



Jacobs to Acquire Wood's Nuclear Business

Delivering Global Nuclear Life Cycle Solutions

August 20, 2019

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Forward-Looking Statement Disclaimer

Statements made in this release that are not based on historical fact, including but not limited to the fiscal 2019 outlook, Wood Nuclear's expected 2019 adjusted EBITDA and revenue, expected accretion of the transaction to Jacobs' adjusted EPS for the 12 months following closing and subsequent years, timing and expected completion of the transaction, the anticipated benefits of the transaction, including expected EPS and margin enhancements and cost and revenue synergies, among others, are forward-looking statements. We base these forward-looking statements on management's current estimates and expectations as well as currently available competitive, financial and economic data. Forward-looking statements, however, are inherently uncertain. There are a variety of factors that could cause business results to differ materially from our forward-looking statements. The potential risks and uncertainties include, among others, the possibility that Jacobs and John Wood Group may be unable to obtain regulatory approval or that other conditions to closing the transaction may not be satisfied, such that the transaction will not close or that the closing may be delayed; general economic conditions; the possibility of unexpected costs, liabilities or delays in connection with the transaction; risks that the transaction disrupts our current plans and operations; the ability to recognize the benefits of the transaction; the amount of the costs, fees, expenses and charges related to the transaction; the outcome of any legal proceedings related to the transaction; the occurrence of any event, change or other circumstances that could give rise to the termination of the share purchase agreement. For a description of some additional factors which may occur that could cause actual results to differ from our forward-looking statements please refer to our Form 10-K for the fiscal year ended September 28, 2018, and in particular the discussions contained under Items 1 - Business, 1A - Risk Factors, 3 - Legal Proceedings, and 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations, and our Quarterly Reports on Form 10-Q for the quarters ended December 28, 2018, March 29, 2019 and June 28, 2019, and in particular the discussions contained under Part I, Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations; Part II, Item 1 - Legal Proceedings; and Part II, Item 1A - Risk Factors, as well as the company's other filings with the Securities and Exchange Commission. We do not undertake to update any forward-looking statements made herein.

Non-GAAP Financial Measures

In this press release, Jacobs has included certain non-GAAP financial measures as defined in Regulation G promulgated under the Securities Exchange Act of 1934, as amended. The non-GAAP financial measures included in this press release are: (i) Wood Nuclear's expected 2019 adjusted EBITDA, (ii) the expected accretion of the transaction to Jacobs' adjusted earnings per share (EPS) for the 12 months following the closing and subsequent years; (iii) expected adjusted EBITDA margin contribution of Wood Nuclear; and (iv) estimated net debt to pro forma adjusted EBITDA of Jacobs after giving effect to the transaction. Reconciliation of these financial measures to the most directly comparable GAAP measure is not available without unreasonable efforts because Jacobs cannot predict with sufficient certainty all the components required to provide such reconciliation, including with respect to the costs and charges relating to transaction and integration expenses, restructuring and integration to be incurred in fiscal 2019, fiscal 2020 and subsequent periods. Jacobs provides non-GAAP financial measures to supplement U.S. GAAP measures, as they provide additional insight into Jacobs' and Wood Nuclear financial results. However, non-GAAP measures have limitations as analytical tools and should not be considered in isolation and are not in accordance, or a substitute for, U.S. GAAP. In addition, other companies may define non-GAAP measures differently, which limits the ability of investors to compare non-GAAP measures of Jacobs and Wood Nuclear to those used by peer companies.

Jacobs Nuclear + Wood Nuclear

- Jacobs' Tier-1 Nuclear Life Cycle position enhanced by technical expertise from Wood Nuclear
- Adds proprietary technology, high value consulting and strengthens decommissioning capabilities
- Provides platform to expand outside of U.S. and U.K.
- Acquisition is consistent with Jacobs strategy to selectively expand in differentiated higher-margin sectors

