

Fiscal Year 2017 – 1st Quarter

Earnings Conference Call

February 8, 2016



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Forward-Looking Statement Disclaimer

Statements included 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 30, 2016, and in particular the discussions contained in Item 1 - Business, Item 1A - Risk Factors, Item 3 - Legal Proceedings, and Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations, as well as the Company's other filings with the Securities and Exchange Commission. We also caution the readers of this presentation that we do not undertake to update any forward-looking statements made herein.

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. The non-GAAP financial measures used herein include: adjusted EPS, adjusted selling, general & administrative expenses, and adjusted operating profit. These measures are not, and should not be viewed as, substitutes for GAAP financial 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.

Agenda

- Business Review
- Financials Review
- Summary & FY17 Outlook



Jacobs Board of Directors



Steven J. Demetriou
Chairman
& Chief Executive Officer



Linda Fayne Levinson
Lead Director
Former Partner
of GRP Partners



Joseph R. Bronson
Director
Principal & Chief Executive
Officer, TheBronsonGroup, LLC



Robert C. Davidson, Jr.
Director
Former Chairman
& Chief Executive Officer of
Surface Protection Industries, Inc



Ralph E. "Ed" Eberhart
Director
Chairman & President
of the Armed Forces Benefit
Association; Former General
Officer of the U.S. Air Force



Dawne S. Hickton
Director
Former Vice Chair, President
and Chief Executive Officer of
RTI International Metals, Inc.



Peter J. Robertson
Director
Former Vice Chairman
of Chevron Corp.



Juan José Suárez Coppel
Director
Former General Director
of Petróleos Mexicanos



Christopher M.T. Thompson
Director
Former Chairman
& Chief Executive Officer of
Gold Fields Ltd.

New Appointee



Robert McNamara

Recent Retirees



Noel G. Watson
Former Chairman of Jacobs

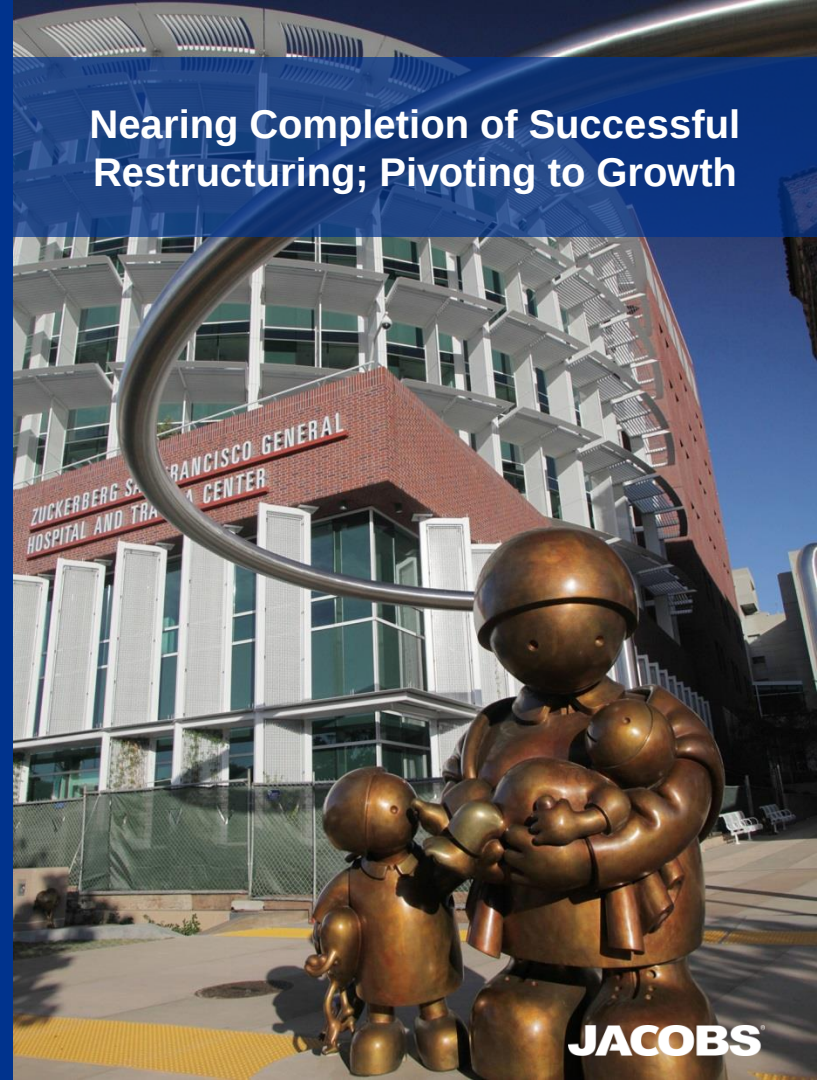


John F. Coyne
Former President
& Chief Executive Officer of
Western Digital Corporation

