

Delivering Advanced Solutions for a More Connected, Sustainable World

Cowen Conference February 2018

JACOBS

Forward-Looking Statement Disclaimer

Certain statements contained in this presentation constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such statements are intended to be covered by the safe harbor provided by the same. Statements made in this presentation that are not based on historical fact are forward-looking statements. Although such statements are based on management's current estimates and expectations, and currently available competitive, financial, and economic data, forward-looking statements are inherently uncertain, and you should not place undue reliance on such statements as actual results may differ materially. We caution the reader that there are a variety of risks, uncertainties and other factors that could cause actual results to differ materially from what is contained, projected or implied by our forward-looking statements. For a description of some of the risks, uncertainties and other factors that may occur that could cause actual results to differ from our forward-looking statements see our Annual Report on Form 10-K for the period ended September 29, 2017, as well as our other filings with the Securities and Exchange Commission ("SEC"). We are not under any duty to update any of the forward-looking statements after the date of this presentation to conform to actual results, except as required by applicable law.

Non-GAAP Financial Measures

To supplement the financial results presented in accordance with generally accepted accounting principles in the United States ("GAAP"), we present certain non-GAAP financial measures within the meaning of Regulation G under the Securities Exchange Act of 1934, as amended. These measures are not, and should not be viewed as, substitutes for GAAP financial measures. The non-GAAP financial measures used herein include: adjusted net earnings, adjusted EPS, adjusted operating profit, adjusted operating profit margin, adjusted gross margin and adjusted EBITDA. These measures are not, and should not be viewed as, substitutes for GAAP measures. More information about these non-GAAP financial measures and reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found at the end of this presentation.

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A Premier Global Solutions Provider

- **Largest Global Design Firm - focused on differentiated solutions, recurring professional services & construction management**
  - Market leaders in growing end-markets, with long-standing client partnerships
  - Recent acquisitions in cyber, IT, nuclear, environment complement portfolio
  - Highest margin lines of business driving record backlog
- **Experienced Management Team With a Proven Track Record**
- **Profitable Growth Strategy Supported by 3 Key Pillars**
  - Building a high-performance culture
  - Transforming the core
  - Growing Profitably
- **A Balanced Approach to Increasing Long-term Shareholder Value**
  - Strong financial profile with a solid growth outlook & improving profit margins
  - Well-capitalized balance sheet, conservative leverage profile & a history of consistent cash flow generation

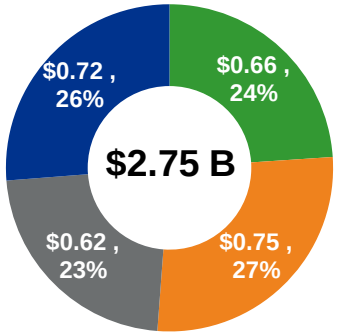


Jacobs (NYSE:JEC) – A Global Professional Services Leader

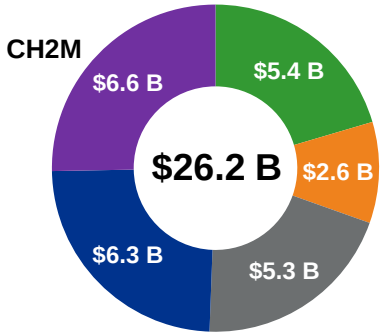
FY Revenue[1]	~$15 B	Net Debt	$1.5 B
Q1 Gross Margin[2]	18%	Employees	74,000
Dividend	$0.15 /qtr	US/Int'l Mix	~60/40

Four Global Lines of Business		Q1 Margins[2]
Aerospace & Technology	Public & private sectors, defense; scientific, engineering, construction, environment, nuclear & technical support services	**9.1%**
Buildings & Infrastructure	Public & private sectors, institutional, highway, rail, aviation, educational, water, corporate facilities	**6.9%**
Industrial	Mining & minerals, specialty chemicals & manufacturing, life sciences, field services	**5.1%**
Petroleum & Chemicals	Oil & gas upstream, refining & chemical markets	**4.4%**

