KeyW Fourth-Quarter and Full-Year 2017 Earnings Presentation

March 15, 2018

Forward Looking Statements

Forward-Looking Statements: Statements made in this press release that are not historical facts constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include but are not limited to: statements about our future expectations, plans and prospects; our full-year 2018 revenue, adjusted EBITDA margin, free cash flow and revenue and growth component estimates and expectations under the headings “Message from the CEO – 2018 Guidance”, “2018 Guidance Summary”, “2018 Projected Revenue & Growth Components” and “Additional 2018 Guidance Assumptions” ; our 2018 business development goals; our 2018 re-compete risk; and other statements containing the words “estimates,” “believes,” “anticipates,” “plans,” “expects,” “will,” “potential,” “opportunities,” and similar expressions. Our actual results, performance or achievements or industry results may differ materially from those expressed or implied in these forward-looking statements. These statements involve numerous risks and uncertainties, including but not limited to, those risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2017 filed with the SEC on March 15, 2018, our prospectus supplement, dated and filed with the SEC on January 27, 2017, with respect to our prospectus, dated December 22, 2016 included in our registration statement amendment on Form S-3/A (Registration No. 333-215115) filed with the SEC on December 21, 2016, and other filings that we make with the SEC from time to time. In addition, our acquisition of Sotera Defense Solutions, completed on April 4, 2017, involves risks and uncertainties, including (i) the inability to successfully implement integration strategies or realize the anticipated benefits of the acquisition, including the possibility that the expected synergies and cost reductions from the acquisition will not be realized or will not be realized within the expected time period; (ii) the increased leverage and interest expense of the combined company and our ability to comply with debt covenants under our secured credit facility entered into on April 4, 2017; (iii) changes in future business conditions that could cause our goodwill, which will increase as a result of the Sotera acquisition, to become impaired, requiring substantial write-downs. (iv) areas of Sotera’s internal controls that may need to be remediated or improved; (v) general economic conditions and/or conditions affecting the parties’ current and prospective customers; and (vi) other risk factors with respect to acquisitions contained in section captioned “Risk Factors” contained in our Annual Report on Form 10-K for the year ended December 31, 2017, filed on March 15, 2018 and other filings that we make with the SEC from time to time. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements. KeyW is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise, unless required by law.

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Message from the CEO

Transformational Year through Acquisition of Sotera

- Significantly Increased Scale: $500 million pure-play intelligence provider
- Enhanced Intelligence Community (IC) Customer Base: Serving 60%+ IC agencies
- Optimized operational structure
- Fully integrated business development engine

KeyW is Built for Growth

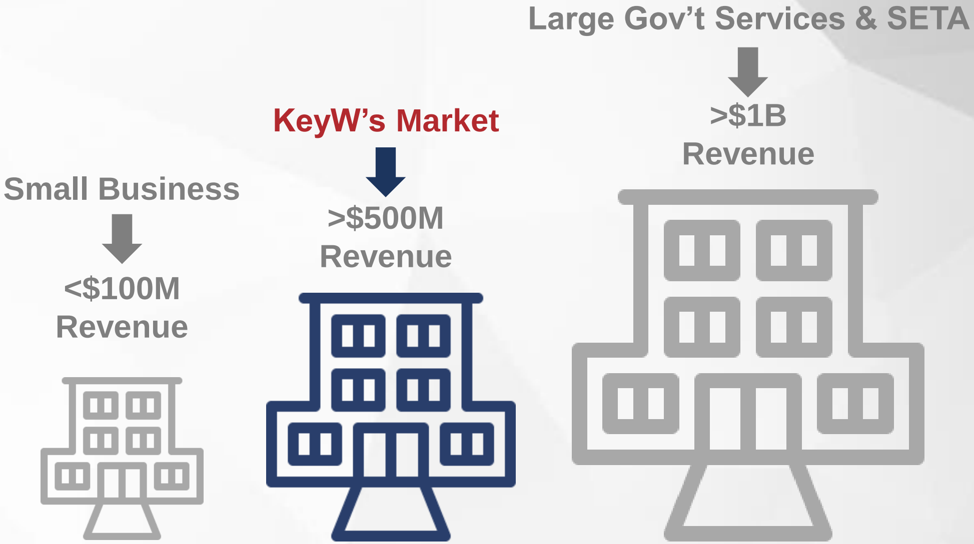
- Only public, pure-play national security solutions provider for the intelligence, cyber and counterterrorism communities
- Industry is primed for growth with budget visibility in an increased threat environment
- Focused on most complex and mission-critical problems for the U.S. and allies
- Disciplined business development function with a bid-to-win approach - $2.5 to $3B of proposals expected in 2018