Global Tier-1 Provider of Nuclear Life Cycle Solutions



Strengthens Jacobs' position as a global solutions provider

JACOBS®

Jacobs Existing Nuclear Overview

By the Numbers

60 Year History in the Nuclear Sector

\$1.2 B+ Revenue

Tier 1 Global Nuclear Solutions Provider

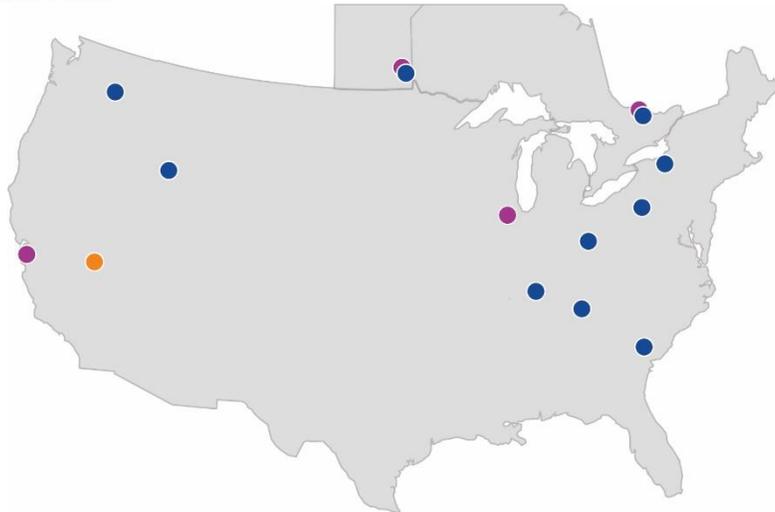
5,200+ Employees

Global Nuclear Life Cycle Sustainable and Resilient Solutions

- Strong program delivery to support on-going generation and life time extension
- Proven delivery of nuclear site decommissioning and national security work
- Lower risk profile, primarily long-term cost reimbursable contracts
- Protected by national and international regulatory regimes and treaties

NA Footprint (~\$800M Revenue)

- Research
- Remediation and Decommissioning
- Defense
- Nuclear Power



U.K. Footprint (~\$400M Revenue)



Key Clients



US Army Corps of Engineers.



Wood Nuclear Business

~\$285M¹

CY19E Revenue

>10%²

Adj. CY19E EBITDA %

~70%

Revenue from Higher Margin Consulting, Defense and Design

Geography³

U.K. (~90%)
Western Europe (~5%)
Rest of World (~5%)

> 60 Years

History

~2,000

Employees

Full Lifecycle Capabilities

Decommissioning and Remediation
Consulting & Defense
New Build and Generation Services
Research and Development
Design
Field Services

Key Differentiators and Expertise

-  Comprehensive **technical expertise** across the nuclear lifecycle
-  Extensive **proprietary** technology and intellectual property
-  **Largest** U.K. independent nuclear development laboratories

Top Customers



Lower Risk Profile

- Primarily reimbursable contracts
- Protected by national/international regulatory regimes and treaties
- Projects indemnified or covered by client-paid insurance

¹ Assumes USD/GBP exchange rate of 1.21
² Includes run rate synergies
³ Based on 2018 calendar year revenue
Wood's financials reported under IFRS



Wood Nuclear R&D Analytics and Technologies



U.K.'s largest independent nuclear laboratories



U.K.'s only accredited inspection validation center (non-destructive testing) for nuclear new build



Research and development driving technology innovation

Proprietary Technology

- **ANSWERS®** – Reactor performance & analysis, used in ~100 reactors across globe
- **SIAL®** – cost effective waste encapsulation technology
- **ConnectFlow®** – subsurface modelling software
- **Radiation Mapping®** – 3D radiation maps superimposed on the model of any plant

Jacobs + Wood Nuclear Enhances Full Life Cycle Capabilities

Combined Portfolio

Revenue

~\$1.5 B

Employees

~7,200

Geography by Revenue

- North America (~50%)
- U.K. (~45%)
- Rest of World (~5%)



Clean Up
(~70%)

Dismantling or decommissioning of nuclear sites including the clean-up of contaminated waste



Defense
(~20%)

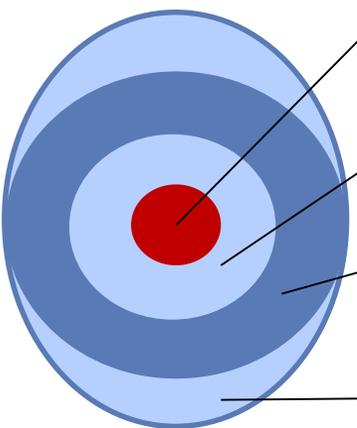
Defense management and operations on major national strategic programs, national laboratories, and other nuclear security work



Power & Fuel
(~10%)

Support to ongoing generation and lifetime extension as well as major supplier to nuclear new build program

Enhanced Full Life Cycle Capabilities



- Nuclear reactor and nuclear safety related equipment
✓ Wood strength
- Balance of Plant
✓ Wood strength ✓ Jacobs strength
- Non-nuclear and supporting infrastructure
✓ Jacobs strength
- Large scale project and program management
✓ Jacobs strength



Acquisition Well Aligned with Jacobs ATN Strategy

Delivering solutions for mission critical, government priorities

ATN Strategic Commitments (February 2019)	Acquisition of Wood Nuclear
Expand Government Services core business, becoming premier provider; grow in highly profitable, complementary niche markets	
Increase innovation and technical capabilities to capture digitization opportunities	
Drive margin expansion and high-quality profit growth in resilient markets	
Accelerate our Cyber Engineering practice with focus on the Information Technology / Operation Technology (IT/OT) convergence	
Selectively use M&A to accelerate growth	