Q1 REVENUE[2]



Q1 BACKLOG



2) Q1 includes 2 wk CH2M stub period

FY18 Adj. EPS Guidance[5] of $3.85 to $4.25

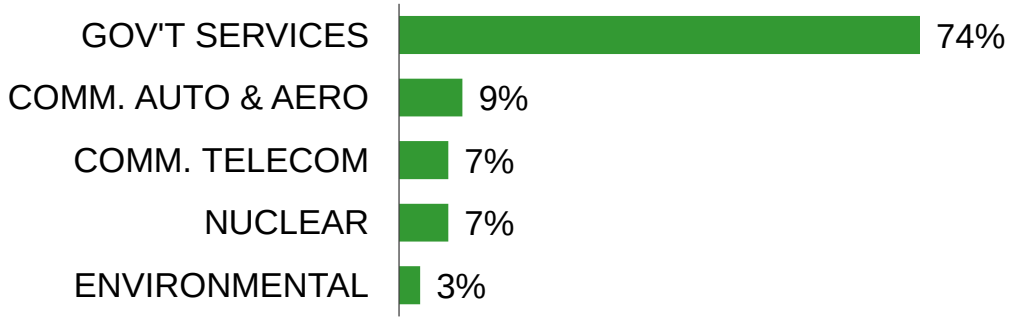
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Aerospace & Technology (A&T) Snapshot (JEC Legacy)

FY17 Segment Results[3]

Revenue	$2.4 B
OP Margin	8.6 %
Backlog	$6.2 B
US/Int'l Mix	88/12
Countries	3
Locations	65

End Markets Served (% OF 2017 REVENUE)

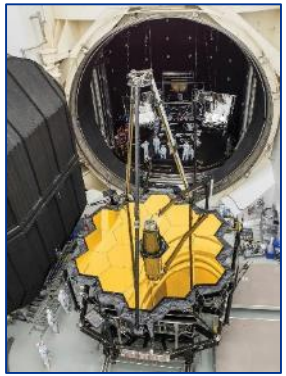


Representative Clients

BMW AT&T EDF
UK Nuclear Decommissioning Authority
US Air Force Fiat Chrysler UK Ministry of Defence
Tennessee Valley Authority US Department of Energy US Navy
US Army General Motors US Intelligence Community
US Special Operations Command Ford Motor Company
Australian Department of Defence
NASA Scania

A&T - Core Global Markets

Industry	Capabilities
Aerospace & Defense	Advanced technologies, systems & full-spectrum support for aerospace & defense operations
Environmental	Sustainable development, compliance & resource management including ecosystems mitigation, restoration & reclamation
Specialty Facilities	Lifecycle technical solutions for the commercial, automotive & telecommunications industries
Mission-Critical Systems	Linking crucial information & intelligence solutions with life-cycle systems for operational mission planning & execution, intelligence, cybersecurity & defense
Nuclear	Specialized expertise for nuclear asset development & operations, including commissioning, decontamination, decommissioning & mitigation

