CACI INTERNATIONAL INC /DE/

FORM 10-Q
(Quarterly Report)

Filed 5/14/1997 For Period Ending 3/31/1997

Address	1100 N GLEBE ST
	ARLINGTON, Virginia 22201
Telephone	703-841-7800
CIK	0000016058
Industry	Computer Services
Sector	Technology
Fiscal Year	06/30

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended March 31, 1997

Commission File Number 0-8401

CACI International Inc
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

54-1345888
(I.R.S. Employer Identification No.)

1100 North Glebe Road, Arlington, VA 22201
(Address of principal executive offices)

(703) 841-7800
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
None	None

Securities registered pursuant to Section 12(g) of the Act:

CACI International Inc Common Stock, $0.10 par value
(Title of each class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of March 31, 1997: CACI International Inc Common Stock, $0.10 par value, 10,675,000 shares.

CACI INTERNATIONAL INC AND SUBSIDIARIES

PART 1

FINANCIAL INFORMATION

Item 1. Financial Statements

CACI INTERNATIONAL INC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Dollars in thousands) ASSETS

	March 31, 1997	June 30, 1996
CURRENT ASSETS	(Unaudited)	
Cash and equivalents	$ 2,660	$ 1,778
Accounts receivable:		
Billed	61,010	59,330
Unbilled	12,344	7,770
Total accounts receivable	73,354	67,100
Income taxes receivable	1,549	1,627
Deferred income taxes	141	133
Prepaid expenses and other	4,741	3,593
TOTAL CURRENT ASSETS	82,445	74,231
PROPERTY AND EQUIPMENT, NET		
Equipment and furniture	28,141	24,007
Leasehold improvements	2,134	2,186
Property and equipment, at cost	30,275	26,193
Accumulated depreciation and amoritzation	(19,568)	(17,138)
TOTAL PROPERTY AND EQUIPMENT, NET	10,707	9,055
ACCOUNTS RECEIVABLE, LONG TERM	6,544	7,289
GOODWILL, NET	15,621	10,548
OTHER ASSETS	2,319	1,813
DEFERRED INCOME TAXES	299	372
TOTAL ASSETS	$ 117,935	$ 103,308

CACI INTERNATIONAL INC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES		
Note payable	$ 0	$ 9,987
Accounts payable and accrued expenses	16,548	19,196
Accrued compensation and benefits	12,235	13,406
Deferred rent expense	835	724
Deferred income taxes	2,562	2,243
TOTAL CURRENT LIABILITIES	32,180	45,556
NOTES PAYABLE	15,000	0
DEFERRED RENT EXPENSES	1,734	2,274
DEFERRED INCOME TAXES	230	140
SHAREHOLDERS' EQUITY		
Common stock - $.10 par value, 40,000,000 shares authorized, 14,201,000 and 13,755,000 shares issued	1,420	1,376
Capital in excess of par	10,477	6,239
Retained earnings	71,151	62,628
Cumulative currency translation adjustments	(595)	1,243)
Treasury stock, at cost (3,526,000 shares)	(13,662)	(13,662)
TOTAL SHAREHOLDERS' EQUITY	68,791	55,338
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	$ 117,935	$ 103,308

See notes to consolidated financial statements (unaudited).

CACI INTERNATIONAL INC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(Dollars in thousands)	Three Months Ended March 31, 1997	1996
REVENUE	$ 70,907	$ 62,324
COSTS AND EXPENSES:		
Direct costs	39,137	32,602
Indirect costs and selling expenses	24,594	23,858
Depreciation and amortization	1,857	1,374
Total operating expenses	65,588	57,834
Operating income	5,319	4,490
Interest expense	428	246
INCOME BEFORE INCOME TAXES	4,891	4,244
INCOME TAXES	1,912	1,657
NET INCOME	$ 2,979	$ 2,587
EARNINGS PER COMMON AND COMMON EQUIVALENT SHARE	$ 0.27	$ 0.24
AVERAGE NUMBER OF SHARES AND EQUIVALENT SHARES OUTSTANDING	11,075	10,679
Dividends paid per share	NONE	NONE

See notes to consolidated financial statements (unaudited).

