

Vectrus and Vertex to Combine to Create a Global Leader in Mission-Essential Solutions

March 7, 2022

VECTRUS
TRUE TO YOUR MISSION

Vertex

Disclaimers

FORWARD-LOOKING STATEMENTS

Certain material presented in this presentation includes forward-looking statements intended to qualify for the safe harbor from liability established by the Act. These forward-looking statements include, but are not limited to, Vectrus may be unable to obtain shareholder approval as required for the Transaction; conditions to the closing of the Transaction may not be satisfied; the possibility that anticipated benefits of the Transaction may not be realized or may take longer to realize than expected; the possibility that costs related to Vectrus's integration of Vertex's operations may be greater than expected and/or that revenues following the Transaction may be lower than expected; Vectrus's business may suffer as a result of uncertainty surrounding the Transaction and disruption of management's attention due to the Transaction; the outcome of any legal proceedings that arise that are related to the Transaction; Vectrus may be adversely affected by other economic, business, and/or competitive factors; the risk that Vectrus may be unable to obtain governmental and regulatory approvals required for the Transaction, or that required governmental and regulatory approvals may delay the Transaction or result in the imposition of conditions that could reduce the anticipated benefits from the Transaction or cause the parties to abandon the Transaction; the impact of legislative, regulatory, competitive and technological changes; the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; the effect of the Transaction on the ability of Vectrus to retain and maintain relationships with both Vectrus's and Vertex's customers, including the U.S. Government; other risks to the consummation of the merger, including the risk that the merger will not be consummated within the expected time period or at all; responses from customers and competitors to the Transaction; the risk that the integration of Vertex may distract management from other important matters; results from the Transaction may be different than those anticipated; statements about Vectrus's 2022 performance outlook, five-year growth plan, revenue, DSO, contract opportunities, the impacts of COVID-19, and any discussion of future operating or financial performance.

Whenever used, words such as "may," "are considering," "will," "likely," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target," "could," "potential," "continue," "goal" or similar terminology are forward-looking statements. These statements are based on the beliefs and assumptions of our management based on information currently available to management.

These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside our management's control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. For a discussion of some of the risks and important factors that could cause actual results to differ from such forward-looking statements, see the risks and other factors detailed from time to time in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings with the U.S. Securities and Exchange Commission.

We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Additional Information and Where to Find It

In connection with the Transaction, Vectrus plans to file with the SEC and mail or otherwise provide to its shareholders a proxy statement/prospectus regarding the Transaction. BEFORE MAKING ANY VOTING DECISION, VECTRUS'S SHAREHOLDERS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS IN ITS ENTIRETY WHEN IT BECOMES AVAILABLE AND ANY OTHER DOCUMENTS FILED BY VECTRUS WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION OR INCORPORATED BY REFERENCE THEREIN BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND THE PARTIES TO THE PROPOSED TRANSACTION. Investors and shareholders will be able to obtain a free copy of the proxy and other documents containing important information about Vectrus and Vertex, once such documents are filed with the SEC, through the website maintained by the SEC at www.sec.gov. Vectrus makes available free of charge at www.vectrus.com (in the "Investors" section), copies of materials it files with, or furnishes to, the SEC.

Participants in Solicitation

Vectrus, its directors and certain of its respective executive officers may be considered participants in the solicitation of proxies in connection with the Transaction. Information about the directors and executive officers of Vectrus is set forth in Vectrus's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, which was filed with the SEC on March 2, 2021, and its definitive proxy statement for the 2021 annual meeting of shareholders, which was filed with the SEC on March 23, 2021, certain of its Quarterly Reports on Form 10-Q and certain of its Current Reports filed on Form 8-K. To the extent the holdings of securities of Vectrus by Vectrus's directors and executive officers have changed since the amounts set forth in Vectrus's proxy statement for its 2021 annual meeting of shareholders, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. Additional information regarding the interests of such individuals in the Transaction will be included in the proxy statement/prospectus relating to the Transaction when it is filed with the SEC. These documents can be obtained free of charge from the sources indicated above. Additional information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, may be obtained by reading the definitive proxy statement regarding the acquisition described above.

Call Participants



Chuck Prow
President and
Chief Executive Officer
of Vectrus



Susan Lynch
Senior Vice President and
Chief Financial Officer
of Vectrus



Ed Boyington
President and
Chief Executive Officer
of Vertex

Creating a Global Leader in Mission-Essential Solutions

2021 Pro Forma

~$3.4B
Revenue

~$11.3B
Backlog

~$283M
Adjusted EBITDA[1]

>8%
Adjusted EBITDA Margin[1]

Accretive to Adjusted Diluted EPS in Year 1 Post-Close

Benefits of the Strategic Combination

- Talented Global Workforce with Strong Cultural Fit Through Shared Mission
- Provides Greater Scale and Market Leadership in the Converged Environment
- Improves Geographic, Client and Contract Diversity
- Enhances Portfolio of Technologies and Solutions to Better Provide Full Life-cycle Support to the Most Critical & Enduring Missions
- Attractive Financial Profile with Strong Cash Flow and Balance Sheet
- Clearly Identified Cost Synergies and Tax Attributes with Incremental Revenue Growth Opportunities

