

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of Earliest Event Reported): May 4, 2020**

**LEIDOS HOLDINGS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or organization)

**001-33072**

(Commission File Number)

**20-3562868**

(I.R.S. Employer Identification No.)

**1750 Presidents Street Reston Virginia**

(Address of principal executive office)

**20190**

(Zip Code)

**(571) 526-6000**

(Registrants' telephone number, including area code)

**11951 Freedom Drive, Reston, VA 20190**

(Former Name or Former Address, If Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, par value \$.0001 per share	LDOS	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

As previously disclosed, Leidos Holdings, Inc., a Delaware corporation (the “Company”), Leidos, Inc., a Delaware corporation and a wholly-owned subsidiary of the Company (the “Borrower” or the “Buyer”), and certain other wholly-owned domestic subsidiaries of the Company, as guarantors, are party to a \$1,000,000,000, two-year Term Loan Credit Agreement (the “Facility”), dated as of February 12, 2020 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), with the lenders party thereto from time to time and Citibank, N.A., as administrative agent.

A description of the material terms of the Credit Agreement is set forth in the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 14, 2020 (the “Prior Filing”), which is incorporated in this Item 2.03 by reference.

On May 4, 2020 (the “Closing Date”), the Company and the Borrower used the proceeds of the Facility to fund a portion of the purchase price for the Acquisition (as defined below).

**Item 8.01. Other Events.**

On the Closing Date, the Company issued a press release announcing that Buyer has completed its previously announced acquisition of the Security and Detection Systems and MacDonald Humfrey Automation business units of L3Harris Technologies, Inc. (the “Acquisition”). A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated in this Item 8.01 by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits. The following exhibits are filed with this report.

<a href="#">Exhibit 99.1</a>	Press release, dated May 4, 2020.
Exhibit 104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

**SIGNATURES**

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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 hereunto duly authorized.

Dated: May 4, 2020

LEIDOS HOLDINGS, INC.

By:           /s/ Benjamin Winter            
Benjamin Winter  
Corporate Secretary

**FINAL**

**FOR IMMEDIATE RELEASE**

## **Leidos Completes Acquisition of L3Harris Technologies' Security Detection and Automation Businesses Creating a Comprehensive, Global Security and Detection Portfolio**

(Reston, Va.) May 4, 2020 – [Leidos](#) (NYSE:LDOS), a FORTUNE® 500 science and technology leader, today announced that it has completed the acquisition of L3Harris Technologies' ("L3Harris") Security Detection and Automation businesses, for approximately \$1 billion in cash. The transaction was [previously announced on Feb. 4, 2020](#).

The acquired businesses provide airport and critical infrastructure screening products, automated tray return systems and other industrial automation products. They will operate within the Leidos Civil Group, led by Jim Moos, Civil Group president. Combined with Leidos' existing cargo and baggage screening product lines, Leidos now goes to market with a global security detection and automation footprint of more than 24,000 systems deployed in more than 120 countries. Leidos will continue to serve global customers in the aviation, transportation, government and critical infrastructure markets.

"In line with our mission of making the world safer, healthier and more efficient, this security detection and automation acquisition furthers our important work in the secure movement of people and commerce globally," said Leidos Chairman and CEO Roger Krone. "We are excited to support critical infrastructure wherever it is needed, and to help transform the global security marketplace."

"This deal expands our scope and scale in securing ports and borders, enhancing passenger movement in airports of the future, and fortifying infrastructure for national security and public venues," said Moos. "We are pleased to welcome more than 1,200 L3Harris employees around the world to the Leidos team, who share our deep commitment of providing our customers with a fully-integrated security technology ecosystem."

### **Compelling Strategic and Operational Benefits**

- **Expands Product Portfolio in High-Growth, Global Security Market:** The closing of this acquisition creates a comprehensive and cohesive security detection platform by adding technologies including checkpoint CT scanners, people scanners, explosives trace detectors, checked baggage screeners, and automated tray return systems (ATRS) to Leidos' security detection portfolio. The combined solutions enhance the company's offerings in an evolving global security product market, which allows diversification beyond the federal budget and positions the company for long-term growth.
- **Increased International Presence Diversifies Revenue:** This business expands customer penetration across aviation, ports, borders, and critical infrastructure

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internationally and increases Leidos' international security products revenue more than six-fold. The deal brings Leidos products into 75 additional countries.