CACI INTERNATIONAL INC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(Dollars in thousands)	Nine Months Ended March 31,	
	1997	1996
REVENUE	$ 202,462	$ 179,266
COSTS AND EXPENSES:		
Direct costs	108,683	95,282
Indirect costs and selling expenses	73,858	67,821
Depreciation and amortization	4,825	4,007
Total operating expenses	187,366	167,110
Operating income	15,096	12,156
Interest expense	889	416
INCOME BEFORE INCOME TAXES	14,207	11,740
INCOME TAXES	5,684	4,582
NET INCOME	$ 8,523	$ 7,158
EARNINGS PER COMMON AND COMMON EQUIVALENT SHARE	$ 0.78	$ 0.67
AVERAGE NUMBER OF SHARES AND EQUIVALENT SHARES OUTSTANDING	10,981	10,682
Dividends paid per share	NONE	NONE

See notes to consolidated financial statements (unaudited).

CACI INTERNATIONAL INC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(Dollars in thousands)

	Nine Months Ended March 31, 1997	Nine Months Ended March 31, 1996
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 8,523	$ 7,158
Reconciliation of net income to net cash provided by operating activities:		
Depreciation and amortization	4,825	4,007
Provision for deferred income taxes	473	1,407
Loss on sale of property and equipment	17	71
Changes in operating assets and liabilities:		
Accounts receivable	(2,686)	(1,545)
Prepaid expenses and other assets	428	210
Accounts payable and accrued expenses	(3,726)	770
Accrued compensation and benefits	(1,246)	(2,152)
Deferred rent expense	(429)	(336)
Income taxes receivable	123	(2,632)
Net cash provided by operating activities	6,302	6,958
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property and equipment	(4,629)	(2,987)
Purchase of businesses	(9,386)	(14,000)
Proceeds from sale of property & equipment	9	40
Other	(808)	(433)
Net cash used in investing activities	(14,814)	(17,380)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds under line-of-credit	90,272	80,789
Payments under line-of-credit	(85,258)	(71,275)
Proceeds from stock options	4,282	791
Net cash provided by financing activities	9,296	10,305
Effect of changes in currency rates on cash and equivalents	100	(41)
Net increase (decrease) in cash and equivalents	884	(158)
Cash and equivalents, beginning of period	1,776	1,996
Cash and equivalents, end of period	$ 2,660	$ 1,838
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the period for Income taxes, net of refunds	$ 1,764	$ 5,337
Interest	$ 784	$ 416

See notes to consolidated financial statements (unaudited).

CACI INTERNATIONAL INC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

A. Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and note disclosures normally included in the annual financial statements, prepared in accordance with generally accepted accounting principles, have been condensed or omitted pursuant to those rules and regulations, although the Company believes that the disclosures made are adequate to make the information presented not misleading.

In the opinion of management, the accompanying unaudited consolidated financial statements reflect all necessary adjustments and reclassifications (all of which are of a normal, recurring nature) that are necessary for fair presentation for the periods presented. It is suggested that these consolidated financial statements be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's latest annual report to the Securities and Exchange Commission on Form 10-K for the year ended June 30, 1996.

B. Accounts Receivable

Total accounts receivable are net of allowance for doubtful accounts of $2,448,000 and $2,245,000 at March 31, 1997 and June 30, 1996, respectively. Accounts receivable are classified as follows:

(Dollars in thousands)

	March 31, 1997	June 30, 1996
BILLED AND BILLABLE RECEIVABLES:		
Billed receivables	$ 52,641	$ 53,836
Billable receivables at end of period	8,369	5,494
TOTAL BILLED AND BILLABLE RECEIVABLES	61,010	59,330
UNBILLED RECEIVABLES:		
Unbilled pending receipt of contractual documents authorizing billing	12,173	7,598
Unbilled retainages and fee withholds expected to be billed within the next 12 months	171	172
	12,344	7,770
Unbilled retainages and fee withholds expected to be billed beyond the next 12 months	6,544	7,289
TOTAL UNBILLED RECEIVABLES	18,888	15,059
TOTAL ACCOUNTS RECEIVABLE	$ 79,898	$ 74,389

C. Acquisitions and Goodwill

On October 1, 1996, the Company acquired the majority of contracts and assets of Sunset Resources, Inc. ("SRI"). SRI is an engineering and information technology firm that has focused on logistics and engineering support services to the U.S. Air Force and are experts in electronic commerce. The purchase price of the acquisition was financed primarily through bank borrowing under the Company's existing line of credit. The purchase price was allocated to the assets and liabilities using their fair values at the date of acquisition. The excess of the purchase price over the fair value of the net assets acquired was $4.6 million. This excess has been recorded as goodwill and will be amortized on a straight line basis over 15 years. The preliminary purchase price allocation is subject to change during the year following the acquisition as additional information concerning net asset valuation is obtained. Therefore, the final allocation may differ from the preliminary allocation.