[1] *Includes ~$20 million in Annual Pre-tax Cost Synergies*

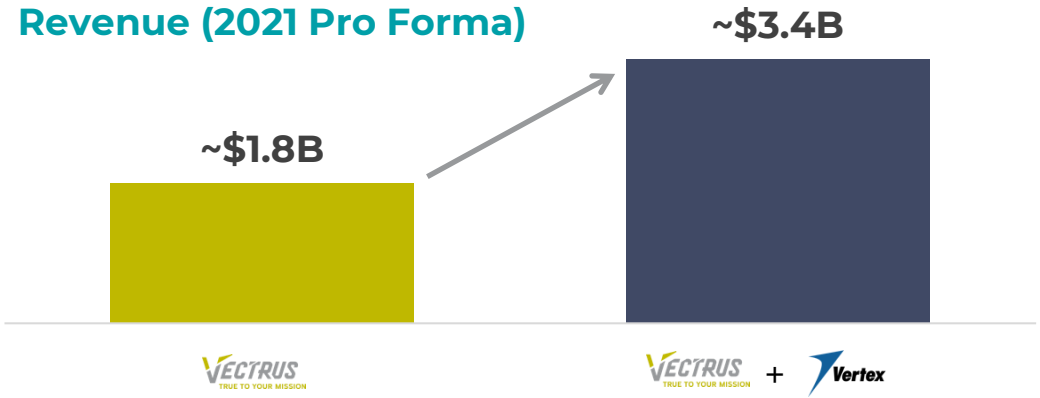
Provides Greater Scale and Reach

~$3.4 billion revenue
leader in mission-critical solutions & support

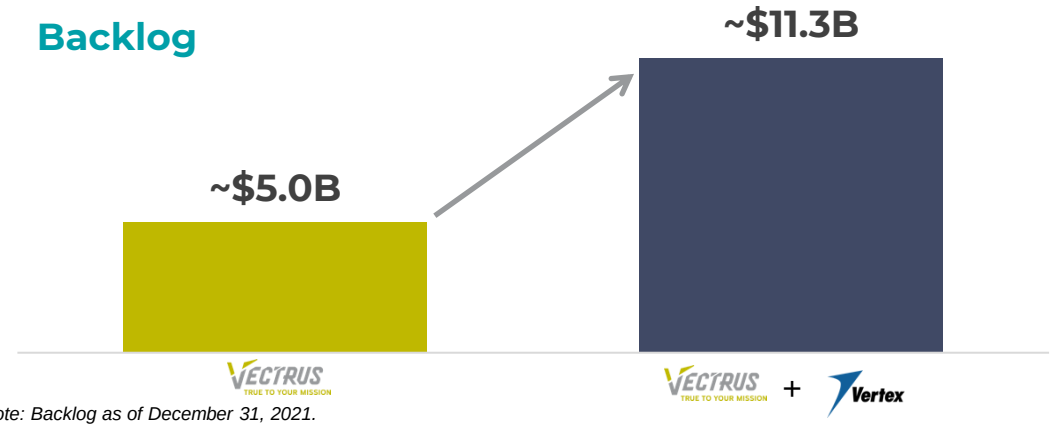
330+ locations
expansive global footprint

120+ years
combined of successful mission support

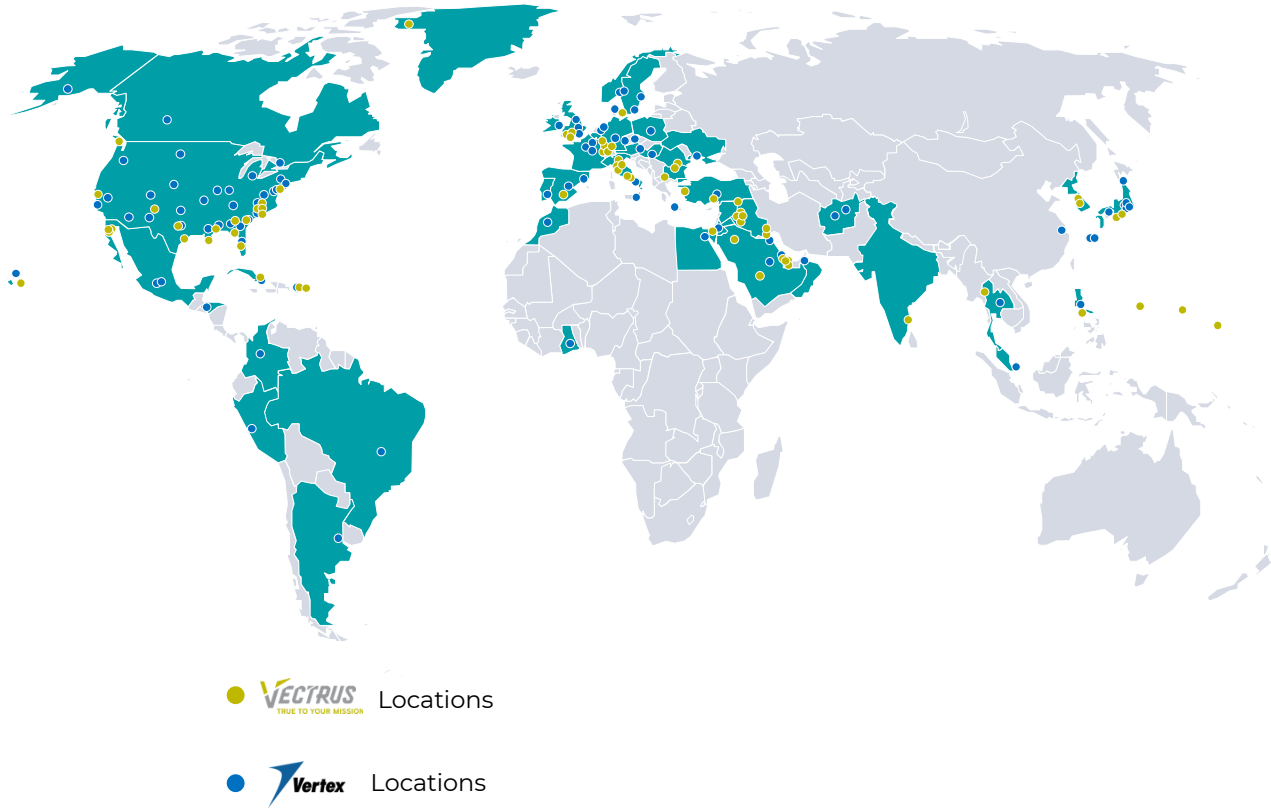
Revenue (2021 Pro Forma)



