



Challenging today.
Reinventing tomorrow.

Jacobs Strategy, Non-GAAP Reconciliation Tables

Boldly moving forward

March 2022



Non-GAAP Financial Measures

Net revenue is calculated excluding pass-through revenue of the Company's People & Places Solutions segment from the Company's revenue from continuing operations.

Adjusted net earnings from continuing operations, adjusted EPS from continuing operations, adjusted operating profit and adjusted operating profit margin are calculated by (i) excluding the costs related to our 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; (ii) excluding costs and other charges associated with restructuring activities implemented in connection with the acquisitions of KeyW, CH2M, John Wood Group nuclear business, BlackLynx, Buffalo Group and StreetLight Data, the strategic investment in PA Consulting, the sale of the ECR business and other related cost reduction initiatives, which included involuntary terminations, costs associated with co-locating offices of acquired companies, separating physical locations of ECR and continuing operations, professional services and personnel costs, expenses relating to certain commitments and contingencies relating to discontinued operations of the CH2M business, and charges associated with certain operations in India, which included write-offs on contract accounts receivable and other accruals, and similar costs and expenses; (iii) excluding the costs and other charges associated with our Focus 2023 transformation initiatives, which included costs and charges associated with the re-scaling and repurposing of physical office space, voluntary employee separations, contractual termination fees and related expenses (the amounts referred in (i), (ii) and (iii) are collectively referred to as the "Restructuring and other charges"); (iv) excluding transaction costs and other charges incurred in connection with closing of the KeyW, CH2M, John Wood Group nuclear business, Buffalo Group, BlackLynx and StreetLight Data acquisitions, the strategic investment in PA Consulting, and ECR sale (to the extent incurred prior to the closing), 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, certain consideration amounts for PA Consulting that were required to be treated as post-completion compensation expense given retention related requirements applicable to the distribution of such funds to PA Consulting employees, and impacts resulting from the non-cash purchase accounting adjustment related to the investment in PA Consulting to reflect a change in the preliminary purchase price allocation for the redeemable non-controlling interests, the impact of the quarterly adjustment to the estimated future payout of contingent consideration to the sellers in connection with acquisitions, and similar transaction costs and expenses (collectively referred to as "transaction costs"); (v) adding back amortization of intangible assets; (vi) allocating to discontinued operations estimated stranded corporate costs that will be reimbursed or otherwise eliminated in connection with the ECR sale; (vii) the reclassification of revenue under the Company's transition services agreement (TSA) with Worley included in other income for U.S. GAAP reporting purposes to SG&A and the exclusion of remaining unreimbursed costs associated with the TSA; (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 removal of fair value adjustments and dividend income related to the Company's investments in Worley and C3.ai stock and certain foreign currency revaluations relating to ECR sale proceeds; (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 ECR sale; (xi) excluding charges resulting from the revaluation of certain deferred tax assets/liabilities in connection with U.S. tax reform in fiscal years 2018 and 2019 and tax rate increases in the United Kingdom during fiscal 2021; (xii) 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; (xiii) charges associated with the impairment of our investment in AWE; (xiv) charges to interest expense associated with one-time deal related bank fees; (xv) certain non-routine income tax adjustments for the purposes of calculating the Company's annual non-GAAP effective tax rate to facilitate a more meaningful evaluation of the Company's current operating performance and comparisons to the Company's operating performance in other periods; and (xvi) other income tax adjustments associated with the pre-tax income adjustments above.

Adjustments to derive adjusted net earnings from continuing operations, adjusted EPS from continuing operations, adjusted operating profit and adjusted operating profit margin are calculated on an after-tax basis. Adjusted EBITDA, and the resulting calculation of adjusted EBITDA margin, is calculated by adding income tax expense, depreciation expense and adjusted interest expense, and deducting interest income from adjusted net earnings from continuing operations. Free cash flow is calculated using the reported statement of cash flows, provided from operations less additions to property and equipment.

Adjusted Return on Invested Capital, or Adjusted ROIC, is computed by dividing Adjusted Net Earnings by the average of invested capital from the first day of the relevant period to the last day of the relevant period. Invested capital is the sum of equity plus long-term debt less cash and cash equivalents.

We believe that the measures listed above 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 and below, the inclusion or exclusion of which can obscure underlying trends. Additionally, management uses such measures 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.