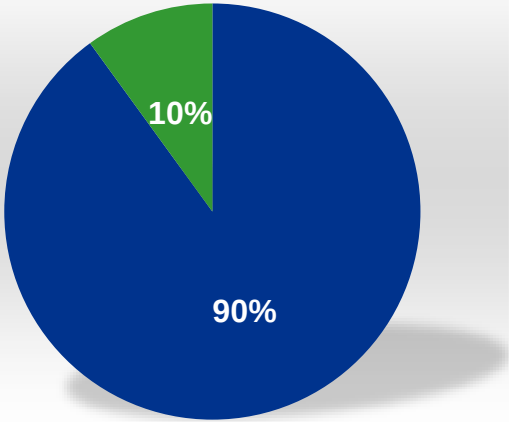







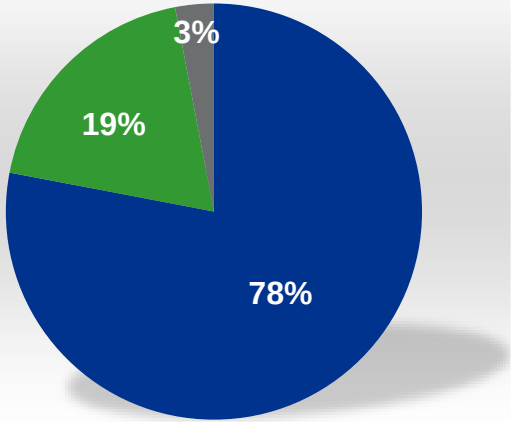
A&T - A Portfolio Characterized By Long-Term Contracts & Recurring Revenues

Customer Base



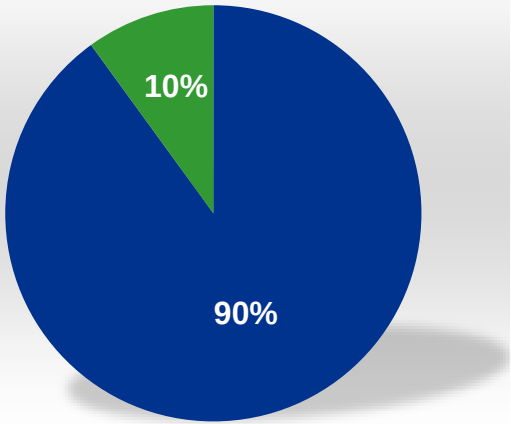
- Government
- Commercial

Contract Type



- Cost Reimbursable
- Fixed Price
- Time & Materials

Contract Duration



- Long-term Contracts
- Discrete Projects

*Percentages based on 2017 revenue

A&T - Significant Global Opportunities

- **Large, stable & fragmented market presents meaningful growth path**
- **Differentiated delivery model, cost posture & integration capability**
  - Dedicated operating model supports long-term client relationships
  - Services tailored to support needs of government contracts
  - Highly integrated business allows efficient resource deployment
- **Recent acquisitions expand capabilities in nuclear, environmental, cyber, data analytics and software development**
- **Well positioned to target major investments in critical industries**

- Predictive Analytics & Automation
- Cybersecurity
- Nuclear
- Digitization & Systems Integration
- Autonomous Vehicles
- Deep Space Exploration



Industry	Market Size[4]	5yr CAGR
Govt Services	$1.5 T	1-3%
International Defense	$400 B	4-6%
Environmental	$161 B	4-5%
Commercial Auto	$15 B	3-4%

A&T - A Closer Look @ Digital Solutions

- **Jacobs Connected Enterprise (JCE) covers a range of solutions for government & commercial clients, including traditional E&C customers**
  - Core functions include industrial IoT, network infrastructure, cloud solutions, data analytics, cybersecurity, systems integration
  - Client needs drive partnerships (vendor & tech-agnostic)
  - Solutions driven by deep domain knowledge of client facilities & systems
- **JCE bridges the gap between engineering & technology to deliver connected digital solutions across our market sectors**
- **One of the largest National Security cyber-security solutions providers**
- **Recent awards include**
  - AT&T Wireless Infrastructure Expansion & Operation Contract
  - Alpha world city public transport optimization solution (>10% annual savings)
  - Construction optimization solution for major gulf coast construction facility



A&T - A Closer Look @ Aerospace

- **Ranked #1 in Aerospace, Engineering News Record (2017)**
- **Awarded NASA's 2017 Large Business Prime Contractor of the Year Award**
  - 4,000+ employees support NASA operations across 9 facilities
- **As NASA's largest non-OEM services provider, we provide a range of design, build, operations & maintenance services across all major facilities**
  - Test, evaluation, & launch
  - Program management & engineering
  - Flight hardware & space systems, incl. deep space gateway & transportation
  - 3D modelling/simulation, rapid prototyping, robotics & human life-systems support
- **Major contract awards include**
  - NASA Marshall Space Flight Center ESSCA Contract ($1.1 B; 8yrs w/options)
  - Johnson Space Center Support Contract ($1.9 B; 9yrs w/options)
  - Ongoing support for NASA's SLS and Orion deep-space exploration program