Acquisition a strong strategic fit

Transaction Summary

Purchase Price	<ul style="list-style-type: none">● Enterprise value of £250m (~\$300M) on a debt-free and cash-free basis● Funded with cash on hand and existing credit facilities● Represents an EV multiple of ~7.9x CY 2019E adj. EBITDA, assuming run-rate cost synergies
Synergies	<ul style="list-style-type: none">● Expected annual run-rate cost savings of \$12 million from combined organization● Meaningful upside revenue synergies identified
Expected Financial Benefits	<ul style="list-style-type: none">● Accretive to ATN near-term organic revenue growth and OP margin, including cost synergies● 12-month adjusted EPS accretion of \$0.10 to \$0.12, including realized cost synergies● Double-digit ROIC and IRR
Transaction Timing	<ul style="list-style-type: none">● Expect to close by FY20 Q2, subject to satisfaction of customary closing conditions including regulatory approvals● A break fee of £7.5M payable to Wood in certain circumstances where the transaction is not cleared by the UK Competition and Markets Authority

Strategic Combination Creates Value For Our Clients, Employees, Shareholders and Communities

1

Acquisition provides highly technical Nuclear solutions

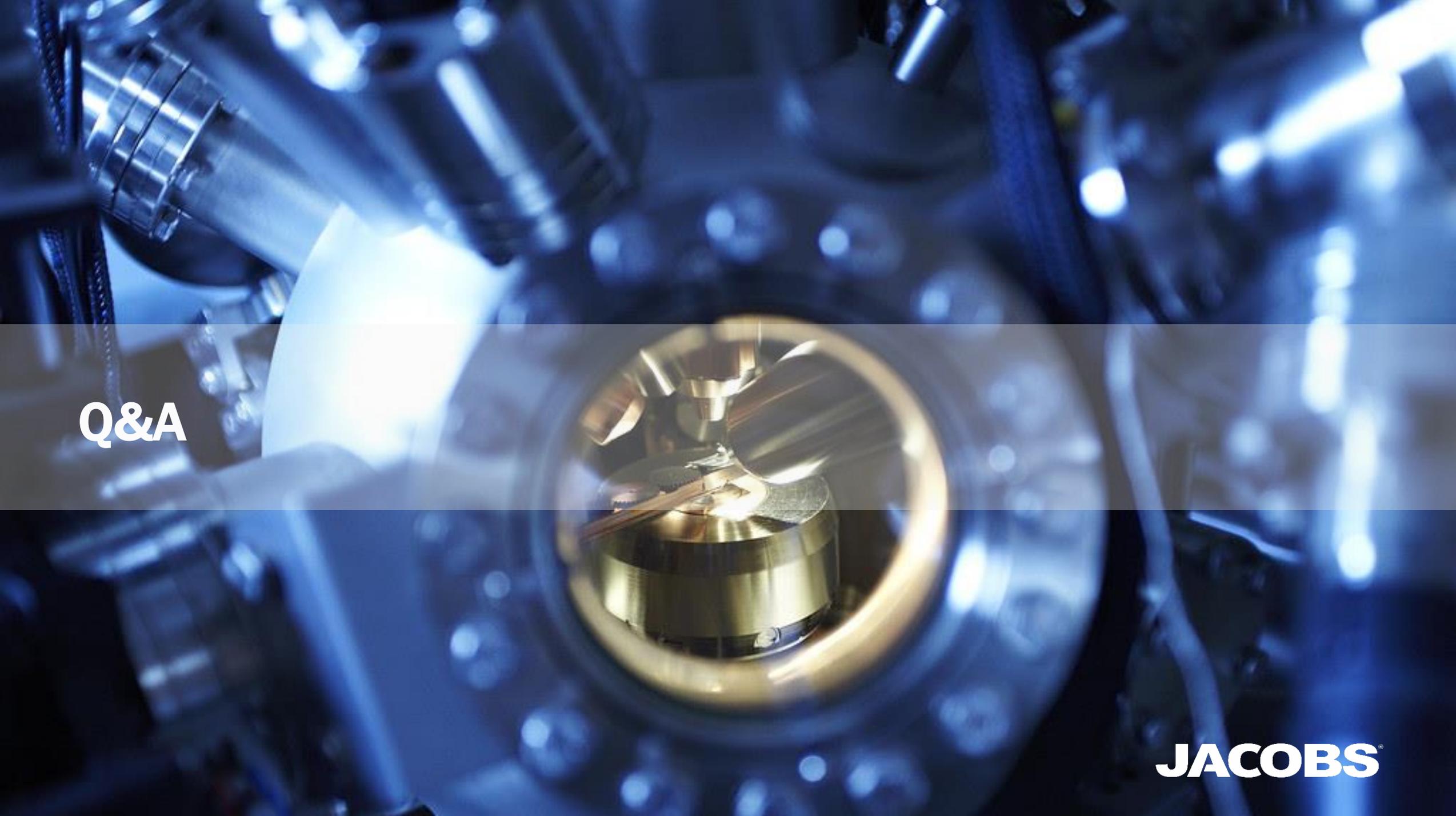
2

Enhances Jacobs' leadership as Tier-1 nuclear provider

3

Results in higher-margin business with attractive financial returns

Consistent with Jacobs' strategy to selectively use M&A to accelerate profitable growth



Q&A

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