Reconciliation of net earnings from continuing operations attributable to Jacobs to adjusted EBITDA

Reconciliation of Adjusted EBITDA

	Twelve Months Ended	Twelve Months Ended	Twelve Months Ended	Twelve Months Ended	Twelve Months Ended	Twelve Months Ended
	October 1, 2021	October 2, 2020	September 27, 2019	September 28, 2018	September 29, 2017	September 30, 2016
Adj Net earnings from Continuing Operations	\$ 825,557	\$ 727,499	\$ 703,853	\$ 539,869	\$ 392,192	373,555
Adj. Income Tax Expense for Continuing Operations	(251,908)	(177,097)	(161,717)	(161,583)	(155,003)	(138,433)
Adj. Net earnings from Continuing Operations attributable to Jacobs before income taxes	1,077,465	904,596	865,570	701,452	547,195	511,988
Depreciation expense	101,024	91,070	88,061	117,856	76,418	82,363
Amortization expense					46,095	47,608
Interest income	(3,503)	(4,729)	(9,487)	(8,984)	(8,748)	(7,848)
Adj. Interest expense	68,714	61,508	38,399	24,011	12,035	15,260
Adjusted EBITDA	\$ 1,243,700	\$ 1,052,445	\$ 982,543	\$ 834,335	\$ 672,995	\$ 649,371

Non-GAAP financial measures

U.S. GAAP Reconciliation for fiscal years 2021 and 2020

Unaudited	For the Year Ended October 1, 2021			
	U.S. GAAP	Effects of Restructuring, Transaction and Other Charges (1)	Other Adjustments (2)	Adjusted
Revenues	\$ 14,092,632	\$ —	\$ —	\$ 14,092,632
Pass through revenue	—	—	(2,381,785)	(2,381,785)
Net revenue	14,092,632	—	(2,381,785)	11,710,847
Direct cost of contracts	(11,048,860)	9	2,381,785	(8,667,066)
Gross profit	3,043,772	9	—	3,043,781
Selling, general and administrative expenses	(2,355,683)	350,385	149,749	(1,855,549)
Operating Profit	688,089	350,394	149,749	1,188,232
Total other income (expense), net	7,513	42,549	(84,477)	(34,415)
Earnings from Continuing Operations Before Taxes	695,602	392,943	65,272	1,153,817
Income Tax Expense for Continuing Operations	(274,781)	6,729	16,144	(251,908)
Net Earnings of the Group from Continuing Operations	420,821	399,672	81,416	901,909
Net Earnings Attributable to Noncontrolling Interests from Continuing Operations	(39,213)	—	—	(39,213)
Net Loss (Earnings) Attributable to Redeemable Noncontrolling interests	85,414	(95,246)	(27,307)	(37,139)
Net Earnings attributable to Jacobs from Continuing Operations	467,022	304,426	54,109	825,557
Net Earnings attributable to Discontinued Operations	10,008	—	—	10,008
Net Earnings attributable to Jacobs	\$ 477,030	\$ 304,426	\$ 54,109	\$ 835,565
Preferred Redeemable Noncontrolling interests redemption value adjustment	(57,307)	57,307	—	—
Net earnings from continuing operations allocated to common stock for EPS calculation	\$ 409,715	\$ 361,733	\$ 54,109	\$ 825,557
Diluted Net Earnings from Continuing Operations Per Share	\$ 3.12	\$ 2.76	\$ 0.41	\$ 6.29
Diluted Net Earnings from Discontinued Operations Per Share	\$ 0.08	\$ —	\$ —	\$ 0.08
Diluted Earnings Per Share	\$ 3.20	\$ 2.76	\$ 0.41	\$ 6.37
Operating Profit Margin	4.88%			10.15%

The following tables reconcile the U.S. GAAP values of net revenue, 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 slide 2. Amounts are shown in thousands, except for per-share data.