On January 3, 1997, the Company acquired the business of Sales Performance Analysis Limited ("SPA") including the intellectual property rights to certain software products for $2.6 million. SPA develops and markets a unique range of specialized software products and services that enable companies to make more effective use of their field forces through the optimal configuration of sales and services territories. SPA's annual revenue prior to acquisition was $2.0 million. It is currently estimated that some $0.7 million of the purchase consideration will be allocated to goodwill, which will be amortized over 15 years, with $1.7 million allocated to software which will be amortized over 5 years, and $0.2 million allocated to tangible assets.

D. Note Payable - Classification

At the end of fiscal year 1996, the Company had a $25 million revolving credit agreement scheduled to expire on March 31, 1997. On July 26, 1996, the Company entered into a new three-year $50 million revolving credit agreement. Because the new credit facility extends the term of the agreement from a one-year to a three-year credit facility effective in fiscal 1997, the Company has classified its March 31, 1997, line of credit balance as a long term debt, while the June 30, 1996, line of credit balance remains classified as a short term debt.

E. Earnings per Share

In March 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128, "Earnings Per Share" (EPS) which simplifies the standards for computing EPS previously found in APB Opinion No. 15 and makes them comparable to international EPS standards. The Statement is effective for financial statements issued for periods ending after December 15, 1997. Had the following statement been effective for the quarters and the nine months ended March 31, 1997 and 1996, earnings per share would have been presented as follows:

E. Earnings per Share (Cont.)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	1996	1997	1996	1997
Earnings per common share	$0.28	$0.25	$0.82	$0.71
Earnings per common share-assuming dilution	$0.27	$0.24	$0.78	$0.67

F. Comments and Contingencies

The Company is involved in various lawsuits, claims, and administrative proceedings arising in the normal course of business. Based on the information available as of May 14, 1997, management is of the opinion that any liability or loss associated with such matters will not have a material adverse effect on the Company's financial condition.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations - For the Three and Nine Months ended March 31, 1997 and March 31, 1996.

REVENUE

The table below sets forth the customer mix in revenue with related percentages of total revenue for the three and nine months ended on March 31, 1997 (FY 1997) and March 31, 1996 (FY 1996), respectively:

(Dollars in thousands, except as percents)

	Third Quarter			
	FY97		FY96	
Department of Defense	$36,718	51.8%	$34,000	54.5%
Federal Civilian Agencies	18,221	25.7%	14,410	23.1%
Commercial	14,639	20.6%	12,323	19.8%
State & Local Governments	1,329	1.9%	1,591	2.6%
Total	$70,907	100.0%	$62,324	100.0%

	First Nine Months			
	FY97		FY96	
Department of Defense	$105,203	52.0%	$ 94,946	52.9%
Federal Civilian Agencies	50,611	25.0%	43,943	24.5%
Commercial	41,240	20.4%	34,515	19.3%
State & Local Governments	5,408	2.6%	5,862	3.3%
Total	$202,462	100.0%	$179,266	100.0%

During the three months ("third quarter") and nine months ended March 31, 1997, the Company's total revenue increased by 14%, or $8.6 million, and by 13%, or $23.2 million, respectively, over the same periods last year. The increases were primarily the result of the acquisitions described below, coupled with internal growth in Federal civilian agencies and commercial products and services revenues.

For the quarter and the first nine months ending March 31, 1997, acquisitions contributed $4.2 million and $16.7 million to revenue growth in the respective periods . On September 1, 1995, the Company acquired Automated Sciences Group, Inc. ("ASG") which contributed approximately $2.8 million to the FY 1997 first quarter revenue versus $1.2 million for the same quarter last year. On January 1, 1996, IMS Technologies, Inc. ("IMS") was acquired, and it contributed revenue of approximately $8.3 million for the six months ending December 31, 1996. On October 1, 1996, the Company acquired the majority of contracts and assets of Sunset Resources, Inc. ("SRI"), which added revenues of approximately $4.2 million and $6.8 million, respectively, for the quarter and nine months ending March 31, 1997.