A&T - A Closer Look @ Defense

- **50+ years of continuous support to domestic and international governments**
- **Major long-term clients** include, U.K. Ministry of Defence, U.S. DoD, U.S. Special Operations Command, U.S. Intelligence Community, Australian Department of Defence
- **Extensive capabilities across all armed forces divisions**
  - Military systems acquisition management & strategic planning
  - Test facility & range design, build, operations & maintenance
  - Computer systems instrumentation & diagnostics
  - Systems engineering & integration of complex weapons & space systems
  - Hardware & software design of complex flight & ground systems
  - Development of biological, chemical & nuclear detection & protection systems
- **Major contract awards include**
  - U.S. Missile Defense Agency IRES ($4.6 B; 8yrs w/options)
  - Nevada Nuclear Security Site O&M ($5 B; 10yrs w/options)
  - U.S. Special Operations Command SITEC ($771 M; 6yrs w/options)







Summary

- **Largest backlog in Jacobs and A&T history (5th straight quarter of growth)**
- **Market trends favor consolidation**
- **Well positioned to capture share in large, stable & fragmented markets**
  - Highly competitive value posture
  - Ingrained culture of accountability and innovation
  - Demonstrated ability to integrate M&A
  - Opportunities to enhance solid profit margins
- **JCE is a digital enabler for the Industrial IoT across ALL lines of business**
  - Applying emerging technology across entire Jacobs client base



A&T – Additional Project Examples



NASA
Extreme Environment Mission Operations
Key Largo, Florida, USA



Scania AB
CD7 Climatic Wind Tunnel
Sodertalje, Sweden



U.S. Environmental Protection Agency
Velsicol Superfund Site
St. Louis, Michigan, USA



U.S. Department of Defense
Mission Planning Software Development
Various Locations



Atomic Energy Canada Ltd
Canadian Nuclear Laboratories
Chalk River, Ontario & Whiteshell, Manitoba, Canada



EDF Energy Nuclear Generation LTD
Hinkley Point C Nuclear Power Plant
Somerset, England



Defense Threat Reduction
Agency Cooperative Biological Engagement Program
Liberia, Sierra Leone, Guinea, and Senegal



U.S. Department of Homeland Security
Cybersecurity
USA



U.K. Ministry of Defence
Submarine Operating Centre
Bristol, England



U.S. Department of Energy
Hanford Plateau Remediation
Richland, Washington, USA

Thank You!

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Non-US GAAP Financial Measures

The following tables reconcile the U.S. GAAP values of net earnings, EPS, operating profit and operating profit margin to the corresponding "adjusted" amounts. For the comparable periods presented below, such adjustments consist of amounts incurred in connection with the items described on the following slide. Amounts are shown in thousands, except for per-share data:

U.S. GAAP Reconciliation for the first quarter of fiscal 2018 and 2017

	Three Months Ended December 29, 2017				
	U.S. GAAP	Effects of Restructuring and Other Charges	Effects of CH2M transaction costs	One Time Tax Reform Impact	Adjusted
Revenue	$ 2,750,311	$ —	$ —	$ —	$ 2,750,311
Direct cost of contracts	(2,263,131)	—	—	—	(2,263,131)
Gross profit	487,180	—	—	—	487,180
Selling, general and administrative expenses	(439,536)	19,349	67,641	—	(352,546)
Operating Profit	47,644	19,349	67,641	—	134,634
Total other (expense) income, net	(5,728)	—	256	—	(5,472)
Earnings before taxes	41,916	19,349	67,897	—	129,162
Income Tax (Expense) Benefit	(39,355)	(4,692)	(16,536)	28,803	(31,780)
Net earnings of the Group	2,561	14,657	51,361	28,803	97,382
Net earnings attributable to non-controlling interests	(398)	—	—	—	(398)
Net earnings attributable to Jacobs	$ 2,163	$ 14,657	$ 51,361	$ 28,803	$ 96,984
Diluted earnings per share	$ 0.02	$ 0.11	$ 0.41	$ 0.23	$ 0.77
Operating profit Margin	1.7%				4.9%