- (1) Includes charges associated with various restructuring, transaction and other related activity costs associated with Company transformation and acquisition related programs, impairment charges relating to our investment in AWE, along with pre-tax \$297.8 million in PA Consulting deal related costs and associated noncontrolling interest impacts for the above adjustment items. Also includes \$57.3 million or \$(0.44) per share in EPS numerator adjustments relating to the PA preference shares redemption value, which does not affect net earnings.
- (2) Includes (a) the removal of pass through revenues and costs for the People & Places Solutions line of business for the calculation of operating profit margin as a percentage of net revenue of \$2.4 billion, (b) the removal of amortization of intangible assets of \$149.8 million, (c) the removal of \$34.7 million in fair value gains and (losses) related to our investment in Worley stock and certain foreign currency revaluations relating to ECR sale, (d) the removal of the fair value gains and (losses) of the Company's investment in C3 of \$49.6 million, (e) the removal of \$29.1 million additional income tax expense attributable to tax rate increases in the UK during 2021, (f) associated noncontrolling interest impacts for the above adjustment items and (g) income tax expense adjustments for the above pre-tax adjustment items.

Non-GAAP financial measures

Unaudited	For the Year Ended October 2, 2020			
	U.S. GAAP	Effects of Restructuring, Transaction and Other Charges (1)	Other Adjustments (2)	Adjusted
Revenues	\$13,566,975	\$ —	\$ —	\$ 13,566,975
Pass through revenue	—	—	(2,609,843)	(2,609,843)
Net revenue	13,566,975	—	(2,609,843)	10,957,132
Direct cost of contracts	(10,980,307)	2,290	2,609,843	(8,368,174)
Gross profit	2,586,668	2,290	—	2,588,958
Selling, general and administrative expenses	(2,050,695)	325,123	106,529	(1,619,043)
Operating Profit	535,973	327,413	106,529	969,915
Total other expense, net	(94,770)	2,799	58,674	(33,297)
Earnings from Continuing Operations Before Taxes	441,203	330,212	165,203	936,618
Income Tax Expense for Continuing Operations	(55,320)	(81,995)	(39,782)	(177,097)
Net Earnings of the Group from Continuing Operations	385,883	248,217	125,421	759,521
Net Earnings Attributable to Noncontrolling Interests from Continuing Operations	(32,022)	—	—	(32,022)
Net Earnings attributable to Jacobs from Continuing Operations	353,861	248,217	125,421	727,499
Net Earnings attributable to Discontinued Operations	137,984	—	—	137,984
Net Earnings attributable to Jacobs	\$ 491,845	\$ 248,217	\$ 125,421	\$ 865,483
Diluted Net Earnings from Continuing Operations Per Share	\$ 2.67	\$ 1.87	\$ 0.94	\$ 5.48
Diluted Net Earnings from Discontinued Operations Per Share	\$ 1.04	\$ —	\$ —	\$ 1.04
Diluted Earnings Per Share	\$ 3.71	\$ 1.87	\$ 0.94	\$ 6.52
Operating Profit Margin	3.95%			8.85%

- (1) Includes after-tax charges for the Company's fourth quarter fiscal 2020 transformation initiatives relating to real estate of \$123.1 million, and other staffing programs of \$23.5 million, and \$101.6 million of other restructuring, transaction and other charges.
- (2) Includes (a) the removal of pass through revenues and costs for the People & Places Solutions line of business for the calculation of operating profit margin as a percentage of net revenue of \$2.6 billion, (b) the removal of amortization of intangible assets of \$90.6 million, (c) the reclassification of revenues under the TSA of \$16.1 million included in other income for U.S. GAAP reporting purposes to SG&A, (d) the removal of \$74.5 million in fair value gains related to our investment in Worley stock (net of Worley stock dividend) and certain foreign currency revaluations relating to the ECR sale and (e) associated income tax expense adjustments for the above pre-tax adjustment items.