Backlog

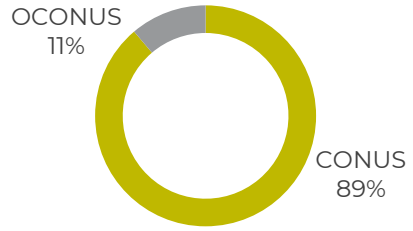
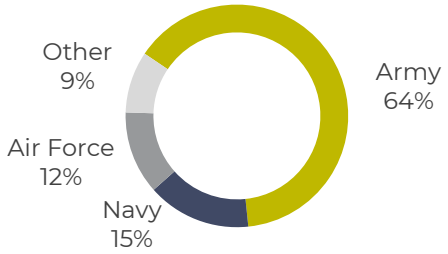
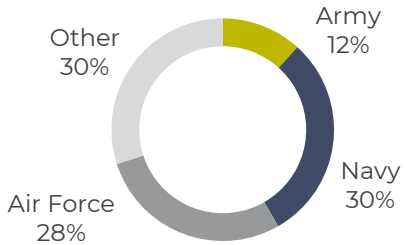
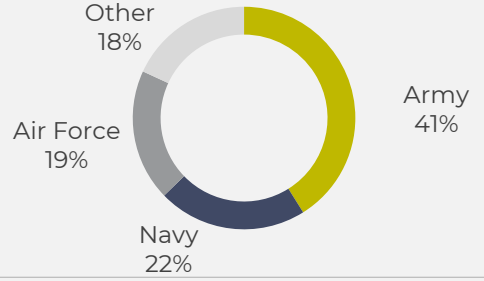
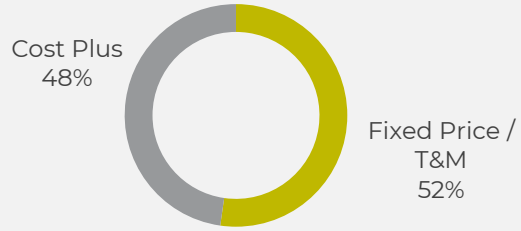


Note: Backlog as of December 31, 2021.