Revenue from the Department of Defense ("DoD") increased by 8%, to $36.7 million, for the quarter, and by 11%, to $105.2 million, for the first nine months. For the quarter, the growth was primarily the result of the SRI acquisition discussed above. The first nine months growth was primarily the result of ASG and SRI acquisitions.

Total revenue from Federal Civilian Agencies increased by 26% to $18.2 million, for the quarter, and by 15%, to $50.6 million, for the first nine months in FY 1997. Federal Civilian Agencies revenue is primarily derived from Department of Justice ("DoJ") litigation support efforts. These services are dependent on the level of DoJ litigation that the Company is supporting at any period of time and have fluctuated from quarter to quarter. FY 1997 third quarter DoJ revenue increased sharply to $14.7 million versus last year's third quarter $11.1 million. For the first nine months of FY 1997, revenue from DoJ was $38.4 million compared to $36.2 million for the same period last year.

The Federal Civilian Agencies third quarter revenue growth was primarily the result of the quarter's increased DoJ litigation support level while the year-to-date growth is the result of the IMS acquisition discussed above coupled with the third quarter DoJ revenue increase.

During the three and nine months ended March 31, 1997, Commercial revenue increased by 19%, or $2.3 million, and 19%, or $6.7 million, respectively, over the same periods last year. These increases are primarily the result of increases in sales of simulation and marketing analysis software products coupled with higher commercial litigation support and systems sales. The nature of the Company's proprietary software products business is inherently less predictable than the Company's longer-term contract work with the Federal Government and may fluctuate from quarter to quarter.

RESULTS OF OPERATIONS

The following table sets forth the amounts and the relative percentage that certain items of expense and earnings bear to revenue for the three months and nine months ended March 31, 1997 and March 31, 1996, respectively.

	Dollar Amount (in thousands)			
	Third Quarter		First Nine Months	
	FY97	FY96	FY97	FY96
Revenue	$ 70,907	$ 62,324	$202,462	$179,266
Costs and expenses				
Direct costs	39,137	32,602	108,683	95,282
Indirect costs	24,594	23,858	73,858	67,821
Depreciation and amortization	1,857	1,374	4,825	4,007
Total operating expenses	65,588	57,834	187,366	167,110
Income from operations	5,319	4,490	15,096	12,156
Interest expense	428	246	889	416
Earnings before income taxes	4,891	4,244	14,207	11,740
Income taxes	1,912	1,657	5,684	4,582
Net income	$ 2,979	$ 2,587	$ 8,523	$ 7,158

	Percentage of Revenue			
	Third Quarter		First Nine Months	
	FY97	FY96	FY97	FY96
Revenue	100.0%	100.0%	100.0%	100.0%
Costs and expenses				
Direct costs	55.2%	52.3%	53.7%	53.2%
Indirect costs	34.7%	38.3%	36.5%	37.8%
Depreciation and amortization	2.6%	2.2%	2.3%	2.2%
Total operating expenses	92.5%	92.8%	92.5%	93.2%
Income from operations	7.5%	7.2%	7.5%	6.8%
Interest expense	0.6%	0.4%	0.5%	0.2%
Earnings before income taxes	6.9%	6.8%	7.0%	6.6%
Income taxes	2.7%	2.6%	2.8%	2.6%
Net income	4.2%	4.2%	4.2%	4.0%

Compared with the third quarter of FY 1996, operating income increased by 18% to $5.3 million, from $4.5 million. For the first nine months of FY 1997, operating income increased to $15.1 million from $12.2 million, or 24%. Operating income increased as a result of revenue increases, as well as from margin improvements. Operating income in the third quarter of FY 1997 benefitted from a $0.3 million pretax gain on the sale of a small, non- strategic software product business that had generated approximately $1.5 million in annual revenues. The operating income for the first nine months of FY 1997 also includes a $0.5 million favorable impact of prior year indirect cost rates settlements which were the subject of routine government audits.