Non-GAAP financial measures

For the Year Ended
September 27, 2019

Unaudited	U.S. GAAP	Effects of Restructuring, Transaction and Other Charges (1)	Other Adjustments (2)	Adjusted
Revenues	\$ 12,737,868	\$ —	\$ —	\$ 12,737,868
Pass through revenue	—	—	(2,543,358)	(2,543,358)
Net revenue	12,737,868	—	(2,543,358)	10,194,510
Direct cost of contracts	(10,260,840)	4,969	2,543,358	(7,712,513)
Gross profit	2,477,028	4,969	—	2,481,997
Selling, general and administrative expenses	(2,072,177)	350,266	133,164	(1,588,747)
Operating Profit	404,851	355,235	133,164	893,250
Total other expense, net	(53,892)	(22,382)	71,639	(4,635)
Earnings from Continuing Operations Before Taxes	350,959	332,853	204,803	888,615
Income Tax Expense for Continuing Operations	(36,954)	(73,041)	(51,722)	(161,717)
Net Earnings of the Group from Continuing Operations	314,005	259,812	153,081	726,898
Net Earnings Attributable to Noncontrolling Interests from Continuing Operations	(23,045)	—	—	(23,045)
Net Earnings from Continuing Operations attributable to Jacobs	290,960	259,812	153,081	703,853
Net Earnings attributable to Discontinued Operations	557,019	8,361	(55,622)	509,758
Net Earnings attributable to Jacobs	\$ 847,979	\$ 268,173	\$ 97,459	\$ 1,213,611
Diluted Net Earnings from Continuing Operations Per Share	\$ 2.09	\$ 1.87	\$ 1.10	\$ 5.05
Diluted Net Earnings from Discontinued Operations Per Share	\$ 4.00	\$ 0.06	\$ (0.40)	\$ 3.66
Diluted Earnings Per Share	\$ 6.08	\$ 1.92	\$ 0.70	\$ 8.71
Operating Profit Margin	3.18 %			8.76 %

The following tables reconcile the U.S. GAAP values of net revenue, 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 slide 2. Amounts are shown in thousands, except for per-share data:

U.S. GAAP Reconciliation for the fiscal year 2019 Includes after-tax CH2M transaction costs and adjustments of \$2.4 million, after tax-transaction costs associated with the sale of our ECR line of business of \$8.9 million, after-tax transaction costs associated with the acquisition of KeyW of \$9.8 million and after-tax transaction costs associated with the acquisition of John Wood Group's Nuclear Business of \$3.9 million.

Includes (a) the removal of pass through revenues and costs for the People & Places Solutions line of business for the calculation of operating profit margin as a percentage of net revenue of \$2.54 billion, (b) the removal of amortization of intangible assets of \$79.1 million, (c) the allocation to discontinued operations of estimated stranded corporate costs of \$14.8 million prior to the sale that was reimbursed under the ECR transition service agreement (TSA) with Worley or otherwise eliminated from the ongoing operations in connection with the sale of the ECR business, (d) the reclassification of revenues under the Company's TSA of \$35.4 million included in other income for U.S. GAAP reporting purposes to SG&A and the exclusion of \$3.9 million in remaining unreimbursed costs associated with this agreement, (e) 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 \$42.3 million, (f) the removal of \$64.8 million in fair value adjustments related to our investment in Worley stock (net of Worley stock dividend) and certain foreign currency revaluations relating to the ECR sale and (g) the exclusion of approximately \$37.0 million in one-time favorable income tax adjustment from the second quarter associated with reduction of deferred income taxes for permanently reinvested earnings from non-U.S. subsidiaries in connection with the sale of the ECR business, (h) the add-back of charges resulting from the revaluation of certain deferred tax assets/liabilities in connection with U.S. tax reform from the first quarter of \$35.0 million and other adjustments of \$1.5 million, (i) 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 \$17.3 million and (j) associated income tax expense adjustments for the above pre-tax adjustment items.

