</u>	<u>457,485</u>
Total liabilities and equity	<u>\$ 1,989,047</u>	<u>\$ 2,014,421</u>