
JACOBS
A new age of possibilities.
Investor Presentation
August 2019

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 these and other 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 year ended September 28, 2018, our Quarterly Reports on Form 10-Q for the quarters ended December 28, 2018, March 29, 2019 and June 28, 2019, as well as our other filings with the 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: net revenue, adjusted net earnings, adjusted EPS, adjusted operating profit, adjusted operating profit 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. Reconciliation of the adjusted EPS and adjusted pro forma EBITDA outlook for fiscal 2019 to the most directly comparable GAAP measure is not available without unreasonable efforts because the Company cannot predict with sufficient certainty all of the components required to provide such reconciliation, including with respect to the costs and charges relating to transaction expenses, restructuring and integration to be incurred in fiscal 2019.

Pro Forma Figures

During this presentation, we may discuss comparisons of current quarter results to prior periods on a pro forma adjusted basis. The pro forma adjusted figures for the first quarter of fiscal 2018 were calculated by using revenue and income from continuing operations of the combined Jacobs and CH2M entities as if the acquisition of CH2M had occurred prior to the first quarter of fiscal 2018, as adjusted for (i) the exclusion of restructuring and other related charges, (ii) the deconsolidation of CH2M's investment in Chalk River as if deconsolidated on October 1, 2016 and (iii) the exclusion of the revenue and operating results associated with CH2M's MOPAC project. In addition, the prior fiscal periods are presented as if the divestiture of the ECR business had occurred prior to the first quarter of fiscal 2018. In addition, each quarterly period of fiscal 2018 has been recast to reflect the new segment realignment, backlog methodology and pension cost changes and the updated fiscal 2019 corporate cost allocation methodology, in addition to the other adjustments described on the Non-GAAP Financial Measures slides at the end of this presentation. We believe this information helps provide additional insight into the underlying trends of our business when comparing current performance against prior periods. Readers should consider this information together with a comparison to Jacobs' historical financial results as reported in Jacobs' filings with the SEC.

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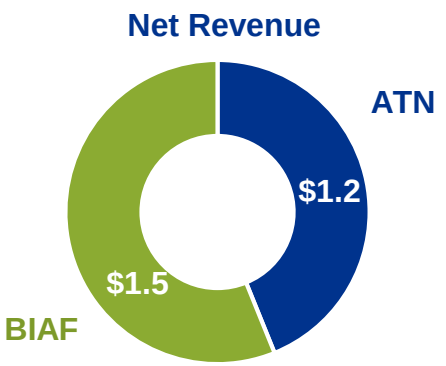
Jacobs: Delivering Innovative Solutions & Disciplined Execution

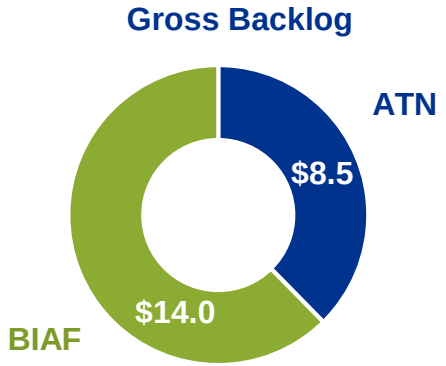
U.S./Int'l Mix	Talent Base	Reimbursable and Lower Risk Fixed Price Services	Public/Private Sector
74%/26%	~52,000	~94%	65%/35%

Metrics pro forma for KeyW

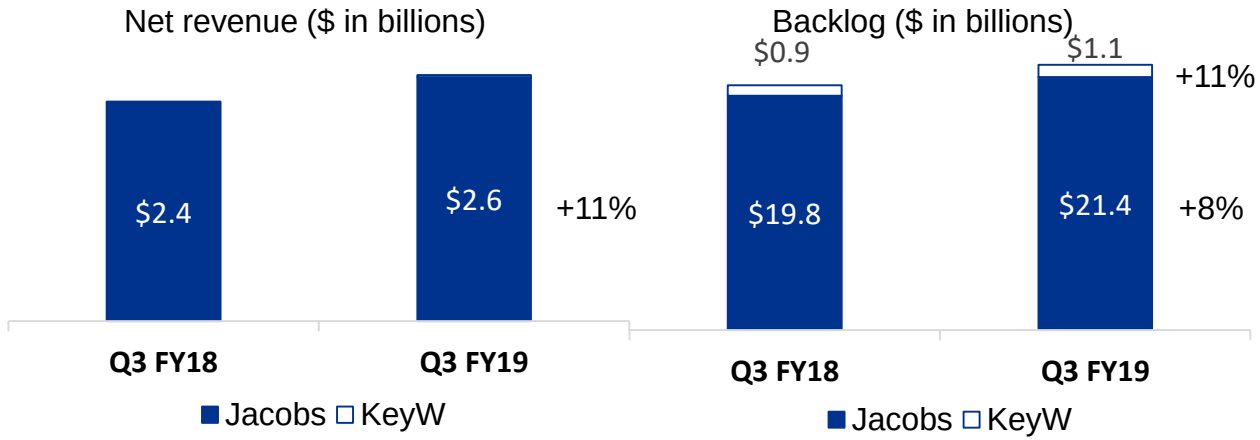
- Increasing portfolio mix in high value markets
- Aligning around national government priorities
- Solving sustainable infrastructure challenges
- Focusing on technology-enabled delivery

Q3 FY19 ($ in billions)





Strong Top-Line Growth



Delivering on commitments

	2016 Baseline	2016-2019 Investor Day Targets	2016-2019E Forecast
Organic Gross Revenue Growth	Flat	2 to 4% (CAGR)	2%+ (CAGR)
Revenue in Priority Growth Areas	50%	~65% (incl. M&A)	>75%
Adj. Operating Profit Margin	4.8%	100 to 150 bps	>150 bps
Pro Forma ROIC	8.9%	50 to 150 bps, or ~10%	<50 bps

Tracking well against our 3-year Strategic Plan

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Strong execution against strategic and financial goals

2016-2018

Operational Improvements

- Aligned lines of business to improve accountability
- Drove operational improvement – adj. pro forma G&A as % of gross profit down >180 bps
- Increased adj. operating profit margins by ~100 bps
- Focused on more profitable end markets; gross margin in backlog up ~200 bps

2017

CH2M Acquisition
($3.3B, ~7.0x TTM EBITDA[1])

- Accelerated strategy in key markets – water, transportation, environmental and nuclear
- Portfolio more aligned with favorable long-term secular growth trends
- Accretive to adj. operating profit margin of ~40 bps
- Overachieving original cost synergies, now expect $175M; revenue synergies materializing in backlog and pipeline

2019

ECR Sale
($3.3B, 11.5x TTM multiple)

- Increases focus on higher value portfolio
- Eliminates most cyclical and lowest margin businesses
- Accretive to gross margin by ~150 bps and adj. operating profit margin of ~25 bps
- Significantly strengthens balance sheet and unlocks over $2.5B in capital

Pending KeyW Acquisition
($0.8B, ~10x 2020[2] multiple)

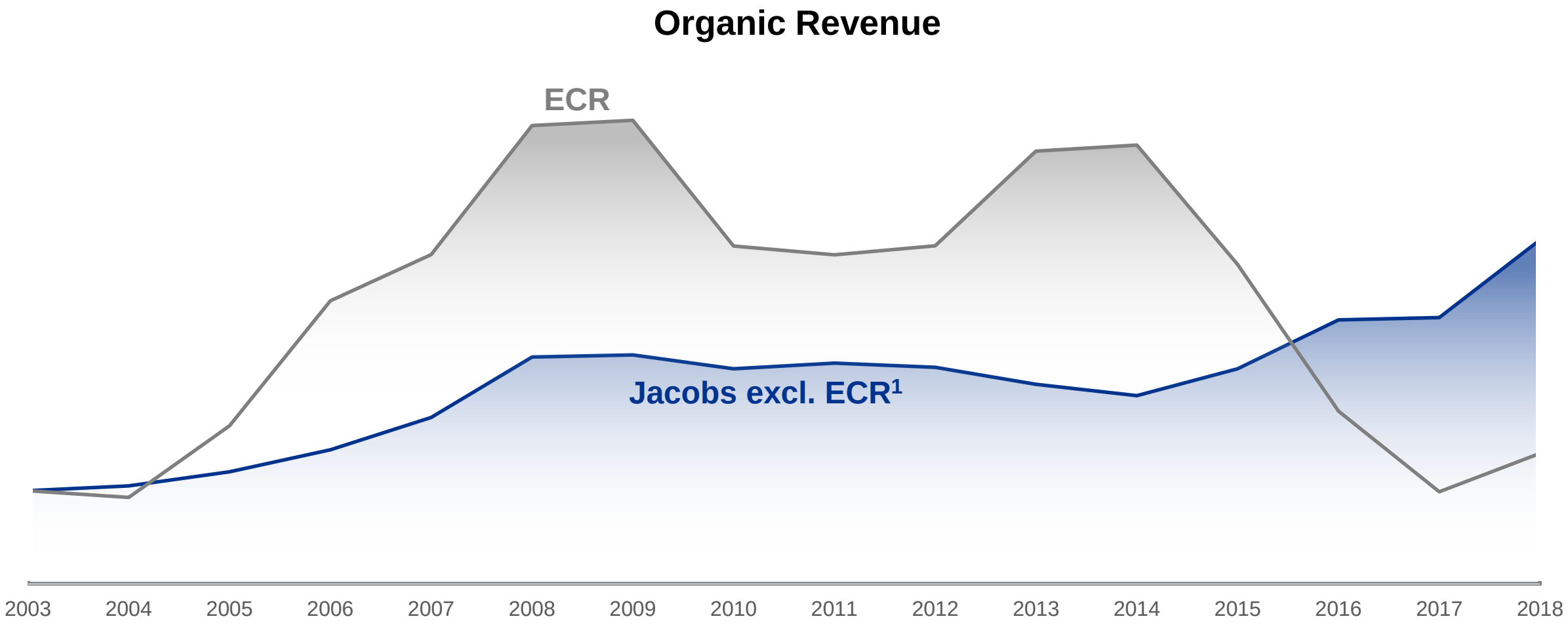
- Adds Intelligence Surveillance and Reconnaissance (ISR), national security based cyber and mission-critical IT and analytics capabilities
- IP-driven technology with unique C5ISR solutions
- 2020E Adj. EPS Accretion of $0.25-$0.30, assuming full run-rate cost synergies
- Substantial Opportunities to More than Double KeyW's Adj. Pro Forma EBITDA by 2022

Transforming our strategic and financial profile

[1]Includes expected full run-rate cost synergies of $150M
[2]Includes full run-rate cost synergies and NPV of tax assets

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Sale of ECR creates stronger, less cyclical portfolio



[1]Historical gross revenue for Jacobs excluding ECR and excluding the first year inorganic impact from material acquisitions

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Focusing on higher growth, higher margin sectors