Enhanced Geographic, Client and Contract Diversity

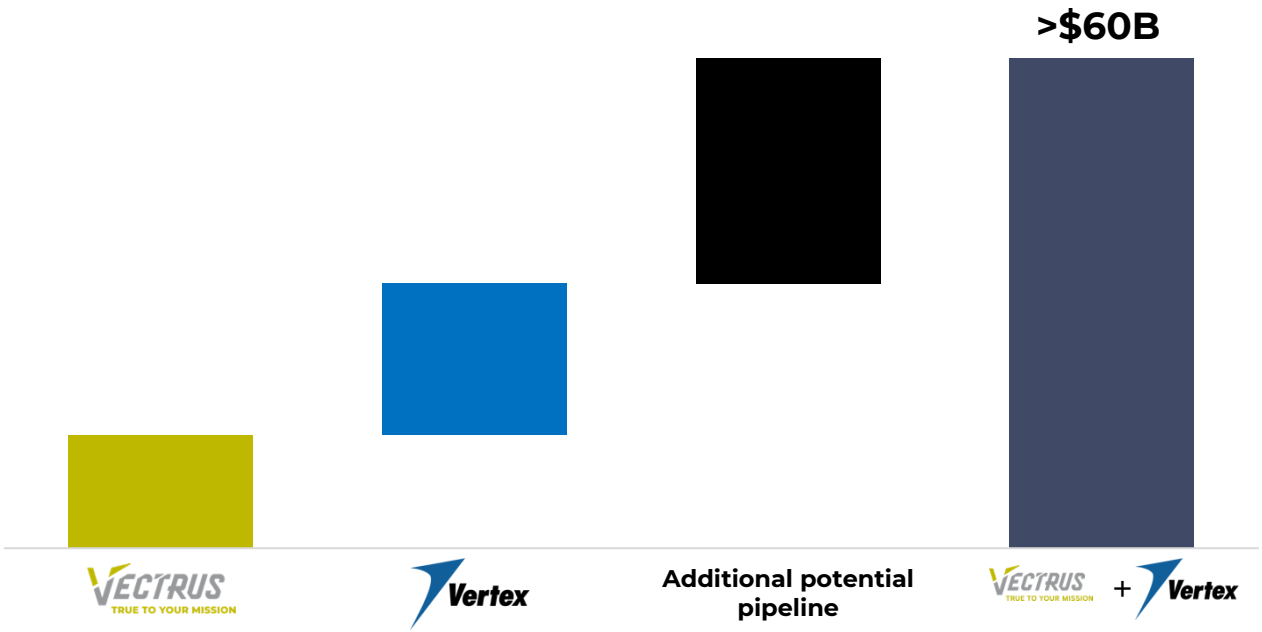
2021 Pro Forma Revenue

	VECTRUS	Vertex	VECTRUS + Vertex
Geographic Mix			
Client Mix			
Contract Mix			

No Contract Accounts For More Than 11% of Combined Revenue

Platform to Support Accelerated Growth

Total Potential Contract Pipeline of >$60B Through 2026



Revenue Synergy Opportunities Across Four Core Markets

- Operations and Logistics
- Aerospace
- Training
- Technology

Meaningful Incremental Revenue Growth Opportunities

Transaction Summary

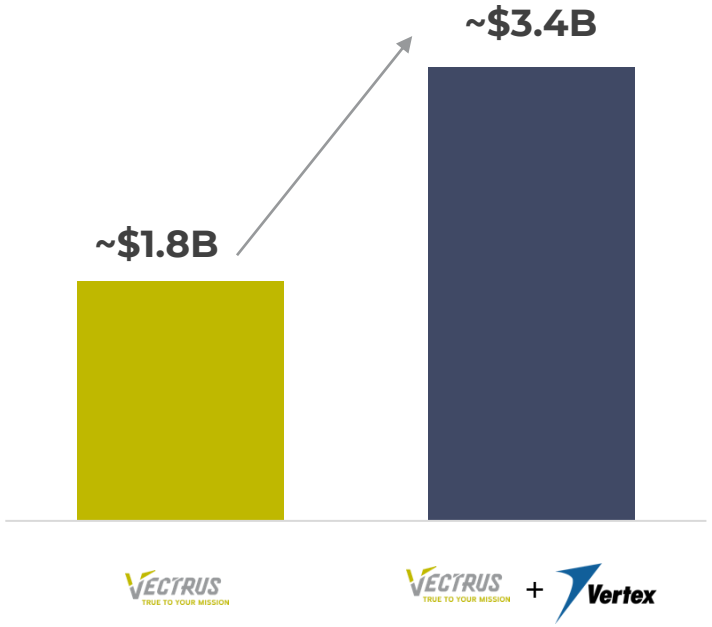
Transaction Structure	• Vectrus to issue stock to Vertex shareholders in an all-stock merger • Vectrus shareholders will own ~38% and Vertex shareholders will own ~62% of the combined company • Transaction values Vertex at ~$2.1 billion or ~9.5x 2021 EV/EBITDA, net of ~$160 million Vertex tax attributes and ~$20 million pro forma cost synergies
Capital Structure	• Pro forma net debt at close of ~$1.1 billion or ~3.8x LTM EBITDA • Target long-term net leverage of 2.0 – 3.0x
Leadership & Governance	• Vectrus CEO Chuck Prow will serve as CEO and Vectrus CFO Susan Lynch will serve as CFO • Current Vectrus Board member will serve as Chairman • 11-member Board composed of 6 current Vectrus directors, including Mr. Prow, and 5 Vertex-appointed directors, including current Vertex CEO Ed Boyington
Vertex Shareholders	• Subject to 6-month lockup post transaction close • Board representation will step down pro rata with Vertex ownership interest once it falls below ~36%
HQ & Listing	• Company will be headquartered in Northern Virginia • Company to be renamed post-close and maintain listing on NYSE
Timing	• Transaction unanimously approved by Vectrus Board of Directors • Expected to close in Q3 2022, subject to regulatory approvals, Vectrus shareholder approval and customary closing conditions



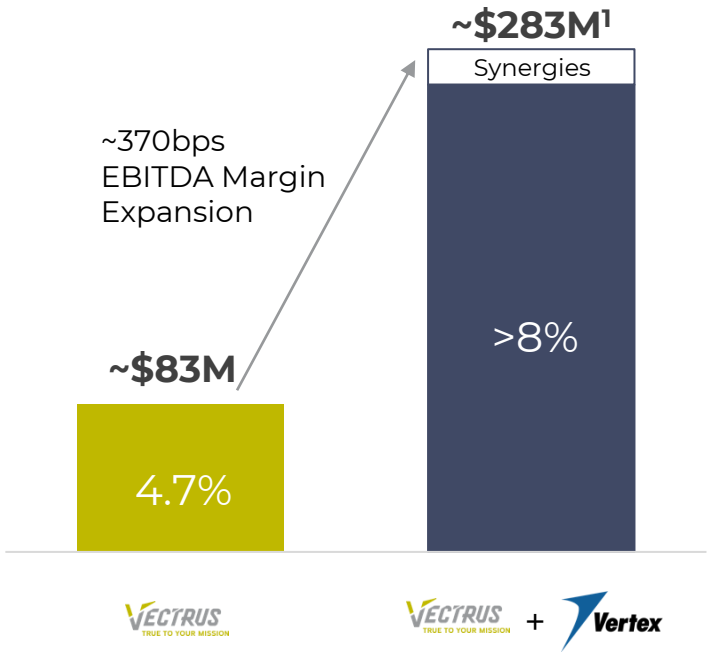
Attractive Financial Profile

(2021 Pro Forma)

Revenue



Adjusted EBITDA and Margin



Highlights

- Significantly increases scale, improving combined revenue to ~$3.4B
- Meaningfully enhances margin profile to >8% with significant room for further expansion
- Accretive to EPS and Free Cash Flow per share in year one post-close

Significant Revenue Visibility Driven By ~$11.3B Backlog

[1] *Includes ~$20 million in Annual Pre-tax Cost Synergies*

Efficient Capital Structure Provides Flexibility

Pro Forma Net Leverage



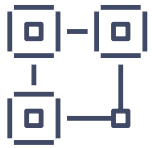
- Strong cash flow generation
- Maintain low CapEx business model
- Target long-term net leverage of 2.0 – 3.0x

Clearly Identified Cost Synergies and Attractive Tax Attributes

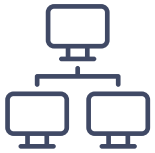
Expected to Achieve ~$20 million in Annual Pre-tax Cost Synergies



Corporate Costs



Supply Chain & Contract Efficiencies



Shared IT Infrastructure



Business Systems Right-Sizing

Tax Attributes

- Vertex has ~$1.1 billion of tax attributes from previously completed transactions
- Represents ~$78 million annual tax deduction for next 12 years and ~$53 million for 3 years following
- NPV of tax asset of ~$160 million