FY17Q1 Highlights

- Backlog of \$18.1B; Professional Services up \$217M
- Strong First Quarter Sales Bookings
- Gross Margin of 16.4% vs. 15.5% Year Ago
- SG&A Cost Down 13% vs Last Year
- Stabilizing EPS vs. Year Ago
- Continued Strong Free Cash Flow¹
- Returning Additional Capital to Shareholders via New Dividend
- Outlined 3-Year Growth Strategy at 2016 Investor Day

Nearing Completion of Successful Restructuring; Pivoting to Growth

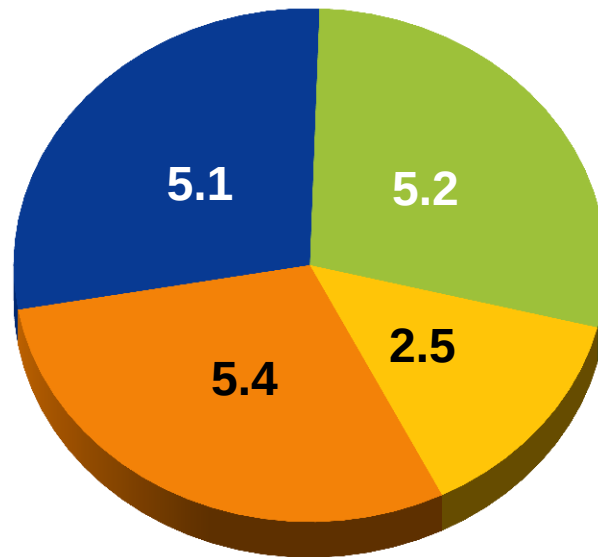
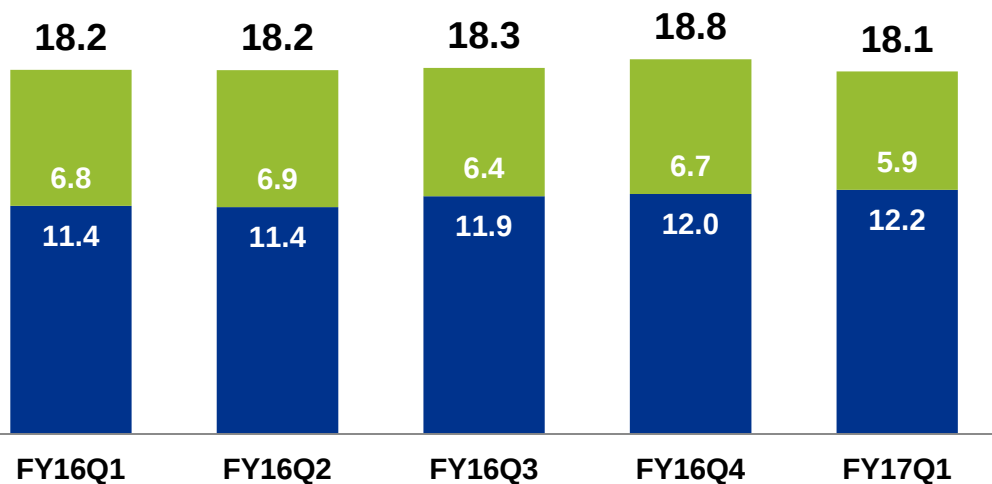


Backlog

Higher-Value Professional Services Growth Trend Continues

Field Services Backlog (\$ Billion)

Professional Services Backlog (\$ Billion)



■ Aerospace & Technology ■ Buildings & Infrastructure

■ Industrial ■ Petroleum & Chemicals

Aerospace & Technology

- **Steady Growth Markets**

- Focus shifting to significant new-business pipeline
- Portfolio shift to higher margin mix continues
- ION software investment bolsters Jacobs Connected Enterprise
- Position on UK nuclear new build expanding

- **Recent Major Awards**

- USAF 53rd wing technical support services contract
- Engineering support services contract extension, NASA Marshall SPC
- US Marines Special Operations Command logistics support contract
- Ford Motor Company technical support services contract

Strong Operating Profit, With Record Pipeline of New Opportunities Emerging



Backlog (\$B)



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Buildings & Infrastructure

- **Buildings – Momentum Building**

- Continued success with federal clients in the US and Australia
- Opportunities in global framework agreements for corporate buildings
- Mission Critical remains high priority growth area globally