Higher Technology Solutions

Consulting / Engineering / Design Services

Operations, Maintenance & Management

Construction

2016-2019 Strategy

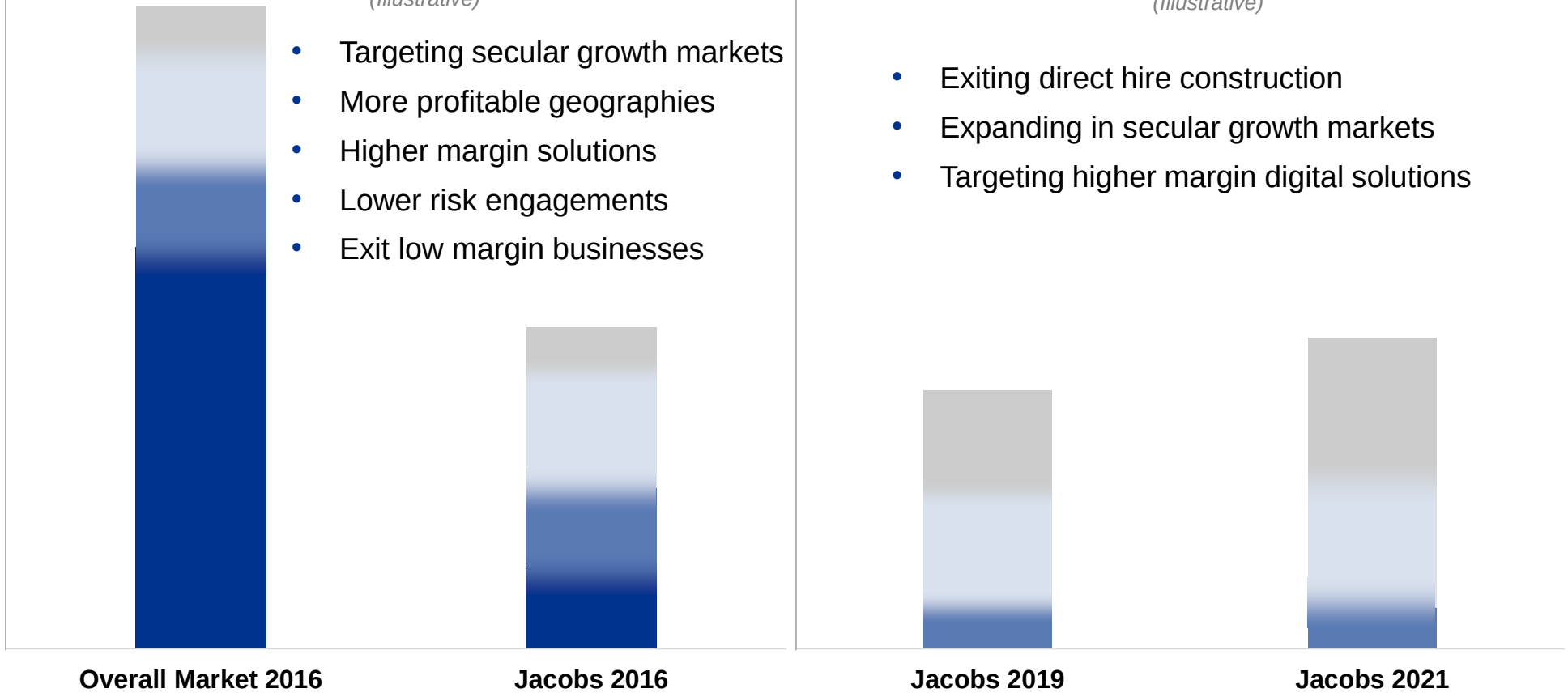
(Illustrative)

- Targeting secular growth markets
- More profitable geographies
- Higher margin solutions
- Lower risk engagements
- Exit low margin businesses

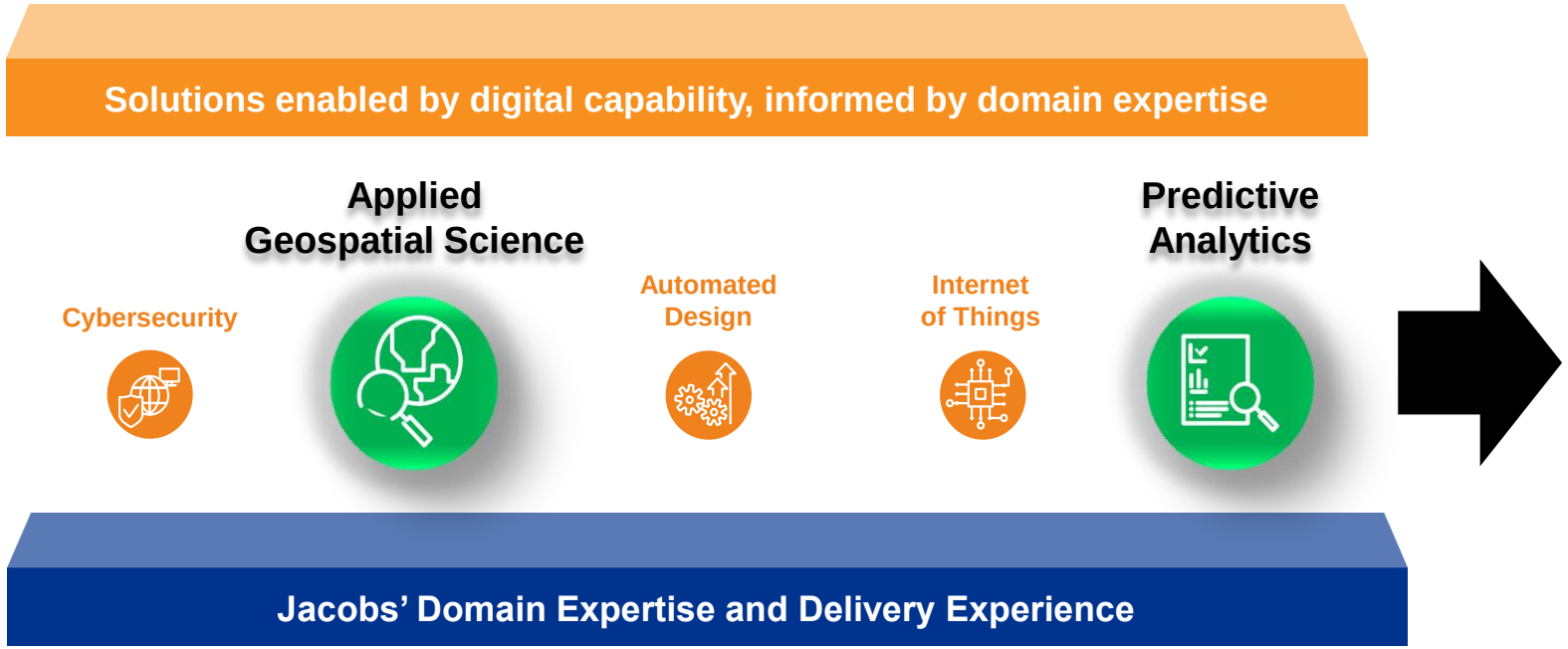
2019-2021 Strategy

(Illustrative)

- Exiting direct hire construction
- Expanding in secular growth markets
- Targeting higher margin digital solutions



Investing in Solutions for Critical Global Challenges and Opportunities





*Investigation and remediation of PFAS **in the U.S.** is measured in the billions of dollars and our team is well positioned to help in this recovery for our communities*

Jacobs Study Demonstrates Effective Removal of Per- and Polyfluoroalkyl Substances

Web link – Click on text above

Combining environmental domain knowledge with predictive analytics to combat emerging PFAS contaminants

KeyW Update: A Compelling Strategic Fit

Accelerating Growth

Leadership in High-Growth, High-Margin Multi-Billion $ Space-Intelligence Sector

- ✓ Confidential space intelligence contract on track and well funded
- ✓ Space intelligence pipeline robust with focus on lower-cost, low-earth orbit satellites

Full Spectrum IT Capabilities Provides Growth Opportunity

- ✓ Mission-IT pipeline growing with numerous +$100M opportunities
- ✓ Opportunities to cross-sell capabilities into existing contracts and sales pursuits

Accelerates Ability to Capture Large Cyber Spend Through Enhanced Technology

- ✓ Combined cyber capabilities form a robust stand-alone Cyber Business Unit
- ✓ Large, long-term revenue synergy opportunities identified

Combination enhances competitiveness and accelerates growth

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Fiscal Q3 2019 Results

Revenue increased 8% y/y and Organic Net Revenue increased 11% y/y[1]

GAAP Operating Profit of $90M and Operating Profit Margin of 2.8%

Adj. Operating Profit (OP) of $233M and Net Adj. OP Margin of 8.8%

GAAP Net Earnings of $90 million and EPS from Continuing Operations of $0.65 – impacted mainly by:

- $0.51 of restructuring and other charges
- $0.07 of after-tax transaction costs incurred in connection with the closing of the KeyW acquisition
- $0.17 of other adjustments

Adjusted EPS of $1.40 up 13%

- $0.16 discrete tax benefit
- No material EPS impact from KeyW acquisition

Adjusted EBITDA of $259M, 9.8% of Net Revenue

Q3 book-to-bill 1.2x and TTM book-to-bill 1.1x (ex KeyW)