For the quarter, direct costs increased by $6.5 million, or 20%, largely due to growth in the business. Direct costs include direct labor and other direct costs (i.e. non-labor direct costs) which generally are passed to the customer without significant mark-up. Direct labor, the principal driver of profit bearing revenue, increased by 7% in the third quarter of FY 1997 versus the same period last year. Other direct costs, which historically have larger quarter to quarter variances, increased by approximately $5.0 million, or 48%. These higher other direct costs are the principal reason for the increase in the percentage of total direct costs in the most recent quarter. For the first nine months of FY 1997, direct costs increased by $13.4 million, or 14%, as a result of a 20% increase in other direct costs and a 10% increase in direct labor.

Indirect costs include fringe benefits, indirect labor, marketing and bid & proposal costs, and other discretionary costs. Fringe benefits, representing the largest category of indirect expenses, increased proportionally to total labor costs. Total indirect costs increased by $0.7 million, or 3%, for the quarter, and, by $6.0 million, or 9%, for the first nine months of the year, primarily as a result of increased revenue and related direct labor. Indirect costs increased at a lower rate in the most recent quarter due to management's increased attention to cost controls.

The depreciation and amortization expense increases of $0.5 million for the quarter and $0.8 million for the first nine months were primarily the result of the acquisitions previously discussed.
Interest expense for the three and nine month periods ending March 31, 1997 was $428,000 and $889,000, respectively. Compared to the same periods last year, interest expense increased by $182,000 and $473,000, respectively. These increases are the result of increased borrowings incurred to support the acquisitions discussed above.

The effective income tax rate for the first nine months was 40% versus 39% for the same period last year. The increase in the effective tax rate is primarily the result of the increase in non-deductible amortization goodwill expense associated with the acquisitions discussed above.

Liquidity and Capital Resources

For the first nine months of FY 1997, operations provided $6.3 million of cash compared to the $7.0 million in FY 1996. The FY 1997 decrease in cash provided by operating activities is largely the result of increases in working capital requirements to support the more rapid growth in revenue in FY 1997.

Investing activities used cash of approximately $14.8 million during the nine months ended March 31, 1997, versus $17.4 million for the same period last year. Acquisitions, discussed above, accounted for the majority of the investments, with most of the remaining investments allocated to the purchase of office and computer-related equipment for use in the performance of contracts and for increased efficiency in the Company's administration.

During the nine months ended March 31, 1997, the Company's financing activities provided cash of approximately $9.3 million, primarily from a $5.0 million increase in borrowings under the Company's revolving line of credit and from $4.3 million in proceeds and derived income tax benefits from exercises of stock options.

On October 1, 1996 the Company completed its acquisition of the business and most of the assets of SRI for $5.3 million. On January 3, 1997, the Company acquired the business of Sales Performance Analysis Limited for $2.6 million. Both acquisitions were financed with bank borrowings under the existing line of credit.

The Company maintains a $50 million unsecured revolving bank credit facility in the U.S., and a 500,000 pound sterling unsecured line of credit in London, England. These credit facilities expire on July 1999, and December 1997, respectively. At March 31, 1997, the Company had approximately $36 million available for borrowing under its revolving lines of credit. Accordingly, the Company believes that the combination of internally generated funds, available bank credit and cash on hand will provide the required liquidity and capital resources for the foreseeable future.

PART II

OTHER INFORMATION

Item 1. Legal Proceedings

Ceridian Corporation v. CACI Systems Integration Inc

Reference is made to Part II, Item 1, Legal Proceedings, in the Registrant's Quarterly Report on Form 10-Q for the period ending December 31, 1996, for the most recently filed information concerning the suit filed on October 6, 1995 by Ceridian Corporation ("Ceridian") in the District Court for Hennepin County, Minnesota, against Registrant's wholly-owned subsidiary, CACI Systems Integration Inc. ("CACI"), alleging breach of contract, breach of warranty, and repudiation by CACI in connection with a contract for the development of a manufacturing system. In January 1996, CACI filed its answer and counterclaims, denying Ceridian's allegations and seeking damages from Ceridian for breach of contract, intentional and negligent misrepresentation, and tortious interference with contract.

Since the filing of the Registrant's report indicated above, the status of the litigation has not changed.