Non-GAAP financial measures

	For the Year Ended				
	September 28, 2018				
Unaudited	U.S. GAAP	Effects of Restructuring and Other	Effects of Transaction Costs (1)	Other Adjustments (2)	Adjusted
Revenues	\$ 10,579,77	\$ —	\$ —	\$ —	\$ 10,579,77
Pass through revenue	—	—	—	(2,254,477)	(2,254,477)
Net revenue	10,579,773	—	—	(2,254,477)	8,325,296
Direct cost of contracts	(8,421,223)	3,845	—	2,254,477	(6,162,901)
Gross profit	2,158,550	3,845	—	—	2,162,395
Selling, general and administrative expenses	(1,771,107)	150,106	80,436	93,740	(1,446,825)
Operating Profit	387,443	153,951	80,436	93,740	715,570
Total other (expense) income, net	(56,462)	(311)	1,774	50,992	(4,007)
Earnings from Continuing Operations Before Taxes	330,981	153,640	82,210	144,732	711,563
Income Tax (Expense) Benefit for Continuing Operations	(325,632)	(40,254)	(21,488)	225,791	(161,583)
Net Earnings of the Group from Continuing Operations	5,349	113,386	60,722	370,523	549,980
Net Earnings Attributable to Noncontrolling Interests from Continuing Operations	(9,534)	(577)	—	—	(10,111)
Net Earnings from Continuing Operations attributable to Jacobs	(4,185)	112,809	60,722	370,523	539,869
Net Earnings attributable to Discontinued Operations	167,616	27,259	—	(48,219)	146,656
Net Earnings attributable to Jacobs	\$ 163,431	\$ 140,068	\$ 60,722	\$ 322,304	\$ 686,525
Diluted Net Earnings from Continuing Operations Per Share (3)	\$ (0.03)	\$ 0.81	\$ 0.44	\$ 2.66	\$ 3.87
Diluted Net Earnings from Discontinued Operations Per Share (3)	\$ 1.21	\$ 0.20	\$ —	\$ (0.35)	\$ 1.05
Diluted Earnings Per Share (3)	\$ 1.18	\$ 1.01	\$ 0.44	\$ 2.31	\$ 4.93
Operating Profit Margin	3.66%				8.60%

The following tables reconcile the U.S. GAAP values of net revenue, 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 slide 2. Amounts are shown in thousands, except for per-share data:

U.S. GAAP Reconciliation for the fiscal year 2018

(1) Includes pre-tax CH2M transaction costs and adjustments of \$77.7 million as well as transaction costs associated with the recently announced sale of our ECR line of business of \$4.5 million.

(2) Includes (a) the removal of pass through revenues and costs for the PPS line of business for the calculation of operating profit margin as a percentage of net revenue of \$2.25 billion, (b) the removal of amortization of intangible assets of \$68.1 million, (c) the allocation to discontinued operations of estimated stranded corporate costs of \$25.6 million that would have been reimbursed under the ECR transition service agreement (TSA) with Worley or otherwise eliminated from the ongoing operations in connection with the sale of the ECR business, (d) estimated 2018 impacts of \$70.0 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 \$51.0 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 \$259.2 million and (g) associated income tax expense adjustments for the above pre-tax adjustment items.

(3) Diluted Earnings Per Share from Continuing Operations, Diluted Earnings Per Share from Discontinued Operations and Diluted Earnings Per Share for GAAP EPS assume no dilution from stock compensation plans because Net Earnings from Continuing Operations attributable to Jacobs is a loss. However, because Non-GAAP add-backs and Non-GAAP Net Earnings from Continuing Operations attributable to Jacobs are income rather than losses, the dilution from stock compensation plans is considered in the weighted average diluted shares outstanding in the calculation of Non-GAAP Diluted Earnings Per Share.

Non-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 slide 2. Amounts are shown in thousands, except for per-share data:

U.S. GAAP Reconciliation for fiscal 2017

For the Year Ended				
September 29, 2017				
	U.S. GAAP	Effects of Restructuring and Other Charges	Effects of CH2M professional fees and integration costs	Adjusted
Revenue	\$ 10,022,788	\$ 17,526	\$ —	\$ 10,040,314
Direct cost of contracts	(8,250,536)	4,913	—	(8,245,623)
Gross profit	1,772,252	22,439	—	1,794,691
Selling, general and administrative expenses	(1,379,983)	111,767	17,100	(1,251,116)
Operating Profit	392,269	134,206	17,100	543,575
Total other (expense) income, net	948	1,233	—	2,181
Earnings before taxes	393,217	135,439	17,100	545,756
Income Tax (Expense) Benefit	(105,842)	(42,663)	(6,498)	(155,003)
Net earnings of the Group	287,375	92,776	10,602	390,753
Net earnings attributable to non-controlling interests	6,352	(4,913)	—	1,439
Net earnings attributable to Jacobs	\$ 293,727	\$ 87,863	\$ 10,602	\$ 392,192
Diluted earnings per share (2)	\$ 2.42	\$ 0.73	\$ 0.09	\$ 3.24
Operating profit margin	3.9%	1.3%	0.2%	5.4%

Non-US GAAP Financial Measures

The following tables reconcile the U.S. GAAP values of net earnings, EPS, operating profit, operating profit margin and gross margin to the corresponding "adjusted" amounts. For the comparable periods presented below, such adjustments consist of amounts incurred in connection with the Restructuring charges, CH2M professional fees, integration costs, and related costs as detailed in slide 2. Amounts are shown in thousands, except for per-share data:

U.S. GAAP Reconciliation for the fiscal year fiscal 2016:

	Year Ended September 30, 2016		
	U.S. GAAP	Effects of 2015 Restructuring and other items	Adjusted
Revenue	\$ 10,964,157	\$ —	\$ 10,964,157
Direct cost of contracts	(9,196,326)	—	(9,196,326)
Gross Profit	1,767,831	—	1,767,831
Selling, general and administrative expenses	(1,429,233)	187,630	(1,241,603)
Operating Profit	338,598	187,630	526,228
Total other income (expense), net	(51,875)	41,687	(10,188)
Earnings Before Taxes	286,723	229,317	516,040
Income Tax (Expense) Benefit	(72,208)	(66,225)	(138,433)
Net earnings of the Group	214,515	163,092	377,607
Net Earnings Attributable to Non-controlling interests	(4,052)	—	(4,052)
Net earnings Attributable to Jacobs	\$ 210,463	\$ 163,092	\$ 373,555
Diluted earnings per share	\$ 1.73	\$ 1.35	\$ 3.08
Gross profit Margin	16.1%		16.1%
Operating profit Margin	3.1%		4.8%

Non-GAAP financial measures

U.S. GAAP Reconciliation for the first quarter of fiscal 2022 and 2021

Unaudited	Three Months Ended December 31, 2021			
	U.S. GAAP	Effects of Restructuring, Transaction and Other Charges (1)	Other Adjustments (2)	Adjusted
Revenues	\$ 3,380,625	\$ —	\$ —	\$ 3,380,625
Pass through revenue	—	—	(472,380)	(472,380)
Net revenue	3,380,625	—	(472,380)	2,908,245
Direct cost of contracts	(2,584,151)	3	472,380	(2,111,768)
Gross profit	796,474	3	—	796,477
Selling, general and administrative expenses	(619,141)	83,563	46,907	(488,671)
Operating Profit	177,333	83,566	46,907	307,806
Total other (expense) income, net	(8,243)	(8,544)	5	(16,782)
Earnings from Continuing Operations Before Taxes	169,090	75,022	46,912	291,024
Income Tax Expense from Continuing Operations	(15,889)	(15,676)	(31,587)	(63,152)
Net Earnings of the Group from Continuing Operations	153,201	59,346	15,325	227,872
Net Earnings Attributable to Noncontrolling Interests from Continuing Operations	(9,252)	—	—	(9,252)
Net Loss Attributable to Redeemable Noncontrolling interests	(9,683)	8	(5,890)	(15,565)
Net Earnings Attributable to Jacobs from Continuing Operations	134,266	59,354	9,435	203,055
Net Earnings Attributable to Discontinued Operations	(232)	—	—	(232)
Net Earnings attributable to Jacobs	\$ 134,034	\$ 59,354	\$ 9,435	\$ 202,823
Net earnings from continuing operations allocated to common stock for EPS calculation	\$ 134,266	\$ 59,354	\$ 9,435	\$ 203,055
Diluted Net Earnings from Continuing Operations Per Share	\$ 1.03	\$ 0.46	\$ 0.07	\$ 1.56
Diluted Net Earnings from Discontinued Operations Per Share	\$ —	\$ —	\$ —	\$ —
Diluted Earnings Per Share	\$ 1.03	\$ 0.46	\$ 0.07	\$ 1.56
Operating profit margin	5.2 %			10.6 %

- (1) Includes charges associated with various restructuring, transaction and other related activity costs associated with Company transformation and acquisition related programs, including pre-tax charges for the Company's real estate impairment of \$72.3 million.
- (2) Includes (a) the removal of pass through revenues and costs for the People & Places Solutions line of business for the calculation of operating profit margin as a percentage of net revenue of \$472.4 million, (b) the removal of amortization of intangible assets of \$46.9 million, (c) the exclusion of impacts on the Company's effective tax rates associated with revised estimates on US taxation of certain foreign earning and, certain tax return filing adjustments, (d) associated noncontrolling interest impacts for the above adjustment items and (e) income tax expense adjustments for the above pre-tax adjustment items.