- **Infrastructure – Momentum Building**

- Positioning for further investments in highway, rail & aviation globally
- Regional packages driving US infrastructure growth
- Diverse water & environmental services opportunities across the globe

- **Recent Major Awards & Acquisitions**

- Cranbourne-Pakenham Rail Corridor Upgrade Project, Victoria Govt
- Heathrow Airport Expansion A/E Services, UK
- Transit Microgrid Project, New Jersey Transit
- Aquenta acquisition strengthens integrated project services in Asia Pacific

Growing Pipeline of Opportunities Driving Backlog Growth

Backlog (\$B)

4.7

5.0

5.2

FY16Q1

FY16Q4

FY17Q1

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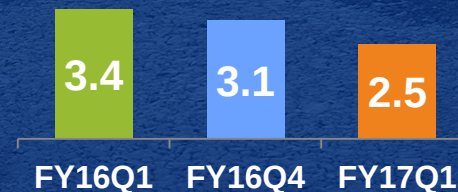
Industrial

- **Life Sciences – Strong**
 - Market remains strong, specifically European biotech
 - Backlog impacted by project cancellation
- **Consumer Goods and Manufacturing – Steady**
 - Favorable outlook in organic, health, and wellness
 - Upward trend in U.S. pulp and paper investments
- **Mining, Minerals, and Specialty Chemicals – Weak**
 - Signs of a slow recovery emerging as commodity prices improve
 - Increase in preliminary studies and value improvement programs
- **Field Services – Steady**
 - Increased opportunities in the U.K. industrial and nuclear sectors
 - Growth in maintenance prospects - multiple geographies and industries
- **Recent Major Awards**
 - Gene and Cell Therapy Facility, Life Sciences confidential client
 - New Acid Plant, Mining & Minerals confidential client
 - Sustaining Services Alliance, Manufacturing confidential client

Increasing Opportunities Across Industrial Markets



Backlog (\$B)



Petroleum & Chemicals

- **Oil & Gas – Early Indications of Potential Recovery**
 - OPEC deal impacting crude pricing
 - Optimism for midstream post US election
 - Investment continues on maintenance and sustaining capital programs
- **Refining – Steady**
 - Independent refiners moving capital to midstream segment
 - Capex/Opex spending continues at current pace
 - Opportunities for late 2017 spending; mid cap and sustaining capital
- **Petrochemicals – Strong**
 - Investment focused on integrated complexes
 - Derivatives projects gaining momentum
 - Middle East oil to chemicals investments
- **Recent Major Awards**
 - GES+ Renewal, Saudi Aramco (5+2 years)
 - Confidential Ethylene Derivatives Project, US Gulf Coast
 - Shell Vito Platform, Gulf of Mexico
 - Enterprise Framework Agreement, International IOC (5 years)
 - Sustaining Capital Master Services Agreement, International E&P Canada

Continued Positive Trend in Chemical Awards



FY17Q1 Financial Metrics

- Revenue of \$2.6B; GAAP EPS of \$0.50 (Adj. \$0.68¹)
- Backlog at \$18.1B; Book-to-Bill for TTM of 0.99
- Gross Margin up 90 bps vs. FY16Q1, flat vs. FY16Q4
- SG&A Down \$50M (Adj. Down \$14M¹) vs. FY16Q1
- Operating Profit Up \$29M (Adj. Down \$7M¹) vs. FY16Q1
- Cash Flow
 - Working Capital² down 41% vs. FY16Q1
 - Receivables down 14% vs. FY16Q1
 - DSO³ reduced by 3 days vs. FY16Q1
 - Q1 free cash flow⁴ of \$84M, up \$70M vs. FY16Q1

(1) Financials reflect adjusted figures, refer GAAP reconciliation tables at end of presentation

(2) Working capital equals total current assets minus total current liabilities (ex-cash)

(3) DSO equals ending accounts receivable divided by trailing 12 months of revenues multiplied by 365 days

(4) FCF equals operating cash flow minus capital expenditures

* All numbers, in each case, as calculated in accordance with GAAP

Key Financial Metrics Continue to Benefit From Greater Discipline



DSO (days)