[1]Excludes $24 million in revenue contribution from KeyW

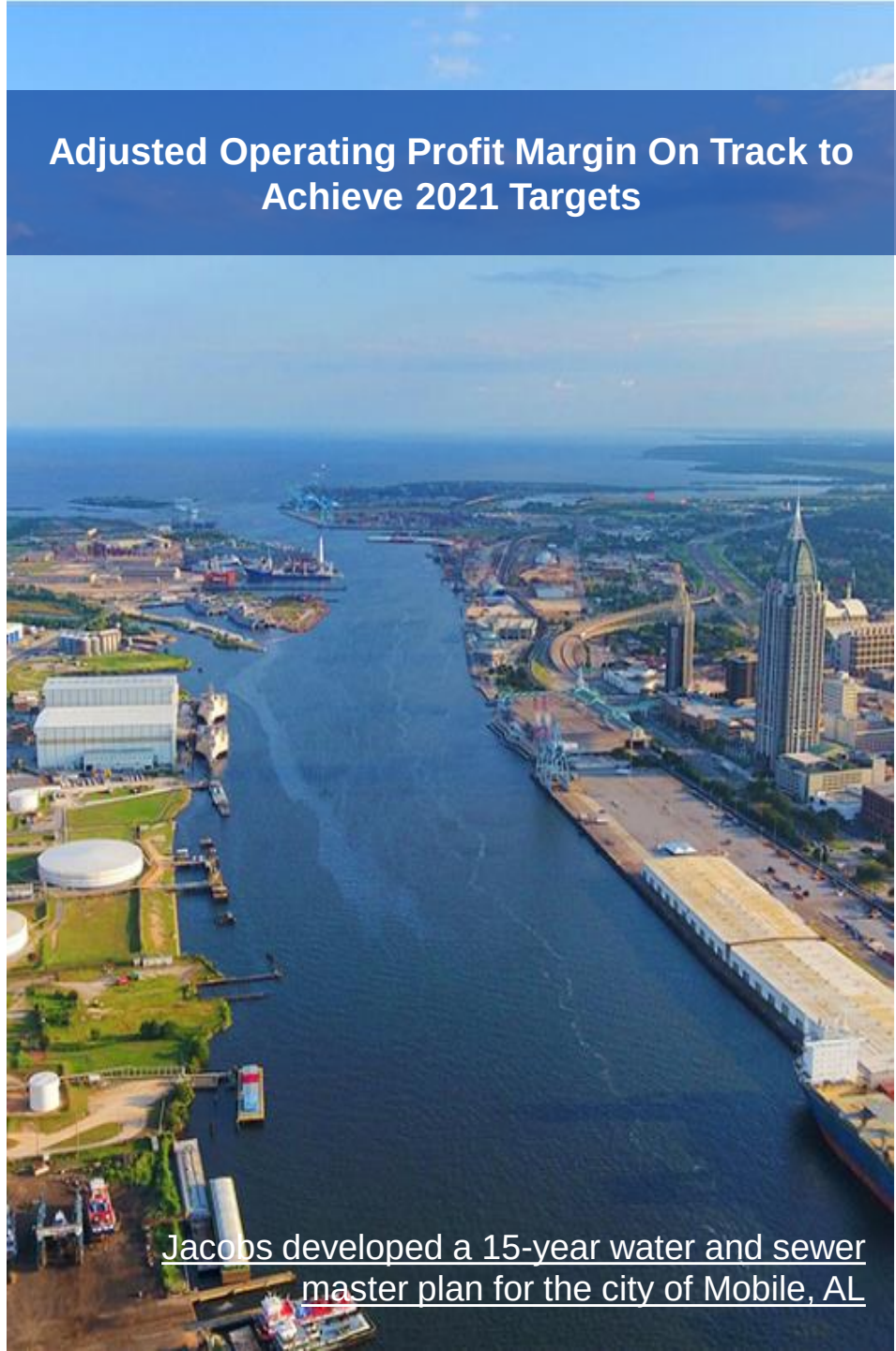


Segment Financials

$'s in millions	Comparable Basis			
	Q3 2018[2]	Q3 2019	YTD PF 2018[2]	YTD 2019
ATN Operating Profit as a % of revenue	72 7.1%	76 6.6%	187 6.7%	222 6.8%
BIAF Operating Profit as a % of net revenue	178 13.4%	183 12.4%	462 11.9%	515 12.1%
Adjusted Unallocated Corporate Costs[1]	(27)	(27)	(117)	(98)
Adjusted Operating Profit from Continuing Operations as a % of net revenue	223 9.5%	233 8.8%	531 8.0%	640 8.5%
Adjusted EBITDA from Continuing Operations as a % of net revenue	247 10.5%	259 9.8%	599 9.0%	710 9.5%

[1] Reflects adjustments from restructuring and other, see reconciliation on slide 22
[2] Q3 2018 results were recast to reflect updated corporate allocation methodology for FY19

Adjusted Operating Profit Margin On Track to Achieve 2021 Targets



Jacobs developed a 15-year water and sewer master plan for the city of Mobile, AL

M&A and Divestiture Update

Surpassed Original CH2M Cost Synergy Estimates

- Expect to achieve 100% of increased $175M targeted savings by end of CY19
- Total costs to achieve synergies remain approximately $265M

ECR Update

- Now expect over $200M of ECR related transaction, separation and restructuring costs
- Incurred $70M of ECR transaction, separation and restructuring costs to date
- On track to complete separation and restructuring costs by early calendar year 2020

KeyW Acquisition-Related Costs Tracking Ahead of Schedule

- On track to achieve $15M in run-rate synergies by end of FY20
- Incurred $7M of estimated $25M of costs to achieve synergies
- Incurred $13M of expected $16M of transaction-related costs



Balance Sheet and Cash Flow

Strong Underlying Free Cash Flow Generation

- Underlying Q3 free cash flow again improved, increased from higher Q2 levels
- Q3 DSOs improve by approximately 2 days from Q2
- Expect to pay ~$400M of cash taxes for the sale of ECR in Q4

Healthy Balance Sheet

- Q3 cash and equivalents of $1B and gross debt of $1.2B
- Monetized part of Worley ownership for $65M in June
- Ending Q3 with $2.1B of liquidity capacity remaining on revolver

Agile Capital Deployment

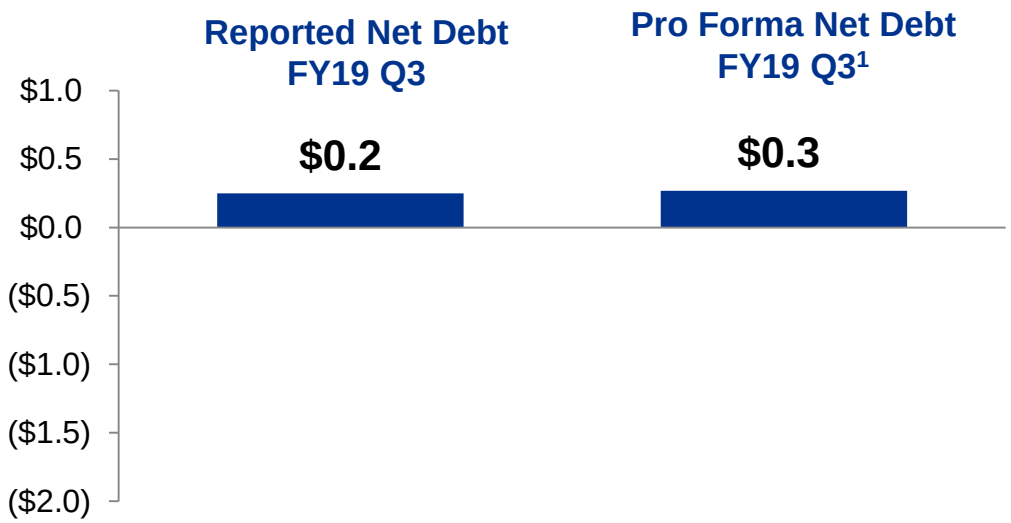
- ASR delivered 0.5M shares (20% of $250M program) on June 5th
- June 12th paid $825 M for KeyW acquisition gross of tax assets
- Repurchased additional ~$100M of shares through August 2nd, ~$650M remaining
- $23M in cash dividends paid in Q3
- Dividend up 13% y/y to $0.17/share

Strong Financial Flexibility at end of Q3

- Net debt to adjusted EBITDA[2] of 0.4x
- Gross debt to adjusted EBITDA[2] of 1.3x

[1] Assumes WorleyParsons equity value as of August 2, 2019
[2] Calculated in accordance with credit facilities

Pro Forma Financial Flexibility



$ Billions	FY19 Q3
Q3 (Net Cash) Debt Position	$0.2
Worley equity ownership as of 8/2	($0.5)
Share Repurchases post Q3 as of 8/2	$0.1
Expected ECR related cash taxes in Q4	$0.4
Q3 Pro Forma Net Debt Position	$0.3
Net Debt/FY19E Adj. EBITDA	less than 1.0x

Delivering Superior Shareholder Value

- Inspiring employees through a high-performance culture reflecting accountability, inclusion and diversity
- Capturing growth opportunities through innovation in sustainable infrastructure solutions and government services markets
- Maintaining disciplined capital allocation that extends our industry leadership and drives value creation

FY19 Financial Outlook

Increasing FY19 adj. EPS[1] to $4.75 - $5.00 from $4.45 - $4.85,

Increasing FY19 pro forma adj. EBITDA[1] to $965 to $1B from $920M to $1B

[1] Reconciliation of the adjusted pro forma EBITDA and EPS outlook for the full fiscal year to the most directly comparable GAAP measure is not available without unreasonable efforts because the Company cannot predict with sufficient certainty all the components required to provide such reconciliation.

Assumes 139M fiscal year 2019 fully diluted average share count and 137M Q4 fully diluted average share count.
Assumes 25% effective tax rate for Q4 2019 and 24% to 25% for 2020.

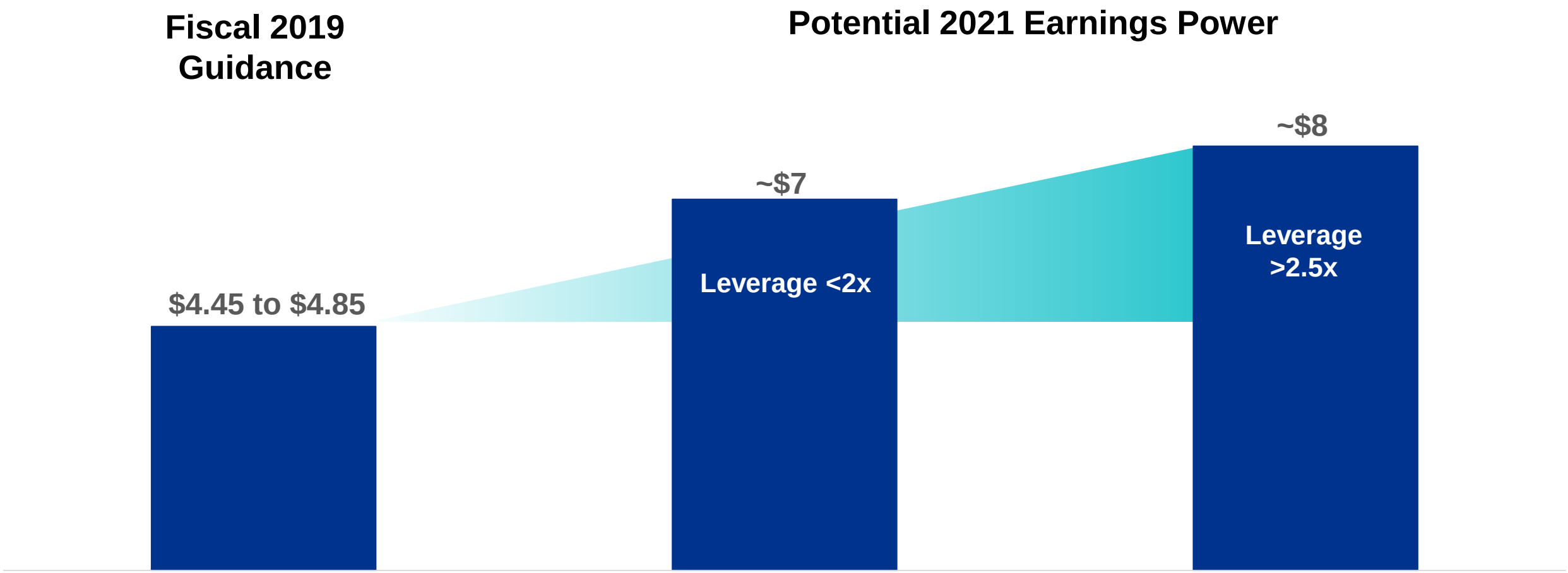
Setting 2021 Financial Targets

	2018 Pro Forma Baseline	2021 Target
Organic Net Revenue Growth	16%	3% to 5% CAGR
Adj. Net Operating Profit Margin	8.3%	125 to 175 bps
Adj. EBITDA Growth	13%	Double-Digit CAGR
ROIC	9.2%	100 to 150 bps

Consistent growth plus continued margin expansion to drive higher returns

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Multiple paths to create value



Strong organic growth – combined with balance sheet capacity – drives significant EPS upside

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Strong and consistent value creation algorithm

$7 to $8 Per Share of Potential Earnings Power by Fiscal 2021

Strong Organic Growth + Continued Margin Expansion

Government Services
Urbanization
Resilient Infrastructure
Cyber Engineering
Digital Solutions

Inclusive & Innovative Culture

Execution Excellence

+

Cumulative Balance Sheet Capacity at Investment Grade

Disciplined M&A Execution & Agile Capital Allocation

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Aerospace, Technology & Nuclear

Solving for Tomorrow

JACOBS®

Aerospace, Technology and Nuclear (ATN)

Unique Delivery Model Driving Share Gains

- One of the largest diversified government services providers
- Leveraging strong technical expertise, localized delivery model and efficient cost structure

Positioned for Strong Growth In Core Sectors

- Demand healthy in U.S. Federal markets
- Aligned to well funded higher growth priority programs
- Robust, long-term nuclear remediation pipeline