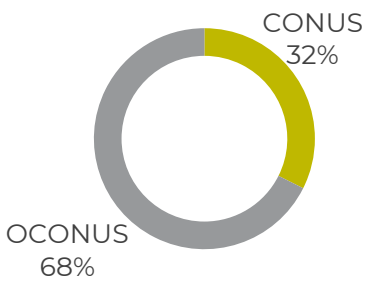
Vectrus is a Leading Global Provider of National Security Solutions

Key Metrics (FY 2021A)

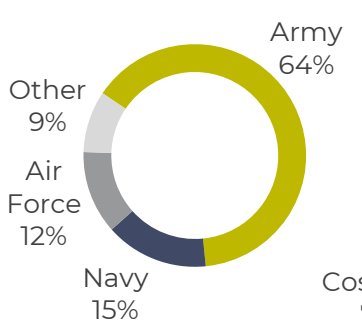
Revenue	$ 1,784M
Adjusted EBITDA Margin[1]	4.7%
Backlog	$ 5.0B
Locations | Employees	205 | 8,100

Revenue Mix (FY 2021A)

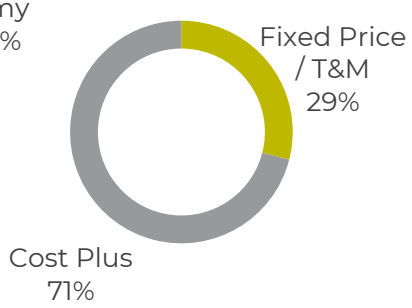
Geographic



Client



Contract



[1] *See appendix for reconciliation of non-GAAP measures*

Facilities Support

Provides total facility and base operations support for the U.S. Army, Air Force, Navy, Marines and national security agencies



Supply Chain and Logistics Services

Supports the DoD with asset management, integrated logistics, smart warehouses and supply chain as a service



Information Technology Mission Support

Provides IT support, networking and cybersecurity solutions that help the DoD and other U.S. Government agencies meet worldwide mission requirements



Engineering and Digital Integration

Delivers technology-enabled services and solutions, including internet of things integration, analytics development and proprietary hardware, software and sensor packages



Integrated Security

Provides 24/7/365 integrated electronic security that protect our nation's military bases, intelligence community (IC) facilities, borders and other critical resources



Maintenance, Repair and Overhaul (MRO)

Provides full spectrum of MRO services for legacy and next-generation aircraft, including fixed-wing, rotary-wing and unmanned vehicles



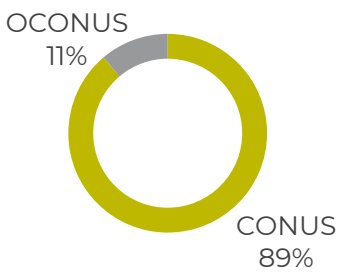
Vertex's Capability-Rich Portfolio is Highly Strategic to Vectrus

Key Metrics (FY 2021A)

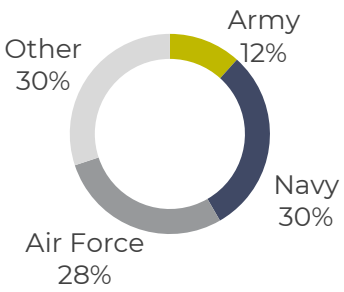
Revenue	$ 1,596M
Adjusted EBITDA Margin	11.3%
Backlog	$ 6.3B
Locations | Employees	126 | 5,700

Revenue Mix (FY 2021A)

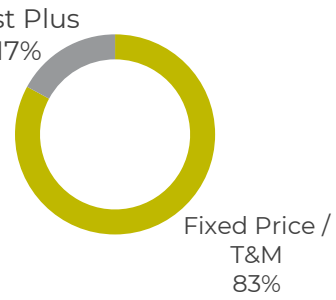
Geographic



Client



Contract



Note: Information Pro-Forma for Raytheon Technologies' Defense Training and Mission Critical Solutions Business Lines

Sensor and Platform Integration

Technology insertion and upgrades into complex airborne and ground systems platforms



Engineering and Logistics Solutions

Design, development and delivery of technical services and logistics analysis and support



Modernization & Sustainment

Broad engineering capabilities which modernize and sustain critical and enduring platforms and systems



Aerospace & Defense Services

Aviation lifecycle support including all levels of maintenance, modification repair and overhaul, global logistics support and integrated supply chain solutions



Training Solutions

High consequence live, virtual/augmented reality and constructive technology enabled training solutions



Mission Support

Large-scale complex critical system and secure platform management and maintenance, often in challenging environments



Converged Environment is Transforming the Missions and Markets We Support

Transforming Mission Support Capabilities



Facilities Engineering



IT Network Operations



Operations & Maintenance



Aerospace & Defense Services



Training Aids, Devices and Simulation



Combat Vehicle Logistics

Market Forces are Driving Migration to the Converged Environment

- The Federal technical services sector is transforming and the addressable market is expanding
- Clients are migrating from traditional ways of operating to a much more instrumented, predictive, and converged approach
- Expectations are evolving to include enhanced mission capabilities, improved performance, lower cost points, and outcome-based contract structures
- Client examples and use-cases are rapidly emerging within all markets we support including: 5G pilots, “installation of the future”, NASA Sustainability Center at Ames Research Lab, Yokota AFB micro grid, NGA West construction of Green LEED facility, pilot, aircrew and maintenance training
- Innovating and investing to meet and capture new, high growth opportunities in the emerging market

Combination Creates Leading Provider Enabling Converged Environment

Converged Environment is Transforming the Missions and Markets We Support

















Combination Creates Leading Provider Enabling Converged Environment



Combination of Complementary Cultures, Proud Histories and Passion for our Clients' Missions