Non-GAAP financial measures

Unaudited	Three Months Ended January 1, 2021			
	U.S. GAAP	Effects of Restructuring, Transaction and Other Charges (1)	Other Adjustments (2)	Adjusted
Revenues	\$ 3,381,836	\$ —	\$ —	\$ 3,381,836
Pass through revenue	—	—	(648,677)	(648,677)
Net revenue	3,381,836	—	(648,677)	2,733,159
Direct cost of contracts	(2,749,776)	92	648,677	(2,101,007)
Gross profit	632,060	92	—	632,152
Selling, general and administrative expenses	(418,120)	21,999	23,129	(372,992)
Operating Profit	213,940	22,091	23,129	259,160
Total other income (expense), net	140,171	31,902	(176,017)	(3,944)
Earnings from Continuing Operations Before Taxes	354,111	53,993	(152,888)	255,216
Income Tax Expense from Continuing Operations	(87,023)	(11,095)	37,377	(60,741)
Net Earnings of the Group from Continuing Operations	267,088	42,898	(115,511)	194,475
Net Earnings Attributable to Noncontrolling Interests from Continuing Operations	(10,026)	—	—	(10,026)
Net Earnings from Continuing Operations attributable to Jacobs	257,062	42,898	(115,511)	184,449
Net Earnings Attributable to Discontinued Operations	(14)	—	—	(14)
Net Earnings attributable to Jacobs	\$ 257,048	\$ 42,898	\$ (115,511)	\$ 184,435
Diluted Net Earnings from Continuing Operations Per Share	\$ 1.96	\$ 0.33	\$ (0.88)	\$ 1.41
Diluted Net Earnings from Discontinued Operations Per Share	\$ —	\$ —	\$ —	\$ —
Diluted Earnings Per Share	\$ 1.96	\$ 0.33	\$ (0.88)	\$ 1.41
Operating profit margin	6.3 %			9.5 %

- (1) Includes charges associated with various restructuring, transaction and other related activity costs associated with Company transformation and acquisition related programs. Also includes \$27.9 million in charges associated with the impairment of our investment in AWE.
- (1) Includes (a) the removal of pass through revenues and costs for the People & Places Solutions line of business for the calculation of operating profit margin as a percentage of net revenue of \$648.7 million, (b) the removal of amortization of intangible assets of \$23.2 million, (c) the removal of \$93.1 million in fair value adjustments related to our investment in Worley stock and certain foreign currency revaluations relating to the ECR sale, (d) the removal of the fair value adjustment of the Company's investment in C3 of \$82.6 million and (e) income tax expense adjustments for the above pre-tax adjustment items.

Reconciliation of Jacobs free cash flow

	Twelve Months Ended October 1, 2021	Twelve Months Ended October 2, 2020	Twelve Months Ended September 27, 2019	Twelve Months Ended September 28, 2018	Twelve Months Ended September 29, 2017	Twelve Months Ended September 30, 2016
Net cash provided by operating activities	\$ 726,276	\$ 806,849	\$ (366,436)	\$ 481,152	\$ 574,881	
Additions to property and equipment	(92,814)	(118,269)	(135,977)	(94,884)	(118,060)	
Free cash flow	\$ 633,462	\$ 688,580	\$ (502,413)	\$ 386,268	\$ 456,821	

Reconciliation of Jacobs pro forma net revenue

This presentation includes comparisons of current period net revenue to prior periods on a pro forma basis. Prior fiscal periods are calculated as if all acquisitions had occurred prior to the comparable periods and excludes the impact from an extra week in the fiscal Q4 2020 period compared to fiscal Q4 2021.

Reconciliation of Pro Forma Net Revenue (in millions):

	Three Months Ended		Twelve Months Ended	
	October 1, 2021	October 2, 2020	October 1, 2021	October 2, 2020
Revenues	\$ 3,586	\$ 3,520	\$ 14,093	\$ 13,567
Pass Through Revenue	(544)	(688)	(2,382)	(2,610)
Net Revenue	3,042	2,832	11,711	10,957
Pre-closing revenue from acquisitions	—	229	425	1,027
Extra week in fiscal Q4 2020	—	(192)	—	(192)
Pro Forma Net Revenue	<u>\$ 3,042</u>	<u>\$ 2,869</u>	<u>\$ 12,136</u>	<u>\$ 11,792</u>