Expanding into Higher Value Solutions

- Intelligent Asset Management
- Space Intelligence, cyber security and mission-IT solutions
- 5G Telecom and high tech automotive

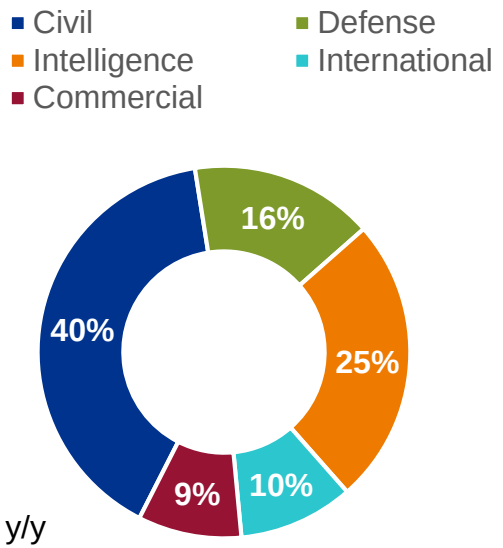
Recent Customer Wins

- Royal Australian Air Force F-35 Joint Strike Fighter engineering services
- AT&T Site Development – multiple contracts for small cell & 5G
- U.S. Army Satellite Communications Support and Systems Engineering
- Windshear Rolling Road Wind Tunnel test operations renewal

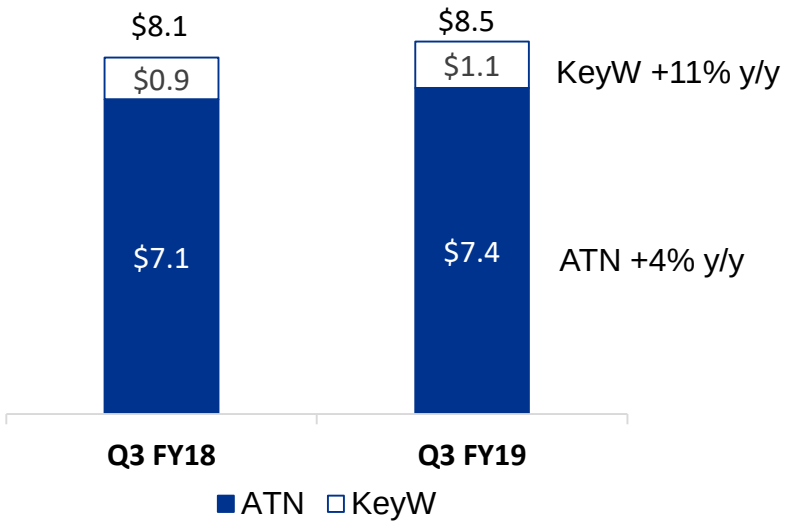
ATN TTM Snapshot (including KeyW)

U.S./International	89% / 11%
Government	~85%
Reimbursable and Lower Risk Fixed Price Services	~97%
Recurring	~95%
Talent Force	~15k

TTM Revenue by Customer (including KeyW)



Backlog ($ in Billions)



ATN has a foundation of large, multi-year highly technical contracts

Agency	Award Size	Duration	Contract Scope
	**$4.6B**	8.5 years to 2025	Operating the Missile Defense Integrated Operations Center, supporting its network infrastructure, modeling and simulation, and development of systems ✓ ***~75% of scope is related to IT services***
	**$1.1B**	8 years to 2025	Marshall – Science and engineering solutions to support the space launch system, space station and other projects, 6x successful rebids
	$1.9B	9 years to 2022	Johnson – IT development and infrastructure support across multiple initiatives including Orion Capsule, life support systems and robotics
	**$771M**	6 years to 2023	20-years supporting national security and SOF missions via intelligence analysis, operational mission planning, cybersecurity and insider threat solutions, weapon system acquisition and sustainment, IT Service Management, and technology insertion to support critical operations ✓ ***Recently awarded the SITEC II global enterprise IT solutions contract***
	**$5B**	10 years to 2027	Nevada National Security Site management and operations contract Jacobs is a 38% minority partner on a Honeywell-led joint venture
	$1.4B	10 years to 2027	Paducah deactivation and remediation contract Jacobs (CH2M) is a 40% majority partner in the joint venture

Focused on mission critical government priorities

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Resilient business yielding good returns with low capital intensity

Long term stability with strong pipeline for growth

- Foundation of recurring revenue work (~92%) with a core of long-cycle enterprise contracts (~75%)
- Government funding from mission critical, non-cyclical programs: 90% of our portfolio

Risk balanced portfolio

- Cost Reimbursable: 87%
- Fixed Price Services: 11%
- Fixed Price EPCM / DB: 2%
- Excellent write-off history

Market Opportunities

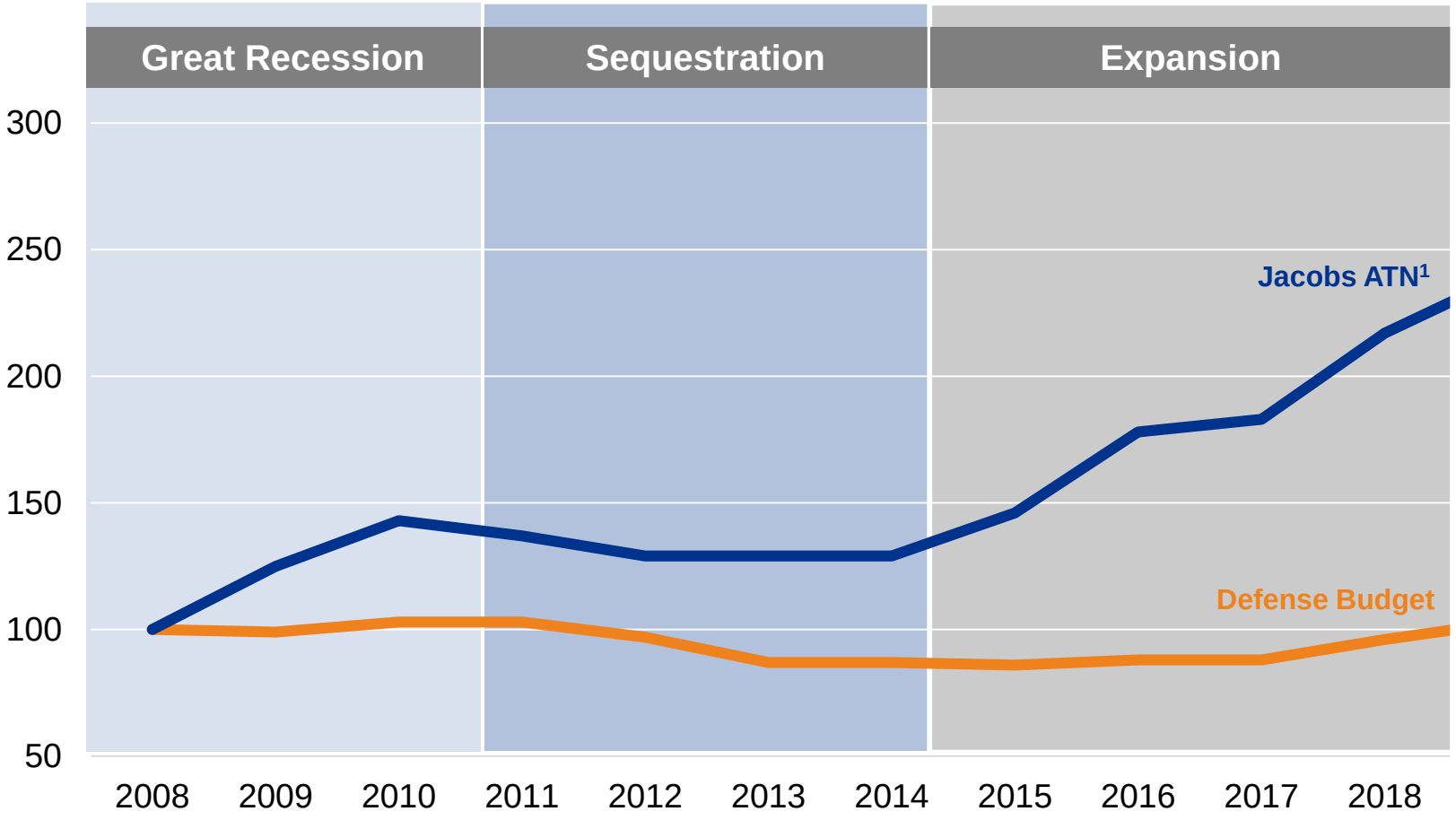
- Large, fragmented Government Services market
- Expanded government spending

Solid Cash Flow Dynamics

- Market leading DSO



Steady Jacobs ATN organic OP growth despite major economic and defense spending swings



Delivering outstanding resiliency

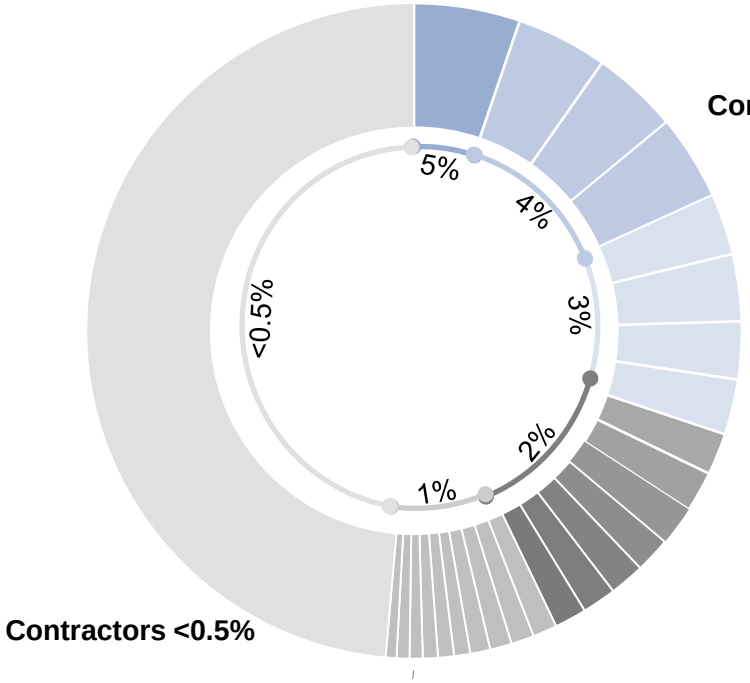
[1]Indexed to 2008 US Defense Budgets

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With strong markets, focused investment and value extraction from existing platforms drives growth

Market	TotalAnnual Addressable Market	Industry 5yr CAGR	Key Organic Growth Areas
Government Services	$340B	1%-2%	• Next Gen capabilities of cyber, cloud and analytics • Enterprise IT • Intelligent Asset Mgmt. • Engineering Services • Nuclear defense support & remediation
International	$80B	4%-6%	• Cyber Engineering • Nuclear • Defense Support
Commercial	$12.2B	3%-4%	• Automotive • Telecommunications

Highly Fragmented Government Services Sector



%Share DoD Services Budget

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Jacobs ATN differentiators will continue to enable growth

Key Areas of Differentiation

Customer Responsiveness

- Localized accountability structure with customized back office support at the client face – strikingly different from competitors
- Provides agility and flexibility our competitors cannot match

Performance

- Technically deep staff with proven track record of delivery
- Contractor Performance Assessment Reports average above 95%

Innovation

- Recognized for innovation and tailored solutions
- Leverage JCE innovation labs to explore and mature ideas into solutions