CACI, INC. - FEDERAL v. Arizona Department of Transportation

Reference is made to Part II, Item 1, Legal Proceedings, in the Registrant's Quarterly Report on Form 10-Q for the period ending December 31, 1996 for the most recently filed information concerning the lawsuit filed on June 25, 1996, by CACI, Inc.-Federal ("CACI"), the Registrant's wholly-owned subsidiary, in Superior Court for Maricopa County, Arizona, against the Arizona Department of Transportation ("ADOT"). This suit seeks the following: (i) a declaratory judgment that the disputes procedure mandated by the Arizona Procurement Code is unconstitutional; (ii) a declaratory judgment that ADOT cannot assert claims against CACI under the mandated disputes procedure; (iii) a declaratory judgment that ADOT is not entitled to recover consequential damages in connection with the dispute; (iv) $2,938,990 plus interest in breach of contract damages; (v) the return of CACI property seized by ADOT in connection with the termination of the contract; and (vi) lawyer's fees.

Since the filing of Registrant's report indicated above, the status of the case has changed as follows. On March 31, 1997 ADOT filed its answer denying CACI's claims and asserting counterclaims seeking in excess of $100 million against CACI, primarily in the form of consequential damages. As a result of technical pleading errors, ADOT has agreed to redraft and file an amended Answer and Counterclaim within approximately 30 days.

Item 5. Other Information - Forward Looking Statements

This filing may contain "forward-looking" statements, as that term is defined in the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements concerning expectations of the Company's future performance in terms of revenue and earnings. The Company cautions investors that there can be no assurance that actual results will not differ materially from those projected or suggested in such forward- looking statements. Factors which could cause a material difference in results include, but are not limited to, the following: regional and national economic conditions; changes in interest rates; changes in government spending policies and/or decisions concerning specific programs; individual business decisions of customers and clients; developments in technology; competitive factors and pricing pressures; acts of God; and changes in government laws or regulations.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CACI International Inc
(Registrant)

Date: ------------------ *By:* /s/ -----------------------------------

Dr. J.P. London
Chairman of the Board,
President, and Director
(Principal Executive Officer)

Date: ------------------ *By:* /s/ ------------------------------------

James P. Allen
Executive Vice President,
Chief Financial Officer, and Treasurer
(Principal Financial and Accounting Officer)

CACI INTERNATIONAL INC AND SUBSIDIARIES

INDEX TO EXHIBITS

Exhibit Number	Title
11	Computation of Earnings per Common and Common Equivalent Share

EXHIBIT 11

CACI INTERNATIONAL INC AND SUBSIDIARIES

COMPUTATION OF EARNINGS PER COMMON AND COMMON EQUIVALENT SHARE

	Three Months Ended March 31,		Nine Months Ended March 31,	
	1997	1996	1997	1996
Net Income	$ 2,979	$ 2,587	$ 8,523	$ 7,158
Average shares outstanding during the period	10,633	10,162	10,445	10,117
Dilutive effect of stock options after application of treasury stock method	442	517	536	565
Average number of shares outstanding during the period	11,075	10,679	10,981	10,682
Earnings per common and common equivalent share:	$ 0.27	$ 0.24	$ 0.78	$ 0.67

ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10-Q FOR FY 1997 QUARTER ENDED MARCH 31, 1997, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

PERIOD TYPE	9 MOS
FISCAL YEAR END	JUN 30 1997
PERIOD END	MAR 31 1997
CASH	2,660,000
SECURITIES	0
RECEIVABLES	75,802,000
ALLOWANCES	(2,448,000)
INVENTORY	0
CURRENT ASSETS	82,445,000
PP&E	30,275,000
DEPRECIATION	(19,568,000)
TOTAL ASSETS	117,935,000
CURRENT LIABILITIES	32,180,000
BONDS	15,000,000
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	1,420,000
OTHER SE	67,371,000
TOTAL LIABILITY AND EQUITY	117,935,000
SALES	0
TOTAL REVENUES	202,462,000
CGS	0
TOTAL COSTS	108,683,000
OTHER EXPENSES	78,365,000
LOSS PROVISION	318,000
INTEREST EXPENSE	889,000
INCOME PRETAX	14,207,000
INCOME TAX	5,684,000
INCOME CONTINUING	8,523,000
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	8,523,000
EPS PRIMARY	0.78
EPS DILUTED	0.78

End of Filing