75

72

FY16Q1

FY17Q1

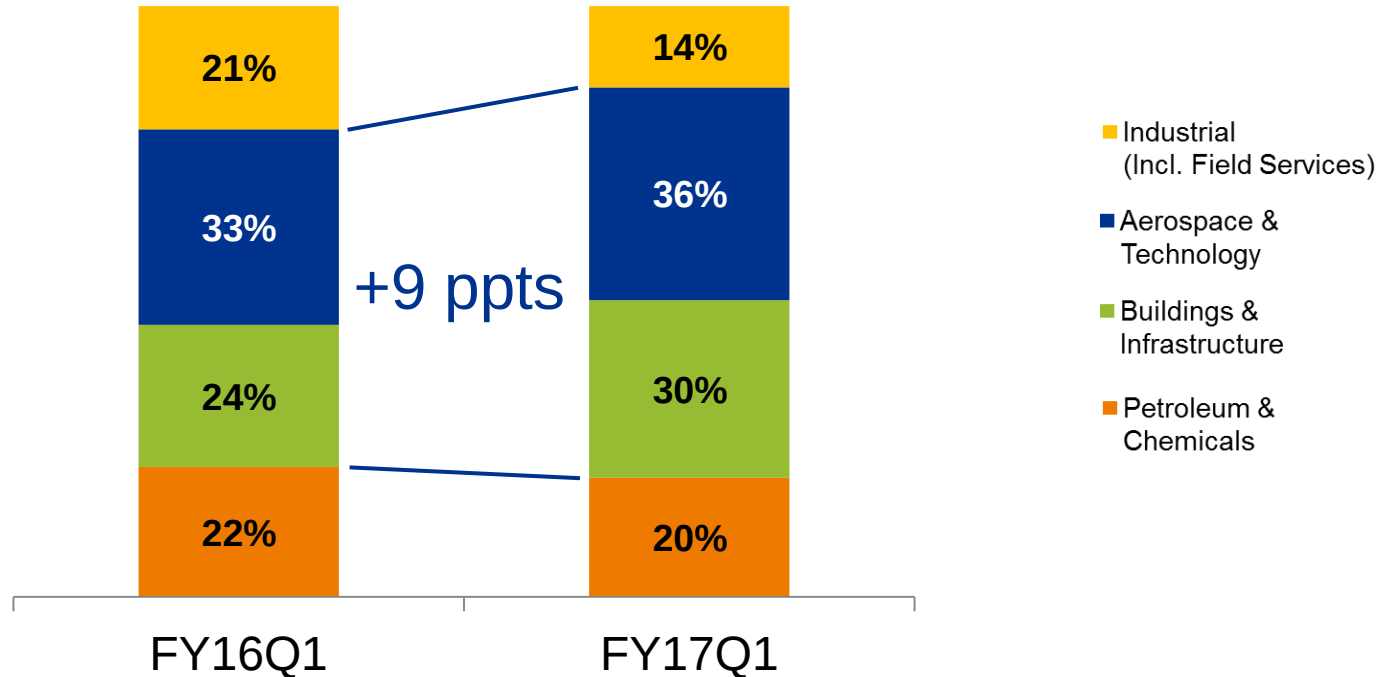
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FY17Q1 Lines of Business Segment Financials

Line of Business	Operating Profit vs. FY16Q1		OP Margin vs. FY16Q1
	FY17Q1		FY17Q1
Aerospace & Tech.	\$51.1M	+6.4%	8.8% (+170 bps)
Buildings & Infra.	\$38.8M	-4.1%	6.7% (-50 bps)
Industrial	\$25.1M	-8.1%	3.3% (-70 bps)
Petroleum & Chem.	\$23.7M	-25.2%	3.7% (+30 bps)
Non-allocated Corporate Items	\$18.3M		

Portfolio Continues to Evolve in Alignment With Strategy

Segment Operating Profit (TTM)^{1,2}



Restructuring & Investments

- 2015 Formal Restructuring Program
 - Final savings estimate of \$260-\$270M
 - Final cost estimate of \$390-\$400M
 - Final cash costs/savings are \$225M/\$235M
- Previously Announced FY17 Strategic Investments of \$30M
 - Focused on systems, tools, & strategy implementation
 - Q2 impact of approximately \$0.05 EPS

Strategic Investments to
Enhance Our Capabilities



Capital Allocation

- \$500M Share Buy-Back Authorization Over 3 Years
 - Repurchased 3.4M shares in FY16 (\$153M)
 - Repurchased 600K shares in FY17Q1 (\$30M)
 - Continued measured approach to remaining \$317M
- Board Approval to Implement Dividend Program
 - Inaugural dividend of \$0.15 announced January 19, 2017
- Recent Aquenta Acquisition and ION Investments
 - Supporting profitable growth agenda