Efficiency

- Lean, highly competitive, 3rd party-benchmarked overhead structure
- First quartile in Aerospace & Defense / Industrials peer group

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Driving scale in Cyber Engineering to enhance overall Jacobs growth

Deepen solutions for Government Services clients

Enable differentiated growth across all Jacobs' sectors

Exploit emerging opportunity in the convergence of information technology and operation technology

Targeted Areas for Growth

Disciplines

- Security Engineering
- Security Operations
- Security Compliance
- Industrial Controls Security

Market Sectors

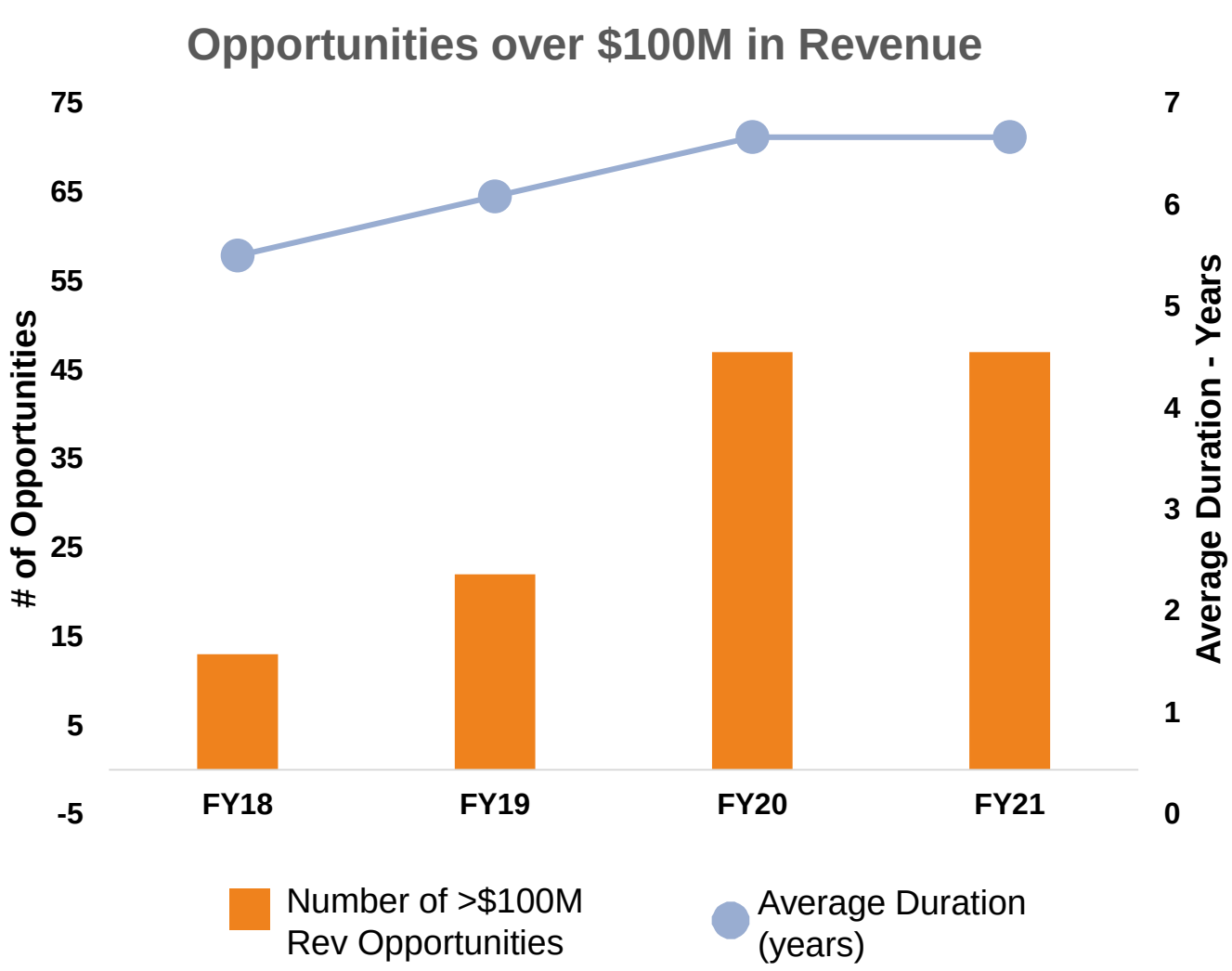
- Smart Cities
- Aerospace & Defense
- Information Technology

Geographies

- North America
- Europe



Strong pipeline with new opportunities in larger, longer contracts

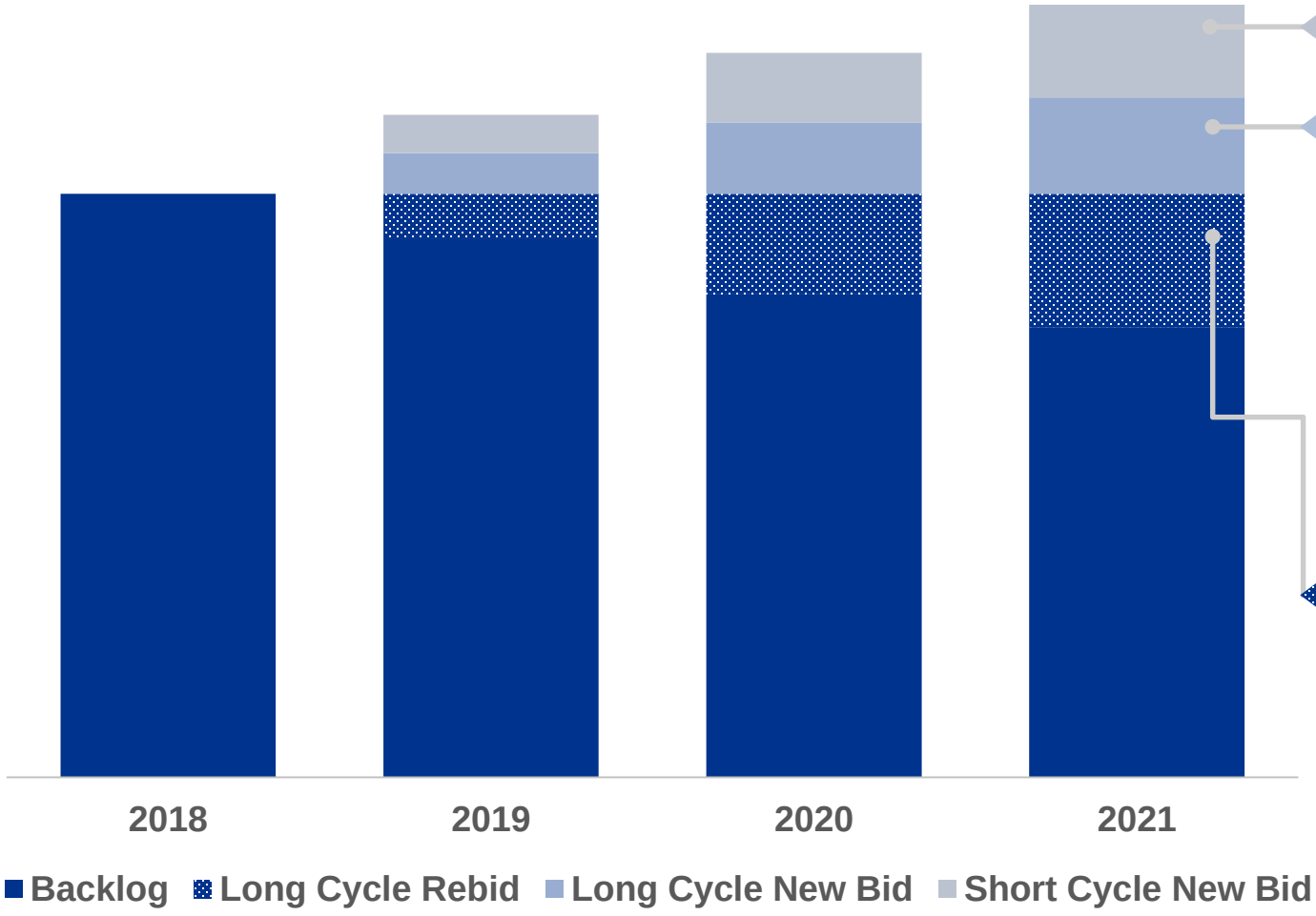


$30B+ Pipeline

- Intelligence Community
- U.S. Army
- U.K. Remediation
- U.S. Navy
- NASA
- Dept. of Energy / Environmental Mgmt.
- Dept. of Energy / NNSA
- Commercial Aerospace and Automotive

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Foundation of recurring work supports operating profit growth



New Bid

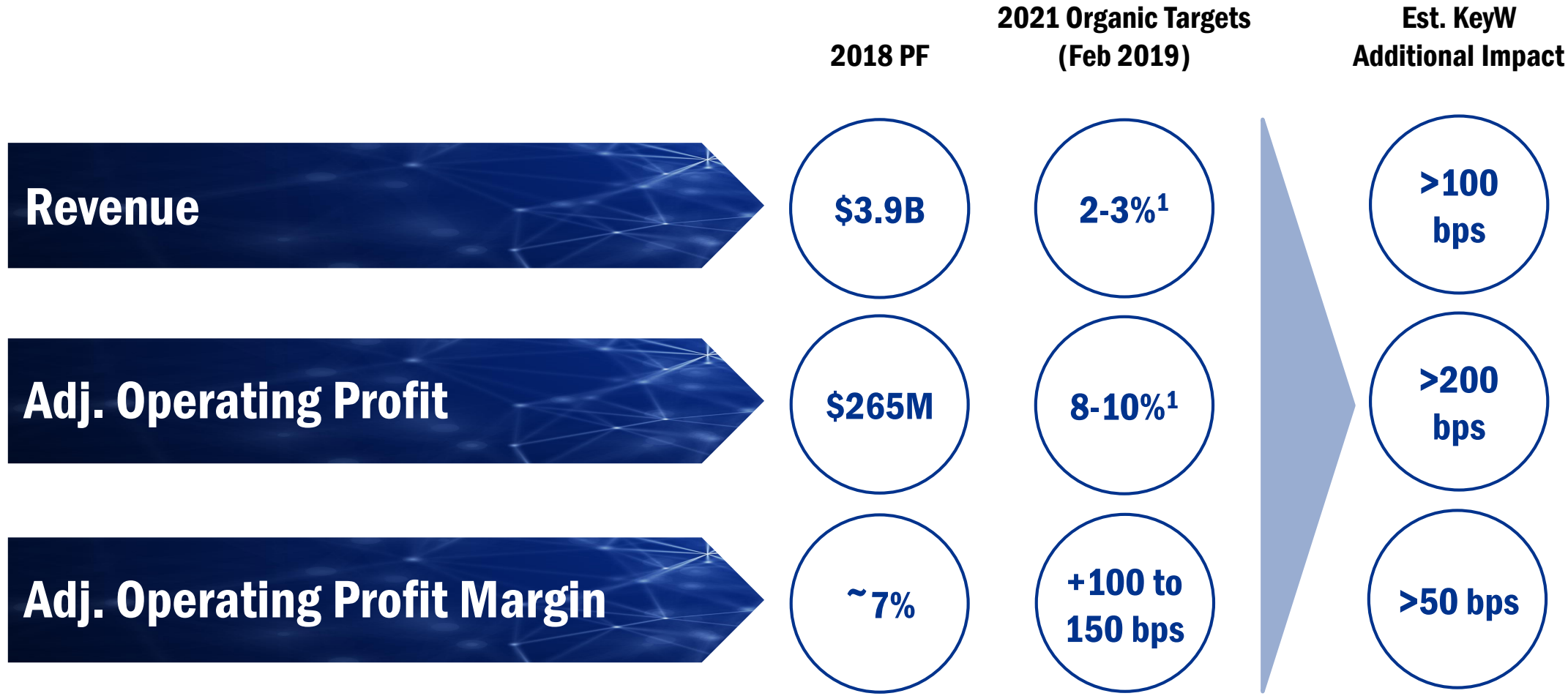
- Continued growth in Enterprise contracts and expansion of new shorter duration projects
- Historical >50% new bid win rate
- Estimated new win rate of 30% as we move into adjacent markets