	Three Months Ended December 30, 2016		
	U.S. GAAP	Effects of 2015 Restructuring and other items	Adjusted
Revenue	$ 2,551,604	$ —	$ 2,551,604
Direct cost of contracts	(2,132,292)	—	(2,132,292)
Gross profit	419,312	—	419,312
Selling, general and administrative expenses	(330,684)	31,741	(298,943)
Operating Profit	88,628	31,741	120,369
Total other expense, net	(2,748)	—	(2,748)
Earnings before taxes	85,880	31,741	117,621
Income tax expense	(24,727)	(8,938)	(33,665)
Net earnings of the Group	61,153	22,803	83,956
Net earnings attributable to non-controlling interests	(617)	—	(617)
Net earnings attributable to Jacobs	$ 60,536	$ 22,803	$ 83,339
Diluted earnings per share	$ 0.50	$ 0.18	$ 0.68
Operating profit Margin	3.5%		4.7%

Non-US GAAP Financial Measures (cont'd)

Adjusted net earnings and adjusted EPS are non-GAAP financial measures that are calculated by excluding (i) the after-tax costs related to the 2015 restructuring activities, which included involuntary terminations, the abandonment of certain leased offices, combining operational organizations and the co-location of employees into other existing offices; and charges associated with our Europe, U.K. and Middle East region, which included write-offs on contract accounts receivable and charges for statutory redundancy and severance costs (collectively, the "2015 Restructuring and other items"); (ii) after-tax costs and other charges associated with restructuring activities implemented in connection with the CH2M acquisition, which include involuntary terminations, costs associated with co-locating Jacobs and CH2M offices, costs and expenses of the Integration Management Office, including professional services and personnel costs, and similar costs and expenses (collectively referred to as the "CH2M Restructuring and other charges"), (iii) transaction costs and other charges incurred in connection with closing of the CH2M acquisition, including advisor fees, change in control payments, costs and expenses relating to the registration and listing of Jacobs stock issued in connection with the acquisition, and similar transaction costs and expenses (collectively referred to as "CH2M transaction costs"), and (iv) one-time net charges resulting from the revaluation of certain deferred tax assets and liabilities as a result of the Tax Cuts and Jobs Act. Adjusted operating profit and adjusted operating profit margin are calculated by excluding the pre-tax costs of the items listed above. We believe that adjusted net earnings and adjusted EPS are useful to management, investors and other users of our financial information in evaluating the Company's operating results and understanding the Company's operating trends by excluding the effects of the items described above, which can obscure underlying trends. Additionally, management uses adjusted net earnings, adjusted EPS, adjusted operating profit and adjusted operating profit margin in its own evaluation of the Company's performance, particularly when comparing performance to past periods, and believes these measures are useful for investors because they facilitate a comparison of our financial results from period to period.

The Company provides non-GAAP measures to supplement U.S. GAAP measures, as they provide additional insight into the Company's financial results. However, non-GAAP measures have limitations as analytical tools and should not be considered in isolation and are not in accordance with, or a substitute for, U.S. GAAP measures. In addition, other companies may define non-GAAP measures differently, which limits the ability of investors to compare non-GAAP measures of the Company to those used by our peer companies.

Consolidated Footnotes

1) FY Combined Revenue as of FY17Q2 TTM
2) FY18 Q1 Revenues include 2 week CH2M stub period; FY18 Q1 line of business margins exclude unallocated corporate expenses
3) FY17 ending September 29, 2017
4) Expected cumulative 2017-2021; based on internal assessment and third-party research
5) FY18 Adj. EPS guidance excludes transaction and integration costs, includes approx. 9 months CH2M contribution