2018 Guidance

- Revenue: $495 to $515 million
- Adjusted EBITDA Margin: 8.9% to 9.3%

2018 Strategic Priorities

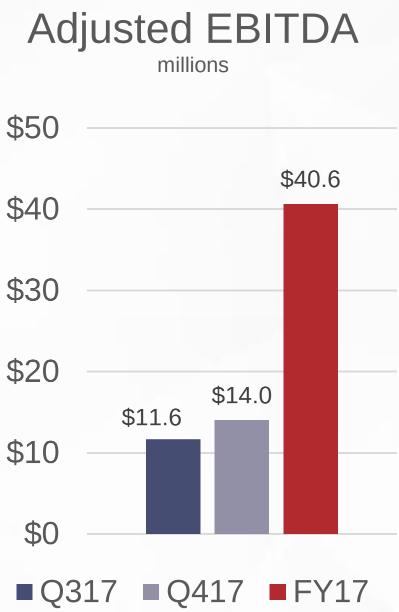
1) Cement KeyW as the leading mid-tier competitor for technically differentiated solutions in the IC and national security market
2) Lead a growth culture throughout all operational and functional levels of KeyW
3) Continue to attract and retain the top technical talent in the market
4) Strengthen the Balance Sheet

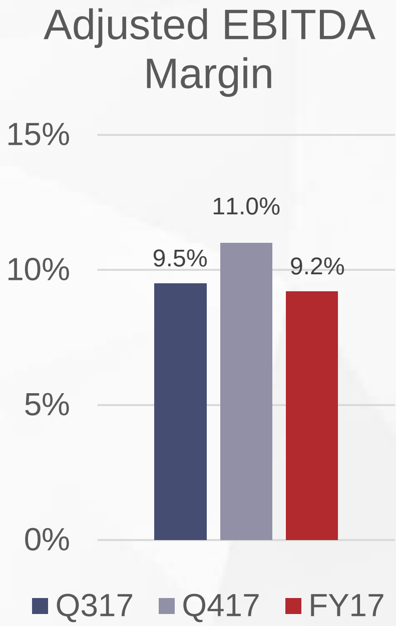


KeyW's size and agility better positions us to meet national security challenges

KeyW

Fourth Quarter & Full Year 2017 Financial Highlights

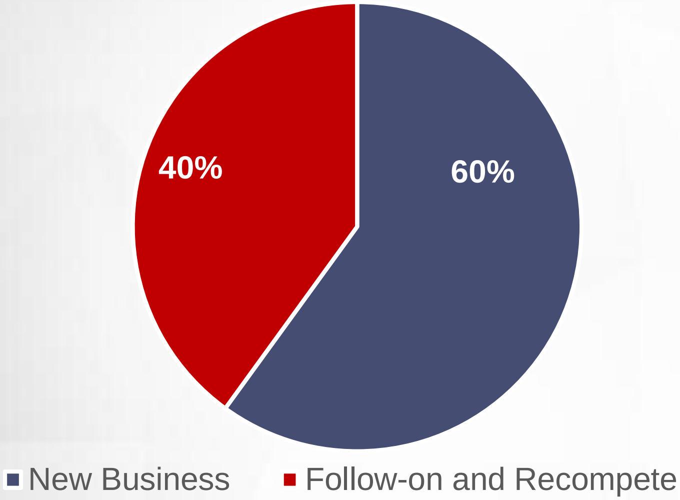




- Sequential revenue growth and margin expansion driven primarily by product sales pushed out of Q3
- Healthy TTM Book-to-Bill of 1.1x; Backlog of $1.2 billion; near-zero re-compete risk
- Adjusting for a full year of Sotera, KeyW delivered about $492 million of revenue and an 8.8% Adjusted EBITDA margin on a pro forma run-rate basis

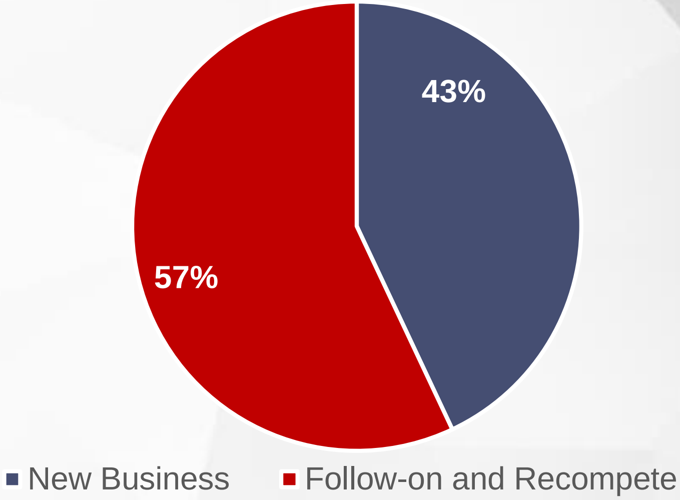
Business Development Highlights

Q4 2017 – Awards of $78 million



- Key strategic wins
  - Data Science
  - Cyber
  - Autonomy

FY 2017 – Awards of $548 million



- Represents 1.1x revenue
- 30% win rate on awards adjudicated
- Excludes new IDIQ awards