Rebid

- Rebid cycle of recurring contracts
- Historical rebid win rate > 94%
- Improved margin profile on rebids

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Aerospace, Technology and Nuclear
KeyW is Additive to ATN's Organic Growth Outlook



[1] Three Year CAGR

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Buildings, Infrastructure & Advanced Facilities

Keeping the world moving forward



JACOBS®

Buildings, Infrastructure and Advanced Facilities (BIAF)

Aligned To Secular Growth Trends

- Urbanization driving global infrastructure investments
- Sustainability and resiliency – numerous multi-decade opportunities
- Favorable Electronics and Life Sciences CAPEX environment
- PFAS contaminants present global environmental remediation opportunity

Deep Technology Expertise at Scale in High Value Sectors

- ENR rankings demonstrate industry leadership across key sectors
- Market convergence increases demand for deep and broad expertise
- Digitally-enabled solutions continue to be a differentiator
- Jacobs and CH2M revenue synergies accelerating in backlog
- Global delivery model resonating in strong win rates and efficiency

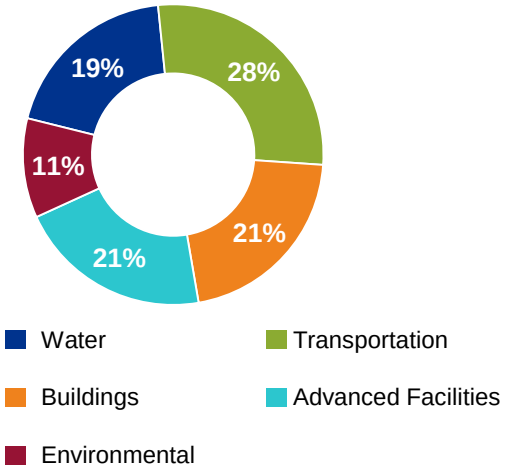
Recent Customer Wins

- FEMA Nebraska Flood Services – Environmental
- Mordeialloc Bypass (Melbourne) – Transportation
- Confidential Life Sciences – Gene Therapy
- Confidential Electronics – Microelectronics

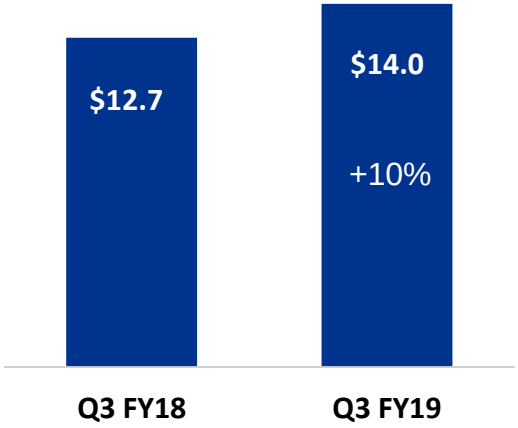
BIAF Snapshot

U.S./International	66% / 34%
Public / Private Sector	54% / 46%
Reimbursable and Lower Risk Fixed Price Services	~92%
Talent Force	~34k

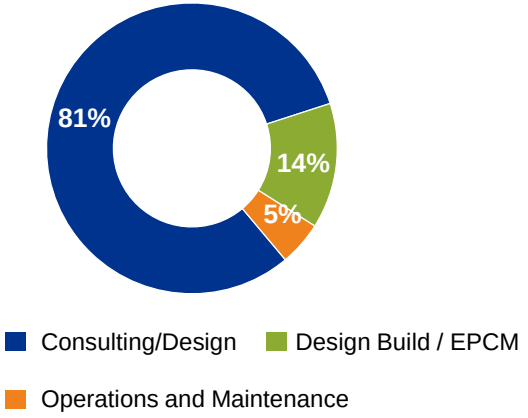
YTD Gross Revenue by Sector



Backlog ($ in Billions)



Q3 FY19 Gross Revenue by Type



BIAF is uniquely differentiated to capitalize on these trends

Key Areas of Differentiation

Performance Excellence

- Customer intimacy and accountability
- World class Project Management
- Optimized operating procedures
- Organization model capitalizes on Solutions and Technology, global and local delivery

Innovation

- Early adopter of digital solutions
- Whole-company approach to integrating innovation across lines of business
- Focused investment in innovation hubs
- Solutions and Technology driven offering

Global Integrated Delivery

- Global design centers
- Global talent mobility and access to talent pools in high-tech locales
- World-class scale and differentiated solutions

Infrastructure Leader

- End-to-end skillset in all end-markets
- Established, trusted client relationships
- Connected, cross-market solutions
- Recognized brand in key growth markets

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Strategy focused on 3 facets of connectivity



Market Connectivity

Leveraging expertise from our end markets to provide end-to-end solutions to the world's most critical challenges

Market Convergence



Global Connectivity

Utilizing mature, global delivery platform to deliver innovative solutions, effective talent mobility, and competitive differentiation

Integrated Delivery



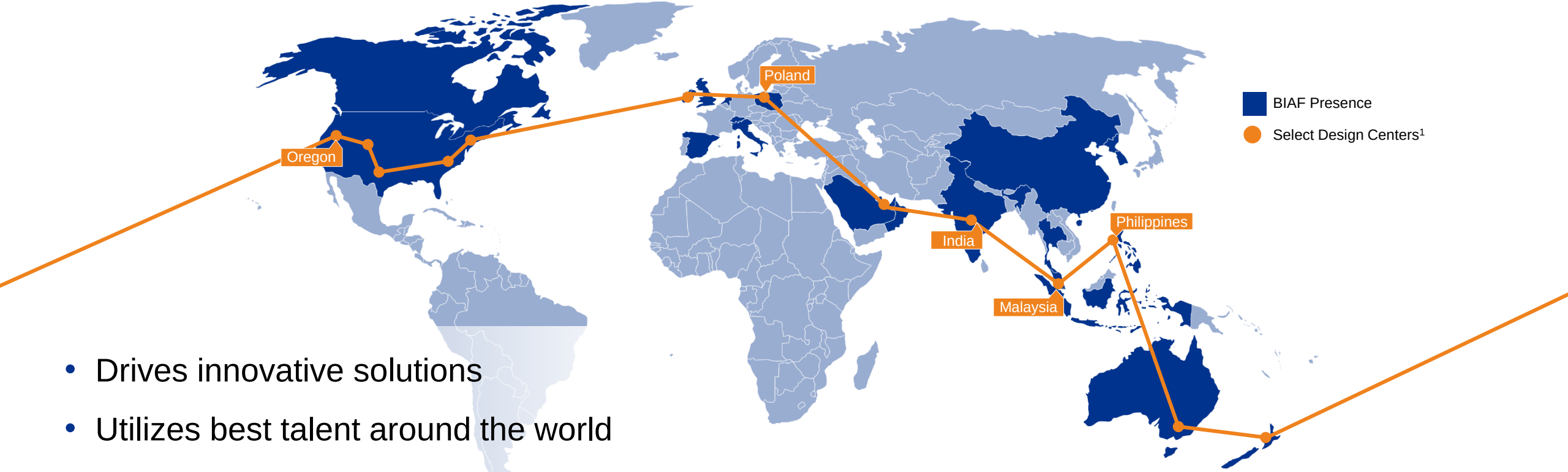
Digital Connectivity

Building on strong foundation of innovation with investment in 5 Innovation Hubs to increase market share of digitally-enabled consulting market

Innovation Enabled

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Global connectivity optimizes global platform through integrated delivery



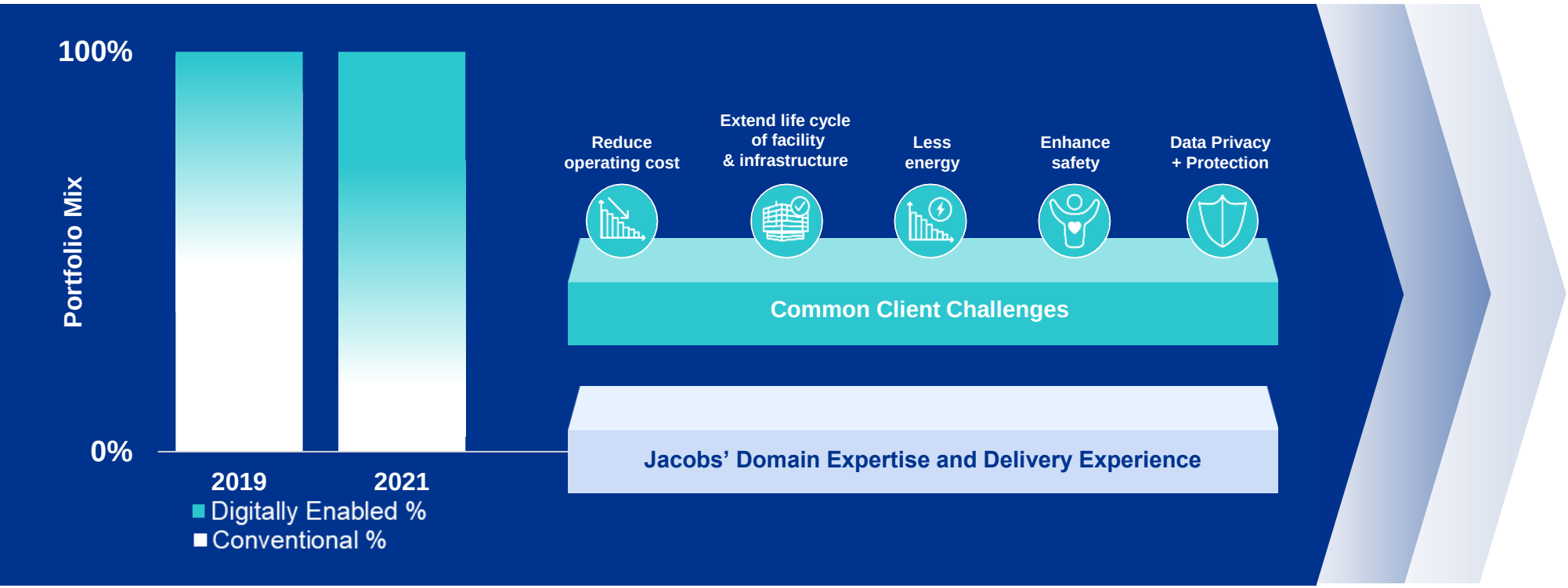
- Drives innovative solutions
- Utilizes best talent around the world
- Enhances competitive differentiation

Mature global delivery platform enables talent mobility – and serves as competitive differentiator