Complementary Cultures and Mission-Focused Workforce

Client-Focused Culture Built on Shared Mission

Integrity
Committing to upholding the highest ethical standards

Respect
Valuing different ideas, opinions, and experiences

Responsibility
Caring for surrounding community and environment

Professionalism
Acting professionally at all times

DE&I Commitments

- Maintaining a work environment where diversity, equity and inclusion are central to our culture
- Recognizing Employee Resource Groups as crucial to inclusion and being both the employer of choice for workforce and provider of choice for clients
- Engaging with our local communities to support efforts and causes important to our employees and clients



Creating Value for All Stakeholders

Employees

- Shared mission, vision and values
- Expanded and improved career opportunities at a larger, more diversified company

Clients

- Positioned to deliver more integrated and comprehensive solutions
- Cost reductions result in meaningful savings to the client

Shareholders

- Significantly improved margins and larger backlog
- Accretive to EPS and Free Cash Flow per share in year one post-close
- Committed to debt reduction to preserve strategic and financial flexibility



Q4 and FY 2021 Results

Vectrus FY 2021 Highlights

- FY Revenue of $1,784M (+27.8% y/y), organic growth +9.5%
- Strong operating cash flow generation of $61.3 million
- FY Operating Results:
  - Operating income of $62.0 million and adjusted operating income[1] of $76.6 million
  - Adjusted EBITDA of $83.1 million and margin[1] of 4.7%
  - EPS of $3.86 and Adjusted diluted EPS[1] of $4.77
- Continued strong momentum in the converged infrastructure market
  - Awarded task order to complete final phase of a Navy 5G smart warehouse in Coronado
- Growth in INDOPACOM continues — INDOPACOM now represents ~3% of total revenue, up from 1% last year
  - Expansion in INDOPACOM with multiple tasks ramping in 2022
- Successful support of multiple contingency events in 2021
- Expanded positioning internationally with key AFCAP win in Saudi Arabia
- Strong backlog of $5.0 billion
- Leverage ratio of 1.2x



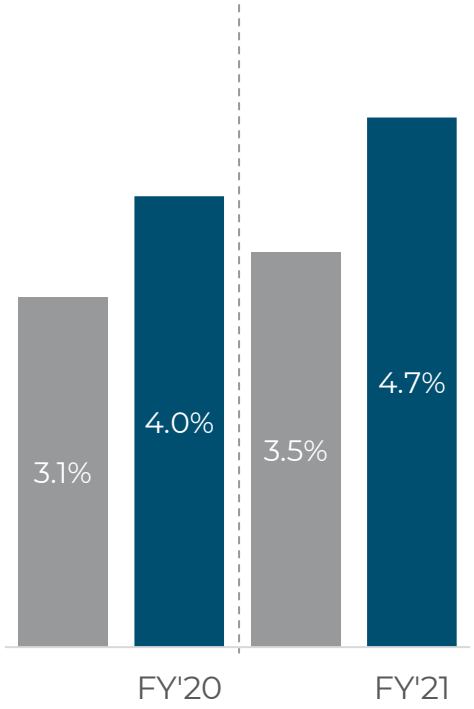
[1] *See appendix for reconciliation of non-GAAP measures.*

FY 2021 Financial Results

Revenue ($M)



Operating Margin & Adj. EBITDA Margin[1]



Diluted EPS



Adj. Diluted EPS[1,2]



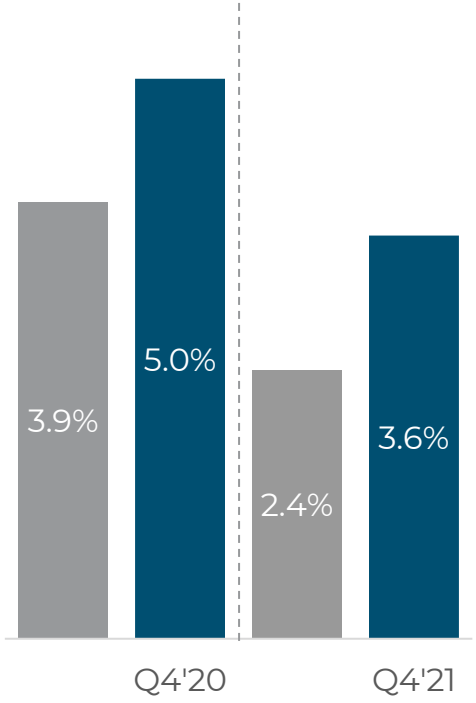
[1] *See appendix for reconciliation of non-GAAP measures.*
[2] *Definition of metric updated in Q1 2021 to add back amortization of acquired intangible assets, M&A, integration and related costs.*

Q4’21 Financial Results

Revenue ($M)



Operating Margin & Adj. EBITDA Margin[1]



Diluted EPS



Adj. Diluted EPS[1,2]



[1] *See appendix for reconciliation of non-GAAP measures.*
[2] *Definition of metric updated in Q1 2021 to add back amortization of acquired intangible assets, M&A, integration and related costs.*

Cash Flow and Liquidity

($M)	2020	2021
YTD Net Cash Provided by (Used in) Operating Activities	$64.1	$61.3
Cash[1]	$66.9	$38.5
Receivables	$315.0	$348.6
Debt	$179.0	$105.4
Net Debt[2]	$112.1	$66.9
Leverage Ratio (x)	2.05x	1.20x