Disciplined, Integrated Business Development Engine

Disciplined Approach

- Bid only on core competencies
  - 'No-bid' if capture strategy isn't competitive enough
- Aggressively pursue Task Orders
- Select large prime bids

2018 Goals

Total Pipeline – $10 - $12B

Qualified Pipeline – $6.3B

2018 Proposals Submitted – $2.5 to $3.0B

2018 Awards - $505M to $630M
1.0x to 1.2x Revenue

2017 Actuals

Total Pipeline – $12B

Qualified Pipeline – $6B

2017 Proposals Submitted – $3.1B

2017 Awards – $548M
1.1x Revenue

2018 BD Objectives

- Defend and grow
- Overbuild pipeline
- Leverage core competencies to expand into adjacent agencies

BD approach that drives predictable results

2018 Guidance Summary

	Fiscal 2018 Guidance
Revenue	$495 million - $515 million
Adjusted EBITDA margin	8.9% - 9.3%

- Revenue growth consistent with government services industry trends
- Margins back-end loaded, as in FY 2017 with Q4 product sales

2018 Estimated Free Cash Flow	
Adjusted EBITDA (midpoint of guidance)	$46.0
Changes in Working Capital	$0.6
Cash Interest *	($11.2)
Cash Taxes	-
Net Cash Flow from Continuing Operations	$35.4
Capital Expenditures	(8.1)
Free Cash Flow from Continuing Operations	**$27.3**

- Increased service solutions contracts in backlog providing greater EBITDA visibility
- Lower capital expenditure requirements due to full fleet of aircraft
- Plan to use free cash flow to reduce debt

* Based on the current debt profile; thus, any refinancing completed will result in new interest expense estimates.

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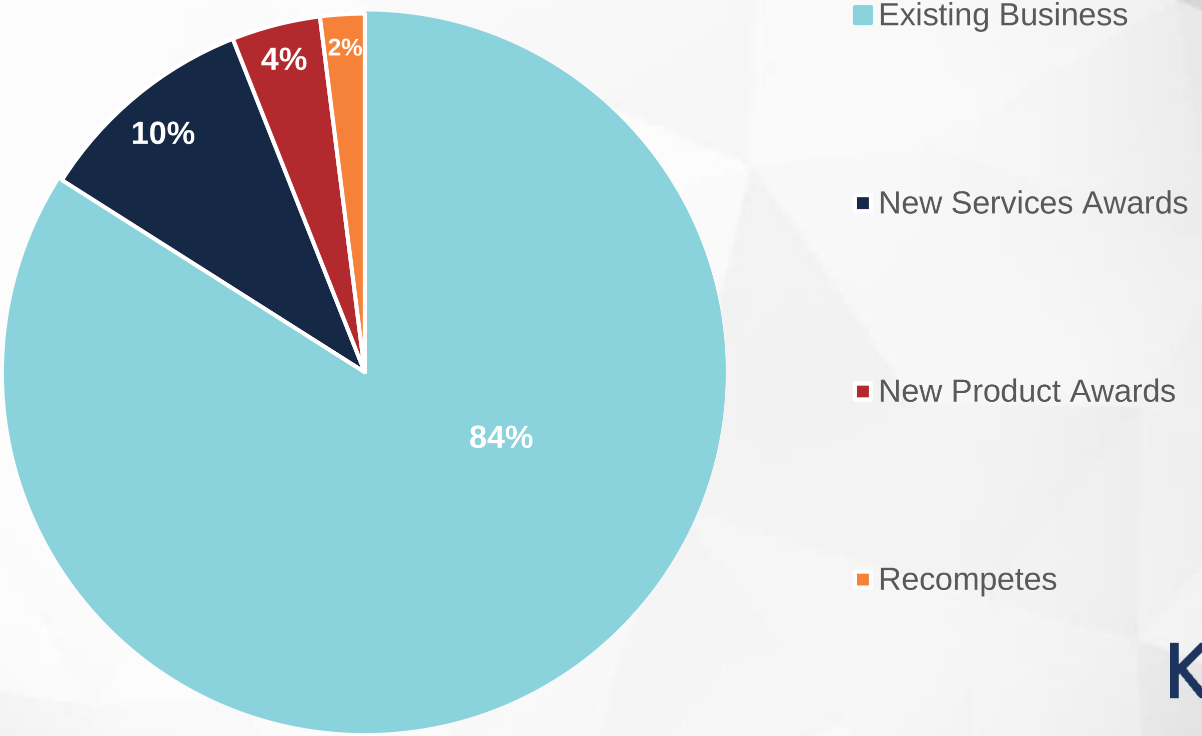
2018 Projected Revenue & Growth Components