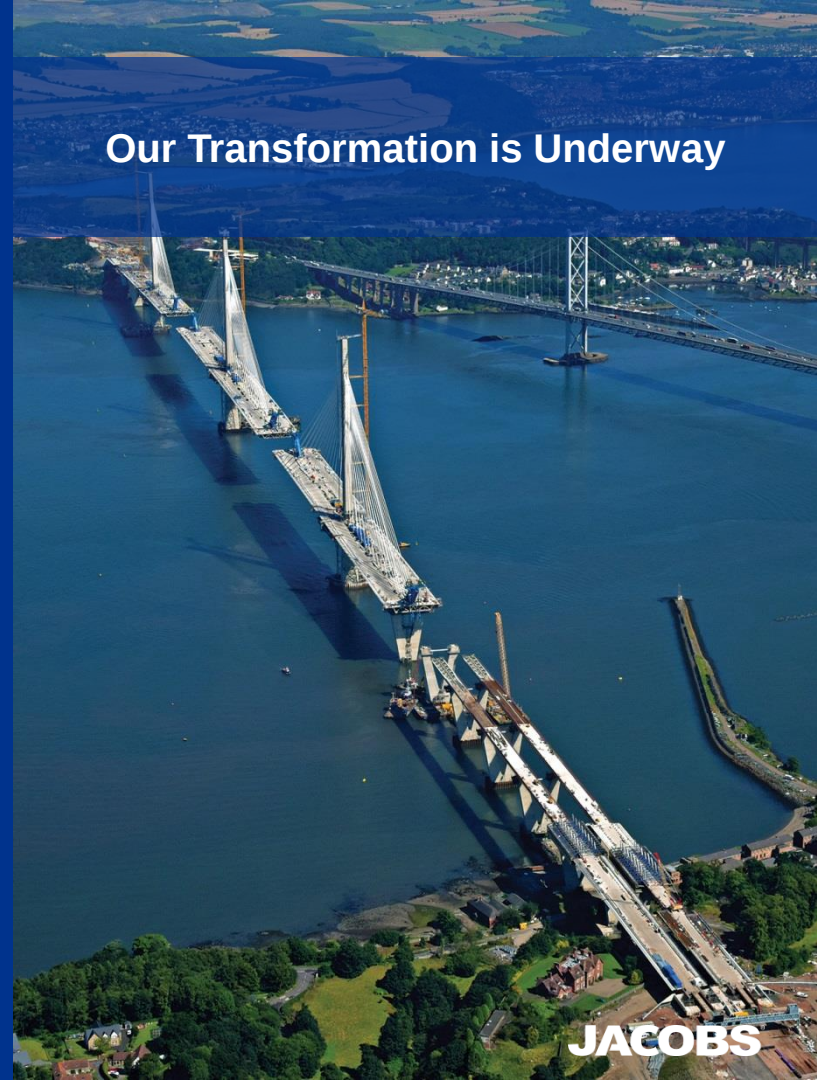
Balanced Use of Cash to Support
Growth & Enhance Shareholder Value



Summary

- Continued Stable FY17 Outlook Projected
 - Stronger underlying operational performance
 - No change to adj. EPS guidance
- Margin & Cash Flow Improvements Continue
- One-time Strategic Investments Continue in Q2
- Pivot to Growth Building Optimism for 2018+ Momentum
- Executing Against 3-Year Strategy

Our Transformation is Underway



Thank You!

Non-US GAAP Financial Measures

The following table reconciles, for Q1FY17, the non-GAAP financial measures of adjusted EPS, adjusted selling general & administrative (“G&A”) expenses and adjusted operating profit to the most directly comparable U.S. GAAP financial measures of net earnings attributable to Jacobs, diluted EPS, G&A expenses and operating profit, respectively. For the comparable period presented below, such adjustments consist of amounts incurred in connection with the 2015 Restructuring. Amounts are shown in thousands, except for per share data.

	Three Months Ended		
	January 1, 2016		
	U.S. GAAP	Effects of 2015 Restructuring	Without 2015 Restructuring
Selling, general and administrative expenses	\$ 330,684	\$ (31,741)	\$ 298,943
Operating Profit	\$ 88,628	\$ (31,741)	\$ 120,369
Earnings Before Taxes	\$ 85,880	\$ (31,741)	\$ 117,621
Income Tax Benefit (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

Non-US GAAP Financial Measures (cont'd)

- Adjusted earnings and adjusted EPS are non-GAAP financial measures that are calculated by excluding the after-tax costs related to certain restructuring activities that began in fiscal year 2015 (the “2015 Restructuring”), which are not considered by management to be part of the Company’s ordinary operations. Adjusted G&A expense and adjusted operating profit are calculated by excluding the pre-tax costs related to the 2015 Restructuring. We believe that the adjusted EPS, adjusted G&A expense and adjusted operating profit measures 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 2015 Restructuring, which can obscure underlying trends. Additionally, management uses adjusted net earnings, adjusted EPS, adjusted G&A expenses and adjusted operating profit 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.