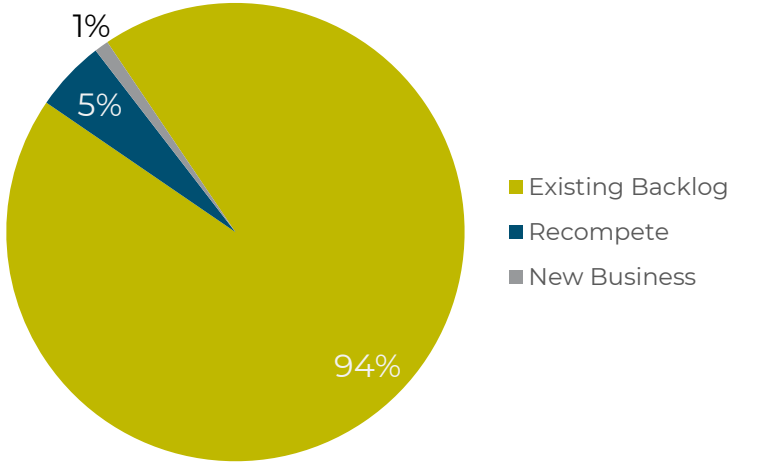
- YTD Net Cash Flow from Operations of $61.3 million; prior year included $13.2 million CARES Act benefit; excluding prior year CARES Act
- Strong balance sheet and financial position

[1] *Cash excludes restricted cash*
[2] *Net Debt = Debt – Cash*

2022 Guidance

($M, except per share data)	2022 Guidance	2022 Mid-Point
Revenue	$1,820 - $1,860	$1,840
Operating Income Margin (%)	3.4% - 3.6%	3.5%
Adjusted EBITDA Margin[1] (%)	4.5% - 4.7%	4.6%
Earnings Per Share	$3.72 – $4.08	$3.90
Adjusted Diluted Earnings Per Share[1,2]	$4.57 - $4.93	$4.74
Net Cash Provided by Operating Activities	$50.0 - $53.5	$51.75

FY'22 Revenue



2022 guidance assumptions include:

- Capital expenditures ~ $10 million
- Depreciation and amortization ~ $15 million
  - Amortization of acquired intangible assets ~ $8.5 million
- Mandatory debt payments $10.4 million
- Interest expense ~ $7 million
- Tax rate of ~ 19.0%;
- Diluted EPS assumes 12.0 million weighted average diluted shares outstanding on December 31, 2022
- ~94% of revenue on contract
- First repayment of CARES Act deferrals occurs in 2022 ~ $8 million

[1] See reconciliation of non-GAAP measures
[2] Definition of metric updated in Q1 2021 to add back amortization of acquired intangible assets, M&A, integration and related costs.



Reconciliation Tables

Reconciliation Of Non-GAAP Measures

This presentation includes certain non-GAAP financial measures, including EBITDA and Pro forma Adjusted EBITDA. These financial measures are not prepared in accordance with accounting principles generally accepted in the United States and may be different from non-GAAP financial measures used by other companies. Vectrus and Vertex believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. These non-GAAP measures with comparable names should not be considered in isolation from, or as an alternative to, financial measures determined in accordance with GAAP.

Reconciliation of Non-GAAP Measures

Adjusted Net Income, Adjusted Diluted Earnings Per Share (Non-GAAP Measures)						
($K, except per share data)	**Three Months Ended December 31, 2021**	**M&A, Integration, and Related Costs**	**LOGCAP V Pre-Operational Legal Costs**	**Amortization of Acquired Intangible Assets**	**Prior Years' Tax Credits**	**Three Months Ended December 31, 2021 Adjusted**
Revenue	$ 419,409	$ —	$ —	$ —	$ —	$ 419,409
Growth	18.0 %					18.0 %
Operating income	$ 10,017	$ 1,039	$ 4	$ 2,507	$ —	$ 13,567
Operating margin	2.4 %					3.2 %
Interest expense, net	$ (1,845)	$ —	$ —	$ —	$ —	$ (1,845)
Income from operations before income taxes	$ 8,172	$ 1,039	$ 4	$ 2,507	$ —	$ 11,722
Income tax expense	$ 685	$ 87	$ 0	$ 210	$ —	$ 982
Income tax rate	8.4 %					8.4 %
Net income	$ 7,487	$ 952	$ 4	$ 2,297	$ —	$ 10,740
Weighted average common shares outstanding, diluted	11,880					11,880
Diluted earnings per share	$ 0.63	$ 0.08	$ 0.00	$ 0.19	$ —	$ 0.90

EBITDA (Non-GAAP Measures)						
($K)	**Three Months Ended December 31, 2021**	**M&A, Integration, and Related Costs**	**LOGCAP V Pre-Operational Legal Costs**	**Amortization of Acquired Intangible Assets**	**Prior Years' Tax Credits**	**Three Months Ended December 31, 2021 Adjusted**
Operating Income	$ 10,017	$ 1,039	$ 4	$ 2,507	$ —	$ 13,567
Add:						
Depreciation and Amortization	$ 4,245	$ —	$ —	$ (2,507)	$ —	$ 1,738
EBITDA	$ 14,262	$ 1,039	$ 4	$ —	$ —	$ 15,305
EBITDA Margin	3.4 %					3.6 %

Reconciliation of Non-GAAP Measures

Adjusted Net Income, Adjusted Diluted Earnings Per Share (Non-GAAP Measures)						
($K, except per share data)	**Three Months Ended December 31, 2020**	**M&A, Integration, and Related Costs**	**LOGCAP V Pre-Operational Legal Costs**	**Amortization of Acquired Intangible Assets**	**Prior Years' Tax Credits**	**Three Months Ended December 31, 2020 Adjusted**
Revenue	$ 355,317	$ —	$ —	$ —	$ —	$ 355,317
Operating income	$ 13,725	$ 1,960	$ 120	$ 998	$ —	$ 16,803
Operating margin	3.9 %					4.7 %
Interest expense, net	$ (806)	$ —	$ —	$ —	$ —	$ (806)
Income from operations before income taxes	$ 12,919	$ 1,960	$ 120	$ 998	$ —	$ 15,997
Income tax expense (benefit)	$ (3,862)	$ 451	$ 28	$ 169	$ 4,505	$ 1,291
Income tax rate	(29.9)%					8.1 %
Net income	$ 16,781	$ 1,509	$ 92	$ 829	$ (4,505)	$ 14,706
Weighted average common shares outstanding, diluted	11,782					11,782
Diluted earnings per share	$ 1.42	$ 0.13	$ 0.01	$ 0.07	$ (0.38)	$ 1.25