Revenue Guidance: $495 million – $515 million



Additional 2018 Guidance Assumptions

- Diluted share count of approximately 50 million shares
- Combined federal and state tax rate approximately 27%
- No cash taxes paid in 2018 nor for the next three to five years
- Full-year 2018 depreciation to be approximately $10 million
- Full-year 2018 amortization to be approximately $12 million
- Full-year 2018 non-cash stock compensation to be about $4 million
- Full-year interest expense (cash and non-cash) of approximately $19 million*

* Based on the current debt profile; thus, any refinancing completed will result in new interest expense estimates.

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Investment Highlights

- Only public, pure-play national security solutions provider for the IC
- KeyW solutions align with national security initiatives & budget
- Offerings include differentiated product solutions
- Added scale provides more competitive cost model
- Negligible contract recompete risk to revenue in FY 2018
- Outperforming peers in recruitment and retention in highly competitive cleared labor market
- Management team incentives tightly aligned with shareholders

Appendix

Non-GAAP Financial Measures

This presentation contains forward looking estimates of adjusted EBITDA, including adjusted EBITDA margin. Adjusted EBITDA, as defined by KeyW, is a financial measure that is not calculated in accordance with accounting principles generally accepted in the United States of America, or U.S. GAAP. Adjusted EBITDA should not be considered as an alternative to net income, operating income or any other measure of financial performance calculated and presented in accordance with U.S. GAAP. Our adjusted EBITDA may not be comparable to similarly titled measures of other companies because other companies may not calculate adjusted EBITDA or similarly titled measures in the same manner as we do. We prepare adjusted EBITDA to eliminate the impact of items that we do not consider indicative of our core operating performance. We encourage you to evaluate these adjustments and the reasons we consider them appropriate.

We believe adjusted EBITDA is useful to investors in evaluating our operating performance for the following reasons:

- we have various non-recurring transactions or non-operating transactions and expenses that directly impact our net income. Adjusted EBITDA is intended to approximate the net cash provided by operations by adjusting for non-recurring or non-operating items; and
- securities analysts use adjusted EBITDA as a supplemental measure to evaluate the overall operating performance of companies.

Our board of directors and management use adjusted EBITDA:

as a measure of operating performance;

- to determine a significant portion of management's incentive compensation;
- for planning purposes, including the preparation of our annual operating budget; and
- to evaluate the effectiveness of our business strategies.

Although adjusted EBITDA is frequently used by investors and securities analysts in their evaluations of companies, adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results of operations as reported under GAAP. Some of these limitations are:

- adjusted EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or other contractual commitments;
- adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- adjusted EBITDA does not reflect interest expense or interest income;
- adjusted EBITDA does not reflect cash requirements for income taxes;
- adjusted EBITDA does not include non-cash expenses related to stock compensation;

Although depreciation and amortization are non-cash charges, the assets being depreciated or amortized will often have to be replaced in the future, and adjusted EBITDA does not reflect any cash requirements for these replacements; and

- other companies in our industry may calculate adjusted EBITDA or similarly titled measures differently than we do, limiting its usefulness as a comparative measure.

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Reconciliation of Non-GAAP Financial Metrics

Adjusted EBITDA from Continuing Operations
Reconciliation Table
(in thousands and unaudited)

Table 1

	Three months ended December 31,		Twelve months ended December 31,	
	2017	**2016**	**2017**	**2016**
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net income (loss) from continuing operations	$ 16,049	$ (3,112)	$ (10,951)	$ 1,865
Depreciation	2,781	1,468	8,946	6,449
Intangible amortization	2,558	1,651	11,416	6,113
Stock based compensation	1,174	1,300	4,228	3,472
Interest expense, net	4,663	2,617	17,015	10,812
Tax (benefit) expense	(16,196)	(35)	(11,060)	2,457
Acquisition costs and other adjustments	2,986	1,299	21,046	255
Adjusted EBITDA	$ 14,015	$ 5,188	$ 40,640	$ 31,423

Reconciliation of Non-GAAP Financial Metrics

Adjusted EBITDA as Percentage of Full Year Revenue Guidance Reconciliation Table

	Fiscal Year 2018 Estimate	
	Low	High
Net (Loss) Income from Continuing Operations	-0.2%	0.4%
Depreciation	1.9%	1.8%
Intangible Amortization	2.6%	2.4%
Stock Compensation Amortization	0.8%	0.8%
Interest Expense	3.9%	3.8%
Tax Expense	-0.1%	0.1%
Acquisition Costs and Other Adjustments	0.0%	0.0%
Adjusted EBITDA Margin	8.9%	9.3%