- **Growth and Innovation Accelerated by Scale:** The integration of these new businesses into a comprehensive portfolio enables Leidos to leverage its core technical strengths, in-depth biometrics capabilities, and global sales channels to rapidly develop and deliver new solutions. Technology investments across the combined portfolio will help accelerate innovation to address emerging and evolving threats and improve service efficiency for customers.

### **Transaction Details**

The transaction is expected to be immediately accretive to Leidos' revenue growth, EBITDA margins, and non-GAAP diluted earnings per share upon closing.

Cash consideration of approximately \$1.0 billion plus related transaction costs was funded through a combination of excess cash on hand and a two-year term loan.

### **Advisors**

Leidos retained Credit Suisse Securities (USA) LLC as financial advisor, and Fried, Frank, Harris, Shriver, & Jacobson LLP and DLA Piper as legal advisors in connection with the transaction.

### **About Leidos**

Leidos is a Fortune 500® information technology, engineering, and science solutions and services leader working to solve the world's toughest challenges in the defense, intelligence, homeland security, civil, and health markets. The company's 37,000 employees support vital missions for government and commercial customers. Headquartered in Reston, Va., Leidos reported annual revenues of approximately \$11.09 billion for the fiscal year ended January 3, 2020. For more information, visit [www.Leidos.com](http://www.Leidos.com).

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### **Cautionary Statement Regarding Forward-Looking Statements**

*The forward-looking statements contained in this release involve risks and uncertainties that may affect Leidos' operations, markets, products, services, prices and other factors as discussed in filings with the Securities and Exchange Commission (the "SEC"). Without limiting the foregoing, forward-looking statements often use words such as "believe," "anticipate," "plan," "expect," "estimate," "intend," "seek," "project," "target," "goal," "may," "will," "would," "could," "should," "can," "continue" and other words of similar meaning in connection with a discussion of the transaction or future operating or financial performance or events. These risks and uncertainties include, but are not limited to, economic, competitive, legal, governmental and technological factors. Accordingly, there is no assurance that the expectations of Leidos will be realized. This release also contains statements about the acquisition of the security detection and automation businesses of L3Harris that are based on assumptions currently believed to be valid but involve significant risks and uncertainties, many of which are beyond Leidos' control, which could cause Leidos' actual results to differ materially from these forward-looking statements with respect to the transaction, including, anticipated tax treatment, ability to retain key personnel,*

*the dependency of the transaction on market conditions and the impact of a change in market conditions on the value to be received in the transaction, unforeseen liabilities, future capital expenditures, uncertainty as to the expected financial condition and economic performance of the company following the closing, including future revenues, expenses, earnings, indebtedness, losses, prospects, business strategies for the management, expansion and growth of the company following the closing, Leidos' ability to integrate the businesses successfully and to achieve anticipated synergies, the risk that disruptions from the transaction will harm Leidos' business and the impact of the COVID-19 outbreak. While the list of factors presented here is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on Leidos' consolidated financial condition, results of operations or liquidity. For a discussion identifying additional important factors that could cause actual results to vary materially from those anticipated in the forward-looking statements, see Leidos' filings with the SEC, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" in Leidos' annual report on Form 10-K for the year ended January 3, 2020, and in its quarterly reports on Form 10-Q which are available at <http://www.Leidos.com> and at the SEC's web site at <http://www.sec.gov>. The forward-looking statements contained in this release are made only as of the date of this release and are based on the information available to Leidos as of the date of this release. Readers are cautioned not to put undue reliance on forward-looking statements. Leidos assumes no obligation to provide revisions or updates to any forward-looking statements should circumstances change, except as otherwise required by securities and other applicable laws.*

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