[1]Only Global Design Centers (GDC) are labeled

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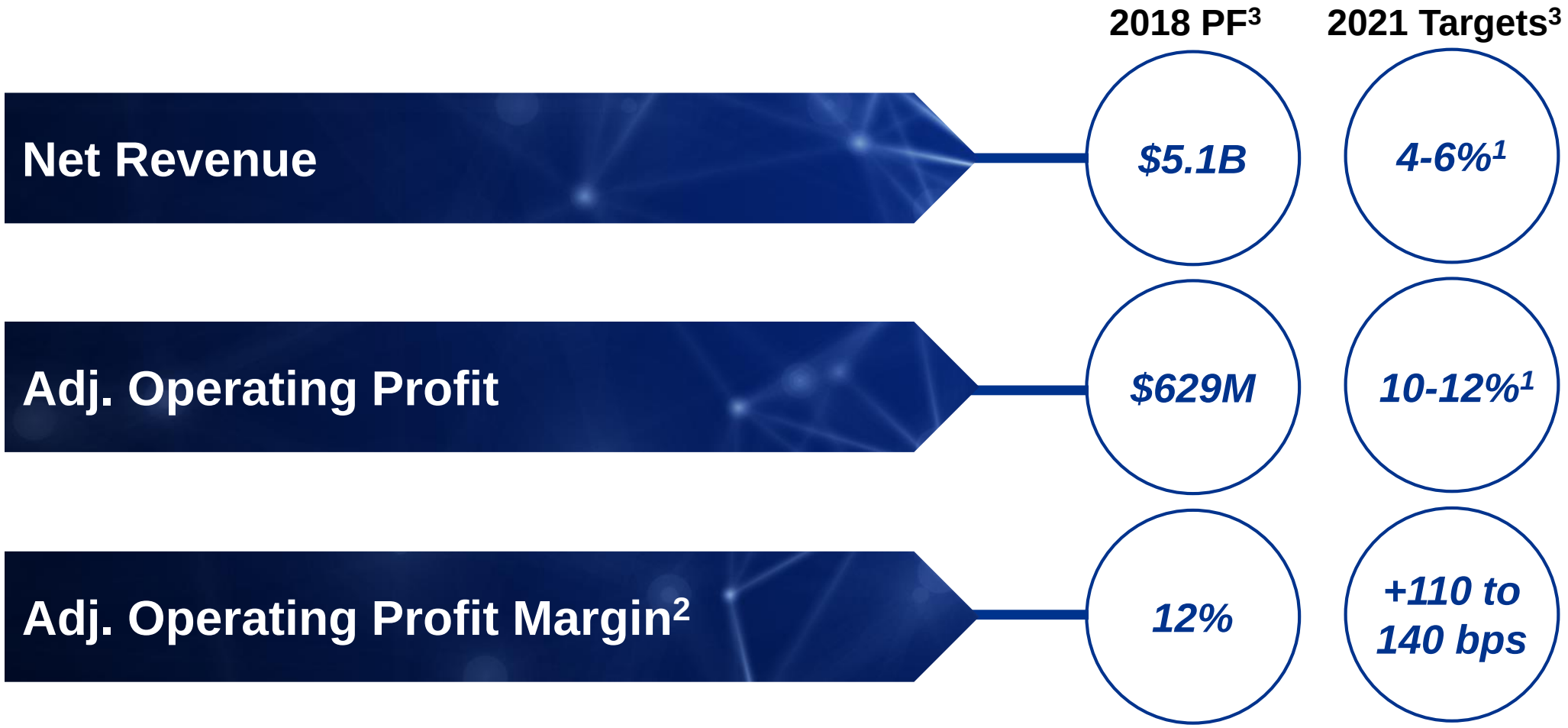
Shifting delivery model to digitally-enabled solutions



- Applied Geospatial Science
- Automated Design
- Cybersecurity
- Internet of Things
- Predictive Analytics

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Buildings, Infrastructure and Advanced Facilities
Attractive, achievable organic growth targets and margin expansion

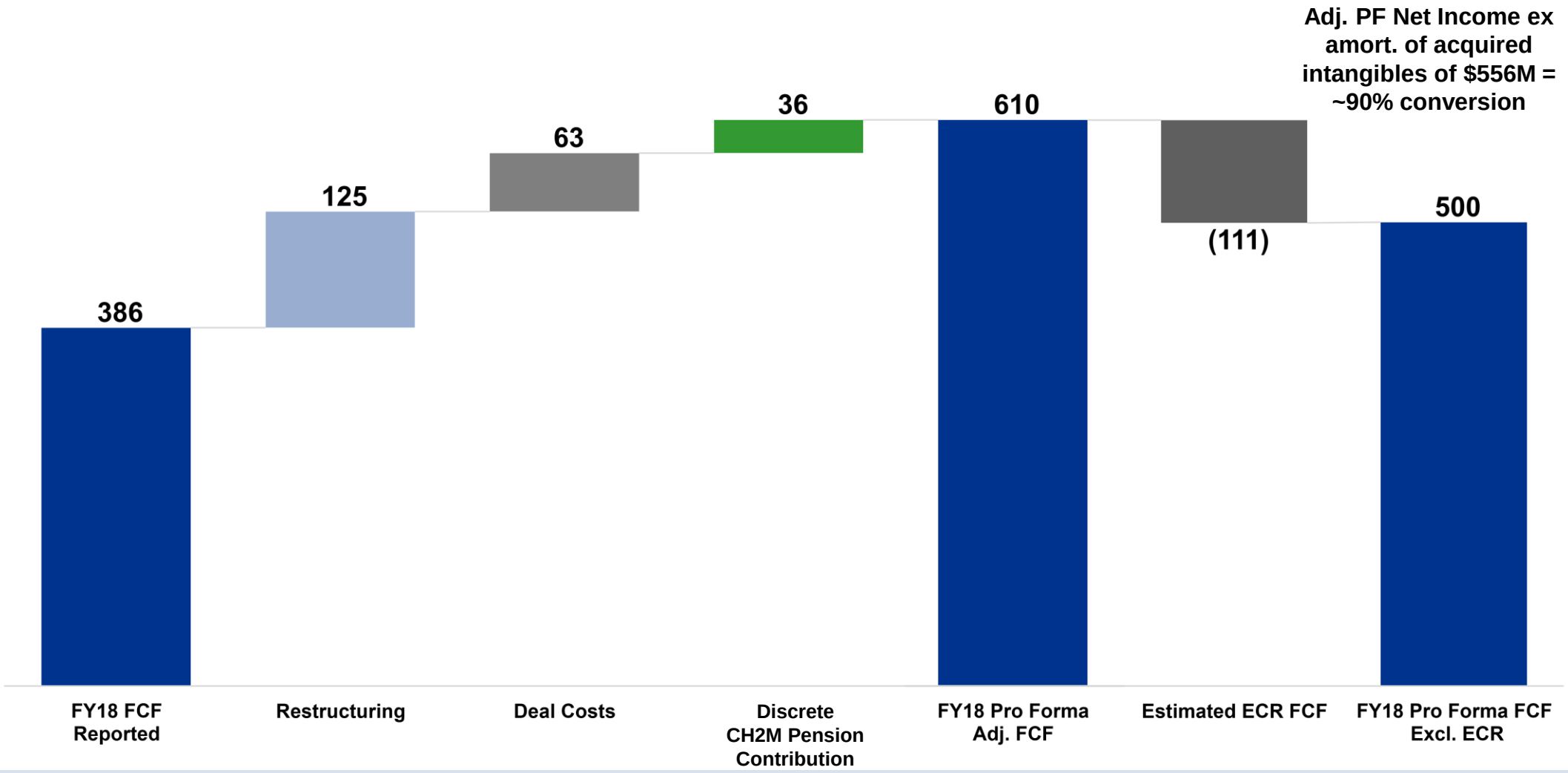


[1] Three year CAGR
[2] % of Net Revenue
[3] Includes GES

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Financial Overview
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Future portfolio offers solid Free Cash Flow conversion



Continuing working capital improvement will support higher free cash flow conversion

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Drivers for Revenue Growth

3% to 5% Organic Net Revenue Growth

Strong Revenue Stability

Total

- 67% of revenue recurring
- 70% of NTM revenue in backlog

ATN

- 92% recurring revenue
- 87% NTM revenue in backlog

BIAF

- 50% recurring revenue
- 61% of NTM revenue in backlog

Robust Sales Pipeline within Current Markets

- Pipeline has increased ~15% y/y
- Focused sales approach with win rates >40%
- CH2M revenue synergy pipeline at $2B+ and growing

Core Growth with Upside From Expanding Adjacent Markets

- Infrastructure Secular Growth
- Long-term Federal Contracts
- Digital Solutions
  - Cyber Engineering
  - Intelligent Asset Management

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Drivers for Operating Profit Margin Expansion

125 to 175 bps of adj. operating profit margin expansion

Global Service Model

- Drive increased utilization of global integrated delivery (GID)
- Further enhance global business services (GBS)
- Initiating priority based budgeting (PBB)

$75 to $100M annual run-rate savings by 2021

Gross Margin In Backlog to Drive Incremental Profitability

- Gross Margin % in backlog improved >200 bps over last 2 yrs
- Further enhancements driven by higher margin, digital solutions
- Shifting to commercial terms that provide margin enhancement

Strategic Investments That Drive Profitable Growth

- Innovation hubs
- System and technology enhancements
- Investment in our people

$30 to $60M annual run-rate investment by 2021

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Drivers for ROIC Improvement

100 to 150 bps of ROIC Improvement

Organic Operating Income Growth

- Strong operating leverage from existing portfolio
- Focusing on higher margin opportunities

Lower Working Capital

- Improving DSO execution across the business
- Opportunity to reduce higher CH2M DSOs

Low Fixed Capital Intensity

- Overall fixed asset investments remain limited
- Addition of CH2M results in minimal incremental CAPEX

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Thank you!

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Recast Segment Financials

$'s in millions	PF Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019
ATN								
Backlog	6,641	7,174	7,147	7,130	**7,130**	7,158	7,285	8,456
Revenue	842	924	1,022	1,069	**3,856**	1,035	1,060	1,156
Operating Profit as a % of revenue	57 6.8%	58[1] 6.2%	72 7.1%	77 7.2%	**264[1]** **6.9%**	72 7.0%	74 7.0%	76 6.6%
BIAF								
Backlog	12,269	12,088	12,693	12,825	**12,825**	13,177	13,428	14,011
Revenue	1,904	1,947	1,912	1,923	**7,686**	2,049	2,032	2,013
Net Revenue	1,217	1,338	1,329	1,272	**5,156**	1,374	1,400	1,479
Operating Profit as a % of Net Revenue	125 10.3%	159 11.9%	178 13.4%	167 13.2%	**629** **12.2%**	159 11.6%	173 12.3%	183 12.4%
Adj. Unallocated Corporate Expense	(48)	(42)	(27)	(23)	**(140)**	(46)	(25)	(27)
Adj. Net Interest Income (Expense)	(11)	(3)	(6)	(6)	**(26)**	(5)	(9)	(9)

[1]Includes $17M from legal settlement

NOTES: Prior periods have been recast to reflect 2019 corporate allocation methodology and the restructuring and other adjustments described on slide 20 through 23. Recast historical financials for the fourth quarter of fiscal 2018 reflect our current estimates based on information available as of the date of this presentation. The final figures may differ materially from these preliminary amounts due to the completion of our financial closing procedures, final adjustments and other developments that may arise between the date of this presentation and the time the recast quarterly results are finalized.