EBITDA (Non-GAAP Measures)						
($K)	**Three Months Ended December 31, 2020**	**M&A, Integration, and Related Costs**	**LOGCAP V Pre-Operational Legal Costs**	**Amortization of Acquired Intangible assets**	**Prior Years' Tax Credits**	**Three Months Ended December 31, 2020 Adjusted**
Operating Income	$ 13,725	$ 1,960	$ 120	$ 998	$ —	$ 16,803
Add:						
Depreciation and Amortization	$ 2,094	$ —	$ —	$ (998)	$ —	$ 1,096
EBITDA	$ 15,819	$ 1,960	$ 120	$ —	$ —	$ 17,899
EBITDA Margin	4.5 %					5.0 %

Reconciliation of Non-GAAP Measures

Adjusted Net Income, Adjusted Diluted Earnings Per Share (Non-GAAP Measures)						
($K, except per share data)	**Twelve Months Ended December 31, 2021**	**M&A, Integration, and Related Costs**	**LOGCAP V Pre-Operational Legal Costs**	**Amortization of Acquired Intangible Assets**	**Prior Years' Tax Credits**	**Twelve Months Ended December 31, 2021 Adjusted**
Revenue	$ 1,783,665	$ —	$ —	$ —	$ —	$ 1,783,665
Growth	27.8 %					27.8 %
Operating income	$ 62,020	$ 4,323	$ 192	$ 10,028	$ —	$ 76,563
Operating margin	3.5 %					4.3 %
Interest expense, net	$ (7,985)	$ —	$ —	$ —	$ —	$ (7,985)
Income from operations before income taxes	$ 54,035	$ 4,323	$ 192	$ 10,028	$ —	$ 68,578
Income tax expense	$ 8,307	$ 665	$ 30	$ 1,542	$ 1,524	$ 12,068
Income tax rate	15.4 %					17.6 %
Net income	$ 45,728	$ 3,658	$ 162	$ 8,486	$ (1,524)	$ 56,510
Weighted average common shares outstanding, diluted	11,836					11,836
Diluted earnings per share	$ 3.86	$ 0.31	$ 0.01	$ 0.72	$ (0.13)	$ 4.77

EBITDA (Non-GAAP Measures)						
($K)	**Twelve Months Ended December 31, 2021**	**M&A, Integration, and Related Costs**	**LOGCAP V Pre-Operational Legal Costs**	**Amortization of Acquired Intangible Assets**	**Prior Years' Tax Credits**	**Twelve Months Ended December 31, 2021 Adjusted**
Operating Income	$ 62,020	$ 4,323	$ 192	$ 10,028	$ —	$ 76,563
Add:						
Depreciation and Amortization	$ 16,554	$ —	$ —	$ (10,028)	$ —	$ 6,526
EBITDA	$ 78,574	$ 4,323	$ 192	$ —	$ —	$ 83,089
EBITDA Margin	4.4 %					4.7 %

Reconciliation of Non-GAAP Measures

Adjusted Net Income, Adjusted Diluted Earnings Per Share (Non-GAAP Measures)						
($K, except per share data)	**Twelve Months Ended December 31, 2020**	**M&A, Integration, and Related Costs**	**LOGCAP V Pre-Operational Legal Costs**	**Amortization of Acquired Intangible Assets**	**Prior Years' Tax Credits**	**Twelve Months Ended December 31, 2020 Adjusted**
Revenue	$ 1,395,529	$ —	$ —	$ —	$ —	$ 1,395,529
Operating income	$ 43,475	$ 4,367	$ 345	$ 4,029	$ —	$ 52,216
Operating margin	3.1 %					3.7 %
Interest expense, net	$ (4,793)	$ —	$ —	$ —	$ —	$ (4,793)
Income from operations before income taxes	$ 38,682	$ 4,367	$ 345	$ 4,029	$ —	$ 47,423
Income tax expense	$ 1,731	$ 1,004	$ 76	$ 681	$ 4,505	$ 7,997
Income tax rate	4.5 %					16.9 %
Net income	$ 36,951	$ 3,363	$ 269	$ 3,348	$ (4,505)	$ 39,426
Weighted average common shares outstanding, diluted	11,751					11,751
Diluted earnings per share	$ 3.14	$ 0.29	$ 0.02	$ 0.28	$ (0.38)	$ 3.36

EBITDA (Non-GAAP Measures)						
($K)	**Twelve Months Ended December 31, 2020**	**M&A, Integration, and Related Costs**	**LOGCAP V Pre-Operational Legal Costs**	**Amortization of Acquired Intangible Assets**	**Prior Years' Tax Credits**	**Twelve Months Ended December 31, 2020 Adjusted**
Operating Income	$ 43,475	$ 4,367	$ 345	$ 4,029	$ —	$ 52,216
Add:						
Depreciation and Amortization	$ 8,126	$ —	$ —	$ (4,029)	$ —	$ 4,097
EBITDA	$ 51,601	$ 4,367	$ 345	$ —	$ —	$ 56,313
EBITDA Margin	3.7 %					4.0 %