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Recast Consolidated Financials

$'s in millions	PF Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019
Backlog	18,910	19,262	19,840	19,955	**19,955**	20,335	20,713	22,467
Revenue	2,746	2,870	2,934	2,992	**11,541**	3,084	3,092	3,170
Net Revenue	2,059	2,262	2,350	2,341	**9,012**	2,410	2,459	2,636
Adjusted Gross Profit	547	588	598	594	**2,328**	571	613	629
Adjusted G&A	(414)	(414)	(375)	(373)	**(1,575)**	(386)	(392)	(396)
Adjusted Operating Profit From Continuing Operations as a % of Net Revenue[1]	133 6.5%	175 7.7%	223 9.5%	221 9.4%	**752** **8.3%**	185 7.7%	222 9.0%	233 8.8%
Adj. Net Interest Income (Expense)	(11)	(3)	(6)	(6)	**(26)**	(5)	(9)	(9)

NOTES: Prior periods have been recast to reflect 2019 corporate allocation methodology and the restructuring and other adjustments described on slide 20 through 23. Recast historical financials for the fourth quarter of fiscal 2018 reflect our current estimates based on information available as of the date of this presentation. The final figures may differ materially from these preliminary amounts due to the completion of our financial closing procedures, final adjustments and other developments that may arise between the date of this presentation and the time the recast quarterly results are finalized.

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Other Operational Metrics from Continuing Operations

$'s in millions	Q1 2018	Q2 2018	Q3 2018	Q1 2019	Q2 2019	Q3 2019
Depreciation (pre-tax)	18,476	26,764	24,423	18,211	23,491	25,851
Amortization of Intangibles (pre-tax)	11,547	18,205	19,299	18,671	18,678	18,383
Pass-Through Costs Included in Revenue	411,787	608,720	583,423	674,278	632,359	533,935
Capital Expenditures	14,829	18,670	15,476	19,467	39,442	38,557

Non GAAP Financial Measures

Unaudited	U.S. GAAP	Effects of Restructuring and Other Charges	Effects of Transaction Costs (1)	Other Adjustments (2)	Adjusted
	Three Months Ended June 28, 2019				
Revenues	$ 3,169,622	$ —	$ —	$ —	$ 3,169,622
Pass through revenue	—	—	—	(533,935)	$ (533,935)
Net revenue	3,169,622	—	—	(533,935)	2,635,687
Direct cost of contracts	(2,543,488)	2,481	—	533,935	(2,007,072)
Gross profit	626,134	2,481	—	—	628,615
Selling, general and administrative expenses	(536,180)	89,926	12,738	37,714	(395,802)
Operating Profit	89,954	92,407	12,738	37,714	232,813
Total other (expense) income, net	3,445	831	515	(8,362)	(3,571)
Earnings from Continuing Operations Before Taxes	93,399	93,238	13,253	29,352	229,242
Income Tax Benefit (Expense) for Continuing Operations	1,981	(22,924)	(3,259)	(5,823)	(30,025)
Net Earnings of the Group from Continuing Operations	95,380	70,314	9,994	23,529	199,217
Net Earnings Attributable to Noncontrolling Interests from Continuing Operations	(6,015)	—	—	—	(6,015)
Net Earnings from Continuing Operations attributable to Jacobs	89,365	70,314	9,994	23,529	193,202
Net Earnings Attributable to Discontinued Operations	435,077	2,058	2,447	(7,823)	431,759
Net earnings attributable to Jacobs	$ 524,442	$ 72,372	$ 12,441	$ 15,706	$ 624,961
Diluted Net Earnings from Continuing Operations Per Share	$ 0.65	$ 0.51	$ 0.07	$ 0.17	$ 1.40
Diluted Net Earnings from Discontinued Operations Per Share	$ 3.15	$ 0.01	$ 0.02	$ (0.06)	$ 3.13
Diluted Earnings Per Share	$ 3.80	$ 0.52	$ 0.09	$ 0.11	$ 4.53
Operating profit margin	2.84%				8.83%

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 third quarter of fiscal 2019

(1) Includes after-tax CH2M transaction costs and adjustments of $0.4 million, after-tax transaction costs associated with the sale of our ECR line of business of $2.4 million and after-tax transaction costs associated with the acquisition of KeyW of $9.6 million.

(2) Includes (a) the removal of pass through revenues and costs for the BIAF line of business for the calculation of operating profit margin as a percentage of net revenue of $533.9 million, (b) the removal of amortization of intangible assets of $18.4 million, (c) the allocation to discontinued operations of estimated stranded corporate costs of $2.0 million for the month of April prior to the sale that will be reimbursed under the ECR transition services agreement (TSA) with Worley Parsons or otherwise eliminated from the ongoing operations in connection with the sale of the ECR business, (d) the allocation to discontinued operations of estimated interest expense for the month of April prior to the sale related to long-term debt that has been paid down as a result of the ECR sale of $5.8 million, (e) the add-back of depreciation relating to the ECR business that was ceased as a result of the application of held-for-sale accounting of $2.6 million, (f) the reclassification of revenues under the Company's TSA of $14.1 million included in other income for U.S. GAAP reporting purposes to SG&A and the exclusion of $3.2 million in remaining unreimbursed costs associated with this agreement, (g) other income tax adjustments of $1.5 million and (h) associated income tax expense adjustments for all the above pre-tax adjustment items.

Non GAAP Financial Measures

Unaudited	U.S. GAAP	Effects of Restructuring and Other Charges	Effects of CH2M Transaction Costs	Other Adjustments (1)	Adjusted
	Three Months Ended June 29, 2018				
Revenues	$ 2,933,623	$ —	$ —	$ —	$ 2,933,623
Pass through revenue	—	—	—	(583,423)	(583,423)
Net revenue	2,933,623	—	—	(583,423)	2,350,200
Direct cost of contracts	(2,325,028)	2,576	—	583,423	(1,739,029)
Gross profit	608,595	2,576	—	—	611,171
Selling, general and administrative expenses	(446,083)	27,967	4,422	25,699	(387,995)
Operating Profit	162,512	30,543	4,422	25,699	223,176
Total other (expense) income, net	(15,879)	(466)	933	16,069	657
Earnings from Continuing Operations Before Taxes	146,633	30,077	5,355	41,768	223,833
Income Tax Benefit (Expense) for Continuing Operations	(31,174)	(7,433)	(1,483)	(3,478)	(43,568)
Net Earnings of the Group from Continuing Operations	115,459	22,644	3,872	38,290	180,265
Net Earnings Attributable to Noncontrolling Interests from Continuing Operations	(2,123)	(577)	—	—	(2,700)
Net Earnings from Continuing Operations attributable to Jacobs	113,336	22,067	3,872	38,290	177,565
Net Earnings Attributable to Discontinued Operations	36,886	12,683	—	(14,800)	34,769
Net earnings attributable to Jacobs	$ 150,222	$ 34,750	$ 3,872	$ 23,490	$ 212,334
Diluted Net Earnings from Continuing Operations Per Share	$ 0.79	$ 0.15	$ 0.03	$ 0.27	$ 1.24
Diluted Net Earnings from Discontinued Operations Per Share	$ 0.26	$ 0.09	$ —	$ (0.10)	$ 0.24
Diluted Earnings Per Share	$ 1.05	$ 0.24	$ 0.03	$ 0.16	$ 1.48
Operating profit margin	5.54%				9.50%

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 third quarter of fiscal 2018

(1) Includes (a) the removal of pass through revenues and costs for the BIAF line of business for the calculation of operating profit margin as a percentage of net revenue of $583.4 million, (b) the removal of amortization of intangible assets of $22.4 million, (c) the allocation to discontinued operations of estimated stranded corporate costs of $6.4 million that would have been reimbursed under the ECR transition services agreement (TSA) with Worley Parsons or otherwise eliminated from the ongoing operations in connection with the sale of the ECR business, (d) estimated 2018 impacts of $19.2 million from overhead allocation realignments in connection with the Company's CH2M business in the first quarter of fiscal 2019 had those changes been put into effect in first quarter of fiscal 2018 (the net impact of which was zero for consolidated selling, general and administrative expenses), (e) the allocation to discontinued operations of estimated interest expense for the full period related to long-term debt that has been paid down as a result of the ECR sale of $16.1 million, (f) the add-back of charges resulting from the revaluation of certain deferred tax assets/liabilities in connection with U.S. tax reform of $5.3 million and (g) associated income tax expense adjustments for all the above pre-tax adjustment items.

Reconciliation of Net Earnings from Continuing Operations Attributable to Jacobs to Adjusted EBITDA

	Three months ended June 28, 2019
Adjusted Operating Profit from Continuing Operations (1)	232,813
Depreciation expense	25,851
Adjusted EBITDA	$ 258,664

(1) See prior slides for reconciliation.

Non-GAAP Financial Measures (cont'd)

Adjusted net earnings from continuing operations, adjusted EPS from continuing operations, adjusted operating profit and adjusted operating profit margin are non-GAAP financial measures that are calculated by (i) excluding the 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) excluding costs and other charges associated with restructuring activities implemented in connection with the CH2M acquisition, the ECR divestiture, the KeyW acquisition and other related cost reduction initiatives, which included involuntary terminations, costs associated with co-locating Jacobs and KeyW and CH2M offices, separating physical locations of ECR and continuing operations, costs and expenses of the Integration Management Office and Separation Management Office, including professional services and personnel costs, costs and charges associated with the divestiture of joint venture interests to resolve potential conflicts arising from the CH2M acquisition, expenses relating to certain commitments and contingencies relating to discontinued operations of the CH2M business, and similar costs and expenses (collectively referred to as the "Restructuring and other charges"); (iii) excluding transaction costs and other charges incurred in connection with closing of the KeyW and CH2M acquisitions and sale of the ECR business, including advisor fees, change in control payments, costs and expenses relating to the registration and listing of Jacobs stock issued in connection with the CH2M acquisition, and similar transaction costs and expenses (collectively referred to as "transaction costs"); (iv) excluding charges resulting from the revaluation of certain deferred tax assets/liabilities in connection with U.S. tax reform; (v) adding back depreciation and amortization relating to the ECR business of the Company that was ceased as a result of the application of held-for-sale accounting; (vi) adding back amortization of intangible assets; (vii) allocating to discontinued operations estimated stranded corporate costs that will be reimbursed or otherwise eliminated in connection with the sale of the ECR business; (viii) allocating to discontinued operations estimated interest expense relating to long-term debt that was paid down with the proceeds of the ECR sale; (ix) the reclassification of revenue under the Company's transition services agreement (TSA) included in other income for U.S. GAAP reporting purposes to SG&A and the exclusion of remaining unreimbursed costs associated with the TSA; (x) the exclusion of a one-time favorable adjustment in the fiscal 2019 period associated with a reduction of deferred income taxes for permanently reinvested earnings from non-U.S. subsidiaries in connection with the sale of the ECR business; and (xi) other income tax adjustments. Adjustments to derive adjusted net earnings from continuing operations and adjusted EPS from continuing operations are calculated on an after-tax basis. Adjusted EBITDA is calculated by adding depreciation expense to adjusted operating profit from continuing operations. Net revenue is calculated by excluding pass-through revenues of the BIAF line of business. We believe that net revenue, adjusted net earnings from continuing operations, adjusted EPS from continuing operations, adjusted operating profit, adjusted operating profit margin and adjusted EBITDA 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 or adding back the effects of the items described above, the inclusion or exclusion of which can obscure underlying trends. Additionally, management uses net revenue, adjusted net earnings from continuing operations, adjusted EPS from continuing operations, adjusted operating profit, adjusted operating profit margin and adjusted EBITDA 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.